ORDINANCE NO. 740

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD, WASHINGTON, AMENDING TITLE 3 OF THE LAKEWOOD MUNICIPAL CODE, ADDING CHAPTER 3.39 LAKE MANAGEMENT DISTRICTS WHICH ESTABLISHES THE PROCESS TO BE USED TO COLLECT ASSESSMENTS; ASSESS PENALTIES AND INTEREST ON UNPAID ASSESSMENTS; AND IMPOSE LIENS ON PROPERTIES WITH UNPAID ASSESSMENTS FOR LAKE MANAGEMENT DISTRICTS.

WHEREAS, in June 2019, the City Council created Lake Management District Number 1 for American Lake to provide ongoing aquatic vegetation management, community education, and other related projects in Lakewood Ordinance No. 712; and

WHEREAS, in July 2019, the City Council confirmed and approved the Special Assessment Roll for Lake Management District Number 1 – American Lake; and

WHEREAS, pursuant to RCW 36.61.200 Special assessments—Payment period—Interest and penalty, the City shall establish by ordinance an amount of interest that will be imposed on late special assessments imposed annually or at once, and on installments of a special assessment. The ordinance shall also specify the penalty, in addition to the interest, that will be imposed on a late annual special assessment, special assessment, or installment which shall not be less than five percent of the delinquent special assessment or installment; and

WHEREAS, pursuant to RCW 36.61.230, assessments "shall be a lien upon the property assessed from the time the special assessment roll is placed in the hands of the county treasurer for collection, but as between the grantor and grantee, or vendor and vendee of any real property, when there is no express agreement as to payment of the special assessments against the real property, the lien of such special assessments shall attach thirty days after the filing of the diagram or print and the estimated cost and expense of such lake or beach improvement or maintenance activities to be borne by each lot, tract, parcel of land, or other property, as provided in RCW 36.61.220. Interest and penalty shall be included in and shall be a part of the special assessment lien"; and

WHEREAS, the City may establish other Lake Management Districts and wants to create a uniform process by which it will collect assessments; assess penalties and interest on unpaid assessments; and impose liens on properties with unpaid assessments for Lake Management Districts.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD DO ORDAIN AS FOLLOWS:

Section 1. That Chapter 3.39 Lake Management Districts be adopted as follows:

<u>03.39.010 – Purpose.</u>

The purpose of this Chapter is to create a uniform process by which the City will collect assessments; assess penalties and interest on unpaid assessments; and impose liens on properties with unpaid assessments for Lake Management Districts.

<u>03.39.020 – Authority.</u>

The City may establish Lake Management Districts pursuant to Chapter 36.61 <u>RCW. The City elects to exercise all lawful powers necessary and appropriate to collect</u> <u>assessments; assess penalties and interest on unpaid assessments; and impose liens on</u> <u>properties with unpaid assessments for Lake Management Districts.</u>

03.39.030 – Assessment Fees.

<u>The City shall apply assessment fees to properties as specified in Special</u> <u>Assessment Rolls confirmed and approved by the City Council for Lake Management</u> <u>Districts.</u>

03.39.040 - Deposit of Funds.

Lake Management District funds received shall be deposited in the fund designated by the City Manager or designee for the particular Lake Management District.

03.39.050 - Authorization for Administrative Procedures.

The City Manager or designee is hereby authorized and directed to establish all administrative procedures necessary to implement the provisions of this Chapter.

03.39.060 - Lien for Delinquent Charges and Foreclosures.

- A. <u>The City shall place a lien on any parcel with a delinquent assessment fee,</u> <u>including interest thereon. Such liens shall be effective and shall be enforced and</u> <u>foreclosed in the same manner as provided for sewerage liens of cities and towns</u> <u>by RCW 35.67.200 through 35.67.290, except that, alternatively, the service charge</u> <u>lien shall be effective for a total not to exceed one year's delinquent service charges</u> <u>without the necessity of any writing or recording of the lien with the Pierce County</u> <u>Auditor.</u>
- B. Delinquent service charges shall bear interest provided in RCW 35.67.200 at the rate of eight percent (8%) per annum, or such rate as may hereafter be authorized by law, computed on a monthly basis from the date of delinquency until paid.
 Interest shall be calculated at the rate in effect at the time of payment of the charges regardless of when the charges were first delinquent.

03.39.070 - Overpayment Refund Requests.

Any person may request the refund of service charge overpayment(s) by doing so in writing to the City Manager or designee. The basis of the request explaining the nature of the overpayment should be clearly stated. The City Manager or designee shall investigate the overpayment to have occurred. The City Manager or designee will use best efforts within sixty (60) days of receipt of the request. The City Manager or designee shall specify in the written decision the basis for authorizing or denying the refund request. No refund may be authorized for overpayment paid or levied more than two (2) years prior to the date the written request is received.

03.39.080 - Administrative Refunds or Adjustments.

The City Manager or designee may authorize in writing, a refund, credit, or adjustment of any amounts when he/she determines that an error, miscalculation, or mistake has occurred. The nature of the error, miscalculation, or mistake should be documented together with the steps taken to prevent future occurrences. No refunds, credits or service charge adjustments may be authorized pursuant to this Section unless brought to the attention of the City Manager or designee within two (2) years of the occurrence of the error, miscalculation or mistake.

03.39.090 - Amount of Refund Limited.

In any instance where a refund or credit is authorized by the City Manager or designee, the amount shall not include any interest.

<u>03.39.100 – Appeals.</u>

Any decision of the City Manager or designee made pursuant to this Chapter may be appealed to the City of Lakewood Hearing Examiner upon payment of the fees and pursuant to chapter 1.36 LMC.

<u>Section 2. Severability.</u> If any section, sentence, clause or phrase of this resolution should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this resolution.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of the resolution is hereby ratified and affirmed.

<u>Section 4. Effective Date</u>. This ordinance shall be effective five days after passage by the Lakewood City Council.

ADOPTED by the City Council this 20th day of July, 2020.

Attest:

CITY OF LAKEWOOD Ners

Don Anderson, Mayor

Bulana Schumachen Briana Schumacher, City Clerk

Approved as to Form:

Heidi Ann Wachter, City Attor