

**FORMATION OF A**  
**LOCAL IMPROVEMENT DISTRICT**

A Local Improvement District (LID) is a very effective way for property owners, neighborhoods and the City to work together to construct and pay for capital improvements benefiting you and the community. LIDs are for improvements such as street, drainage, water, sewer and other community/neighborhood type projects, with the specially benefited properties paying for the improvements and the City providing expertise and assistance to help you improve and upgrade your area. The State law requires certain procedures be followed, which are outlined below:

1. Property owners must submit a petition to the City Clerk, using the attached format, defining the project that is desired. Please feel free to make as many copies as you need for signatures. The petition should indicate a comprehensive project to meet the needs of you and your neighbors. That is to say the City would not consider a street paving project for only a few houses as it would be very costly, which is obviously an extreme example. The petition must be signed by at least 51% by legal property owners of the area of land within the limits of the local district to be created; RCW 36.94.230. The City Clerk will forward the petition to the Public Works Department, which will determine the sufficiency of the petition. A certificate of sufficiency is a check of the property owners of record to assure that only the owners sign the petition.
2. After completion of the certificate of sufficiency, the Public Works Department will prepare an agenda item for City Council approval, recommending the selection of an engineering firm to properly design the project. The City Council formally accepts the petition and approves the hiring of the design engineer.
3. The engineer will develop a preliminary design and cost estimate, including the costs to be assessed against each property in the LID area. There may be neighbors considered for the LID who did not sign the petition but who, for obvious reasons, should be a part of the LID.
4. With the information developed by the engineer, the City Council will hold a public hearing to consider the support and need for the project and to address the formal enactment of the LID, including the LID boundaries and preliminary assessments. The petitioners will be advised of the public hearing and preliminary project costs, so all the affected parties can express their support/objections. The assessed costs are preliminary only and for informational purposes only since the actual assessment will occur only after the project is complete and all actual costs are known. At the conclusion of the public hearing, the City Council will make its decision to approve or deny the formation of the LID.
5. With the formation of the LID, the engineer will be directed to continue his work effort to finalize the design. The project will be bid as required by State law, which again requires Council approval. Construction should be complete, based upon scope of work and time of year, within an 18 month period after contract award and issuance of a notice to proceed.

6. Upon construction completion, the City, using its normally low interest rate financing, will issue a bond to cover the project costs. This and all other costs associated with the project (including engineering, legal, etc.) will be totaled and your individual assessment will be determined based upon the pro-rata share.
7. The Finance Department will advise you of your assessed amount and your options to pay your assessment. The total amount may be paid in whole or in part within 30 days with no interest, and the remainder shall be paid in annual installments with interest on the unpaid balance over a period of time as determined by the City Council (usually 10 to 15 years).

The City Engineer (842-2016) will be aware of the status of the project, and would welcome your questions at any time.

**PETITION FOR FORMATION OF A LOCAL IMPROVEMENT DISTRICT**

TO: Director of Public Works  
City of Bainbridge Island  
280 Madison Avenue N.  
Bainbridge Island, Washington 98110

We, the undersigned, being the owners according to the records of the Kitsap County Auditor of a majority of the area of the property described in Exhibit A attached hereto and by this reference incorporated herein, petition the City Council of the City of Bainbridge Island, Washington ("City"), to form a local improvement district for the purposes of # \_\_\_\_\_ # and conducting related work necessary to make a complete improvement in accordance with City standards.

The improvements shall be paid for under the mode of "payment by bonds" by means of special assessments against the properties specially benefited by and included within the boundaries of the local improvement district. Actual assessments levied in the local improvement district may vary from estimated assessments as long as they do not exceed a figure equal to the increased true and fair value the improvements add to the property.

The portion of the area within the proposed local improvement district owned by the petitioners is \_\_\_\_\_ percent.

This document is one of a number of like documents, all of which together constitute the Petition for Formation of a Local Improvement District.

<u>*OWNER'S SIGNATURE</u> (Husband and Wife)	<u>PRINTED NAME</u>	<u>ADDRESS &amp; LEGAL DESCRIPTION</u>	<u>DATE SIGNED</u>
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____

WARNING: Every person who signs this petition with any other than his true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election

when he is not a legal voter, or signs a petition when he is otherwise not qualified to sign, or who makes herein any false statement, shall be guilty of a misdemeanor.

\*See copy of RCW 35A.01.040(9) attached to this petition.

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