


MEMORANDUM

DATE: December 3, 2025

TO: Ryan Phelan, Engineering & Construction Manager, Midway Sewer District (MSD)

CC: Marc Montieth, GM, MSD & Pam Cobleby and Leily Mojarab, PE, PACE Engineers, Inc.

FROM: H. Peter Paulsen, PE, PACE Engineers, Inc. 

SUBJECT: Treatment of Adjacent Parcels as a Single Benefited Property for ULID No. 50 Assessment Purposes

Purpose:

The purpose of this memorandum is to outline the recommended approach for documenting and assessing situations in which two adjacent tax parcels function as a single benefited property for purposes of the Utility Local Improvement District (ULID) No. 50 assessment.

Background:

ULID assessments are generally levied on “specially benefited properties,” which, by default, means each tax lot parcel constitutes its own assessable unit unless an exception is formally established.

Within ULID No. 50, there are four instances in which two adjacent parcels are under common ownership and together essentially function as a single residential lot. In each of these cases, a single-family residence occupies the primary, larger parcel, while the adjoining parcel is either exceedingly small and/or contains only a stand-alone garage.

The adjoining parcels (parcel w/ residence & adjacent vacant parcel or parcel with garage), along with addresses, and ULID Lot Numbers, are as follows:

<u>Address</u>	<u>ULID Lot No.</u>	<u>PN (residence)</u>	<u>Adjacent PN (& size in sq-ft.)</u>	
18834 4TH AVE S.	35	322304-9155	322304-9018	740-sq-ft.
18920 4TH AVE S.	55	322304-9202	322304-9080	1,500-sq-ft.
627 S. 189TH ST	84	278140-0140	278140-0151	2,835-sq-ft.
639 S. 189TH ST	85	278140-0160	278140-0150	5,597-sq-ft.

It should be noted that the adjacent parcels for ULID Lots 35 and 55 are too small to realistically be buildable lots. In addition, a review of the latest deed for ULID Lot No. 55 indicates that both parcels were sold as part of a single transaction. Furthermore, the latest statutory warranty deeds for ULID Lot 84 and Lot 85 also show that both parcels (residence and the adjacent parcel) were

sold as part of the same transaction and indicate that a single legal description was used for both parcels that together comprise a single residential lot.

Based on the above, only one side sewer connection and one assessment, assigned to the parcel containing the residence, is proposed for ULID Lots 35, 55, 84 and 85. Each pair of adjacent parcels is therefore treated as a single benefited property.

Because the intent is to levy only one assessment for two adjacent parcels, it is essential that the basis for this treatment be clearly documented in the ULID records. For the cases described above, applying a single assessment is appropriate, and the proposed benefit and assessment allocations are, in our opinion, consistent. The recommended documentation approach is outlined below.

Another special case exists that involves one largely undeveloped parcel that is adjacent to another parcel under the same ownership. The undeveloped parcel contains only sheds and small outbuildings, while a single-family residence on the adjoining parcel (ULID Lot No. 72 - 18823 8th AVE S.) is already served by an existing side sewer. In this scenario, the sewered parcel is appropriately excluded from the ULID boundary, but the adjacent, largely vacant parcel is included in the ULID and receives one assessment.

Recommended Documentation Approach:

1. Identification of Combined Parcels in ULID Records

When two adjacent parcels constitute a single ULID lot, the ULID formation documents and related records should clearly indicate that one assessment applies to the combined parcels. At this stage of the ULID process, a note has been added to the ULID Exhibit Map identifying the specific adjacent parcels treated as a single benefited property.

2. Notation in Preliminary and Final Assessment Rolls

Going forward, notes should be added to the preliminary and final assessment rolls to identify each affected pair of adjoining parcels and to clarify that these parcels function as a single benefited property.

Suggested language and description for all four (4) pair of adjacent parcels is as follows:

ULID Lot 35:

ULID Lot 35 consists of Parcels 322304-9155 and 322304-9018. Both parcels are under common ownership and function as a single residential ULID Lot with one existing residence and one (proposed) side-sewer connection. These parcels receive a single special benefit from the ULID improvements; accordingly, a single assessment is assigned to Parcel 322304-9155, with Parcel 322304-9018 identified as part of the same benefited property.

ULID Lot 55:

ULID Lot 55 consists of Parcels 322304-9202 and 322304-9080. Both parcels are under common ownership and function as a single residential ULID Lot with one

existing residence and one (proposed) side-sewer connection. These parcels receive a single special benefit from the ULID improvements; accordingly, a single assessment is assigned to Parcel 322304-9202, with Parcel 322304-9080 identified as part of the same benefited property.

ULID Lot 84:

ULID Lot 84 consists of Parcels 278140-0140 and 278140-0151. Both parcels are under common ownership and function as a single residential ULID Lot with one existing residence and one (proposed) side-sewer connection. These parcels receive a single special benefit from the ULID improvements; accordingly, a single assessment is assigned to Parcel 278140-0140, with Parcel 278140-0151 identified as part of the same benefited property.

ULID Lot 85:

ULID Lot 85 consists of Parcels 278140-0160 and 278140-0150. Both parcels are under common ownership and function as a single residential ULID Lot with one existing residence and one (proposed) side-sewer connection. These parcels receive a single special benefit from the ULID improvements; accordingly, a single assessment is assigned to Parcel 278140-0160, with Parcel 278140-0150 identified as part of the same benefited property.

3. Board Action During Adoption of Assessment Roll

When adopting the ULID assessment roll, the Board should include a statement clarifying that adjacent parcels functioning as a single residential lot are treated as one benefited property and therefore receive only one assessment for the shared planned connection.

4. Future Development of Secondary Parcels

The ULID documentation and assessment rolls should also include a provision stating that the secondary parcel, i.e., the parcels not initially receiving an assessment (PNs 322304-9018, 322304-9080, 278140-0151, and 278140-0150) will be subject to an additional assessment if later developed. This provision should also address the possibility that currently unbuildable small parcels could be enlarged through a boundary line adjustment to create a buildable lot.

Conclusion:

The above approach helps to ensure transparency, consistency, and defensibility in the ULID assessment process for properties composed of adjacent parcels functioning as a single residential unit. It also provides a clear mechanism for assigning additional assessments should future development occur on currently unassessed parcels.