

URBAN GROWTH AREA MANAGEMENT AGREEMENT

A COMPONENT OF THE CITY OF WALLA WALLA AND WALLA WALLA COUNTY COMPREHENSIVE PLAN IMPLEMENTATION PROGRAM

THIS AGREEMENT is made and entered into on this 8th day of March, 1999 by and between the City of Walla Walla, a municipal corporation of the State of Washington (hereinafter referred to as "City"), and the County of Walla Walla (hereinafter referred to as "County").

WHEREAS, the City and County have entered into a joint agreement by adopting the Walla Walla County Countywide Planning Policies (CWPP's) dated November 30, 1993 wherein the City and County have agreed to policies relative to annexation; and

WHEREAS, the City and County wish to establish a framework for ongoing and consistent responses to future annexations of significant developed commercial and/or industrial properties; and

WHEREAS, the City and County have determined that annexation of significant developed commercial and/or industrial land is likely to have a negative economic impact upon the County, thus necessitating a mutual funding arrangement to mitigate such impact to the County; and

WHEREAS, the City and County have established a formula that will equitably compensate the County for revenue and capital facility expenditures lost because of annexation, and will compensate the City for any obligation to provide services to the annexed area; and

WHEREAS, the City and County recognize the need for communication and coordination regarding proposed annexations; and

WHEREAS, the City and County each possess authority to enter into this Agreement under Chapter 39.34 RCW; and

WHEREAS, the City and County, have adopted the Walla Walla Urban Area Comprehensive Plan which designates the Urbanizable Area and establishes policies for development standards, NOW, THEREFORE,

IN CONSIDERATION of the mutual benefits received, and for the purpose of advancing the goals and policies of the CWPP's and the Walla Walla Urban Area Comprehensive Plan, the City and the County do hereby agree as follows:

REVENUE RAMPING

Section 1 Compensation Formulation: The City and County agree to share in the net revenues for annexations of significant developed commercial and/or industrial land. In those cases, net revenues will be computed and shared on the following basis:

A. The following formula compensates the County for revenue lost within the annexed area as a result of annexation:

$$\begin{aligned} \text{1st year} & \quad 1.0 \{(\text{CST} + \text{CPT}) - .55(\text{CST} + \text{CPT})\} = \\ \text{2nd year} & \quad .80 \{(\text{CST} + \text{CPT}) - .60(\text{CST} + \text{CPT})\} = \\ \text{3rd year} & \quad .60 \{(\text{CST} + \text{CPT}) - .65(\text{CST} + \text{CPT})\} = \\ \text{4th year} & \quad .40 \{(\text{CST} + \text{CPT}) - .65(\text{CST} + \text{CPT})\} = \\ \text{5th year} & \quad .20 \{(\text{CST} + \text{CPT}) - .65(\text{CST} + \text{CPT})\} = \end{aligned}$$

CST = City Sales Tax (See definition in Section 13)

CPT = City Property Tax (See definition in Section 13)

B. The first payment from the City to the County shall be due and payable 30 days after the City receives its first property tax disbursement, after annexation, for the subject property. Subsequent payments are due and payable within 30 days of the second, third, fourth, and fifth annual property tax disbursements. It is agreed that upon completion of payments as scheduled, each party will have been fairly, fully, and adequately compensated for their respective annexation impacts.

Section 2 Designation of Properties Subject to Agreement: Properties subject to the Revenue Ramping provisions are located upon land highlighted on the map labeled as *Attachment I*. To be subject to Revenue Ramping, they must fall into at least one of the two following categories:

A. Properties containing significant commercial or industrial businesses which are in operation as of the effective date of this Agreement.

B. Properties containing significant commercial or industrial businesses which come into operation after the effective date of this Agreement and which have been in continuous operation for at least five (5) years prior to the effective date of annexation of the property upon which the business is located.

The County Planning Director shall provide written notice to the City whenever commercial or industrial buildings covered by this agreement are constructed. The five year period shall be measured from the date of receipt of the notice.

Section 3 Continuation of Maintenance: The County agrees to continue to perform routine maintenance of County infrastructure and similar public facilities within the annexation area until the effective date of the annexation of any particular area.

Section 4 Annexation of Adjacent Streets and Roads: The City and County agree that streets and roads internal or abutting the private land to be annexed shall be made part of the annexation unless otherwise agreed upon by both City and County.

Section 5 Early Notice and Collaboration: The City agrees that prior to acting on a petition for annexation, it will notify the county of said petition. The County agrees to participate in development of public information on issues relative to annexations for the purpose of providing information to interested and potentially affected residents and property owners. City and County representatives will meet, jointly if possible, with interested and affected residents and property owners.

Section 6 Boundary Review Board Review: The County will not invoke jurisdiction of the Boundary Review Board for annexations and utility extensions within the City's Urban Growth Area which comply with state statutes and the policies of the Urban Area Comprehensive Plan.

URBAN GROWTH AREA UTILITIES AND DEVELOPMENT PATTERNS

Section 7 Urban Growth Area Development: The City and County agree that organized urban development of the Urban Growth Area (UGA) with full utilities and City approved streets and related improvements is in conformance with and required by the Countywide Planning Policies and the Urban Area Comprehensive Plan. In recognition of the City investment in UGA utilities discussed below, the County agrees to limit development of the UGA to that provided for in the Urban Area Comprehensive Plan, Land Use Policies, most particularly Policies: LU-1, thru LU-4; LU-23 & 24; LU-26 thru 32; and LU-39 thru 44.

Section 8 Urban Growth Area Utility Study: The City has entered into a contract to conduct a study of the UGA to determine basic design and costs to extend water and wastewater trunk mains into the UGA. The study will recommend priority areas for water and wastewater systems within the UGA. It will also design water and wastewater trunk mains, pump stations, and related utility facilities necessary to provide trunk-level utility service to the selected residential development area of the UGA. It is anticipated that said study will be completed within 120 days of execution of this document.

Section 9 City Extension of Utility Trunk Mains: Subject to budgetary allocation, the City will select one or more of the Trunk Main Service Areas and construct the water and wastewater trunk mains and related utility facilities which will enable development to be served by urban utilities.

Section 10 Development in Trunk Main Service Areas: Subdivision and short platting within Trunk Main Service Areas will be required by the City and the County to:

- A. Develop in conformance with the applicable City of Walla Walla pre-zone standards;
- B. Construct City approved streets and related public fixtures;
- C. Install City standard water and wastewater systems within the development;
- D. Construct off-site service mains as necessary to connect all developed property to the City installed trunk mains.
- E. Commit the property to annexation by executing and recording appropriate documents.

Such development will also reimburse the City for a proportionate share of the cost of the trunk mains to which it is connected based on a published reimbursement cost schedule.

Section 11 Renegotiation if City Cannot Extend Utilities: If the study indicates that utility extension is economically unfeasible, or if the City is unable to pursue the first round of utility extensions called for in the study by December 31, 2001, the City and the County will renegotiate this Agreement. The intent of this renegotiation will be to agree on alternative implementation measures which will allow development of the UGA within the mandates of the Growth Management Act and the Comprehensive Plan.

If the first round of utility extensions is undertaken by December 31, 2001, this condition of the Agreement will be satisfied, and the Agreement will be in full force and effect on an ongoing basis.

Section 12 Development Outside of Trunk Main Service Areas Permitted Under Specific Conditions: Subdivision and short platting within the Urban Growth Area, outside of Trunk Main Service Areas is permitted by this Agreement under the following conditions:

- A. Short Platting in conformance with Policy LU-2 of the Urban Area Comprehensive Plan.
- B. Short Platting or Subdivision Platting which:
 - 1. Develops in conformance with the applicable City of Walla Walla pre-zone standards.

2. Constructs City approved streets and related public fixtures.
3. Installs City standard water, wastewater, and storm drain systems within the development.
4. Constructs off-site mains, trunk mains, pump stations, and all other utility facilities as necessary to connect to the existing City utility system, at the developer's expense regardless of location of the existing City utilities or the distance separating the development and those existing utilities.
5. Commit the property to annexation by executing and recording appropriate documents.

C. The County shall require all development in the UGA to conform to Urban Area Comprehensive Plan Policies to have full city utility service and city approved streets regardless of whether or not the development occurs in an area served by city installed trunk mains.

GENERAL PROVISIONS

Section 13 Definitions:

The term **Development** within the Urban Growth Area as used in this document means; short platting, subdivision long platting, binding site plan, and all other land division procedures; and all structures constructed thereon, and construction on existing lots and properties within the UGA.

The designator **CST** used in the formulas in Section 1-A stands for City Sales Tax. City Sales Tax in this agreement is the portion of sales tax which transfers from the County to the City due to the annexation of a business which collects sales tax. The amount entered in the formula for the five year calculation is determined using the sales tax collected by the business in the last full tax year prior to the annexation.

The designator **CPT** used in the formulas in Section 1-A stands for City Property Tax. City Property Tax in this agreement is the amount of property tax which the County will no longer receive due to the annexation of property paying property tax. This is primarily the Rural Road Levy. CPT will be the assessed value (at the time of annexation) times the current Rural Road Levy rate, but in no case greater than 60% of the assessed value times the City's property tax rate.

Section 14 Administration: The Walla Walla Public Works Director and the Walla Walla County Planning Director, under direction of the City Manager and the Board of County Commissioners, respectively, are jointly designated as responsible for implementing this Agreement.

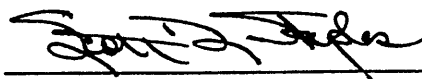
Section 15 Comprehensive Plan Consistency: As an implementing provision of the Walla Walla Urban Area Comprehensive Plan, this document shall be periodically reviewed by the planning staff of both City and County to verify consistency with the Plan. If modifications are determined to be necessary, a joint recommendation shall be prepared for presentation to the City Council and the County Commissioners for further consideration.

Section 16 Amendment, Renewal and Termination: The term of this Agreement shall be for five (5) years from the effective date hereof and shall automatically be renewed for subsequent five (5) year terms until the year 2015 unless one of the following actions is taken:

- A. The City and County may agree anytime in writing to revise or terminate this Agreement. Revision or termination will need to address the requirements of the Walla Walla Urban Area Comprehensive Plan, specifically LU-1.
- B. Second, no fewer than 90 days before the automatic renewal date, either party may notify the other in writing of its desire to revise or terminate the Agreement. Such written notice shall trigger good faith negotiations in an effort to revise and renew the Agreement. If, after such negotiations, agreement cannot be reached, the Agreement shall expire at the end of its five-year term. If the Agreement expires, any compensation program previously triggered by the Agreement shall also expire.

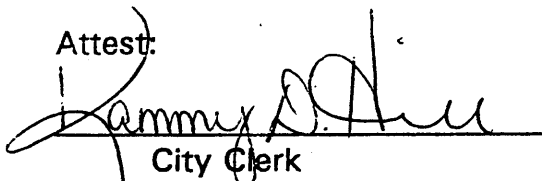
IN WITNESS WHEREOF, the parties have executed this agreement on the day and year above written.

CITY OF WALLA WALLA



City Manager

Attest:



City Clerk

Approved:

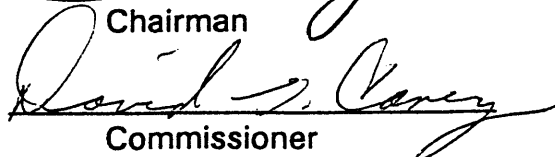


City Attorney

COUNTY OF WALLA WALLA



Chairman



Commissioner

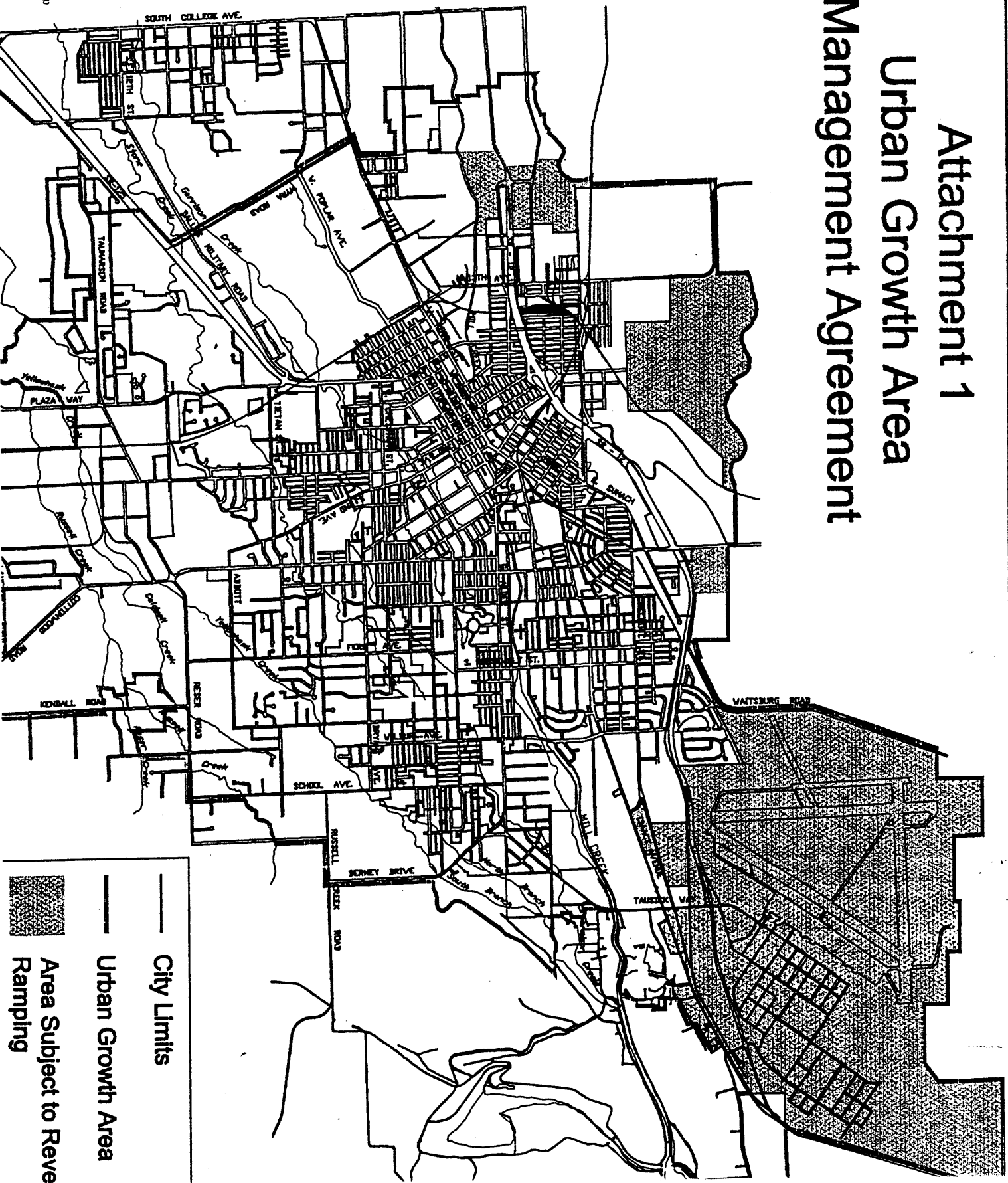
Charles A. Mendon
Commissioner

Attest:

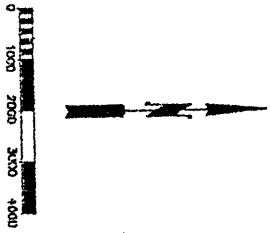
Connie R. Vinti
Clerk of the Board

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Dec 9, 1998

Attachment 1 Urban Growth Area Management Agreement



- City Limits
- ▨ Urban Growth Area
- ▩ Area Subject to Revegetation



BOARD OF COUNTY COMMISSIONERS
WALLA WALLA COUNTY, WASHINGTON

IN THE MATTER OF
APPROVING AN AMENDED
URBAN GROWTH AREA
MANAGEMENT AGREEMENT
BETWEEN WALLA WALLA
COUNTY AND THE CITY OF
WALLA WALLA

RESOLUTION NO. 99 082

WHEREAS, RCW Chapter 39.34 authorizes local governmental units to enter into agreements; and

WHEREAS, pursuant to Walla Walla County resolution 99 039, Walla Walla County approved an Urban Growth Area Management Agreement as a component of the City of Walla Walla and Walla Walla County Comprehensive Plan Implementation Program, and

WHEREAS, a typographical error was discovered in the originally executed Agreement, and

WHEREAS, an amended Agreement correcting said error has been executed by the City of Walla Walla and offered to Walla Walla County for approval and execution; now therefore

BE IT RESOLVED by this Board of Walla Walla County Commissioners that they do hereby approve said Urban Growth Area Management Agreement, as amended.

Done this 8th day of March, 19 99

Attest: Connie R. Vinti
Clerk of the Board.

[Signature] Chairman
David S. Cory Commissioner
Charles A. Maiden Commissioner

Constituting the Board of County Commissioners
of Walla Walla County, Washington.

RESOLUTION NO. 99-15

A RESOLUTION AUTHORIZING THE CITY MANAGER AND THE CITY CLERK OF THE CITY OF WALLA WALLA TO EXECUTE AN AGREEMENT WITH THE COUNTY OF WALLA WALLA PERTAINING TO THE DISBURSEMENT OF CERTAIN TAX REVENUES DERIVED FROM ANNEXED AREAS CONTAINED IN THE URBAN GROWTH AREA

WHEREAS, the City of Walla Walla recommended designation of an interim urban growth area to the County of Walla Walla by Walla Walla Municipal Resolution 96-72 passed on December 4, 1996; and

WHEREAS, the County of Walla Walla has designated urban growth areas for the County of Walla Walla; and

WHEREAS, the City of Walla Walla and the County of Walla Walla desire to enter into an interlocal agreement for the continued implementation of the Washington Growth Management Act and distribution of certain tax revenues derived from annexed areas contained within the urban growth area; and

WHEREAS, the Walla Walla City Council has considered said agreement during a regularly and duly called public meeting of said Council, has given said agreement careful review and consideration, and finds that good government and the best interests of the City of Walla Walla will be served by the execution of said agreement,

NOW THEREFORE, the City Council of the City of Walla Walla do resolve as follows:

Section 1: The terms of a certain interlocal agreement with the County of Walla Walla entitled URBAN GROWTH AREA MANAGEMENT AGREEMENT - A COMPONENT OF THE CITY OF WALLA WALLA AND WALLA WALLA COUNTY COMPREHENSIVE PLAN IMPLEMENTATION PROGRAM, involving implementation of the Washington Growth Management Act, are hereby accepted on behalf of the City of Walla Walla with the following amendment to Paragraph A of Section 1 of the agreement:

A. The following formula compensates the County for revenue lost within the annexed area as a result of annexation:

1st year	$1.0 \{(CST + CPT) - .55(CST + CPT)\} =$
2nd year	$.80 \{(CST + CPT) - .60(CST + CPT)\} =$

3rd year .60 {(CST + CPT) - .65(CST + CPT)} =
4th year .40 {(CST + CPT) - .65(CST + CPT)} =
5th year .20 {(CST + CPT) - .65(CST + CPT)} =

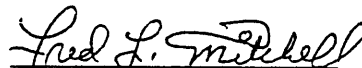
CST = City Sales Tax (See definition in Section 13)

CPT = City Property Tax (See definition in Section 13)

The City Manager of the City of Walla Walla is hereby authorized, empowered and directed to execute said agreement, as amended, on behalf of the City of Walla Walla.

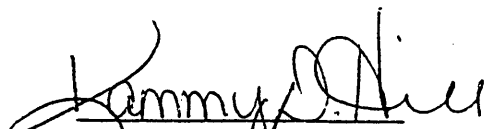
Section 2: The City Clerk is hereby authorized and directed to attest said agreement and to attach to each duplicate thereof a copy of this Resolution, and the City Clerk is also hereby directed to file a copy of the fully executed agreement and this resolution as may be required by law, prior to its entry in force.

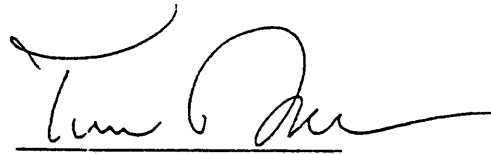
PASSED by the City Council of the City of Walla Walla, Washington, this 24th
day of February, 1999


Mayor

Attest:

Approved as to form


City Clerk


City Attorney