

**10781**

September 15, 1999  
SO:lh  
Issmps-mot99

Introduced By:

Rob McKenna

Proposed No.:

1999-0529

1

2

MOTION NO. **10781**

3

4

5

6

A MOTION authorizing the county executive to execute an interlocal agreement with the city of Issaquah for reciprocal collection of transportation impact fees, under the Interlocal Cooperation Act.

7

8

9

WHEREAS, RCW. 82.02.050 through 82.02.100 authorize counties and cities to impose impact fees on development activities as part of the financing for public facilities, including transportation facilities, and

10

11

12

13

WHEREAS, King County and the city of Issaquah have each adopted a comprehensive plan meeting the standards of the Growth Management Act, chapter 36.70A RCW, and have each adopted a transportation impact fee system that meets the standards of RCW 82.02.050 through 82.02.100, and

14

15

16

WHEREAS, developments in the unincorporated areas of the county may have an impact on city transportation facilities, and developments in the city may have an impact on transportation facilities in the unincorporated areas of the county-, and

17

18

WHEREAS, developments should pay a proportionate share of the cost of transportation facilities needed to serve new growth and development, and

19

20

WHEREAS, both the county's and the city's transportation impact fee systems allow for collection of fees for development traffic impacts on the other party's

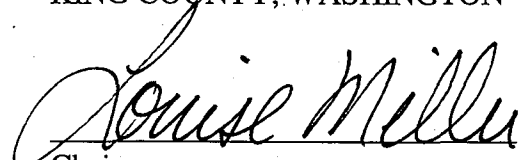
1 transportation facilities pursuant to an interlocal agreement, as authorized by chapter 39.34  
2 RCW;

3 NOW, THEREFORE BE IT MOVED by the Council of King County:

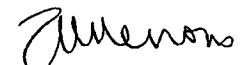
4 After council passage of Proposed Ordinance 1999-528, adopting a new Mitigation  
5 Payment System fee schedule, the county executive is authorized to execute an interlocal  
6 agreement, substantially in the form attached, with the city of Issaquah for the reciprocal  
7 collection of transportation impact fees.

8 PASSED by a vote of 12 to 0 this 27th day of September, 1999.

9 KING COUNTY COUNCIL  
10 KING COUNTY, WASHINGTON

  
Chair

11  
12  
13 ATTEST:

14   
15 Clerk of the Council

16 Attachments: Interlocal Agreement between King County and City of Issaquah

**An Interlocal Agreement between King County and  
the City of Issaquah for the Reciprocal Collection of  
Transportation Impact Fees**

**AUTHORITY**

THIS AGREEMENT is entered into pursuant to Chapter 39.34 RCW and RCW 82.02.050 through 82.02.100 between the City of Issaquah ("the City") and King County, a political subdivision of the State of Washington ("the County").

**RECITALS**

A. RCW 82.02.050 through 82.02.100 authorize counties and cities to impose impact fees on development activities as part of the financing for public facilities, including Transportation Facilities (as defined below).

B. The County and the City have each adopted a comprehensive plan meeting the standards of the Growth Management Act, Chapter 36.70A RCW, and have each adopted a transportation impact fee system that meets the standards of RCW 82.02.050 through 82.02.100.

C. The County's transportation impact fee system is referred to as its Mitigation Payment System ("MPS" or "the County System") and is codified at King County Code Chapters 14.65 and 14.75.

D. The City's transportation impact fee system ("the City System") is authorized by Issaquah Municipal Code Sections 18.15.010 through 18.15.120.

E. Developments in the unincorporated areas of the County may have an impact on City Transportation Facilities.

F. Developments in the City may have an impact on Transportation Facilities in the unincorporated areas of the County.

G. Developments should pay a proportionate share of the cost of Transportation Facilities needed to serve new growth and development.

H. Both the County and the City intend to collect fees for development traffic impacts on the other party's Transportation Facilities pursuant to an interlocal agreement.

I. The City and the County entered into a Master Transportation Financing Agreement dated June 10, 1996 ("MTFA") with the Sunset Interchange Foundation, the Grand Ridge Partnership, and the Glacier Ridge Partnership to coordinate, finance and construct certain transportation improvements ("the MTFA Improvements") in connection with the development of real property in the City owned by the Partnerships and referred to in the MTFA as "Grand Ridge." The MTFA Improvements are the Issaquah Bypass ("Bypass"), the South Plateau Access

3. Definitions. In addition to the definitions contained elsewhere in the text of this Agreement, the following definitions apply.

(a) **County-Collected Fees:** Transportation impact fees that the County collects in accordance with this Agreement from developments in unincorporated King County that have traffic impacts on selected City Transportation Facilities.

(b) **City-Collected Fees:** Transportation impact fees that the City collects in accordance with this Agreement from developments in the City that have traffic impacts on selected County Transportation Facilities.

(c) **City Project:** A growth-related (i) improvement on a City Transportation Facility or (ii) new City Transportation Facility, as described in the Capital Facilities Element of the City's Comprehensive Plan ("Plan") as adopted by Ordinance No. 2061, as such Plan may be updated from time to time, that the City proposes and the County selects for inclusion in the County's System pursuant to King County Code Chapters 14.65 and 14.75. The list of such City Projects is referred to as "the City Projects List".

(d) **County Project:** A growth-related (i) improvement on a County Transportation Facility or (ii) new County Transportation Facility, as described in the County MPS Project List, as such list may be updated from time to time, that the County proposes and the City selects for inclusion in the City's System pursuant to Issaquah Municipal Code Sections 18.15.010 through 18.15.120. The list of such County Projects is referred to as "the County Projects List".

(e) **Project Cost:** The estimated cost of constructing a County or City Project, including, but not limited to, the costs of design, right-of-way acquisition and construction.

(f) **Transportation Facilities:** Arterial roads, streets and intersections, sidewalks, curb and gutter, street and road lighting systems, and traffic signals. When they are part of a capacity improvement project, transit and high occupancy vehicle facilities and non-motorized facilities (i.e., for bicycles and pedestrians) are also included within the definition of Transportation Facilities.

4. City Responsibilities.

#### City Projects in the County System

(a) The City will give the County a list of proposed City Projects that meet the requirements for inclusion in the County System and that the City proposes for inclusion in the County System ("the Proposed City Projects List"). The initial Proposed City Projects List is an attachment (Exhibit A) to this Agreement.

(b) The City will update the Proposed City Projects List on a regular basis.

(l) The City will retain interest on City-Collected Fees while the revenues remain in the City's accounts. The City will not pay interest to the County on City-Collected Fees that are held prior to transfer.

(m) Administrative appeals of City-Collected Fees will be processed through the City System's appeal procedure.

(n) Refunds of City-Collected Fees will be made as follows:

(1) If a refund includes revenues that have not yet been transferred to the County, the refund (including interest) will be paid by the City out of such revenues and will be deducted from the revenues the City transfers to the County.

(2) If a refund includes revenues that have already been transferred to the County, the County will not be responsible to refund these monies to the City. Instead, the City will pay the refund (including interest) and will deduct a like amount from future amounts that would otherwise be transferred to the County.

(3) If revenues that have not been transferred to the County, or that can reasonably be expected to be collected in the future, will not be sufficient to cover all or part of a refund (including interest), such as, for example, in the event this Agreement is terminated pursuant to Section 10, the County will be responsible for the shortfall.

(4) Refunds that are ordered by a court shall be paid as described in Section 7.

(5) The City will promptly notify the County of any refunds the City makes and the effect of such refunds on revenues to be transferred to the County.

(o) The City will transfer the City-Collected Fees to the County quarterly, unless both parties agree to transfer said fees more or less frequently.

5. County Responsibilities.

County Projects in the City System

(a) The County will give the City a list of proposed County Projects that meet the requirements for inclusion in the City System and that the County proposes for inclusion in the City System ("the Proposed County Projects List"). The initial Proposed County Projects List is an attachment (Exhibit B) to this Agreement.

(b) The County will update the Proposed County Projects List on a regular basis.

(c) The Proposed County Projects List will include total Project Cost in current year dollars, year of construction, existing p.m. peak hour capacity of the Transportation Facility

(l) The County will retain interest on County-Collected Fees while the revenues remain in the County's accounts. The County will not pay interest to the City on County-Collected Fees that are held prior to transfer.

(m) Administrative appeals of County-Collected Fees will be processed through the County System's appeal procedure.

(n) Refunds of County-Collected Fees will be made as follows:

(1) If a refund includes revenues that have not yet been transferred to the City, the refund (including interest) will be paid by the County out of such revenues and will be deducted from the revenues the County transfers to the City.

(2) If a refund includes revenues that have already been transferred to the City, the City will not be responsible to refund these monies to the County. Instead, the County will pay the refund (including interest) and will deduct a like amount from future amounts that would otherwise be transferred to the City.

(3) If revenues that have not been transferred to the City, or that can reasonably be expected to be collected in the future, will not be sufficient to cover all or part of a refund (including interest), such as, for example, in the event this Agreement is terminated pursuant to Section 10, the City will be responsible for the shortfall.

(4) Refunds that are ordered by a court shall be paid as described in Section 7.

(5) The County will promptly notify the City of any refunds the County makes and the effect of such refunds on revenues to be transferred to the City.

(o) The County will transfer the County-Collected Fees to the City quarterly, unless both parties agree to transfer said fees more or less frequently.

#### 6. Determination and Collection of Fees.

(a) The County will determine impact fees for City Projects in the County System using the City methodology as described in Issaquah Municipal Code Sections 18.15.010 through 18.15.120 and using development impact data supplied by the County and the City.

(b) The City will determine impact fees for County Projects in the City System using the County methodology as described in King County Code Chapters 14.65 and 14.75 and development impact data supplied by the County and the City.

(c) The County will perform transportation modeling necessary for both the County's and City's determination of fees as described in Section 6(a) and (b).

11. Indemnification and Hold Harmless.

Each party shall protect, defend, indemnify and save harmless the other party, its officers, officials, employees and agents from any and all costs, claims, judgments, and/or awards of damages arising out of or in any way resulting from the indemnifying party's own acts or omissions in carrying out the terms of this Agreement. In the event the indemnified party incurs any costs including attorney's fees to enforce the provisions of this section, all such costs and fees shall be recoverable from the indemnitor. This indemnification shall include, by way of example, but not by way of limitation or exclusion, a party's responsibility under Section 7 to refund any fees with interest which are determined by a court of competent jurisdiction to have been improperly paid. Provided, however, the parties shall be responsible for defending any claims or challenges to their own ordinances and administrative decisions, and all costs associated with such defense.

12. Sunset Interchange.

The County and the City shall collect impact fees from those developments within their jurisdictions that have impacts on the Sunset Interchange by means of separate agreements to be negotiated individually by the County and the City with the Washington State Department of Transportation.

13. No Third Party Rights.

Nothing contained herein is intended to, nor shall be construed to, create any rights in any third party, or to form the basis for any liability on the part of the City or the County, or their officials, employees, agents or representatives, to any third party.

14. Severability.

If any provision of this Agreement shall be held invalid, the remainder of the Agreement shall not be affected thereby if such remainder would then continue to serve the purposes and objectives of the parties.

15. Non-Waiver.

Waiver of any breach of any provision of this Agreement shall not be deemed to be a waiver of any prior or subsequent breach, and shall not be construed to be a modification of this Agreement.

16. Exhibits.

The following exhibits are attached hereto:

- A. Proposed City Projects List.
- B. Proposed County Projects List.