

**RESOLUTION NO. 86**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LIBERTY LAKE, SPOKANE COUNTY, WASHINGTON, APPROVING A COMMUNITY REVITALIZATION FINANCING AND TAX INCREMENT AREA AGREEMENT; AUTHORIZING THE EXECUTION OF SUCH AGREEMENT; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO**

**CITY OF LIBERTY LAKE  
Spokane County, Washington**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LIBERTY LAKE, SPOKANE COUNTY, WASHINGTON, as follows:

WHEREAS, the City of Liberty Lake, Spokane County, Washington (the "City") is a non charter code city duly organized and existing under and by virtue of the constitution and laws of the state of Washington;

WHEREAS, chapter 39.89 RCW requires taxing districts that, in the aggregate, levy at least 75 percent of the regular property tax on property within the increment area to execute a written agreement approving the utilization of community revitalization financing before employing such financing to finance all or a portion of the costs of designated public improvements;

WHEREAS, a portion of the territory encompassed by the City is located within a proposed tax increment area (the "Increment Area") wherein regular property taxes may be apportioned for community revitalization financing;

WHEREAS, pursuant to chapters 35A.89 and 84.52 RCW, the City is authorized to levy regular property taxes upon all taxable property within the Increment Area;

WHEREAS, Spokane County, Washington (the "County"), seeks to obtain the written agreement of the City for the use of community revitalization financing to finance all or a portion of the costs of certain designated public improvements to be constructed within the Increment Area at an estimated cost of \$15 million;

WHEREAS, the City is authorized to participate in the financing of such public improvements by entering into a Community Revitalization Financing and Tax Increment Area Agreement (the "Agreement"); and

WHEREAS, the City Council of the City (the "Council") has determined that creation of the Increment Area and the corresponding use of community revitalization financing to finance all or a portion of the costs of those public improvements associated with the Increment Area construction and valued at an amount not to exceed \$15 million, for a period not to exceed 15

years from the date the tax allocation revenues are first collected, are in the best interest of the patrons and taxpayers of the City;

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED AND ORDERED as follows:

**Section 1: Approval of Agreement**

The Agreement attached hereto as Exhibit "A" is hereby approved.

**Section 2: Execution**

The Mayor and Clerk of the City are hereby authorized to execute the Agreement on behalf of the City.

**Section 3: Miscellaneous**

The Mayor of the City is further authorized to execute such other documents and take such actions as are necessary to further accomplish the purposes of the Agreement.

**Section 4: Repealer**

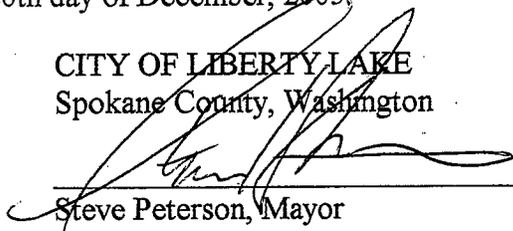
All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and shall have no further force or effect.

**Section 5: Effective Date**

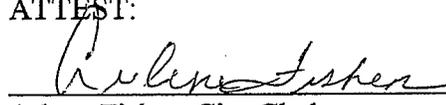
This Resolution shall be effective immediately upon its adoption.

APPROVED by the City Council of the City of Liberty Lake, Spokane County, Washington, at a meeting thereof, held this 20th day of December, 2005.

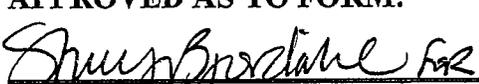
CITY OF LIBERTY LAKE  
Spokane County, Washington

  
Steve Peterson, Mayor

ATTEST:

  
Arlene Fisher, City Clerk

APPROVED AS TO FORM:

  
Stanley M. Schwartz, City Attorney

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**CERTIFICATION**

I, Arlene Fisher, the City Clerk of the City of Liberty Lake, Spokane County, Washington, hereby certify that the foregoing resolution is a full, true and correct copy of a resolution duly passed and adopted at a regular meeting of the City Council of the City of Liberty Lake, duly held at the City Hall on December 20, 2005, of which meeting all members of such Council had due notice, and at which a majority thereof were present; and that at such meeting such resolution was adopted by the following vote:

AYES, and in favor thereof, Councilmembers: 6

NAYS, Councilmembers: 0

ABSENT, Councilmembers: Just Owens

ABSTAIN, Councilmembers: 0

I further certify that I have carefully compared the same with the original resolution on file and of record in my office; that such resolution is a full, true and correct copy of the original resolution adopted at such meeting; and that such resolution has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect.

IN WITNESS WHEREOF, I have set my hand on this 20th day of December, 2005.

CITY OF LIBERTY LAKE  
Spokane County, Washington

Arlene Fisher  
Arlene Fisher, City Clerk

**EXHIBIT "A"**

**COMMUNITY REVITALIZATION FINANCING AND  
TAX INCREMENT AREA AGREEMENT**

This COMMUNITY REVITALIZATION FINANCING AND TAX INCREMENT AREA AGREEMENT (this "Agreement") is made and entered into as of this 20<sup>th</sup> day of December, 2005, by and among the Spokane County Library District, Spokane County, Washington (the "Library District"), Spokane County Fire Protection District No. 1, Spokane County, Washington (the "Fire District"), the City of Liberty Lake, Spokane County, Washington (the "City") and Spokane County, Washington (the "County").

**WITNESSETH:**

WHEREAS, the Library District is a rural library district duly organized and existing under and by virtue of the Constitution and the laws of the state of Washington (the "State");

WHEREAS, a portion of the territory encompassed by the Library District is located within a proposed tax increment area, the boundaries of which are set forth in Exhibit "A" hereto (the "Increment Area");

WHEREAS, the Fire District is a fire protection district duly organized and existing under and by virtue of the Constitution and the laws of the State;

WHEREAS, a portion of the territory encompassed by the Fire District is located within the Increment Area;

WHEREAS, the City is a non-charter code city duly organized and existing under and by virtue of the Constitution and the laws of the State;

WHEREAS, a portion of the territory encompassed by the City is located within the Increment Area;

WHEREAS, the County is a Class A county duly organized and existing under and by virtue of the Constitution and the laws of the State;

WHEREAS, pursuant to chapter 39.89 RCW, the County is authorized to adopt a resolution to create the Increment Area after obtaining the written agreement for the use of community revitalization financing to finance all or a portion of the costs of designated public improvement from taxing districts that, in the aggregate, levy at least 75 percent of the regular property tax on property within the Increment Area, and upon the approval of any fire protection district lying within the Increment Area;

WHEREAS, the County, the Library District, the Fire District and the City are taxing districts that, in the aggregate, levy at least 75 percent of the regular property tax on property within the Increment Area;

WHEREAS, the County seeks to obtain the written agreement of the Library District, the Fire District and the City for the use of community revitalization financing to finance a portion of the costs of certain designated public improvements to be established, purchased, acquired or constructed within the Increment Area, as set forth in Exhibit "B" hereto (the "Public Improvements");

WHEREAS, pursuant to chapters 39.34 and 39.89 RCW, the Library District, the Fire District, the City and the County are authorized to fix the duration of this Agreement;

WHEREAS, pursuant to RCW 27.12.212, the Library District is authorized to participate in the financing of the Public Improvements;

WHEREAS, pursuant to chapters 27.12 and 84.52 RCW, the Library District is authorized to levy regular property taxes upon all taxable property within the Increment Area;

WHEREAS, pursuant to chapter 39.89 RCW, the Fire District is authorized to participate in the financing of the Public Improvements;

WHEREAS, pursuant to chapters 52.12, 52.16 and 84.52 RCW, the Fire District is authorized to levy regular property taxes upon all taxable property within the Increment Area;

WHEREAS, pursuant to chapter 39.89 RCW, the City is authorized to participate in the financing of the Public Improvements;

WHEREAS, pursuant to chapters 35A.33 and 84.52 RCW, the City is authorized to levy regular property taxes upon all taxable property within the Increment Area;

WHEREAS, the Library District, the Fire District, the City and the County have determined it is in the best interest of the Increment Area taxpayers for the Library District, the Fire District, the City and the County to agree to employ community revitalization financing to apportion regular property taxes within the Increment Area;

WHEREAS, pursuant to chapters 39.34 and 39.89 RCW, the Library District, the Fire District, the City and the County have determined it is in the best interest of Increment Area taxpayers to affix a duration for this Agreement such that it shall terminate no later than 15 years from the date the tax allocation revenues generated from the Increment Area are first collected;

WHEREAS, the Board of Trustees of the Library District adopted Resolution No. 05-13 on December 20, 2005, authorizing the execution of this Agreement;

WHEREAS, the Board of Fire Commissioners of the Fire District adopted Resolution No. 2005-255 on December 19, 2005, authorizing the execution of this Agreement; and

WHEREAS, the City Council of the City adopted Resolution No. 86 on December 20<sup>th</sup> 2005, authorizing the execution of this Agreement;

NOW, THEREFORE, each of the Library District, the Fire District, the City and the County do mutually agree as follows:

*Section 1.* Each of the Library District, the Fire District, the City and the County hereby agree to the use of community revitalization financing to finance a portion of the costs of the Public Improvements, in an amount not to exceed \$15 million. As set forth in Exhibit "B" hereto, the Public Improvements shall be limited to those items associated with the Increment Area construction. Apportionment of taxes within Spokane County Increment Area No. 2005-01 to pay the costs of the public improvements to be made within such increment area shall be for a maximum term of 15 years from January 1, 2006.

*Section 2.* Each of the Library District, the Fire District, the City and the County hereby agree that, pursuant to a formula provided in chapter 39.89 RCW, regular property tax revenues derived from the property within the Increment Area shall be apportioned among the Library District, the Fire District, the City and the County, with a maximum of 75 percent of any increase in the true and fair value of real property in the Increment Area placed on the tax rolls of the County after the Increment Area is created. The remaining apportionment of the regular taxes within the Increment Area shall be apportioned among the Library District, the Fire District, the City and the County as if the Increment Area had not been created. The County anticipates the Public Improvements and consequent private improvements will increase total property tax levies within the Increment Area.

*Section 3.* This Agreement contains all the terms and conditions agreed upon by the parties. No other understanding, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto, other than those imposed by operation of law.

*Section 4.* This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF, each of the Library District, the Fire District, the City and the County have executed this Agreement as of the date and year first written above.

SPOKANE COUNTY LIBRARY DISTRICT  
Spokane County, Washington

SPOKANE COUNTY FIRE PROTECTION  
DISTRICT NO. 1  
Spokane County, Washington

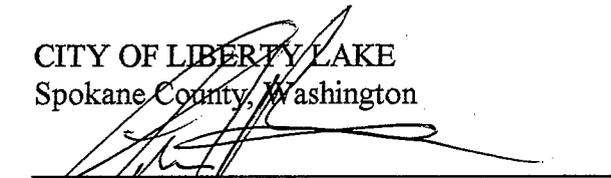
Michael J. Wirt  
Director and Secretary, Board of Trustees

Joe Dawson  
Chair, Board of Fire Commissioners

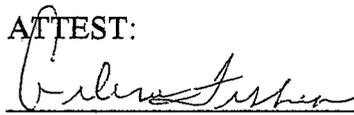
(SEAL)

(SEAL)

CITY OF LIBERTY LAKE  
Spokane County, Washington

  
Steve Peterson, Mayor

ATTEST:

  
Arlene Fisher, City Clerk

(SEAL)

SPOKANE COUNTY, WASHINGTON

Phillip D. Harris, Chair

Todd Mielke, Commissioner

Mark Richard, Commissioner

ATTEST:

Daniela Erickson, Clerk to the Board of  
County Commissioners

(SEAL)

## **EXHIBIT "A"**

### **INCREMENT AREA BOUNDARIES AND LEGAL DESCRIPTION**

Portions of Section 3, 4, 5, 8, 9, 10, 15, 16 and 17, Township 25N, Range 45E, W.M. more particularly described as follows:

**BEGINNING** at the intersection of the Northerly Right of Way line of Euclid Avenue and the North/South center of Section line of said Section 5; thence Southerly along the North/South center of Section lines of said Sections 5, 8, and 17 to the Southerly Right of Way line of Appleway Avenue; thence Easterly along said Southerly Right of Way line to the intersection of the Southerly Right of Way line of Country Vista Drive; thence continuing Easterly along said Southerly Right of Way line of Country Vista Drive to the North/South center of Section line of said Section 16; thence Northerly along said North/South center of Section line to the Southerly Right of Way line of Interstate 90; thence Easterly along said Southerly Right of Way line to the intersection with a line 285 feet more or less Westerly of and parallel with the East line of Section 10; thence Northerly along said parallel line to the Northerly ordinary high water line of the Spokane River; thence Westerly along said ordinary high water line to the Easterly Right of Way line of Harvard Road; thence Northerly along said Easterly Right of Way line to the North Right of Way line of Euclid Avenue; thence Westerly along said Northerly Right of Way line to the **POINT OF BEGINNING**.

Situate in the County of Spokane, State of Washington

## **EXHIBIT "B"**

### **DESCRIPTION OF PUBLIC IMPROVEMENTS**

Arterial Roads; sewer collection lines, sewer water reuse systems and sewer pump stations in both the Spokane County and Liberty Lake Sewer District service areas; water distribution systems; roadway storm drainage systems, street lighting and street trees; public parks, trails and public open space improvements and other approved infrastructure.

**COMMUNITY REVITALIZATION FINANCING  
AND  
TAX INCREMENT AREA AGREEMENT**

This COMMUNITY REVITALIZATION FINANCING AND TAX INCREMENT AREA AGREEMENT (this "Agreement") is made and entered into as of this 22nd day of December, 2005, by and among the Spokane County Library District, Spokane County, Washington (the "Library District"), Spokane County Fire Protection District No. 1, Spokane County, Washington (the "Fire District"), the City of Liberty Lake, Spokane County, Washington, (the "City") and Spokane County, Washington (the "County").

**WITNESSETH:**

WHEREAS, the Library District is a rural library district duly organized and existing under and by virtue of the Constitution and the laws of the state of Washington (the "State");

WHEREAS, a portion of the territory encompassed by the Library District is located within a proposed tax increment area, the boundaries of which are set forth in Exhibit "A" hereto (the "Increment Area");

WHEREAS, the Fire District is a fire protection district duly organized and existing under and by virtue of the Constitution and the laws of the State;

WHEREAS, a portion of the territory encompassed by the Fire District is located within the Increment Area;

WHEREAS, the City is a non-charter code city duly organized and existing under and by virtue of the Constitution and the laws of the State;

WHEREAS, a portion of the territory encompassed by the City is located within the Increment Area;

WHEREAS, the County is a Class A county duly organized and existing under and by virtue of the Constitution and the laws of the State;

WHEREAS, pursuant to chapter 39.89 RCW, the County is authorized to adopt a resolution to create the Increment Area after obtaining the written agreement for the use of community revitalization financing to finance all or a portion of the costs of designated public improvement from taxing districts that, in the aggregate, levy at least 75 percent of the regular property tax on property within the Increment Area, and upon the approval of any fire protection district lying within the Increment Area;

WHEREAS, the County, the Library District, the Fire District and the City are taxing districts that, in the aggregate, levy at least 75 percent of the regular property tax on property within the Increment Area;

WHEREAS, the County seeks to obtain the written agreement of the Library District, the Fire District and the City for the use of community revitalization financing to finance a portion of the costs of certain designated public improvements to be established, purchased, acquired or constructed within the Increment Area, as set forth in Exhibit "B" hereto (the "Public Improvements");

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WHEREAS, pursuant to chapters 39.34 and 39.89 RCW, the Library District, the Fire District, the City and the County have determined it is in the best interest of Increment Area taxpayers to affix a duration for this Agreement such that it shall terminate no later than 15 years from the date the tax allocation revenues generated from the Increment Area are first collected;

WHEREAS, the Board of Trustees of the Library District adopted Resolution No. 05-13 on December 20, 2005, authorizing the execution of this Agreement;

WHEREAS, the Board of Fire Commissioners of the Fire District adopted Resolution No. 2005-255 on December 19, 2005, authorizing the execution of this Agreement; and

WHEREAS, the City Council of the City adopted Resolution No. 85 on December 20, 2005, authorizing the execution of this Agreement;

NOW, THEREFORE, each of the Library District, the Fire District, the City and the County do mutually agree as follows:

*Section 1.* Each of the Library District, the Fire District, the City and the County hereby agree to the use of community revitalization financing to finance a portion of the costs of the Public Improvements, in an amount not to exceed \$15 million. As set forth in Exhibit "B" hereto, the Public Improvements shall be limited to those items associated with the Increment Area construction. Apportionment of taxes within Spokane County Increment Area No. 2005-01 to pay the costs of the public improvements to be made within such increment area shall be for a maximum term of 15 years from January 1, 2006.

*Section 2.* Each of the Library District, the Fire District, the City and the County hereby agree that, pursuant to a formula provided in chapter 39.89 RCW, regular property tax revenues derived from the property within the Increment Area shall be apportioned among the Library District, the Fire District, the City and the County, with a maximum of 75 percent of any increase in the true and fair value of real property in the Increment Area placed on the tax rolls of the County after the Increment Area is created. The remaining apportionment of the regular taxes within the Increment Area shall be apportioned among the Library District, the Fire District, the City and the County as if the Increment Area had not been created. The County anticipates the Public Improvements and consequent private improvements will increase total property tax levies within the Increment Area.

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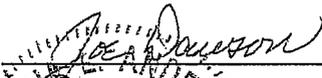
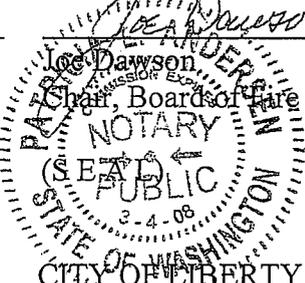
IN WITNESS WHEREOF, each of the Spokane County Library District, Spokane County Fire District No. 1, the City of Liberty Lake and Spokane County have executed this Agreement as of the date and year first written above.

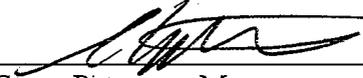
SPOKANE COUNTY LIBRARY DISTRICT  
Spokane County, Washington

SPOKANE COUNTY FIRE PROTECTION  
DISTRICT NO. 1  
Spokane County, Washington

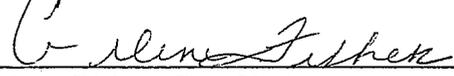
  
\_\_\_\_\_  
Michael J. Wirt  
Director and Secretary, Board of Trustees

(S E A L)

  
\_\_\_\_\_  
Joe Dawson  
Chair, Board of Fire Commissioners  
  
CITY OF LIBERTY LAKE  
Spokane County, Washington

  
\_\_\_\_\_  
Steve Peterson, Mayor

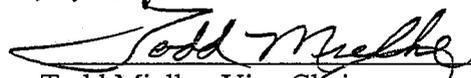
ATTEST:

  
\_\_\_\_\_  
Arlene Fisher, City Clerk

(S E A L)

SPOKANE COUNTY, WASHINGTON

  
\_\_\_\_\_  
Phillip D. Harris, Chair

  
\_\_\_\_\_  
Todd Mielke, Vice Chair

  
\_\_\_\_\_  
Mark Richard, Commissioner

ATTEST:

  
\_\_\_\_\_  
Daniela Erickson, Clerk to the Board of  
County Commissioners



**EXHIBIT "A"**  
**TO**  
**COMMUNITY REVITALIZATION FINANCING**  
**AND**  
**TAX INCREMENT AREA AGREEMENT**

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Situate in the County of Spokane, state of Washington.

**EXHIBIT "B"**  
**TO**  
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**AND**  
**TAX INCREMENT AREA AGREEMENT**

**DESCRIPTION OF PUBLIC IMPROVEMENTS**

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