

RESOLUTION NO. 105

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LIBERTY LAKE, SPOKANE COUNTY, WASHINGTON, APPROVING A LOCAL INFRASTRUCTURE FINANCING AGREEMENT WITH REGARD TO THE SPOKANE RIVER DISTRICT REDEVELOPMENT AREA; 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 (the "State");

WHEREAS, pursuant to chapter 39.102 RCW (the "Act") local governments may create a revenue development area ("RDA") from which a portion of revenues from various taxes, defined as local infrastructure financing and certain proceeds of the State excise taxes, can be designated to finance certain public improvements within such RDA;

WHEREAS, the Act designated the Spokane River District Project located in the City as a demonstration project;

WHEREAS, the City Council of the City (the "Council") by Resolution No. 07-103, adopted on February 6, 2007, authorized the City to be a participating local government and participating taxing district (as such terms are defined in the Act);

WHEREAS, the Board of County Commissioners (the "Board") of Spokane County, Washington (the "County"), by Resolution No. 7-0223, authorized on March 20, 2007, authorized the County to be the sponsoring local government;

WHEREAS, the Act requires a written agreement between the participating local government and the sponsoring local government for the use of local infrastructure financing to finance all or a portion of the costs of a RDA; and

WHEREAS, the City and the County, situated within the boundaries of the proposed RDA, desire to enter into a Local Infrastructure Financing Agreement in the form attached hereto as Exhibit "A" (the "Agreement");

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

Section 1: Approval of Agreement

The City hereby agrees to enter into the Agreement. The Mayor is hereby authorized to execute the Agreement and the City Clerk is authorized to attest to his signature on behalf of the City. The Mayor and the City Clerk are each hereby authorized to take such actions as are necessary to further accomplish the purposes of this Resolution.

Section 2: Repealer

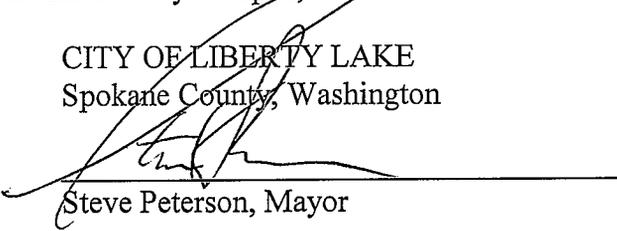
All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and shall have no further force or effect.

Section 3: Effective Date

This Resolution shall be effective immediately upon its adoption.

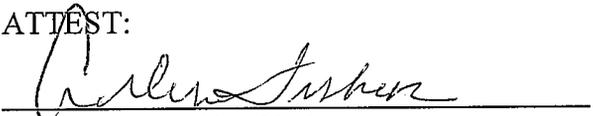
APPROVED by the City Council of the City of Liberty Lake, Spokane County, Washington, at a regular meeting thereof, held this 3rd day of April, 2007.

CITY OF LIBERTY LAKE
Spokane County, Washington



Steve Peterson, Mayor

ATTEST:



Arlene Fisher, City Clerk

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 April 3, 2007, 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:

Dennis Paul, David Crump, Joanna Klegin, Judi Owens, Brian A. Sayrs, Patrick Jenkins, and Wendy Van Orman

NAYS, Councilmembers: None

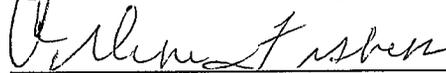
ABSENT, Councilmembers: All Present

ABSTAIN, Councilmembers: None

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 3rd day of April, 2007.

CITY OF LIBERTY LAKE
Spokane County, Washington



Arlene Fisher, City Clerk

RESOLUTION NO. 07-0531

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF SPOKANE COUNTY, WASHINGTON, ESTABLISHING AND CREATING A REVENUE DEVELOPMENT AREA AND DESCRIBING THE BOUNDARIES THEREOF; DESCRIBING PUBLIC IMPROVEMENTS TO BE MADE IN THE REVENUE DEVELOPMENT AREA; STATING THE ESTIMATED COST OF SUCH PUBLIC IMPROVEMENTS AND THE PORTION THEREOF TO BE BORNE BY LOCAL INFRASTRUCTURE FINANCING; ESTIMATING THE TIME DURING WHICH LOCAL EXCISE TAX ALLOCATION REVENUE AND LOCAL PROPERTY TAX ALLOCATION REVENUE ARE TO BE APPORTIONED TO PAY FOR THE COSTS OF SUCH PUBLIC IMPROVEMENTS; PROVIDING THE DATE WHEN SUCH APPORTIONMENT OF LOCAL EXCISE TAX ALLOCATION REVENUE AND LOCAL PROPERTY TAX ALLOCATION REVENUE WILL COMMENCE; MAKING FINDINGS REQUIRED BY CHAPTER 39.102 RCW; PROVIDING FOR THE DELIVERY OF THIS RESOLUTION TO CERTAIN PARTIES; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

SPOKANE COUNTY, WASHINGTON

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SPOKANE COUNTY, WASHINGTON as follows:

WHEREAS, Spokane County, Washington (the "County"), is a class A county duly organized and existing under and by virtue of the Constitution and laws of the state of Washington (the "State");

WHEREAS, the Board of County Commissioners (the "Board") is authorized to create a revenue development area from which a portion of revenues from various taxes, defined as local infrastructure financing, and certain proceeds of State excise taxes, can be designated to finance certain public improvements within such revenue development area pursuant to chapter 39.102 RCW (the "Act");

WHEREAS, the Act identifies the Spokane river district project at Liberty Lake, located within the County, as a "demonstration project;"

WHEREAS, the Board has determined that the demonstration project at Liberty Lake identified in the Act is the best opportunity for the State excise tax revenues to be made available for a local infrastructure financing project within the County;

WHEREAS, the Board by Resolution No. 07-0223, adopted on March 20, 2007, designated a revenue development area pursuant to the Act, to be known as the "Spokane County River District Revenue Development Area at Liberty Lake" (the "RDA") and agreed to act as the "sponsoring local government" thereof within the meaning of the Act;

WHEREAS, the City Council of the City of Liberty Lake by Resolution No. 07-103 authorized the City of Liberty Lake (the "City") to be a "participating local government and participating taxing district" (as such terms are defined in the Act);

WHEREAS, pursuant to the Act, the City Council of the City by Resolution No. 105 adopted on April 3, 2007, and the Board by Resolution No. 07-0311 adopted on April 10, 2007, authorized the execution and executed a Local Infrastructure Financing Agreement, dated as of April 10, 2007, for the use of dedicated amounts of local excise tax allocation revenues and local property tax allocation revenues, in whole or in part, for local infrastructure financing authorized pursuant to the Act;

WHEREAS, pursuant to the Act, the County caused to be published, conspicuously posted and sent by United States mail to the property owners, all identifiable community-based organizations with involvement in the RDA and the business enterprises located in the RDA, a notice fixing the date, time and place for a public hearing on the financing of the public improvements, in whole or in part, with local infrastructure financing;

WHEREAS, pursuant to the Act, the County held such public hearing on May 15, 2007; and

WHEREAS, the Board has determined that it is advisable and necessary for the public health, safety and welfare for the County to create and establish the RDA.

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

Section 1. Defined Terms

Capitalized terms used but not defined in this Resolution have the meaning given such terms in the Act.

Section 2. Description of Public Improvements to be made in the RDA

The public improvements to be made in the RDA are as set forth in Exhibit "A" attached to this Resolution (the "Public Improvements").

Section 3. Boundaries of the RDA.

The boundaries of the RDA are as set forth in Exhibit "B" attached to this Resolution.

Section 4. Cost of Public Improvements

The estimated Public Improvement Costs of the Public Improvements is \$72,000,000, of which an amount not to exceed \$72,000,000 is anticipated to be financed by Local Infrastructure Financing.

Section 5. Use of Local Excise Tax Allocation Revenue and Local Property Tax Allocation Revenue

The estimated time that Local Excise Tax Allocation Revenue and Local Property Tax Allocation Revenue will be used for Local Infrastructure Financing in the RDA is no longer than 25 years from the date of commencement of such use, which is estimated to be July 1, 2009.

Section 6. Requirements of Section 39.102.070 RCW

Pursuant to Section 39.102.070 of the Act, the Board hereby finds, concludes and determines, on and as of the date hereof, as follows:

(a) no funds from Local Infrastructure Financing shall be used to finance, design, acquire, construct, equip, operate, maintain, remodel, repair, or reequip public facilities funded with taxes collected under RCW 82.14.048;

(b) no funds from Local Infrastructure Financing shall be used for Public Improvements other than projects identified within the capital facilities, utilities, housing or transportation element of a comprehensive plan required under chapter 36.70A RCW;

(c) the Public Improvements to be financed in whole or in part using Local Infrastructure Financing are expected to encourage private development within the RDA and to increase the fair market value of real property within the RDA;

(d) the County and the City have received a letter of intent from a private developer relating to the developer's plans for the development of private improvements within the RDA;

(e) private development that is anticipated to occur within the RDA, as a result of the Public Improvements, will be consistent with (i) the county-wide planning policy adopted by the County under RCW 36.70A.210 and the County's comprehensive plan and development regulations adopted under chapter 36.70A RCW (with respect to those public improvements constructed within the boundaries of the unincorporated area of the County) and (ii) the City's comprehensive plan and development (with respect to those public improvements constructed within the boundaries of the incorporated area of the City);

(f) the Board hereby finds that Local Infrastructure Financing: (i) is not expected to be used for the purpose of relocating a business from outside the RDA, but within the State, into the RDA; and (ii) will improve the viability of existing business entities within the RDA;

(g) the Board hereby finds that the Public Improvements to be financed in whole or in part using Local Infrastructure Financing are reasonably likely to: (i) increase private residential and commercial investment within the RDA; (ii) increase employment within the RDA; (iii) improve the viability of any existing communities that are based on mixed-use development within the RDA; and (iv) generate, over the period of time that the local option sales and use tax will be imposed under RCW 82.14.475, State excise tax allocation revenues and State property tax allocation revenues derived from the RDA that are equal to or greater than the respective State contributions made under the Act; and

(h) the County shall only use Local Infrastructure Financing in areas deemed in need of economic development or redevelopment within the boundaries of the County.

Section 7. Requirements of Section 39.102.080 RCW

Pursuant to Section 39.102.080 of the Act, the Board hereby finds, concludes and determines, on and as of the date hereof, as follows:

(a) the County has entered into a written agreement, entitled Local Infrastructure Financing Agreement, dated as of April 10, 2007, with the City, as a Participating Local Government and Participating Taxing District, to use dedicated amounts of Local Excise Tax Allocation Revenue and Local Property Tax Allocation Revenue, in whole or in part, for Local Infrastructure Financing authorized under the Act. Such agreement was authorized by the City Council of the City by Resolution No. 105, adopted on April 3, 2007.

(b) in reliance on the "River District Local Infrastructure Financing Tool Demonstration Project Feasibility and Impact Analysis Report," dated April 4, 2007, prepared by Business Planning Consultants Inc. (the "Report"), the County has estimated the impact of the RDA on small business and low-income housing. The Report includes: (i) an inventory of existing low-income housing units and businesses and retail activity within the RDA; (ii) a reasonable estimate of the number of low-income housing units, small businesses and other commercial activity that may be vulnerable to displacement within the RDA; (iii) a reasonable estimate of projected net job growth and net housing growth caused by creation of the RDA when compared to the existing jobs or housing balance for the area; and (iv) a reasonable estimate of the impact of net housing growth on the current housing price mix. Based upon the Report, there are no negative impacts of the RDA on small business or low-income housing. Consequently, a mitigation plan is not necessary and has not been prepared.

Section 8. Delivery of Resolution

(a) The delivery by the Clerk of the Board of a certified copy of the proposed resolution to create and establish the RDA on April 25, 2007, to the County Treasurer, the City Council of the City, the State Community Economic Revitalization Board and the State Department of Revenue is hereby confirmed and ratified.

(b) The Clerk of the Board is hereby authorized to deliver a certified copy of this Resolution as adopted to the County Treasurer, the City Council of the City, the State Community Economic Revitalization Board and the State Department of Revenue.

Section 9. Creation and Establishment of RDA

The RDA is hereby created and established pursuant to the Act.

Section 10. Urban Growth Area

A portion of the real property of the RDA is located within the unincorporated area of the County and is not within an Urban Growth Area (the "Area"). The creation of the RDA does not obligate the County to include the Area within an Urban Growth Area in the future, nor does it permit the construction or extension of public improvements with money generated by the RDA within the Area until such time as the Area is included within an Urban Growth Area.

Section 11. Further Authority

The majority of the Board is hereby further authorized to take such actions, other than at an open meeting, as are required for the County to create the RDA in accordance with the requirements of the Act, including, but not limited to, preparing applications to State agencies required for receipt of State excise tax revenue.

Section 12. No Personal Recourse

No recourse shall be had for any claim based on this Resolution against any Board member, officer or employee, past, present or future, of the County or of any successor body as such, either directly or through the County or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

Section 13. 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 14. Effective Date

This Resolution shall take effect immediately upon its adoption.

ADOPTED AND APPROVED by the Board of County Commissioners of Spokane County, Washington, at a regular meeting thereof, held on June 19, 2007.

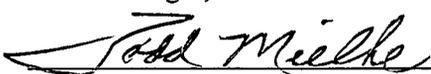
SPOKANE COUNTY, WASHINGTON



Mark Richard, Chair

voted no

Bonnie Mager, Vice-Chair



Todd Mielke, Commissioner

ATTEST:



Daniela Erickson, Clerk of the Board
of County Commissioners



* * * * *

CERTIFICATE

I, Daniela Erickson, Clerk of the Board of County Commissioners of 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 Board of County Commissioners, duly held at the regular meeting place thereof on June 19, 2007, of which meeting all members of such Board had due notice and at which a majority thereof was present; and that at such meeting such resolution was adopted by the following vote:

AYES, and in favor thereof: Richard and Mielke

NAYS: Mager

ABSENT: None

ABSTAIN: None

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 hereunto set my hand and the seal of the County on June 19, 2007.

SPOKANE COUNTY, WASHINGTON



Daniela Erickson, Clerk of the
Board of County Commissioners



EXHIBIT "A"

SPOKANE COUNTY, WASHINGTON

PUBLIC IMPROVEMENTS

The Public Improvements include the following:

- A. Arterial Streets, Lighting, Landscaping & Signalization Improvements, including the development of Euclid Avenue as a boulevard ;
- B. Interstate 90 Access/Bridge Improvements;
- C. Stormwater Improvements;
- D. Transit Parking Improvements;
- E. Parks & Trail Improvements;
- F. Water Distribution Improvements;
- G. Wastewater Collection Mains & Lift Stations; and
- H. Wastewater Reuse Improvements.

EXHIBIT "B"

REVENUE DEVELOPMENT AREA BOUNDARIES AND LEGAL DESCRIPTION

Portions of Sections 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.