

**INTERLOCAL AGREEMENT  
BETWEEN THE CITY OF ELLENSBURG AND KITTITAS COUNTY  
REGARDING THE CITY OF ELLENSBURG'S URBAN GROWTH AREA**

This Agreement (hereinafter "Agreement") has been entered into by and between the County of Kittitas (hereinafter "County"), a political subdivision of the State of Washington, and the City of Ellensburg (hereinafter "City"), a Washington municipal corporation, pursuant to the Interlocal Cooperation Act, Ch. 39.34 RCW.

WHEREAS, the County and City (hereinafter "Parties"), desire to coordinate the regulation of development within the City's Urban Growth Area (hereinafter "UGA"); and

WHEREAS, the City of Ellensburg Comprehensive Plan contains goals and policies directing coordination with Kittitas County in the joint planning for the unincorporated areas of the UGA; and,

WHEREAS, annexations proposed by the City of Ellensburg are pursued in accordance with Ch. 35A.14 RCW; and

WHEREAS, it is in the best interest of the citizens of both jurisdictions to coordinate plans and manage growth in the UGA prior to annexation; and

WHEREAS, the Parties recognize the magnitude of the tasks necessary to come to agreement on the various aspects of UGA development; and

WHEREAS, the Parties desire to proceed with discussion and negotiation around these issues; and

WHEREAS, the Parties desire to create a road map for such discussion and negotiation; and

WHEREAS, the City begins collecting tax revenue from annexations within UGA upon the effective date of the ordinance enacting the annexation; and

WHEREAS, the terms of this Agreement have been discussed by the Ellensburg City Council at a regular meeting on January 20, 2015; and

WHEREAS, the terms of this Agreement have been discussed by the Board of County Commissioners at a regular meeting on January 20, 2015.

NOW, THEREFORE, for and in consideration of the terms and conditions set forth below, the Parties agree as follows:

1. This Agreement is entered into pursuant to Ch. 36.70A RCW (Growth Management Act), Ch. 36.115 RCW (Governmental Services Act); and Ch. 39.34 (the Interlocal Cooperation Act).
2. The purpose of this Agreement is to commit the Parties to negotiate certain issues related to development within the UGA and that will be applied to areas within the UGA annexed by the City on or after the effective date of this Agreement. If

negotiations are successful, they will be documented in a subsequent Interlocal Agreement ("ILA").

3. The issues that shall be the subject of such negotiation include the following:
  - 3.1. Determining the responsibilities and process for code enforcement actions commenced by the County in the UGA, but not yet completed, for property included in an area being annexed by the City.
  - 3.2. Establishing an acceptable tax revenue sharing model for areas annexed by the City.
  - 3.3. Establishing a process for County and City coordination of State Environmental Policy ("SEPA") review of land use actions within the UGA.
  - 3.4. Reviewing acceptable fee models and/or processes for mitigation of impacts to transportation and parks from development projects within the UGA.
  - 3.5. Developing a mutually agreeable process for notification by the parties of annexations and land use decisions within the UGA.
  - 3.6. Integrating existing plans and standards within the UGA including, but not limited to, land use plans, storm water standards, development standards and road standards.
  - 3.7. Determining additional processes and legislative actions, such as Comprehensive Plan amendments and adoption/revision of development and zoning regulations, along with the deadline for those actions to be taken that are needed for the Parties to fully implement a subsequent ILA which may result from the negotiations contemplated by this Agreement.
  - 3.8. Reviewing acceptable fee models for the City to buy back infrastructure improvements made by the County.
  - 3.9. Such other issues, if any, as the parties mutually agree in writing to include in this section.
4. Upon mutual execution of this Agreement by the Parties, the City shall place into a designated account all tax revenues from those annexed properties pending successful negotiation of the issues described in Section 3 above, the execution of a subsequent ILA embodying the resolution of those negotiations and the Parties' legislative bodies taking the action(s) by an agreed deadline that is/are necessary to implement the ILA (referred to in Section 3.7 above).
5. Should the Parties fail to reach resolution on all of the issues to be negotiated listed in Section 3 above, fail to enter into a subsequent ILA embodying the resolution of those negotiations by September 30, 2016, or fail to adopt through their respective legislative bodies any of the actions required to implement the subsequent ILA (as set forth in Section 3.7), this Agreement shall automatically terminate and the monies held in a separate account described in Section 4 above shall become available for the City to use without any restrictions except those imposed by federal, state or local law.

