Draft 3/27/14
4/1/14
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4/3/14

INTERLOCAL AGREEMENT REGARDING POTENTIAL ANNEXATION AREA

THIS AGREEMENT is made this 22nd day of April, 2014, between the City of Issaquah, Washington (hereafter referred to as "Issaquah"), and the City of Sammamish, Washington (hereinafter referred to as "Sammamish").

WHEREAS, an area of unincorporated King County, known as the "Klahanie Annexation Area" is currently designated by the King County Comprehensive Plan as within Issaquah's Potential Annexation Area (PAA); and

WHEREAS, Sammamish desires to transfer the Klahanie Annexation Area into the Sammamish PAA and immediately take steps in furtherance of annexation; and

WHEREAS, the parties are willing to cooperate to achieve this result; and

WHEREAS, Issaquah believes this cooperation honors the results of the February 2014 annexation election; and

WHEREAS, Sammamish understands and approves of the Issaquah City Council's careful and deliberate decision process in the weeks since the election ended; and

WHEREAS, Issaquah and Sammamish greatly value the regional benefits flowing from good faith negotiations and cooperation;

NOW, THEREFORE, in consideration of mutual benefits, the parties agree as follows:

1. Klahanie Annexation Area. The parties agree to cooperate and not oppose efforts to transfer the Klahanie Annexation Area from Issaquah's PAA to Sammamish's PAA. This shall include but not be limited to the following:

A. Amendment of the parties' comprehensive plans to remove the Klahanie PAA from Issaquah's comprehensive plan, and addition of the Klahanie PAA to Sammamish's comprehensive plan. Issaquah agrees to take all necessary steps to amending its comprehensive plan to remove the Klahanie PAA by the end of 2014.

B. Joint petition and cooperation before the Growth Management Planning Council (GMPC), for the May21st, 2014 meeting.

C. Joint petition and cooperation before the King County Council.

D. Joint cooperation in any legal challenges by providing testimony and documents upon reasonable request by the other party.

2. Issaquah's Urban Center Designation. Issaquah is currently seeking an Urban Center designation from the GMPC, King County and Regional Growth Center designation from the PSRC. Sammamish agrees to support and not oppose Issaquah's Urban Center and Regional Growth Center designation requests before all government entities, including the GMPC, King County and the PSRC. Sammamish agrees to pass a resolution of support for Issaquah's Central Issaquah Plan and Issaquah's Urban Center designation proposal.

3. Retail Sales Tax Credit. Elected officials from Sammamish have publicly stated on several occasions that the City of Sammamish does not need or desire the retail sales tax credit for annexations as authorized by RCW 82.14.415. If the Klahanie Annexation Area is transferred to Sammamish's PAA, Sammamish agrees that it will not impose or accept any retail sales tax credit as authorized by RCW 82.14.415.

4. Issaquah-Fall City Road. Elected representatives from Sammamish have publicly stated that Sammamish would promptly take steps to fund improvements to Issaquah-Fall City Road if Sammamish were to annex the Klahanie PAA, noting that Sammamish residents

currently face onerous traffic congestion along that corridor and have repeatedly pressed the Sammamish City Council to make improvements along what they describe as a major community transportation link. Given that, Sammamish agrees, within one year of annexation, to place $3 million in a separate transportation project account for Issaquah-Fall City Road, to amend its transportation and capital improvement plans to make improvements to Issaquah-Fall City Road one of its top four priority projects, to complete preliminary engineering that would make improvements to Issaquah-Fall City Road, to complete a detailed and reliable cost estimate, and to immediately pursue state and federal matching funds to complete the improvements as quickly as possible. Issaquah will support Sammamish's effort to obtain Federal and State grant funds. Sammamish agrees to continue the design process until federal and state grant funds are secure. As used herein, "improvements to the Issaquah-Fall City Road" shall be from Beaver Lake Road and Duthie Hill to the Issaquah Pine Lake/Issaquah-Fall City intersection. Within 6 months of annexation, Sammamish and Issaquah will jointly agree on the project's scope and timing.

5. Annexation Study. Issaquah has already completed a very detailed study of the Klahanie annexation area (the "Study"). Sammamish will benefit from this Study when it does its own Annexation Study. Sammamish will reimburse Issaquah $30,000 for the full use of the Study. In return, Issaquah will give to Sammamish electronic and hard copies of the Study and any background content associated with the Study in Issaquah's possession and as requested by Sammamish.

6. Interlocal Provisions.

A. This agreement shall terminate by its terms or sooner by written agreement of the parties.

B. No separate legal or administrative entity is created by this Agreement.

C. Any joint or cooperative undertaking resulting from this Agreement does not require the joint financing, budgeting, acquisition, holding, or disposal of any real or personal property.

D. To the extent necessary, this Agreement shall be jointly administered by Issaquah's Mayor and Sammamish's City Manager.

E. Consistent with RCW 39.34.040, this Agreement shall be filed for recording with the King County Department of Records and Elections, or posted on each city's respective websites listed by subject matter.

7. General.

A. This Agreement is made for the sole benefit of the parties hereto and is not intended to benefit any other person or entity.

B. This Agreement may be executed in counterparts, each of which shall be deemed an original and with the same effect as if the parties had signed the same document.

C. If any part or provision of this Agreement is held invalid or unenforceable as written, it shall not affect any other part.

8. This Agreement is made under, and shall be governed by and construed in accordance with the laws of the State of Washington. If either party breaches or threatens to breach this Agreement the other party shall be entitled to seek all legal, injunctive or other equitable relief, including but not limited to specific performance.

CITY OF ISSAQUAH

FRED BUTLER, Mayor — DATED: Apr 22, 2014

ATTEST:

TINA EGGERS, City Clerk — DATED: 4.22.2014

APPROVED AS TO FORM:

WAYNE D. TANAKA, Attorney for City of Issaquah — DATED: 4.22.2014

CITY OF SAMMAMISH

BEN YAZICI, City Manager — DATED: 4/22/2014

ATTEST:

MELONIE ANDERSON, City Clerk — DATED: 4/22/2014

APPROVED AS TO FORM:

Mike Kenyon, Attorney for City of Sammamish — DATED: 4/22/2014