May 6, 2019

Chair Eileen Quiring
Clark County Council
1300 Franklin Street
Vancouver, WA 98660

Dear Chair Quiring and County Councilors,

On behalf of the Ridgefield School District Board of Directors; City Council of Ridgefield, WA; and the Ridgefield Port Commission, we are writing to ask that you address funding for all necessary infrastructure before removing the Urban Holding designation on 2,100 acres of land which is projected to include 4,815 new homes. While we appreciate that work is being done to require developers to pay for some share of transportation infrastructure, discussions still have not taken place regarding the enormous impact this action will have on Ridgefield schools.

The 98642 zip code is already one of the fastest growing areas in the state, in large part due to the premier schooling families can expect for their kids. School district enrollment increased by 43% over the past four years and is expected to grow by an additional 56% by 2023. That projection is WITHOUT the entire Fairgrounds area opening for development. When school resumes this fall, district enrollment will once again exceed the brick and mortar capacity, even with the opening of the 5-8 campus complex and Ridgefield High School expansion projects funded through the successful 2017 $77 million bond levy. In 2019 a February bond which would build a new elementary school attracted 58.5% support but was less than necessary for passage, which means any further growth in the district caused by this action will further exacerbate overcrowding concerns.

The members of all three elected bodies understand the requirements under State law to accommodate growth and the need for services in the fairgrounds area that support new residents. The organizations are merely asking that before finalizing a finance plan which requires both private and public funds to accomplish, that you consider the following request.

If you are going to require developer contribution to help defray the costs for infrastructure needs they are creating, please also consider the children moving into all those new homes. At the very least, please require all new development to pay the School Impact Fee Rate adopted by the Ridgefield City Council in 2019. The Ridgefield City Council recognizes that growth must pay its fair share for the needs it creates and therefore increased the SIF rate by 25% to $8,883.75/unit to make sure developers are covering more of their costs. However, in the unincorporated County, the SIF rate is $6,530/unit, which creates much less revenue to help pay the costs generated by new development. With approximately one new student in every new housing unit built in the Urban Holding area, the difference in funds for kids between the two SIF rates is a staggering $11,333,306.20.

Again, we understand the complexity of your task and appreciate your partnerships in assuring Clark County continues to be a place where people WANT to live. Please let us know if there is any additional information we can assist you with, and thank you for your consideration.

Sincerely,

Don Stose
Mayor, City of Ridgefield

Scott Gullickson
Chair Ridgefield School Board

Bruce Wiseman
Chair, Ridgefield Port Commission

May 7, 2019

County Councilors
% Dr. Oliver Orjiako
Public Services Building
1300 Franklin Street
Vancouver, Washington 98660

Dear Councilors:

This matter comes before the Council on May 7, 2019. At that time it appears the Council is going to review several (7?)[1] different "funding" options and attempt to agree on one of the options, or some combination of the options, to "reasonably fund" infrastructure in the 179th Street/I5 area of the County that currently is not available for development due to lack of required infrastructure.

INTRODUCTION

The Council's actions are in response to the infrastructure concurrency requirement of the Growth Management Act, which requires that development pay for it its own impact on urban services. In this case, the preliminary evidence indicates that the traffic infrastructure is inadequate to support the 4 proposed developments, much less the entire area under Urban Holding and none of the funding proposals that are likely to be before the Council will attain the "reasonably funded" goal of the GMA.

Therefore, these comments are to 1) request that the County ***defer*** this vote until a number of outstanding questions are answered, the documents are posted on the Grid in final form sufficient for the public to weigh in on the issues involved and, at least until all of the four entities have cleared (and been fully vetted) by the Planning Commission and provided the County with proposed developer agreements that satisfy the Council, 2) outline a history of the UH in this area along with suggestions that the Council consider and provide comments on the information that has been posted on the County's website (both audio and documents) regarding the issue of lifting the Urban Holding on the 179th St./I5 area and 3) suggest that the Council consider an "option 8" which allows for the Developers, in conjunction with the County Public Works and WSDOT, to pay for and construct the improvements right now and receive immediate TIF credits and/or "surcharges" which will defray the cost of construction.[2]

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[1] *See* March 13, 2019 PPT at slide 20

[2] As the attorneys for these development entities frequently comment, they have worked together (and cooperatively) for years and

This request that the Council defer any decisions is based on the conflicting information in the record and the fact that there is no comprehensive document that outlines all of the issues such that the public can make an informed decision—much less comment—on the proposals that may be before the Council on Tuesday.

In addition, it is based upon the somewhat troubling fact that the Council already seems to be recording votes for specific options before the numbers are finalized or, more importantly, the public has been allowed to weigh in on the proposals. All of these proposed options involving the imposition of additional taxes, the use of "bank capacity (in Option #1 that is a total of 2.176 increase in taxes *solely dedicated to these infrastructure* improvements). According to the March 13, 2019 Work Session, Councilors have already been asking each other to weigh in on what Option that they want to support before there have been any public hearing on these issues[3]. So before the matter has even been brought before the public in any comprehensive way, a "committee"[4] has determined what is the best option (they selected Option #1) and the Council basically voted on the committee's recommendations in a work session[5]. To use a well-worn phrase, it appears that the Council has put the cart (their decision) before the horse (the public's right to a hearing and input)[6].

In reviewing all the documents published since July 1, 2018 on the PC and Councilor Grids, as well as listening to all of the audio portions of the PC meeting and the Councilors' Board Time and Work Sessions, one thing is clear, there is no agreement on what information is currently in front of the Councilors as of May 6, 2019.

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[3] (Councilor Olson stated she favored #1, Councilor Medgivy stated he favored #7, Councilor Lentz suggesting she preferred #1 but had not fully made up her mind, Councilor Quiring stating she was not sure and it was not possible to hear Councilor Blom clearly but it seemed he favored Option #1).

[4] Killian Pacific, Holt Group, Inc., Wollam & Associates, Hinton Development, WSDOT, Eileen Quiring, Chair, Julie Olson, Councilor and Shawn Henessee, County Manager. Of note is the lack of any citizen group or neighborhood association. The full list of the committee (staff and "stakeholders") can be found on page 4 of the March 13, 2019 PPT that is posted on the Councilor's Grid and is incorporated by this reference. I will note that the selection of this committee seems consistent with the selection of the FRDU committee that ended up being stacked with the proponents of the overlay and had the owner of the PVJR serve as an ex-officio member. Ironically, in the case of the FRDU, Mr. Temple, the man the Council wanted in the "huddle", is now involved in a lawsuit with the County over the lease and the County has hired outside legal counsel.

[5] Of note, is that the Developers lawyers all were at the work session and had plenty of "mike" time to express their views but, of course, they had already voted in a "secret ballot" so no developer would know what the other developer was going to say.

[6] Or, as the Red Queen famously suggested—"Sentence first-verdict afterwards"

Specifically, there is no definitive information on whether the "funding" that the County is intending to vote on for the purposes of traffic "infrastructure" is to facilitate the immediate lifting of the entire Urban Holding overlay OR if the mitigation proposed is only sufficient to lift the overlay on land owned by four specific parties (Killian, Holt Homes, Hinton and Wollam). *See* Audio of Council Time May 1, 2019.

The above assertion is exacerbated by the fact that as of the May 1, 2019 Work Session, the County Manager stated that several of the 7 options were subject to change before the May 7th hearing and, as of May 5, 2019, there was no staff report, or any documents whatsoever, posted on the Grid related to this hearing for the public to review prior to the hearing. Given the fact that every proposal involves the raising and expenditure of revenue PLUS bonding PLUS how to possibly finance that bonding, the tradition of this Council has been to make sure everyone is involved in the process when revenues are going to be increased via taxes or levies and indebtedness is going to be incurred.

BACKGROUND

During the original GMA Comprehensive planning process in the early 1990s, the County stretched its UGAs and added density to the areas around 179th street even though they had no concurrency funds to provide for services for that area. In order to be compliant with GMA, the county put the area in contingent zones with the potential for large scale, and higher density, development as soon as they could reasonably fund the infrastructure and serve the development.

Both Clark County Natural Resources Council and a local developer who claimed to own land in the area both appealed to the GMHB. The Board ruled as follows in its original Final Decision and Order:

> Urban Holdings/Contingency Zoning
>
> As part of its concurrency requirement, Clark County adopted policies in its comprehensive plan for "urban holding districts" and "contingent zoning" provisions. At page 12.4 of the CP, these concepts were explained as follows:
>
> "The comprehensive plan map contemplates two land use methods to assure the adequacy of public facilities needed to support urban development within urban growth areas (1) Contingent Zoning which applies an "X" suffix with the

urban zone and (2) applying an Urban Holding District combined with urban zoning."

The stated goal of these two concepts was to prohibit urban growth within the urban growth area until sufficient infrastructure was in place or assured, or until annexation took place. Clark County used these two concepts within the UGA to support the concurrency goals and requirements of the Act and to provide a mechanism for tiering of urban growth.

Petitioner CCNRC contended that the urban holding district was invalid because the Act prohibits allowing an area to be included in the UGB that is not able to be served with public facilities and services in the 20-year planning period. Secondly, CCNRC pointed out, annexation of these urban holding areas would not necessarily resolve the problem of lack of concurrent public facilities and services. Petitioner Holsinger contended that the contingent zoning area was applied in an "arbitrary and discriminatory" manner to the 179th Street/I-5 area where his property is located.

The urban holding residential areas have minimum lot sizes of 1 du/10 acres. Industrial urban holding zones have minimum lot sizes of 1 du/20 acres. Unlike the urban reserve areas, which are located outside the UGA, the urban holding areas are definitionally located within the boundary. Each holding area is identified in the CP at page 12.5 and 6 for each individual city. Each area is required to maintain the "holding" designation until the city can assure adequate provisions are in place or will be made if the area is to be annexed. While we are unsure of how the County could enforce such a requirement if annexation did occur, we do not find a violation of the GMA on the basis of that possibility alone. The concept of the urban holding area within an urban growth area furthers the concurrency goals and requirements of the Act. The use of such a concept is in the discretion afforded to local decision makers.

It is accurate to say that the CP provides for contingent zoning restrictions only in the 179th

> Street/I-5 area as petitioner Holsinger claims. It is also true that that area provides the most significant reason for the adoption of the contingent zoning concept. In order to show a violation of Goal 6, a petitioner must first show that a "right" of a landowner has been violated. This has not been done by Holsinger. We do not perceive that there exists a recognizable "right" to develop property for the maximum profit regardless of the short-term and/or long-term impact to the taxpayer. Nor has petitioner shown that even if such a "right" existed that the mere fact this area is the only one burdened by the contingent zone concept is in and of itself an arbitrary and discriminatory decision. The record is clear that the area in question, of which petitioner owns but a small portion, has significant inadequacies in public facilities. The correction of these deficiencies prior to further urbanization follows exactly what GMA requires. We find no violation.

In September 7, 2004, Clark County expanded the Urban Growth Boundary in the Vancouver Urban Growth Area and applied the Urban Holding overlays to the subject area. Then again, on September 25, 2007, Clark County approved the Urban Growth Boundary in the Vancouver Urban Growth Area and applied the Urban Holding overlays in the subject area. It is all of these urban holding overlays that the County is now seeking to remove.

In July 2018, Kittelson and Associates presented "Developer's Materials" to the County that addressed the traffic issues in the area regarding the development of the 4 projects at issue. The report is in the record. It does not include all of the projects that are now listed in the Staff Reports and sets a 20 million dollar budget for the improvements ("mitigation") that will be required to accommodate the traffic for these 4 projects.

In that report, Kittelson notes several things of import:

1. Conclusion that there will be less than one vehicle trip per PM Peak Hour for all of the dwelling units going through the area from I5 and 179th east to 15^{th7} BUT shows that the area will be almost at

[7] As will be noted later in these comments, it is hard to believe that an area so far from any employment center that has no public transportation whatsoever will generate less than one vehicle trip at the PM Peak hour. It is only common sense that most residences have two workers per household (some with more if they have teenagers or young adults still living at home) and to assume less than one vehicle trip for either AM or PM peak hour seems to defy common sense.

capacity for those trips at PM Peak..*See* Developer's Materials posted to the Grid July 11, 2018 at page ;

2. There is no roundabout at 15th and 179th;

3. It does not include any improvements at 29th and 179th or 50th and 179th.

However, according to staff reports, and multiple conversations at the Work Sessions held over the past year, the total cost for the required projects in this area[8] is $66 million PLUS the $50 million from the State for the interchange (2023-2025). In addition, this $66 million does not seem to provide any funds for the creation of, or possible expansion of, public transportation facilities in the area. There does not appear to be any plans for a public transit center, creation of kiosks for buses along the roads that are designated for improvement and certainly C-Tran has not been at the table (and had no member on the committee). In addition, C-Tran currently does not serve the area and so the area will be served predominantly, if not solely, by personal vehicles, likely Single Occupancy Vehicles.

Originally the County listed the shortfall as $38,721,000, which left approximately $28 million as fully funded. *See* PPT 179th Transportation Funding listed on the Grid on 12/4/2018 at page 4. At that hearing, staff proposed four options that purported to fully fund the entire $66 million outlay required for the infrastructure requirements. Those "options" included $7.5 million in TIF money and $6.8 million from developers in "additional money"[9] for "funding". *See* PPT 179th Transportation Funding 12/4/18 at pp 5-8.

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I-5/NE 179th Street (NE Delfel Road to NE 15th Avenue)	$ 10,352,000	$ 15,579,000
NE 15th Avenue (NE 179th Street to NE 10th Avenue)	$ 11,348,000	$ 3,642,000
NE 179th Intersections at NE 29th Av. & NE 50th Av.	$0	$ 15,000,000
NE 10th Avenue (NE 149th Street to NE 154th Street	$ 5,987,000	$ 4,500,000
Subtotals:	**$ 27,687,000**	**$ 38,721,000**

[9] TIF funds are to be charged for new development so it is not clear where this 6 million in TIF funding is coming because, as of the March 13, 2019 work session, the Council and the staff were asserting that the money that is being "paid" by the developer is just some form of pre-payments of the developer's TIF obligations based upon hitting specific "triggers". Audio of March 13, 2019 Councilor Work Session. Therefore, under the "Holt Development Agreement", they only pay 25% ($750,000 when the UH is lifted, another 25% at preliminary plat (whenever that happens) and the remainder over time as the homes are "phased in" after the final plat approval.

On January 23, 2019, the Council decided it wanted to appoint a "committee[10]" to look at various options for funding. The committee did not include any citizens, citizen groups, representatives of the various school districts to be impacted or other individual residents of the area familiar except the developers and their lawyers, two members of Council, staff and three representatives from the Cities. However, the only voting members of the large committee were the developers and/or their legal representatives, a WSDOT Representative, Shawn Henessee, Councilor Olson and Chair Quiring.

The Council held a Work Session on March 13, 2019 at which time the staff presented an updated PPT that included the "7 options" for funding and during which the lawyers for the developers were allowed to present to the Council as "members of the committee". No other members of the public were invited to speak. It was at the end of this Work Session that the Councilors were asked to state a position on the options.

The Council also discussed the matter at length on April 10, 2019 and May 1, 2019 Council Time. It does not appear that those sessions resolved the issues of a) when and how the UH should be lifted, b) the use of Development Agreements or c) the finalization of the what "funding package" means in at least some of the 7 options presented to the Council.

ISSUES

A. Capacity

The materials provided by the developers in July 2018 (Kittelson Study)[11], contain the only "traffic study" that I have been able to find in the record [I surely could have missed others in the documents and, if I am incorrect, please ask Staff to direct me to the other study(ies)]. According to the Kittleson Study (which is actually a "summary", not a copy of the entire report), it ***only*** addressed the traffic impacts of the 4 projects (Three Creeks, Mill Creek PUD, Hinton and Wollam) that have been proposed. There is nothing in Kittelson Study, or any other document that I have seen that is publicly available on the Grids (Council or PC), that addresses traffic impacts of these projects, much less traffic impacts on the build out of the entire area. If such a study or studies exist, then they should be made a part of the public record on the grid.

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[10] This Committee has the same fatal flaw as the "committee" put together for the FRDU implementation in that it has an inherent bias (both explicit and implicit) to not challenge basic assumptions due to the personal and professional views and objectives of the committee members.

[11] On Councilor's Grid for July 11, 2019 and marked as "Developer's Materials"

According to the Kittelson Study, considering all of the trips that will be generated by ***only*** these four developments, at least 3 areas in the study will be very close to capacity at the PM Peak Hour (PH). *See* Kittelson Study at slide 7. That slide shows that at the PM PH, the NB off ramp of I5 onto 179th will be at 88% capacity, the new roundabout at NE 12th will be at 92% capacity and the intersection at NE 15th will be at 84% capacity[12]. Also, of the four projects studied, the Kittelson study found that the new residences would generate < 1 car trip at the PM PH traffic time. As previously stated, using a number of < one car per day at PM seems to underestimate by as much as one half, or more, the number of trips that will be generated by these four projects.

Also, nothing that has been found in the record that states that any of the 7 options would fund infrastructure sufficient to handle the "trips" not associated with these 4 developments even if all of the improvements are put in place ($66 million). If the areas shown on the Kittelson study will be near capacity upon completion based solely on the trips generated by these 4 projects, how will the new infrastructure be able to handle the number of trips that will be generated in the entire 2200 acre overlay? If there is nothing that shows that the expenditure of the full $66 million will create improvements to handle all of the potential trips to be generated by these 4 projects ***PLUS*** all of the other projects that have yet to be brought before the County, then how can the county contemplate lifting the Urban Holding for the entire 2200 acre designated area?

Thus, it is not clear how the Council could lift the Urban Holding overlay in its entirety when there is no traffic impact study for all of the land that is not owned, and proposed for development, by these four entities. Plus, if the studies show that the areas are already almost at capacity once built (at least during PM PH), how is the County going to increase capacity at all of these areas along 179th corridor to bring the other properties out from under the UH designation?

The County needs to make clear that the capacity, which they intend to serve will be served by infrastructure that is proposed. It seems that the County is underestimating the capacity of these 4 projects (especially by considering less than one trip per dwelling unit)

B. Scope of the Project and Funding

There is some inconsistency with the scope of the project and the various funding proposals in the record and, before the Council votes, I think it would be helpful to clarify.

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[12] It is unknown, but a question worth asking, what will these intersections look like during high traffic volume events such as concerts at the Sunlight, the Clark County Fairgrounds activities and events at the Clark County event center. Imagine the PH PM traffic queues when an event occurs at the same time as the PH PM hour.

It is clear that the projects outlined below are proposed to cost $66 million dollars:

I-5/NE 179th Street (NE Delfel Road to NE 15th Avenue)	$ 10,352,000	$ 15,579,000
NE 15th Avenue (NE 179th Street to NE 10th Avenue)	$ 11,348,000	$ 3,642,000
NE 179th Intersections at NE 29th Av. & NE 50th Av.	$0	$ 15,000,000
NE 10th Avenue (NE 149th Street to NE 154th Street	$ 5,987,000	$ 4,500,000
Subtotals:	**$ 27,687,000**	**$ 38,721,000**

This is different from what is proposed in the 2019-2024 County TIP. *See* "Project 3 2019-2024 Transportation Improvement Program (project number 390222). In # 390222, the County shows improvements from NE Delfel south to 179th and then east to 15th Avenue. It lists the total cost as $27,367,000, of which $10,387,000 is listed as "unfunded".

The above table is also different from the Kittelson Study, which has some different improvements but a cost of only 20 million excluding ROW costs. *See* Kittelson Study at slide #6; *But See*, Exhibit D to proposed Mill Creek PUD Draft Development Agreement which sets forth proposals from March 2018 that do not seem to be the same as the Kittelson Study PPT on the July 2018 Councilor Grid. There is also a separate and distinct plan in the PPT presentation made to the Planning commission on September 6, 2018 as part of the Three Creeks approval process that puts the total cost of the projects at $43-45 million but clearly does not include improvements to 179th and NE 29th and 179th and NE 50th.

In addition, Killian Pacific has signed 2 development agreements. According to the Staff Report dated September 6, 2019 to the Planning Commission, the one signed in 2012 utilized all the existing capacity at the 179th/I5 interchange and the report specifically described the interplay of the executed agreement and the proposed draft agreement as follows:

> The draft development agreement associated with this proposal, ***seeks to remove the urban holding overlays, reserve transportation capacity for the future development of the three specific parcels, and to provide certain improvements to increase the transportation capacity in the area.*** In the 2012 development agreement, Three Creeks LLC consumed the transportation capacity and all available trips in the I-5/179th St interchange area, making further development of that area essentially infeasible. The ***draft development agreement proposes to re-allocate the***

trips reserved by the 2012 development agreement and apply the trips to the proposed residential development, currently designated with the urban holding overlays. The reallocation of trips is permitted pursuant to CCC 40.350.050(M), which stipulates that the trips calculated for the commercial development south of 1 will not be available until 5 years after the agreement to reallocate trips is recorded. Additionally, ***the draft development agreement would require the construction and dedication of an eastbound to southbound right turn lane on NE 179th Street at NE 15th Avenue***. This required construction and dedication mitigates the direct impacts of the contemplated residential development, as determined by the Developer's traffic study and confirmed by County Public Works staff.

The 2012 development agreement required the "design and construction of two continuous eastbound lanes, a raised median and a bicycle lane on the southside of NE 179th Street from the I5 Northbound off ramp to NE 15th Ave." [Auditor File No. 5321604, Page 26] That development agreement also required the "design and construction of one continuous westbound lane and a center median from NE 15th Avenue to the proposed new signalized intersection at approximately the westernmost property line of Phase 2 179th Street Commercial Center development site." [Auditor File No. 5321604, Page 26] These requirements mitigated the impacts from the conceptual commercial center. The reallocation of the reserved trips from the commercial center to the residential development (on the land currently under urban holding) defers these requirements until the commercial center is developed. This deferral may impact future development east of NE, along NE 179th Street. ***The improvements listed above in this paragraph will be required for any future development in this area to the east, but the neither the county nor the owners of those properties own the property for right-of-way on which to construct the necessary improvements.***

Staff Report 9/6/18 at pp 2-3 (emphasis supplied)

The "Draft Development Agreement" that went before the County Council in December 2018[13] states the following requirements for road improvements:

1. County and Developer will continue to work together;
2. Developer shall transfer sufficient property to the County from each of the eastbound and westbound sides of 179th street[14] east of Interstate 5, between the Interstate 5 ramps and NE 15th Avenue to constitute 50 feet of half-width right of way on each side of 179th Street;
3. Construction of a two lane minor arterial across UH and Developer property that will ultimately connect 15th Avenue at 179th Street to 10th Avenue;
4. Construction and dedication of an eastbound to southbound right turn lane, along with required attendant infrastructure for the lane, on NE 179th Street at NE 15th Avenue; and
5. County agrees to allow Developer to develop circulation plan within Developer's property located on the north side of 179th street and Developer will pay for cost of construction of this plan

There are no costs associated with these mitigation measures set forth in Recital H of the DA, or listed anywhere on the Grid. There is nothing to indicate what, if any, costs that are included in the $66 million are eliminated based upon the work being proposed to be completed by Developer Three Creeks and/or the dedication of right of ways. It is also unclear how much of what is being agreed to in this DA was also previously agreed to in the 2012 DA. However, there appears to be road improvements that are set forth in the 2012 DA that developer proposed that will be moot (unnecessary) based upon the scale of the current project, which means the County will be foregoing what it had bargained for in that DA and there is no analysis that they got it all back in the new DA.

From a layman's reading of these two agreements, Three Creeks is absolved of doing any of the work required by the 2012 agreement, agrees to do some new work as part of the new DA, gets to transfer its "reserved" trips as credits to the new property even though it is no longer required to any of the required improvements set forth in the 2012 DA, and still gets those trips back in 5 years on the original project (assuming that they do not get sooner if the County finds "capacity" for those trips in its final project as completed).

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[13] Killian/Three Creeks DA.

[14] I think this should read "the north side and the south of 179th street" as there are no eastbound and westbound "sides" of 179th but there are eastbound and westbound lanes so maybe this means on the side of the westbound and the side of the eastbound lanes. It is a bit unclear.

In addition under #4.1 of the new DA, Three Creeks can get full credits from the County for all the work that is completed by them under the new DA, which means that they may not be out of pocket any money for those improvements. Again, one must ask, if the approved DA requires certain work, does that work defray any of the $66 million and, if not, and they get credit back for that work, then the cost is going to be greater than $66 million. Therefore, although it appears that the DA provides some benefit to the County, it also appears that the DA may not cost the Developer any money, absolves the Developer of work promised under the 2012 DA, allows the Developer to keep its "reserved" trips by transferring to new project area under UH and then still allows them to double dip and use those same trips for the South project in 5 years.

Thus, the scope of the 179th St/I5 project seems to still be limited to the 4 projects set forth in the table above at a cost of $66 million, even with this DA with Three Creeks that has now been approved by the County. I also note, this DA does not contain any payment by the developer to the County as set forth in the 7 options of any money, much less payments for TIF and/or surcharges and, therefore, it is assumed that there will have to be a new DA approved (or an addendum to this one) that will cover this anticipated contributions.

Over the past year, the records reflect that there have been multiple other funding proposals, but they all seem to agree on a cost of $66 million. *See* 12/4/18 PPT at slides 4-10; Urban Holding Pipeline Projects on the 12/4/2018 Grid; 1/23/19 PPT at 10-13 (note the pie charts in this scenario list TIF at $7,500,000 and Developers Contribution at $6,8455,222 but later hearings have made clear that the developer's "contribution" is simply paying their TIF obligation in a staggered manner over an unspecified period of time so it is unclear if this is a "double dip" or not). It is important to note here that the County has already approved one new tax to be dedicated to this project for the next six years that does not show in the "option" charts. At the December 2018 hearing, the County approved a 1% levy for the Road Fund that will be dedicated to the 179th Street/1% interchange for the next 6 years.

The March 13, 2019 chart shows 7 potential "funding" scenarios that claim to "reasonably fund" the traffic impacts in that area so that the Council can "remove" the Urban Holding overlay. Each option requires increased taxes on all of the citizens of the County (but does not mention the tax passed in December 2018), AND annual payments on debt service of between $394,000 and $946,000 per year[15]. All 7

[15] For example, should the Councilors select option #7 as the preferred option, the repayment on the 12,300,000 bond would exceed 18,000,000 in total repayment costs of principal and interest. It is unclear if the "surcharge" or "TIF" increase would cover the entire amount bonded, including interest, or just the initial 12,300,000. It is also unclear when those payments would be made to the county as reimbursement. If the "surcharge" and/or "TIF" payments are not "upfront" or "contemporaneous" with construction then where is the money going to come from to pay the debt payment (i.e. there is a question as to when the surcharge(s) or the TIF(s) will come in to

options include an evanescent hope that the developers will come forward and pay their TIF obligations "in advance" and, potentially, be responsible for "surcharges".

The March 13, 2019 PPT shows $19,100,000 to be the "unfunded" amount of the $66 million. Yet, that number is inconsistent with all of the prior staff reports re: "unfunded". The March 13, 2019 PPT does not contain a chart that highlights what sources of funding guarantee the other $47 million dollars. The charts listed in the prior PPTs only show that, at most, $30 million is funded and the rest ($36 million) remains unfunded. *See* 1/23/19 PPT at slides 10-13. Therefore, it is impossible to reconcile what the County's numbers were in January 2019 with the County's numbers in March 2019.

There is a continual claim throughout this process, the most recent in the March 13, 2019 PPT, that $8.8 is being contributed from the Road Fund to this project. However, the PPT presentations also show that $4.5 million of that $8.8 million is "diverted" to the Sheriff. If $4.5 million is diverted, then only 4.3 million remains as a Road Fund contribution, which leaves a deficit of $4.5 million in the "funded" part of the equation[16].

Another PPT slide shows $7.5 million in TIF will be utilized to defray the costs of the proposed infrastructure. However, the "7 option" charts also count $6.8 million in funds that they are proposing would be paid by the 4 developments as the "developer's contribution". It appears that the $7.5 million and the "developer's contribution" are the same money. According to the draft Mill Creek PUD DA, and the statements by staff at the work sessions/council time, the "developer's contribution" is simply their required TIF contribution but requires them to pay it on a slightly advanced schedule than code requires. Staff needs to clarify whether the $7.5 million TIF payment comes from a different source than the developers[17].

The March 13, 2019 PPT slides claim an additional "funded" amount of $12 million in REET 2 funds over 5 years in addition to the $3.4 million that the Council voted to use for 2019. This means that, in addition to the dedication of the full Road

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cover the payments on the bond and there is no indication from which fund(s) those debt service payments will be made if the surcharges and/or TIFs from Mt. Vista are unavailable)? Obviously, if there are no payments to the County, the County will be still required to make those payments on the debt service from some fund but it is not clear which fund.

[16] It is unclear, but possible that these funds will be used for the Sheriff's 4.5 million diversion and thus the 8.8 million from the road funds will not be affected but that is unknown.

[17] At one point, Public Works Director Ahmad Qayoumi and Matt Hermen agreed that the original intent had been for the Developers to pay for their TIFs and an additional share. But at the meetings in March, April and May, it appears that the "committee" agreed that they were the same. If they are the same then there is a 7.5 million shortfall in the County's calculus.

Fund levy to the project, the County is going to dedicate ***all*** REET 2 funds ($15.4 million) to this project.[18] There is also a reference to $2 million as a one-time contribution from the Road Preservation fund and also 11 million for grants. The grants are unknown, not applied for and given only given an 80% chance of getting them—80% does not make "reasonably funded. Does the County intend to make the lifting of the UH for these for projects contingent upon the grants being issued? If so, is there a timeline for such and, if not, why is the Council including this $11 million in the "funded" section?

Finally, adding the numbers of "funded" money from the various PPT slides, the actual number still only comes to $26.2 million:

$4.3 million (Road Fund)[19] + $7.5 million (TIF) + $3.4 million REET 2[20] + $11 million (grants) = $26.2 million

If only $26.2 million is funded, then almost $40 million is unfunded.

The County adds money to the "funded" column that has not been obtained or authorized. For example, the County's "funded" assumptions include that the grant money comes in at the $11 million level (see discussion of that issue above). In addition, the charts suggest that Council will dedicate an additional $12 million from REET 2 above and beyond the previous $3.4 million authorized, ***to go to this specific area only*** even though there has been no vote on dedicating that amount. If that happens, then the total is about $38.2 million of "funded" money. If $38.2 is funded, that leaves $28 million as "unfunded" not $19,100,000 ($66.6 million – $38.2 Million = $28.4). Again, this $28.4 number could be reduced by $4.5 million if the Sheriff's money is NOT diverted and by $2 million if the Council agrees to yet another contribution, this time from the Road Preservation fund. If those reductions occur, then the amount still to fund is $21.9 million, not 19.1 million.

More importantly, the charts show what the "tax" will be to the median HH but that number is flat wrong if the County includes "dedicated" road fund dollars and "dedicated" REET 2 dollars and Road Fund Preservation (2 million) for a total of $26.2 million dollars—then the taxes paid by the citizen for these road infrastructure far exceed the $7 per median HH set forth in Options 1. I think it is incumbent upon the county to show citizens the true tax cost per median HH.

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[18] The Council has not approved the additional 5 years of REET 2 funds and there has been no hearing on using 6 years of REET 2 funds solely to fund this 179th/I5 corridor project.
[19] If the Road Fund is actually $8.8, then add $4.5 million for a total of $30.5 million.
[20] (only REET 2 authorized for one year-the County is including the other $12 million in this package even though there has been no presentation to the Council, much less approval)

Since the 7 options only list a need to "fund" $19.1 million the County's 7 funding options are all short in some amount of what the County needs to fund the improvements. In fact, in ALL the options laid out in the January 2019 PPT presentation, the most money that was "funded" was $30 million, and that included the full $8.8 million from the RF[21] despite staff saying that, of that $8.8 million, 4.5 has to be diverted to the Sheriff.

Finally, as to the 7 options, each option contemplates bonding. The Council believes that bonding payment can be covered by issuing a surcharge or adjusting the TIF assessment upwards for the Mt. Vista TIF sub area.

1. Surcharge

The surcharge is calculated based upon the number of trips assigned to a development dwelling unit x a specific dollar amount (i.e. 10 trips per day per dwelling unit x $167/trip would be $1670 for one dwelling unit to be paid by the Developer). The surcharge dollar amount is different in each of the 7 options because the surcharge amount is correlated to the yearly repayment requirements on the bond and each option contemplates a different bond amount (it is unclear whether the proposed surcharge would cover both principal and interest or just principal).

There is no agreement in any DA, or draft DA, that a Developer is willing to pay a surcharge, much less a specific dollar amount as a surcharge[22]. The County only has 1 DA in place and that agreement does not have any money being provided to the County. The Draft DA (Mill Creek) does not have any provisions for payment of extra money including surcharges. There are no draft developer agreements between Hinton and Wollam and the County.

In addition, the County could only impose a surcharge (or any other conditions) as part of a Developer Agreement and, therefore, if developers, ***other than these first 4***, come to develop later, there is no way to enforce a surcharge (or any other requirement that is generally found in a DA) without a developer/landowner ***voluntary*** entering into a Developer Agreement. Obtaining a voluntary DA, regardless of what is included therein, would be extremely unlikely if the UH is lifted as to the whole 2200 acres as there would be no incentive for a "late comer" to come to any agreement regarding extra payments, much less the addition of any other conditions. If the Council decides to only lift the UH as to the current properties, then could the other landowners in

[21] According to staff the Road Fund is at its lowest point ever—approximately $10 million as of December 2018.

[22] There have been statements during work sessions that some of these developer's attorneys believe that the surcharge is best. Therefore, if the Council agrees with the surcharge method, it should require that the surcharge for the entire developments be paid at the lifting of the UH.

the UH sue to have the UH lifted on their properties by claiming that the Council is saying that the area is "reasonably funded" and, if so, will they be exempt from the higher TIFs and/or surcharges or other conditions that could be put into a DA?

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2. TIFs

The alternative to paying off the bond is to raise the TIFs in the Mt. Vista District and, thus, those TIF funds could be used to pay off the bond as those TIFs are paid into the County. This is the simplest method, even though it would take an out of cycle Comprehensive Plan Amendment. Staff prefers this model. The issue here would, again, be that TIFs taken in throughout an entire Sub-Area would only be available to fund the 179th/I5 improvements.

3. Issues with Bond, Surcharge and TIFs

If the County chooses to bond, irrespective of whether they choose a surcharge or to raise the TIF in the Mt. Vista sub area, the Developers should be required as part of their DAs to pay the amounts up front or, at a minimum on a pro rata annual basis, to cover the County's annual payment. If not, where is there money in the budget the annual bond payment? Will the County pay the money for the annual bond payment out of the General Fund and, if so, to the detriment of what other sources that deserve funding? Unless the Developers make annual payments equal to the amount that the County has to pay on the Bond, then the County does not have money to make those payments unless they take money from some other "budgeted" source. Thus, the project, again, is not "reasonably funded" because no source of funding has been identified to pay the annual bond payments in the absence of the Developers making payments. Basically, if the Developers wait to pay the surcharge until full build out, however many years that could take, how will the County address that annual deficit?

C. Development Agreements

Development Agreements (DAs) are advantageous to developers because it gives them some certainty as to moving forward with a business model. The advantage of a DA to the Development community cannot be overstated. In addition, it is a strong tool for the County to implement special conditions, including payment of funds and having the developer be responsible for certain construction projects and other conditions that may not be available to staff under the Code.

In this case, the negotiations regarding a DA are not really full, fair and open negotiations ***unless*** the Developers let the County know what their expected gross

and net profits are on a particular project. If the County does not know those factors, then they have to take the word of the Developers as to how much they can pay and/or how many conditions should be imposed. On the other hand, the developers know how much the County needs to fund a project, knows the County's tax base and knows the County's available resources for the projects. Thus they have a natural advantage in the negotiations. So, why does the County not require, as part of the negotiations to have the developers "show the money".

There are two executed DAs (both by Killian/Three Creeks). The problem is that the Development Agreement in place, and the proposed Mill Creek PUD are very one-sided towards the Developer. I even heard threats that they would sue the County if the County did not pass this legislation because the County would be out of compliance with GMA[23]. At this juncture, the approved DA with Three Creeks has no dollar value on it, so it is impossible for a citizen to know if the County got a good deal, a so-so deal or a bad deal. In addition, as stated, under the approved DA, the Developer gets to utilize any and all available credits, which means that the County could absorb the entire cost of all that the Developer is agreeing to do in recital H.

Another example of advantage to the Developer can be found in the Draft DA with Mill Creek PUD. The Draft DA exempts the entire Development from compliance with 40.520.080 now or in the future[24]. This exemption is total and applies even if the Developers add propose higher intensities that add capacity and/or propose changes that could affect environmental rules and regulations. This is basically a carte blanche exception to the rules because they are not committing to the exact Mill Creek PUD that is proposed and, under the DA, can change it without being subjected to county code. Seems like a generous concession on the part of the County for not much in return.

In addition, the Draft DA with Mill Creek (which ostensibly will be the template for the other developers to pay their "developer's contribution") simply requires the Developer to do what they would have to do anyway, pay the TIFs. Triggers for the developer's payment of those TIFs are 25% of "mid range" of number in Master Plan (one might ask why they are not at the high end?). Does the master plan have a high end # and, if so, why is it not being considered in the traffic counts and, if it is being

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[23]These are the same attorneys who told you it was a no brainer not to do a Comp Plan amendment for FRDU, and who also told you on FRDU that there would be no grounds for an appeal. If I had been a development attorney, and spent even half the time that I do now on Clark County projects, I would have made millions of dollars over the years.

[24] "The Master Plan provides for a variety of housing types and lot sizes. Adoption of the Master Plan and development of the Property consistent with the Master Plan shall constitute compliance with CCC 40.520.080, such that future development applications consistent with the Master Plan, shall not be required to satisfy the criteria provided for in 40.520.080, as such criteria is hereby found to be satisfied by adoption of the Master Plan"

considered in the traffic counts, why is the Developer ***not*** agreeing to pay for the "high end number"?

The triggers in the Draft DA do not favor the County as the County will still be paying for the infrastructure improvements ***now*** while the Developers will be paying their "share" later. For example, under the Mill Creek Draft DA, they will pay 725,000 when the UH is lifted (25%), $725,000 (25%) when preliminary plat approved (whenever that year is as there is nothing to say when that will happen) and then the remaining 50% after the development of the phases of the project ***after*** final plat approval. In the meantime, the County is on the hook for paying for the improvements of which, most of 6.8 million attributable to the Developers may, or may not, be paid to the County prior to the County's expenditures for the Development. The question, again, is where will that money come from that the County will have to pay out for construction if the Developers are only kicking in 25% at the time the UH is lifted.

In listening to the Work sessions and council times over the past year, it is frequent that the lawyers for the Developers are discussing how generous that they are being and how much that they are sacrificing to help the County achieve this wonderful and laudable goal in such a great public private partnership. When listening to such rhetoric, I think it is always helpful to remember that it is the job of the developer's attorneys to represent their clients zealously, which means to get them the best deal possible. In this case, it is their job to make sure to squeeze every last dime out of the County they can before putting up a penny. It is not their job to represent the County's best interests unless it is so interwoven with their Client's best interest that they are in simpatico.

These comments suggest that, given the amount of advantage that these four developers are going to receive, the public private sharing should be more of 50%/50% than the 80/20 that has been discussed. In addition, even if 80/20, lest us not forget that their 20% is what they would have to pay in event, they are just agreeing to pay on a specific schedule based upon specific triggers, triggers that they control (other than the actual vote to lift the UH overlay which has to be done by the Council).

4. Schools

According to Staff report from November 2018 to PC—the Cap Facilities plan must meet Goal 6.0 of CFP and 6.1.0. In this case, the total number of dwelling units located within the Ridgefield School District is approximately 746. Assuming the County documents are correct, the Killian Pacific (Three Creeks) development will generate 326 apartments and 200 single family residences, and the Wollam project will produce 220 SFRs. Both of those developments are in the UH area and also in the RSD.

Under Ridgefield's Impact Master Fee Schedule, all of those 746 dwelling units would require an $8883.75 per DU school impact fee (it matters not if apartment or SFR, impact fee is the same). As the County only charges ***$6530*** per dwelling unit for a school impact fee on new construction for homes constructed within the Ridgefield School District, the difference is **$2,353.75/dwelling unit. However, unless the County requires the developers to pay the same impact fee as if the dwelling unit had been built in the City, the Ridgefield School District will lose $1,755,897.50**. It is also important to note that there may other opportunities for developing dwelling units in the Urban Holding area that fall within the Ridgefield School District. If the Urban Holding overlay is completely lifted, and unless the discrepancy is eliminated, the construction of new dwelling units could lead to additional deficits in the RSD.

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5. Some Final Questions (not exhaustive list)

a. Is the Road Fund contribution $8.8 million or $4.3 million because of the Sheriff Diversion of $4.5 million? If the Sheriff's Diversion is covered, then what is the extra tax to the citizen for that $4.5 million from the RF to go to this $66 million project list?

b. What is the actual capacity that needs to be addressed with these projects as the Kittelson report makes it clear that trips generated by these for projects alone will, at least at the PM PH, bring areas to almost capacity?

c. What is the source of the $7.5 million in TIF and how is that TIF money different from the TIF money that is factored into the "Developer's Contribution"[25]?

d. What is the actual amount of Grant money that is available and reasons why the County believes $11,000 million will be provided, and on what timeline?

e. What is the County's fall back if there is no $11 million dollars in grant money (or some amount less

[25] Note, there is only 1 draft DA that agrees to pay the TIF (Mill Creek PUD) and there is no time frame for which they have to pay. The Draft DA merely agrees to pay 25% ($750,000) at the time the UH is lifted, 25% ($750,000) at the time of preliminary plat approval (whenever that occurs) and the remaining 50% at staggered stages as the developments are phased in after the final plat approval (no time frame for payment of that money).

than $11 million)? Will the County make the lifting of the UH for these 4 developers (or the UH in total) contingent upon the receipt of the grant money and, if not, why not?;

f. Where will the County get the money for payment of construction costs if the Developers are not required to make upfront payments on either the TIFs ("developer contribution") or the surcharge (i.e. will the county be using the designated funds such as the RF and REET 2 funds to pay for the bond and the construction while waiting to be repaid for those upfront costs by the developer?;

g. Is the lifting of the UH, even as to these 4 entities, contingent on all of this money, not just the grant money, being definitively arranged?;

h. Why are the developers not being asked to pay their money up front instead of paying over time? What if that money does not come in due to the fact that the market factors control and they do not submit to either a preliminary plat and/or final plat within the 6 years?

i. Should the Developer Agreements say that all money must their "contributions" must be paid up front or, at a minimum, within no less than 6 years to insure that the project is "reasonably" funded?;

j. Why is there no funding for public transportation in the area? and

k. Whether the County decides on surcharges or TIF as part of these Development Agreements, should the Developers be responsible to contribute to the County their agreed upon share as the time that the UH is lifted?

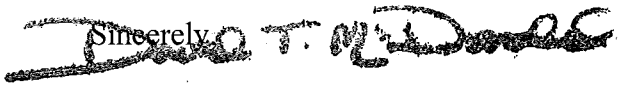
Based upon the above, it does not appear that even in a best case scenario, the County has established a way to meet concurrency, even with almost all the money coming from all the taxpayers of the County to pay for these developers to put in residential housing and some retail. It is clear that none of these developers are putting any economically beneficial developments in this area as contemplated by theory that this interchange is going to be a new "economic" engine for the county. Retail and residential development, especially residential on this scale, do not an "economic engine" make.

I am submitting these comments on my own behalf as an individual citizen who lives near the affected area and will be adversely impacted by this development. If

others wish to adopt these comments as their own, they may do so in writing or orally at the hearing. I hope to be able to attend the hearing this evening.

Thank you for your attention to this matter.

Sincerely,



David T. McDonald

Chair Eileen Quiring
Clark County Council
PO Box 5000
Vancouver, WA 98666

May 19th, 2019

Dear Chair Quiring and County Councilors,

On behalf of the Ridgefield Community Group we are writing to request that you address funding for all necessary infrastructure before removing the Urban Holding designation on 2,100 acres of land which is projected to include 4,815 homes.

Ridgefield is growing at a rate that is outpacing our schools' capacity. School district enrollment increased by 43% in four years and is projected to grow 53% by 2023. Union Ridge Elementary School for example, has over 900 students, and is one of the fullest elementary schools in the state. Our children feel this overcrowding in a very real way and although the district works hard to mitigate the impacts of overcrowding, our children are affected in the classroom, lunchroom and on the playground. Our seniors who are on fixed incomes and others who struggle to makes ends meet are unable to support the school bonds as evidenced by the failure of February 2019 bond.

We ask you to consider requiring all new development to pay the School Impact Fee (SIF) Rate adopted by the Ridgefield City Council in 2019 which is $8,883.75/unit compared to the current SIF rate for unincorporated Clark County at $6,530/unit. This would make a huge difference in funding the infrastructure needed for our unprecedented growth in Ridgefield.

Thanks for your consideration,

The Ridgefield Community Group

NAME	ADDRESS	SIGNATURE
Megan Dudley	1717 N. Falcon Dr Ridgefield	
Kathryn Bode	2604 S. 21st COURT RIDGEFIELD	
Cynthia Amerman	956 N Nobbl Loop Ridgefield, WA 98642	
Jen McDonnell	1180 S. 7th Cir Ridgefield, WA 98642	
Jody adams	30030 NW 71st Ave Ridgefield, WA 98642	
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Howard Patel	15912 NE UNION RD UNIT 74 RIDGEFIELD 98642	

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NAME	ADDRESS	SIGNATURE
Abigail Braithwaite	31812 NW 71st Ave Ridgefield	
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