TOWN OF WOODWAY

RESOLUTION NO. 16-383

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WOODWAY, WASHINGTON, APPROVING THE INTERLOCAL AGREEMENT BETWEEN THE TOWN OF WOODWAY AND SNOHOMISH COUNTY CONCERNING ANNEXATION AND URBAN DEVELOPMENT WITHIN THE WOODWAY MUNICIPAL URBAN GROWTH AREA.

WHEREAS, the Town Council of the Town of Woodway desires to facilitate the orderly transition of services upon any future annexation by the Town of properties within the Town’s Municipal Urban Growth Area ("MUGA").

NOW, THEREFORE, the Town Council of the Town of Woodway does hereby resolve as follows:

Section 1. The Town Council of the Town of Woodway hereby approves the interlocal agreement with Snohomish County concerning future annexation(s) by the Town within its Municipal Urban Growth Area, attached hereto as Exhibit A.

Section 2. The Town Council of the Town of Woodway hereby authorizes and directs the Mayor to take all necessary measures to execute such agreement with Snohomish County.

PASSED this 16th day of February, 2016 by the Town of Woodway Council.

TOWN OF WOODWAY

[Signature]

Carla A. Nichols, Mayor

ATTEST:

[Signature]

Joyce Bielefeld, Clerk Treasurer
INTERLOCAL AGREEMENT
BETWEEN THE TOWN OF WOODWAY AND SNOHOMISH COUNTY
CONCERNING ANNEXATION AND URBAN DEVELOPMENT WITHIN
THE WOODWAY MUNICIPAL URBAN GROWTH AREA

1. PARTIES

This Interlocal Agreement ("Agreement" or "ILA") is made by and between the Town of Woodway ("Town"), a Washington municipal corporation, and Snohomish County ("County"), a political subdivision of the State of Washington, collectively referred to as the "Parties," pursuant to Chapter 36.70A RCW (Growth Management Act) (GMA), Chapter 36.115 RCW (Governmental Services Act), Chapter 43.21C RCW (State Environmental Policy Act), Chapter 36.70B RCW (Local Project Review), Chapter 58.17 RCW (Subdivisions), Chapter 82.02 RCW (Excise Taxes), and Chapter 39.34 RCW (Interlocal Cooperation Act).

2. PURPOSE, INTENT AND APPLICABILITY

2.1 Purpose. The purpose of this Agreement is to facilitate an orderly transition of services and responsibility for capital projects from the County to the Town at the time of annexation of unincorporated areas of the County to the Town. This Agreement between the Town and the County also addresses joint transportation system planning and the policies and procedures for reciprocal review and mitigation of interjurisdictional transportation system impacts of land development.

2.2 Snohomish County Tomorrow Annexation Principles. The County and the Town intend that this Agreement be interpreted in a manner that furthers the objectives articulated in the Snohomish County Tomorrow Annexation Principles; however, in the event of a conflict between such Principles and this Agreement, this Agreement shall prevail. For the purpose of this Agreement, the Snohomish County Tomorrow Annexation Principles means that document adopted by the Snohomish County Tomorrow Steering Committee on February 28, 2007, and supported by the Snohomish County Council in Joint Resolution No. 07-026 passed on September 5, 2007. The Snohomish County Tomorrow Annexation Principles are attached to this Agreement as Exhibit A.

2.3 Establish a framework for future annexations. The Town and County intend that this Agreement provide a framework for future annexations within the Woodway Municipal Urban Growth Area (MUGA), to implement urban development standards within the Woodway MUGA prior to annexation, to plan for and fund capital facilities in the unincorporated portion of the Woodway MUGA, and to enable consistent responses to future annexations.
2.4 **Subsequent agreements and interpretations.** The Town and County recognize that this Agreement includes general statements of principle and policy, and that addenda or amendments to existing interlocal agreements or government service agreements or subsequent agreements on specific topical subjects relating to annexation and service transition may be executed. By way of example only, and not by way of limitation, the Town and County contemplate that such subsequent amendments or agreements might address the following types of issues: roads and traffic impact mitigation; surface water management; parks, recreation and open space; police services; fire marshal services; permit review services; revenue- and cost-sharing; common zoning and development standards; and sub-area planning. In addition, a subsequent agreement or an addendum to this Agreement might address issues related to the annexation of a specific area. In the event that any term or provision in this Agreement conflicts with any term or provision in any subsequent agreement, addendum or amendment, the term or provision in the subsequent agreement, addendum or amendment shall prevail unless specifically stated otherwise in this Agreement.

2.5 **Applicability.** This Agreement applies during its term to all annexations by the Town, when the Town elects to pursue such an annexation pursuant to this Agreement, within the geographic areas described below in Subsection 2.6. Nothing herein shall restrict the Town from exercising its rights to pursue an annexation without the benefit of this Agreement, and nothing herein shall restrict the County from opposing such an annexation before the Boundary Review Board.

2.6 **Geographic areas eligible for annexation.**

2.6.1 **Appendix A of the Snohomish County Countywide Planning Policies,** as now existing or hereafter amended, identifies the Woodway MUGA in the Southwest County UGA Boundaries Map, attached hereto as Exhibit B of this Agreement (Woodway MUGA). The Town may consider future annexations within the current Woodway MUGA. Future annexations may be phased. “Phase One” annexations may include the area designated as Urban Low Density Residential (ULDR) on the County’s future land use map (FLUM) within the current Woodway MUGA, and may include the portion of the railroad right-of-way adjacent to the western edge of the area designated ULDR so that the entire width of railroad right-of-way is included in a Phase One annexation, but not that portion of railroad right-of-way that is bordered by properties designated Urban Village (UV) along both the eastern and western edges. “Phase Two” and other phases of future annexations may include any other areas within the current Woodway MUGA, including areas designated Urban Village (UV) and Urban Industrial (UI) on the FLUM within the current Woodway MUGA. Phase Two and other phases of future annexations conducted by the Town pursuant to this Agreement shall require further negotiation of a separate agreement or agreements as contemplated in Section 15 of this Agreement to address the
more complex issues between the County and the Town related to the proposed development of these areas, unless both parties agree that such an agreement is not necessary.

2.6.2 If the Town proposes any annexation that includes territory located outside of the Woodway MUGA as identified in the Southwest County UGA Boundaries Map as shown on Exhibit B of this Agreement, and the cities adjacent to the affected area and the Town have reached formal agreement on the proposed annexation boundaries, the County may not oppose the annexation based solely on such territory being outside the Woodway MUGA.

2.6.3 If the Town proposes any annexation that includes territory located within another city’s MUGA, as identified in the Southwest County UGA Boundaries Map and the city in whose MUGA such territory is located and the Town have reached formal agreement on the proposed annexation boundaries, the County may not oppose the annexation based solely on such territory being included in another city’s MUGA.

3. GENERAL PROVISIONS

3.1 Consistency of annexation. If the Snohomish County Council finds that a proposed annexation by the Town within the Woodway MUGA is consistent with this Agreement and the goals and objectives established in RCW 36.93.170 and 36.93.180, that the health, safety and general welfare of Snohomish County citizens is not adversely affected by the annexation, and that an addendum pursuant to Section 15 of this Agreement is completed or is not necessary, the County may not oppose the proposed annexation and may send a letter to the Boundary Review Board in support of the proposed annexation.

3.2 Public facilities and services. The Town and County share a commitment to ensure that public facilities and services which are within the funding capacities of the Town and County will be adequate to serve development within the Woodway MUGA at the time such development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

3.3 Reciprocal mitigation and impact fees. The Town and County believe it is in the best interest of the citizens of both jurisdictions to enable reciprocal imposition of impact mitigation requirements and regulatory conditions for improvements in the respective jurisdictions. Separate interlocal agreements on reciprocal mitigation may be negotiated after the effective date of this Agreement as described in Subsection 2.4 of this Agreement. Whether impact fees can be collected and transferred between the County and the Town will depend, in part, on the circumstances of any individual annexation, the plans of the jurisdictions to
provide improvements for the benefit of the annexed area, and the terms of any subsequent interlocal agreement.

3.4 **Joint planning provision.** The Town and County recognize the need for joint planning to establish local and regional facilities the jurisdictions have planned or anticipate for the area, to identify ways to jointly provide these facilities, and to identify transition of ownership and maintenance responsibilities as annexations occur. This need may result in mutual ongoing planning efforts, joint capital improvement plans, and reciprocal impact mitigation. By way of example only, and not by way of limitation, joint planning issues may include: planning, design, funding right-of-way acquisition, construction, and engineering for road projects; regional transportation plans; infrastructure coordination; watershed management planning; capital construction and related services; parks, recreation, and open space; permit review services (particularly for urban centers); revenue and cost-sharing; adoption of common zoning and development standards; and sub-area planning.

3.5 **Town to adopt County codes and ordinances.** The Town agrees to adopt by reference the County codes and ordinances listed in Exhibit C of this Agreement and subject to vesting as described in Subsection 5.6.1 of this Agreement solely for the purpose of allowing the County to process and complete any permits and associated fire inspections issued by the County prior to the effective date of the annexation. Adoption of the County's codes by the Town in no way affects projects applied for under the Town's jurisdiction. The County shall be responsible for providing copies of all the codes and ordinances listed in Exhibit C of this Agreement, in addition to all the updates thereto, to the Woodway Town Clerk, so that the Town Clerk may maintain compliance with RCW 35A.12.140.

3.6 **Town and County responsibilities.** Within their own jurisdictions, the County and the Town each have responsibility and authority derived from the Washington State Constitution, state statutes, and any local charter to plan for and regulate uses of land and resultant environmental impacts.

3.7 **Intergovernmental cooperation for extra-jurisdictional impacts.** The Town and the County recognize that land use decisions and transportation planning can have extra-jurisdictional impacts and that intergovernmental cooperation is an effective manner to deal with impacts and opportunities that transcend local jurisdictional boundaries.

3.8 **Coordinated planning.** The Town and the County recognize that sub-area planning related to interjurisdictional coordination as outlined in the Snohomish County Tomorrow Annexation Principles facilitates the transition of services from the County to the Town in the event of an annexation. Addenda or amendments to existing interlocal agreements or government service agreements, or subsequent agreements on specific topical subjects relating to annexation and
service transition, as described in Subsection 2.4 of this Agreement, will reflect joint planning between the Town and the County relative to the Snohomish County Tomorrow Annexation Principles.

3.9 Taxes, fees, rates, charges, and other monetary adjustments. In reviewing annexation proposals, the Town and County must consider the effect on the finances, debt structure, and contractual obligations and rights of all affected governmental units. Tax and revenue transfers are generally provided for by state statute.

3.10 Wetland mitigation sites and habitat projects. The Town and County share a commitment to ensure the success of wetland mitigation sites and habitat improvement projects. The Town and County agree that both jurisdictions will benefit from the maintenance and monitoring of wetland mitigation sites and habitat improvement projects. If such sites or projects exist in an annexation area, the Town and County agree to enter into an agreement prior to the effective date of the annexation to determine responsibility and costs for maintenance and monitoring of wetland mitigation sites and habitat improvement projects.

4. GROWTH MANAGEMENT ACT (“GMA”) AND LAND USE

4.1 Urban density requirements. Except as may be otherwise allowed by law, the Town agrees to adopt land use designations and zones for the annexation areas that will ensure that new residential subdivisions and development will achieve a minimum net density\(^1\) of four dwelling units per acre and that will accommodate within its jurisdiction the population and employment allocation assigned by the County under the GMA for the Town and the Woodway MUGA as established in Appendix B of the Countywide Planning Policies for Snohomish County. Nothing in this Subsection 4.1 shall be deemed as a waiver of the Town’s right to appeal the assignment of such population and employment allocation under the GMA.

4.2 Urban Village requirements. Except as may be otherwise allowed by law, the Town agrees to ensure after annexation that the Town comprehensive plan and development regulations will provide the land use designations and zones necessary to support areas that have been designated as an Urban Village by the County in its comprehensive plan prior to annexation. Nothing in this Subsection 4.2 shall be deemed as a waiver of the Town’s right to appeal the County’s designation, establishment of development regulations or approval of permits applicable to such area.

---

\(^1\) For the purposes of this agreement, minimum net density is the density of development excluding roads, drainage detention/retention areas, biofiltration swales, areas required for public use, and critical areas and their required buffers. Minimum net density is determined by rounding up to the next whole unit or lot when a fraction of a unit or lot is 0.5 or greater.
4.3 Imposition of Town standards. The County agrees to encourage land use development project permit applicants within the Woodway MUGA to design projects consistent with the Town’s urban design and development standards; however, the Town agrees that the County can require only that an applicant comply with the County’s development regulations. The Town agrees to review land use permit applications and may make written recommendations to the County on how proposed new land use land use permit applications could be made consistent with Town standards. When approval of a development project permit is contingent upon extension of water or sewer service provided by the Town, the County agrees to impose only those conditions related to the provision of such service voluntarily negotiated between the property owner or developer and the Town as a condition of a water or sewer contract between the property owner or developer and the Town, provided that the conditions meet minimum County development standards and mitigation conditions. The Town agrees that the County may impose standards and conditions in addition to those that the County would impose under County codes only if the applicant agrees in writing.

4.4 Joint review of permit applications. The Town and County recognize that it is in the best interest of both jurisdictions to engage in the shared review of County permit applications within areas anticipated for annexation. The Town and County agree to consider a potential subsequent agreement relating to shared permit review.

4.5 Joint planning for transit-oriented development implementation. The Town and County agree to cooperate on the development of transit-oriented development regulations and transit supportive policies to implement County and Town comprehensive planning policies.

5. PROCESSING OF PERMITS IN THE WOODWAY MUGA

5.1 Definitions. For the purposes of this Agreement, the following definitions apply:

"Building permit application" shall mean an application for printed permission issued by the authorizing jurisdiction that allows for the construction of a structure, and includes repair, alteration, or addition of or to a structure.

"Associated permit application" shall mean an application for mechanical, electrical, plumbing and/or sign permit for a structure authorized pursuant to a building permit.

"Land use permit application" shall mean an application for any land use or development permit or approval and shall include, by way of example and not by way of limitation, any of the following: subdivisions, planned residential developments, short subdivisions, binding site plans, single family detached units, conditional uses, special uses, rezones, shoreline substantial development permits, urban center development, grading or land disturbing activity permits and variances. A “land use permit application” shall not include a “building permit application” except for non-single family building permits for structures.
greater than 4,000 square feet in size.

"Pending permit applications" shall mean all building permit applications, associated permit applications and land use permit applications respecting real property located in an annexation area that are either (i) still under review by the County on the effective date of the annexation, or (ii) for which a decision has been issued but an administrative appeal is pending on the effective date of the annexation.

"Permit review phase" shall mean a discrete stage of or discrete activity performed during a jurisdiction's review of a pending permit application that has a logical starting and stopping point. By way of example, and not by way of limitation, applications for subdivisions and short subdivisions are deemed to have the following permit review phases: (i) preliminary plat approval; (ii) plat construction plan approval; (iii) revision, alteration or modification of a preliminary plat approval; (iv) construction inspection; (v) final plat processing; and (vi) final plat approval and acceptance. When it is not clear which activities related to the review of a particular pending permit application constitute a distinct permit review phase, the County and the Town shall determine same by mutual agreement, taking into account considerations of convenience and efficiency.

5.2 Town consultation on County land use permit applications. After the effective date of this Agreement, the County agrees to give the Town timely written notice and review opportunity related to all land use permit applications inside the Woodway MUGA, as defined in Subsection 5.1 of this Agreement. The County will invite Town staff to attend meetings between County staff and the applicant relating to such permit applications, including pre-application meetings, when required under Snohomish County Code.

5.3 Review of County land use permit applications. All land use permit applications under County jurisdiction in the Woodway MUGA will be reviewed consistent with all applicable laws, regulations, rules, policies and agreements including the applicable provisions of this Agreement, any separate annexation agreements as described in Subsection 2.4, the State Environmental Policy Act (Chapter 43.21C RCW) and the Snohomish County Code.

5.4 Permits issued by County prior to effective date of annexation. All building permits, associated permits and land use permits and approvals respecting real property located in an annexation area that were issued or approved by the County prior to the effective date of an annexation and vested as outlined in Subsection 5.6.1 below shall be given full effect by the Town after the annexation becomes effective. Any administrative appeals of such decisions that are filed after the effective date of the annexation shall be filed with the Town and handled by the Town pursuant to the Town’s municipal code.

5.5 Enforcement of County conditions. Any conditions imposed by the County relating to the issuance or approval of any of the permits described in
Subsection 5.4 above shall be enforced by the Town after the effective date of an annexation to the same extent the Town enforces its own permit conditions. The County agrees that it may make its employees available, at no cost to the Town, to provide assistance in enforcement of conditions on permits originally processed and issued by the County.

5.6 Pending permit applications.

5.6.1 Vesting. The County and the Town agree that any complete building permit application, associated permit application or land use permit application respecting real property located in an annexation area that is submitted to the County prior to the effective date of an annexation and that has vested under Washington statutory or common law or the Snohomish County Code shall remain subject to the laws and regulations of the County that were in effect at the time the permit application was deemed complete by the County, notwithstanding any subsequent annexation or change in County Code.

5.6.2 Automatic transfer of authority regarding permits. The County and the Town understand and agree that the police power with respect to real property located in an annexation area automatically transfers from the County to the Town on the effective date of an annexation. The parties understand and agree that it is the police power that provides local jurisdictions with the authority to impose and implement building and land use regulations. Accordingly, the parties understand and agree that, as a matter of law, all responsibility for and authority over pending permit applications automatically transfers from the County to the Town on the effective date of an annexation.

5.6.3 Completing the active phase of review. The County and the Town agree that, to facilitate an orderly transfer of pending permit applications to the Town after the effective date of an annexation, it may be desirable for the County to continue processing all pending permit applications through the completion of the permit review phase that was in progress on the effective date of the annexation. Accordingly, beginning on the effective date of any annexation governed by this Agreement, and upon the Town’s request, the County shall act as the Town’s agent for the limited purpose of reviewing and processing all pending permit applications until such time as County personnel have completed the permit review phase that was in progress on the effective date of the annexation at issue. Upon completion of such permit review phase with respect to any particular pending permit application, the County shall transfer all materials relating to the pending permit application to the Town. After such transfer, the Town shall perform all remaining permit review and approval activities.

5.6.4 Administrative appeals. The County and the Town agree that it is not desirable for the County’s quasi-judicial hearing officers or bodies to act as agents for the Town for the purposes of hearing and deciding administrative appeals of permit
decisions on behalf of the Town, but it is also not desirable to disrupt an administrative appeal that is already in progress on the effective date of an annexation. Accordingly, if the permit review phase that was in progress on the effective date of an annexation was an administrative appeal of a decision made by the County, then that administrative appeal shall be handled as follows: (i) if the appeal hearing has not yet occurred as of the effective date of the annexation, then all materials related to the appeal shall be transferred to the Town as soon as reasonably possible after the effective date of the annexation and the appeal shall be handled by the Town pursuant to the procedures specified in the Town’s municipal code; (ii) if the appeal hearing has already occurred as of the effective date of the annexation, but no decision has yet been issued by the County’s quasi-judicial hearing officer or body, then the County’s quasi-judicial hearing officer or body shall act as an agent for the Town and issue a timely decision regarding the administrative appeal on behalf of the Town; or (iii) if a decision regarding the administrative appeal was issued by the County’s quasi-judicial hearing officer or body prior to the effective date of the annexation, but a timely request for reconsideration was properly filed with the County prior to the effective date of the annexation, then the County’s quasi-judicial hearing officer or body shall act as an agent for the Town and issue a timely decision on reconsideration on behalf of the Town.

5.6.5 Effect of decisions by the County regarding permit review phases. The Town shall respect and give effect to all decisions made in the ordinary course by the County regarding those permit review phases, as defined in Subsection 5.1, for a pending permit application within an annexed area that are completed by the County prior to the effective date of such annexation, or on behalf of the Town after the effective date of annexation. Nothing herein shall deny the Town its right to appeal, or to continue an existing appeal, of any appealable decision made by the County prior to the effective date of an annexation.

5.6.6 Proportionate sharing of permit application fees. The County and the Town agree to proportionately share the permit application fees for pending permit applications. Proportionate shares will be calculated based on the County’s permitting fee schedule. With respect to each pending permit application, the County shall retain that portion of the permit application fees that is allocable to the phases of review completed by the County prior to the effective date of the annexation. In compensation for the County’s work in reviewing pending permit applications on behalf of the Town pursuant this Subsection 5.6, the County shall also retain that portion of the permit application fees that is allocable to the phase(s) of review completed by the County while acting as an agent of the Town. Within a reasonable time after the completion of a permit review phase, the County shall transfer to the Town any remaining portion of the permit application fees collected, which shall be commensurate with the amount of work left to be completed with respect to the pending permit application at the time the pending permit application is transferred to the Town.
5.6.7 Dedications or conveyances of real property. The Town and the County acknowledge and agree that after the effective date of an annexation the County Council will have no authority to accept dedications or other conveyances of real property to the public with respect to real property located in the area that has been annexed by the Town. Accordingly, notwithstanding anything to the contrary contained elsewhere in this Section 5, after the effective date of any annexation governed by this Agreement, the approval and acceptance of final plats or other instruments or documents dedicating or conveying to the public an interest in real property located in the annexed area will be transmitted to the Town for acceptance by the Town Council.

5.7 Judicial appeals of permit decisions. The County shall be responsible for defending, at no cost to the Town, any judicial appeals of decisions regarding building permit applications, associated permit applications and/or land use permit applications respecting real property located in an annexation area that were made or issued by the County prior to the effective date of the annexation. The Town shall be responsible for defending, at no cost to the County, any judicial appeals of decisions regarding building permit applications, associated permit applications and/or land use permit applications respecting real property located in an annexation area that are made or issued after the effective date of the annexation, regardless of whether such decisions are made or issued by Town personnel or by the County in its capacity as an agent for the Town pursuant to Subsection 5.6 of this Agreement.

5.8 Permit renewal or extension. After the effective date of annexation, any request or application to renew or extend a building permit, an associated permit or a land use permit respecting real property located in the annexed area shall be submitted to and processed by the Town, regardless of whether such permit was originally issued by the County or the Town.

5.9 Administration of bonds. The County’s interest in any outstanding performance security, maintenance security or other bond or security device issued or provided to the County to guarantee the performance, maintenance or completion by a permittee of work authorized by or associated with a permit respecting real property located in an annexation area will be assigned or otherwise transferred to the Town upon the effective date of the annexation if such assignment or transfer is reasonably feasible. If it is not reasonably feasible for the County to transfer any outstanding bond or security device to the Town, whether due to the terms of the bond or security device at issue or for some other reason, then the County shall continue to administer the bond or security device until the first to occur of the following: (i) the work guaranteed by the bond or security device has been properly completed and accepted by the County; (ii) the Town has been provided with an acceptable substitute bond or security device; or (iii) the bond or security device has been foreclosed. For bonds and security devices that the County continues to administer after the
effective date of annexation, the Town shall notify the County when either the work guaranteed by the bond or security device is completed, or when the Town is provided with an acceptable substitute bond or security device, at which time the County shall release the original bond or security device. Should it become necessary to Foreclose any bond or security device the County continues to administer after the effective date of annexation, the County and the Town shall cooperate to perform such foreclosure.

5.10 Building and land use code enforcement cases. Any pending building or land use code enforcement cases respecting real property located in an annexation area will be transferred to the Town on the effective date of the annexation. Any further action in those cases will be the responsibility of the Town at the Town’s discretion. The County agrees to make its employees available as witnesses at no cost to the Town if necessary to prosecute transferred code enforcement cases. Upon request, the County agrees to provide the Town with copies of any files and records related to any transferred case.

6. RECORDS TRANSFER AND ACCESS TO PUBLIC RECORDS FOLLOWING ANNEXATION

6.1 Records to be transferred. Prior to and following annexation of unincorporated area into the Town, and upon the Town's request in writing, copies of County records relevant to jurisdiction, the provision of government services, and permitting within the annexation area may be copied and transferred to the Town in accordance with the procedure identified in Subsection 6.2 of this Agreement. Said records shall include, but are not limited to, the following records from the Snohomish County Department of Public Works, the Snohomish County Department of Planning and Development Services, and the Business Licensing Department of the Snohomish County Auditor's office: all permit records and files, inspection reports and approved plans, GIS data and maps in both printed and electronic versions, approved zoning files, code enforcement files, fire inspection records, easements, plats, databases for land use, drainage, street lights, streets, regulatory and animal license records, records relating to data on the location, size and condition of utilities, and any other records pertinent to the transfer of services, permitting and jurisdiction from the County to the Town. The County reserves the right to withhold confidential or privileged records. In such cases where the County opts to withhold such records, it shall provide the Town with a list identifying the records withheld and the basis for withholding each record.

6.2 Procedure for copying. The Town records staff shall discuss with the County records staff the types of records identified in Subsection 6.1 of this Agreement that are available for an annexed area, the format of the records, the number of records, and any additional information pertinent to a request of records. Following this discussion, the County shall provide the Town with a list of the
available files or records in its custody. The Town shall select records from this list and request in writing their transfer from the County to the Town. The County shall have a reasonable time to collect, copy, and prepare for transfer of the requested records. All copying costs associated with this process shall be borne by the Town. When the copied records are available for transfer to the Town, the County shall notify the Town and the Town shall arrange for their delivery.

6.3 **Electronic data.** In the event that electronic data or files are requested by the Town, the Town shall be responsible for acquiring any software licenses that are necessary to use the transferred information.

6.4 **Custody of records.** The County shall retain permanent custody of all original records. No original records shall be transferred from the County to the Town. As the designated custodian of original records, the County shall be responsible for compliance with all legal requirements relating to their retention and destruction as set forth in Subsection 6.5 of this Agreement.

6.5 **Records retention and destruction.** The County agrees to retain and destroy all public records pursuant to this Agreement consistent with the applicable provisions of Chapter 40.14 RCW and the applicable rules and regulations of the Secretary of State, Division of Archives and Records Management.

6.6 **Public records requests.** Any requests for copying and inspection of public records shall be the responsibility of the party receiving the request. Requests by the public shall be processed in accordance with Chapter 42.56 RCW and other applicable law. The Town agrees to withhold from disclosure documents which the County has requested remain confidential and not be disclosed where disclosure is not mandated by law.

7. **COUNTY CAPITAL FACILITIES REIMBURSEMENT**

7.1 **Consultation regarding capital expenditures.** The County will consult with the Town in planning for new local and regional capital construction projects within the Woodway MUGA. The County and Town agree to begin consultation regarding existing active County projects within sixty (60) days of approval of this Agreement. Consultation may include discussions between the County and the Town regarding the need for shared responsibilities in implementing capital projects, including the potential for indebtedness by bonding or loans. The Town and County may pursue cooperative financing for capital facilities where appropriate. Interlocal agreements addressing shared responsibilities for capital projects within the MUGA shall be negotiated, where appropriate.
7.2 Continued planning, design, funding, construction, and services for active and future capital projects. Where appropriate, separate interlocal agreements for specific projects may address shared responsibilities for local capital projects and local share of regional capital facilities within the Woodway MUGA and the continued provision of County services relating to the planning, design, funding, property acquisition, construction, and engineering for local capital projects within an annexation area. An annexation addendum under Section 15 of this Agreement would document appropriate interlocal agreements relating to planning, design, funding, property acquisition, construction, and other architectural or engineering services for active and future capital projects within an annexation area.

7.3 Capital facilities finance agreements. The Town and County may discuss project-specific interlocal agreements for major new local capital facility projects and local share of regional capital facilities within the Woodway MUGA. Depending on which jurisdiction has collected revenues, these agreements may include: transfers of future revenues from the Town to the County or from the County to the Town; proportionate share reimbursements from the Town to the County or from the County to the Town; and Town assumption of County debt service responsibility (or County assumption of Town debt service responsibility) for loans or other financing mechanisms for new local capital projects and existing local capital projects with outstanding public indebtedness within the annexation area at the time of annexation. Both parties agree that there should not be any reimbursement for capital facility projects that have already been paid for by the citizens of the annexing area by means such as special taxes or assessments, traffic mitigation, or other applicable funding sources.

7.4 Continuation of latecomers cost recovery programs and other capital facility financing mechanisms. After annexation, the Town agrees to continue administering any non-protest agreements, latecomer’s assessment reimbursement programs established pursuant to Chapter 35.72 RCW, or other types of agreements or programs relating to future participation or cost-share reimbursement, in accordance with the terms of any agreement recorded with the Snohomish County Auditor relating to property within the Woodway MUGA. In addition to the recorded documents, the County will provide available files, maps, and other relevant information necessary to effectively administer these agreements or programs. If a fee is collected for administration of any of the programs or agreements described in this Subsection 7.4, the County agrees to transfer a proportionate share of the administration fee collected to the Town, commensurate with the amount of work left to be completed on the agreement. The proportionate share will be based on the County’s fee schedule.
8. **ROADS AND TRANSPORTATION**

8.1 **Annexation of County roads and rights-of-way.** Except for noncontiguous municipal purpose annexations under RCW 35.13.180 or 35A.14.300, the Town, pursuant to RCW 35A.14.410, agrees to propose annexation of the entire right-of-way of County roads within and adjacent to an annexation boundary. As used in Section 8 of this Agreement, “County road” means “County road” as defined in RCW 36.75.010(6). The Town agrees to assume, and the County agrees to transfer to the Town, full ownership, legal control and maintenance responsibility for County roads, rights-of-way and drainage facilities within the annexed area upon the effective date of annexation, unless otherwise mutually agreed in writing.

8.2 **Road maintenance responsibility.** Where possible, the Town agrees to annex continuous segments of County road to facilitate economical division of maintenance responsibility and avoid discontinuous patterns of alternating Town and County road ownership. Where annexation of segments of County road are unavoidable, the Town and County agree to consider a governmental services agreement providing for maintenance of the entire County road segment by the jurisdiction best able to provide maintenance services on an efficient and economical basis.

8.3 **Road right-of-way connectivity.** The Town agrees to allow, within its regulatory authority, connectivity between rights-of-way within areas annexed by the Town pursuant to this Agreement and neighboring properties within the Town and outside of the Town in order to facilitate traffic flow and provide access for public safety. Such connectivity shall be evaluated pursuant to the Town’s ordinary and customary standards of review, including but not limited to review of geography, geotechnical conditions, design and level of service standards.

8.4 **Traffic Mitigation and Capital Facilities**

8.4.1 **Reciprocal impact mitigation.** The Town and County agree to mutually enforce each other’s traffic mitigation ordinances and policies to address multi-jurisdictional impacts under the terms and conditions provided in an “Interlocal Agreement between Snohomish County and the Town of Woodway on Reciprocal Mitigation of Transportation Impacts,” which may be adopted in the future if required. In addition to reciprocal impact mitigation, the subagreement may address implementation of common UGA development standards (including access and circulation requirements), level of service standards, concurrency management systems, and other transportation planning issues.

8.4.2 **Transfer of road impact fees.** The County collects road impact fees pursuant to Chapter 30.66B of the Snohomish County Code. Where the annexation area includes system improvements for which road impact fees have been collected
and which remain programmed for improvements, the County and Town will negotiate transfers of all or a portion of these fees to the Town to construct the improvements. Any issues relating to unbudgeted improvements for the annexation area shall be resolved prior to the transfer of any road impact fees. Road impact fees shall not be transferred to the Town until maintenance and ownership responsibilities of road system improvements have been determined.

8.4.3 Reimbursement for transportation-related capital facilities investment. There will be no reimbursement from the Town to the County for existing capital improvements. However, the County and the Town may agree to develop separate agreements for cost sharing for new capital improvement projects pursuant to Section 7 above.

8.5 Maintenance services. The Town and County agree to evaluate whether an interlocal agreement addressing maintenance of roads, traffic signals, or other transportation facilities will be appropriate. Any County maintenance within an annexation area after the effective date of the annexation will be by separate service agreement negotiated between the Town and County.

9. SURFACE WATER MANAGEMENT

9.1 Legal control and maintenance responsibilities. If an annexation area includes surface water management improvements or facilities (i) in which the County has an ownership interest, (ii) over or to which the County has one or more easements for access, inspection and/or maintenance purposes, and/or (iii) with respect to which the County has maintenance responsibilities, all such ownership interests, rights and responsibilities shall be transferred to the Town by method as appropriate to effect transfer, including but not limited to quit claim deed or bill of sale, by the end of the calendar year in which the annexation becomes effective, except as otherwise negotiated between the Town and County in any subsequent agreements. The County agrees to provide a list of all such known surface water management improvements and facilities to the Town prior to the start of negotiations. If the County's current Annual Construction Program or Surface Water Management Division budget includes major surface water projects in the area to be annexed, the Town and County will determine how funding, construction, programmatic and subsequent operational responsibilities, legal control and responsibilities will be assigned for these improvements, and the timing thereof, under the provisions of RCW 36.89.050, RCW 36.89.120 and all other applicable authorities.

9.2 Taxes, fees, rates, charges and other monetary adjustments. The Town recognizes that service charges are collected by the County for unincorporated areas within designated Watershed Management Areas. Watershed management service charges are collected at the beginning of each calendar year through real property tax statements. Upon the effective date of an
annexation, the Town hereby agrees that the County may continue to collect and, pursuant to Chapter 25.20 SCC and to the extent permitted by law, to apply the service charges collected during the calendar year in which the annexation occurs to the provision of watershed management services designated in that year’s budget. These services, which do not include servicing of drainage systems in road rights-of-way, will be provided through the calendar year in which the annexation becomes effective and will be of the same general level and quality as those provided to other property owners subject to service charges in the County. The Town also acknowledges that after annexation, the annexation area becomes Former Watershed Management Area, and properties contained therein become subject to the applicable bond debt service charge provisions of Chapter 25.20 SCC in subsequent years.

9.3 Compliance with NPDES Municipal Stormwater Permit. The parties acknowledge that upon the effective date of any annexation, the annexation area will become subject to the requirements of the Town’s stormwater management, and will no longer be subject to the requirements of the County’s Phase I NPDES Municipal Stormwater Permit. Notwithstanding the County’s continued provision of stormwater management services in an annexation area pursuant to Section 9.2 above, the Town expressly acknowledges, understands and agrees that from and after the effective date of any annexation (i) the Town shall be solely responsible for ensuring the requirements of the Town’s stormwater requirements are met with respect to the annexation area, and (ii) any stormwater management services the County continues to provide in the annexation area pursuant to Section 9.2 above will not be designed or intended to ensure or guarantee compliance with the requirements of any NPDES permit that may apply to the Town in the future.

9.4 Access during remainder of calendar year in which annexation occurs. To ensure the County is able to promptly and efficiently perform surface water management services in the annexation area after the effective date of annexation, as described in Subsection 9.2 above, the Town shall provide the County with reasonable access to all portions of the annexation area in which such services are to be performed. Reasonable access shall include, by way of example and not by way of limitation, the temporary closing to traffic of streets, or portions thereof, if such closing is reasonably necessary to perform the service at issue.

9.5 Government service agreements. The County and Town intend to work toward one or more interlocal agreements for joint watershed management planning, capital construction, infrastructure management, habitat/river management, water quality management, outreach and volunteerism, and other related services.
10. PARKS, OPEN SPACE AND RECREATIONAL FACILITIES

10.1 Local or community parks. If an annexed area includes parks, open space or recreational facilities that are listed in the Snohomish County Comprehensive Parks and Recreation Plan (anticipated to be replaced by the Snohomish County Parks and Recreation Element in 2015) as a local or community park, the Town agrees to assume maintenance, operation and ownership responsibilities for the facility upon the effective date of the annexation except when, prior to annexation, the County declares its intention to retain ownership of the park, open space or recreational facility pursuant to Subsection 10.2 of this Agreement.

10.2 County retention of ownership. The County, in its own discretion and after consulting with the Town, will determine whether to retain ownership of a park, open space or recreational facility (collectively “facility”) described in Subsection 10.1 of this Agreement based on consideration of the following criteria and consistent with the Snohomish County Comprehensive Parks and Recreation Plan:

- The facility has a special historic, environmental or cultural value to the citizens of Snohomish County, as determined by the Snohomish County Department of Parks and Recreation;

- There are efficiencies with the County’s operation or maintenance of the facility;

- The County has made a substantial capital investment in the facility, including but not limited to the purchase of the facility property, the development of the facility, and the construction of the facility;

- There are specialized stewardship or maintenance issues associated with the facility that the County is best equipped to address;

- The facility generates revenue that is part of the larger County park operation budget;

- The facility serves as a regional park or is part of the County’s trail system and should remain a part of the County’s regional network; and

- Retaining ownership of the facility is consistent with the Snohomish County Tomorrow Annexation Principles.

10.3 Joint planning for parks, recreation and open space. The Town and County may, upon the effective date of this Agreement, establish an interlocal agreement for parks, open space and recreational facilities. Such an interlocal
agreement shall be based upon the Town and County’s efforts to provide parks, recreational facilities and open space within the UGA and surrounding area. This agreement shall be consistent with the joint planning efforts of the Town and County under the Snohomish County Tomorrow Annexation Principles, establish the nature and type of facilities the jurisdictions have planned or anticipate for the area, identify ways to jointly provide these services, and identify transition of ownership and maintenance responsibilities as annexations occur. This effort will result in a mutual ongoing planning effort, joint capital improvement plans and reciprocal impact mitigation.

11. POLICE SERVICES

As provided by law, at the effective date of annexation police services responsibility will transfer to the Town. If necessary, the Town and County may agree to discuss the need for developing a contract for police services in order to accommodate the needed transfer of police services within an annexed area and the unincorporated UGA. Upon request of the Town, the Snohomish County Sheriff’s Office will provide detailed service and cost information for the area to be annexed. This request to the Sheriff’s Office for detailed service and cost information for police contract services does not preclude the Town from seeking additional service and cost information proposals for similar services from other governmental entities. Agreements between the Town and County will be made consistent with RCW 41.14.250 through 41.14.280 and RCW 35.13.360 through 35.13.400.

12. CRIMINAL JUSTICE SERVICES

All misdemeanor crimes that occur within an annexation area prior to the effective date of annexation will be considered misdemeanor crimes within the jurisdiction of Snohomish County for the purposes of determining financial responsibility for criminal justice system services, including but not limited to prosecution, court costs, jail fees and services, assigned counsel, jury and witness fees, and interpreter fees. After the effective date of annexation, the County shall continue, at its cost and expense, to prosecute such misdemeanor crimes to completion in accordance with the then-existing policies, guidelines and standards of the Snohomish County Prosecuting Attorney’s Office. On and after the effective date of any annexation, all misdemeanor crimes that occur in the annexation area will be considered crimes within the jurisdiction of the Town for purposes of determining financial responsibility for such criminal justice system services.

13. FIRE MARSHAL SERVICES

13.1 County to complete certain annual fire inspections. The County agrees upon the Town’s request, to process and complete only those fire inspections in an annexed area that were scheduled before the effective date of annexation and occur within six months following the effective date of the annexation. All other
inspections will be conducted by the Town.

13.2 County to complete certain fire code enforcement cases. Upon the Town’s request, the County will complete through final disposition any fire code enforcement cases within an annexation area pending at the effective date of an annexation. After final disposition, any further action or enforcement will be at the discretion of the Town.

14. STATUS OF COUNTY EMPLOYEES

Subject to Town civil service rules and state law, the Town agrees to consider the hiring of County employees whose employment status is affected by the change in governance of the annexation areas where such County employees make application with the Town per the Town hiring process and meet the minimum qualifications for employment with the Town. The Town’s consideration of hiring of affected sheriff department employees shall be governed by the provisions set forth in RCW 35.13.360 through 35.13.400. The County shall in a timely manner provide the Town with a list of those employees expressing a desire to be considered for employment by the Town.

15. ADDENDA AND AMENDMENTS

15.1 Addenda related to annexation. At the discretion of the Parties, an addendum to this Agreement may be prepared for each annexation by the Town to address any issues specific to a particular annexation. The Town and County will negotiate the addendum prior to or during the forty-five (45) day review period following the date the Boundary Review Board accepts the Town’s Notice of Intention for the annexation.

15.2 Amendments. The Town and County recognize that amendments to this Agreement may be necessary.

15.3 Process for addending or amending this Agreement. An addendum or amendment to this Agreement must be mutually agreed upon by the Parties and executed in writing. Any addendum or amendment to this Agreement shall be executed in the same manner as this Agreement.

15.4 Additional agreements. Nothing in this Agreement limits the Parties from entering into interlocal agreements on issues not covered by, or in lieu of, the terms of this Agreement.

16. THIRD PARTY BENEFICIARIES

There are no third party beneficiaries to this Agreement, and this Agreement shall not be interpreted to create any third party beneficiary rights.
17. DISPUTE RESOLUTION

Except as herein provided, no civil action with respect to any dispute, claim or controversy arising out of or relating to this Agreement may be commenced until the dispute, claim or controversy has been submitted to a mutually agreed upon mediator. The Parties agree that they will participate in the mediation in good faith, and that they will share equally in its costs. Each jurisdiction shall be responsible for the costs of their own legal representation. Either party may seek equitable relief prior to the mediation process, but only to preserve the status quo pending the completion of that process. The Town and County agree to mediate any disputes regarding the annexation process or responsibilities of the parties prior to any Boundary Review Board hearing on a proposed annexation, if possible.

18. HONORING EXISTING AGREEMENTS, STANDARDS AND STUDIES

In the event a conflict exists between this Agreement and any agreement between the Town and the County in existence prior to the effective date of this Agreement, the terms of this Agreement shall govern the conflict.

19. RELATIONSHIP TO EXISTING LAWS AND STATUTES

This Agreement in no way modifies or supersedes existing state laws and statutes. In meeting the commitments encompassed in this Agreement, all parties will comply with all applicable state or local laws. The County and Town retain the ultimate authority for land use and development decisions within their respective jurisdictions. By executing this Agreement, the County and Town do not intend to abrogate the decision-making responsibility or police powers vested in them by law.

20. EFFECTIVE DATE, DURATION AND TERMINATION

20.1 Effective Date. This Agreement shall become effective following the approval of the Agreement by the official action of the governing bodies of each of the parties hereto and the signing of the Agreement by the duly authorized representative of each of the parties hereto.

20.2 Duration. This Agreement shall be in full force and effect through December 31, 2030. If the parties desire to continue the terms of the existing Agreement after the Agreement is set to expire, the parties may either negotiate a new agreement or extend this Agreement through the amendment process.

20.3 Termination. Either party may terminate this Agreement upon one-hundred eighty (180) days advance written notice to the other party. Notwithstanding termination of this Agreement, the County and Town are responsible for fulfilling any outstanding obligations under this Agreement incurred prior to the effective date of the termination.
21. INDEMNIFICATION AND LIABILITY

21.1 **Indemnification of County.** The Town shall protect, save harmless, indemnify and defend, at its own expense, the County, its elected and appointed officials, officers, employees, volunteers and agents, from any loss or claim for damages of any nature whatsoever arising out of the Town's performance of this Agreement, including claims by the Town's employees or third parties, except for those damages caused solely by the negligence of the County, its elected and appointed officials, officers, employees, volunteers or agents.

21.2 **Indemnification of Town.** The County shall protect, save harmless, indemnify, and defend at its own expense, the Town, its elected and appointed officials, officers, employees, volunteers and agents from any loss or claim for damages of any nature whatsoever arising out of the County's performance of this Agreement, including claims by the County's employees or third parties, except for those damages caused solely by the negligence of the Town, its elected and appointed officials, officers, employees, volunteers or agents.

21.3 **Extent of liability.** In the event of liability for damages of any nature whatsoever arising out of the performance of this Agreement by the Town and the County, including claims by the Town's or the County's own officers, officials, employees, agents, volunteers, or third parties, caused by or resulting from the concurrent negligence of the County and the Town, their officers, officials, employees and volunteers, each party's liability hereunder shall be only to the extent of that party's negligence.

21.4 **Hold harmless.** No liability shall be attached to the Town or the County by reason of entering into this Agreement except as expressly provided herein. The Town shall hold the County harmless and defend at its expense any legal challenges to the Town's requested mitigation and/or failure by the Town to comply with Chapter 82.02 RCW. The County shall hold the Town harmless and defend at its expense any legal challenges to the County's requested mitigation or failure by the County to comply with Chapter 82.02 RCW.

22. SEVERABILITY

If any provision of this Agreement or its application to any person or circumstance is held invalid, the remainder of the provisions and the application of the provisions to other persons or circumstances shall not be affected.

23. EXERCISE OF RIGHTS OR REMEDIES

Failure of either party to exercise any rights or remedies under this Agreement shall not be a waiver of any obligation by either party and shall not prevent either party from pursuing that right at any future time.
24. RECORDS

The Parties shall maintain adequate records to document obligations performed under this Agreement. The Parties shall have the right to review each other’s records with regard to the subject matter of this Agreement, except for privileged documents, upon reasonable written notice. Public records will be retained and destroyed according to Subsection 6.5 of this Agreement.

25. ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement between the Parties concerning annexation within the Woodway MUGA, except as set forth in Subsection 2.4 and Sections 15 and 18 of this Agreement.

26. GOVERNING LAW AND STIPULATION OF VENUE

This Agreement shall be governed by the laws of the State of Washington. Any action hereunder must be brought in the Superior Court of Washington for Snohomish County.

27. CONTINGENCY

The obligations of the Town and County in this Agreement are contingent on the availability of funds through legislative appropriation and allocation in accordance with law. In the event funding is withdrawn, reduced or limited in any way after the effective date of this Agreement, the Town or County may terminate the Agreement under Subsection 20.3 of this Agreement, subject to renegotiation under those new funding limitations and conditions.

28. FILING

A copy of this Agreement shall be filed with the Woodway Town Clerk and posted on the Snohomish County website pursuant to RCW 39.34.040.

29. ADMINISTRATORS AND CONTACTS FOR AGREEMENT

The Administrators and contact persons for this Agreement are:

Eric Faison, Town Administrator
Town of Woodway
Town Hall
23920 113th Place West
Woodway, WA 98020
(206) 542-4443

Frank Slusser, Senior Planner
Snohomish County
Department of Planning and Development Services
3000 Rockefeller Avenue
Everett, WA 98201
(425) 388-3311
IN WITNESS WHEREOF, the parties have signed this Agreement, effective on the later date indicated below.

THE TOWN:

The Town of Woodway, a Washington municipal corporation

By [Signature]
Name: Carla A. Nichols
Title: Mayor

ATTEST:

[Signature]
Town Clerk/Treasurer

Approved as to Form:

[Signature]
Town Attorney

THE COUNTY:

Snohomish County, a political subdivision of the State of Washington

By [Signature]
Name: [Signature]
Title: [Signature]

ATTEST:

[Signature]
Clerk of the County Council

Approved as to Form:

[Signature]
Deputy Prosecuting Attorney

Reviewed by Risk Management:
APPROVED ( ) OTHER ( )

Explain.

Signed: [Signature]
Date: [Signature]

[The remainder of this page is intentionally left blank.]
EXHIBIT A – SNOHOMISH COUNTY TOMORROW ANNEXATION PRINCIPLES

The following principles are intended as a “roadmap” for successful annexations but are not intended to require cities to annex all UGA lands. The desired outcome will reduce Snohomish County’s current delivery of municipal services within the urban growth area while strengthening the County’s regional planning and coordinating duties. Likewise, cities/towns will expand their municipal services to unincorporated lands scattered throughout the UGAs in Snohomish County. These principles propose altering historical funding and service delivery patterns. All parties recognize that compromises are necessary.

1. The County and all Snohomish County cities will utilize a six-year time schedule which will guide annexation goals. This work will be known as the Six Year Annexation Plan. As follow-up to the county’s Municipal Urban Growth Area (MUGA) policies, those cities that have a (MUGA) land assignment, should designate this land assignment a priority. Each jurisdiction shall conduct its normal public process to ensure that citizens from both the MUGA areas and city proper are well informed. All Snohomish County cities have the option of opting in or out of this process. Cities that opt in will coordinate with the county to establish strategies for a smooth transition of services and revenues for the annexations proposed in the accepted Six Year Plan.

2. Each city will submit a written report regarding priority of potential annexation areas to the county council every two years, at which time each city will re-evaluate its time schedule for annexation. This report will serve as an update to the Six Year Annexation Plan.

The report to the county council should be based upon each city’s internal financial analyses dealing with the cost of those annexations identified for action within the immediate two-year time period. This analysis shall include: current and future infrastructure needs including, but not be limited to, arterial roads, surface water management, sewers, and bridges. A special emphasis should be given to the financing of arterial roads, including historical county funding and said roads’ priority within the county’s current 6-year road plan. Where financing and other considerations are not compelling, the city and county may “re-visit” the annexation strategies at the next two-year interval.

3. To facilitate annexation within urban growth areas (UGAs), the host city and the county may negotiate an Interlocal agreement providing for sub-area planning to guide the adoption of consistent zoning and development regulations between the county and the city. Coordination of zoning densities between the county and the host city may require the revision of land use maps, adoption of transfer rights or other creative solutions. Upon completion of sub-area planning, if
densities cannot be reconciled, then the issue would be directed to SCT for review and possible re-assignment to alternate sites within the UGA.

The Interlocal Agreement would also address development and permit review and related responsibilities within the UGA, apportioning related application fees based upon the review work performed by the respective parties, and any other related matters. The format for accomplishing permit reviews will be guided in part by each city’s unique staffing resources as reflected in the Interlocal agreement between the host city and the county.

4. The city and the county will evaluate the financial and service impacts of an annexation to both entities, and will collaborate to resolve inequities between revenues and service provision. The city and county will negotiate on strategies to ensure that revenues and service requirements are balanced for both the city and the county. These revenue sharing and/or service provision strategies shall be determined by individual ILAs to address service operations and capital implementation strategies.

5. The county and the host city will negotiate with other special taxing districts on annexation related issues. Strategies for accomplishing these negotiations will be agreed to by the county and host city, and reflected in the host city’s annexation report. (See preceding Principle #2.)

6. To implement the goals of the Annexation Principles regarding revenue sharing, service provision, and permit review transitions, the county and the cities will consider a variety of strategies and tools in developing Interlocal Agreements, including:

- Inter-jurisdictional transfers of revenue, such as property taxes, Real Estate Excise Taxes (REET), storm drainage fees, sales tax on construction, and retail sales tax. Dedicated accounts may be opened for the deposit of funds by mutual agreement by the county and city;
- Service provision agreements, such as contracting for service and/or phasing the transition of service from the county to the city;
- Identifying priority infrastructure improvement areas to facilitate annexation of areas identified in Six Year Annexation Plans.

[The remainder of this page is intentionally left blank.]
EXHIBIT C – SNOHOMISH COUNTY CODE ("SCC") PROVISIONS
AND SNOHOMISH COUNTY ORDINANCES TO BE ADOPTED BY TOWN

A. The following portions of SCC Title 13, entitled ROADS AND BRIDGES: Chapters
   13.01, 13.02, 13.05, 13.10 through 13.70, 13.95, 13.110 and 13.130
B. SCC Title 25, entitled STORM AND SURFACE WATER MANAGEMENT
C. SCC Subtitle 30.2, entitled ZONING AND DEVELOPMENT STANDARDS
D. SCC Subtitle 30.3, entitled PERFORMANCE STANDARD ZONES, RESOURCE LANDS
   AND OVERLAYS
E. SCC Chapter 30.41A, entitled SUBDIVISIONS
F. SCC Chapter 30.41B, entitled SHORT SUBDIVISIONS
G. SCC Chapter 30.42B, entitled PLANNED RESIDENTIAL DEVELOPMENTS
H. SCC Chapter 30.41D, entitled BINDING SITE PLANS
I. SCC Chapter 30.44, entitled SHORELINE MANAGEMENT
J. SCC Chapter 30.51A, entitled DEVELOPMENT IN SEISMIC AREAS
K. SCC Chapter 30.52A, entitled BUILDING CODE
L. SCC Chapter 30.52B, entitled MECHANICAL CODE
M. SCC Chapter 30.52C, entitled VENTILATION AND INDOOR AIR QUALITY CODE
N. SCC Chapter 30.52D, entitled ENERGY CODE
O. SCC Chapter 30.52E, entitled UNIFORM PLUMBING CODE
P. SCC Chapter 30.52F, entitled RESIDENTIAL CODE
Q. SCC Chapter 30.52G, entitled AUTOMATIC SPRINKLER SYSTEMS
R. SCC Chapter 30.53A, entitled FIRE CODE
S. SCC Subtitle 30.6, entitled ENVIRONMENTAL STANDARDS AND MITIGATION
T. SCC Chapter 30.66A, entitled PARK AND RECREATION FACILITY IMPACT
   MITIGATION
U. SCC Chapter 30.66B, entitled CONCURRENcy AND ROAD IMPACT MITIGATION
V. SCC Chapter 30.66C, entitled SCHOOL IMPACT MITIGATION
W. SCC Chapter 30.67, entitled SHORELINE MASTER PROGRAM

[The remainder of this page is intentionally left blank.]