

RESOLUTION NO. 2025-76

**A RESOLUTION OF THE CITY OF RICHLAND, WASHINGTON,
AUTHORIZING A COLLECTOR STREET LATECOMER AGREEMENT
WITH COLUMBIA VALLEY PROPERTY HOLDINGS, LLC FOR A
PORTION OF QUEENSGATE DRIVE.**

WHEREAS, Chapter 12.03 of the Richland Municipal Code (RMC) establishes the City's Transportation Impact Fee Program (the "Program"); and

WHEREAS, the Program establishes a street assessment reimbursement area; and

WHEREAS, property development projects within the street assessment reimbursement area are typically required, as a provision of the City's preliminary plat approval, to construct the planned street improvements as a condition of development; and

WHEREAS, property development projects within the street assessment reimbursement area jointly finance right-of-way acquisition, design engineering, and construction of street improvements through collection and expenditure of a development impact fee; and

WHEREAS, Chapter 12.03 RMC authorizes expenditure of collected impact fees to acquire right-of-way, and to finance the design and construction of projects included in RMC 12.03.190; and

WHEREAS, the City approved Columbia Valley Property Holdings, LLC's (the "Developer") proposed development, the preliminary plat of Terraces at Queensgate, in 2022. These developments necessitated the off-site construction of Queensgate Drive from Keene Road to Shockley Road to connect Queensgate Drive to the City's existing street network; and

WHEREAS, the City-approved conditions for Developer's projects include the requirement to dedicate right-of-way, provide design, and construct Queensgate Drive as an on-site and off-site major collector street to provide access to the subdivisions since no other city streets exist to serve them; and

WHEREAS, Developer has provided, and the City Engineer has reviewed and approved, estimates of the cost of the Queensgate Drive right-of-way, design fees, and construction for the roadway included in Developer's construction plans; and

WHEREAS, Developer wishes to be reimbursed for the costs of constructing the portion of Queensgate Drive that is in excess of the project's Program obligation; and

WHEREAS, the City wishes to provide reimbursement as part of its strategy to promote construction of collector streets in the Program; and

WHEREAS, Chapter 35.72 RCW authorizes the City to contract for construction of streets required to service development, and to enter into latecomer reimbursement agreements.

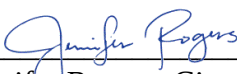
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that the City Manager is authorized to sign and execute a Richland Collector Street Latecomer Agreement with Columbia Valley Property Holdings, LLC for construction of a portion of Queensgate Drive.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

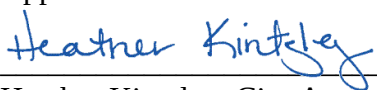
ADOPTED by the City Council of the City of Richland, Washington, at a regular meeting on the 20th day of May, 2025.


Theresa Richardson, Mayor

Attest:


Jennifer Rogers, City Clerk

Approved as to Form:


Heather Kintzley, City Attorney

WHEN RECORDED RETURN TO:

Contract No. 275-25

City of Richland
City Clerk
625 Swift Blvd. MS-07
Richland, WA 99352

RICHLAND COLLECTOR STREET LATECOMER AGREEMENT

This Agreement is made this 13th day of June, 2025 between the **City of Richland**, a Washington municipal corporation and first class city ("City"), 625 Swift Blvd., Richland, WA 99352, and **Columbia Valley Property Holdings, LLC** a Washington limited liability company with service at **719 Mara Loop, Richland, WA 99352** ("Developer").

WHEREAS, Chapter 12.03 of the Richland Municipal Code establishes the Richland Transportation Impact Fee Program; and

WHEREAS, the Richland Transportation Impact Fee Program establishes a street assessment reimbursement area; and

WHEREAS, property development projects within the street assessment reimbursement area are typically required, as a provision of the City's preliminary plat approval, to construct the planned street improvements as a condition of development; and

WHEREAS, property development projects within the street assessment reimbursement area jointly finance right-of-way acquisition, design engineering, and construction of street improvements through collection and expenditure of a development impact fee; and

WHEREAS, the City approved Developer's proposed developments, the preliminary plat of Terraces at Queensgate, in 2022. These developments necessitated the off-site construction of Queensgate Drive to connect it to the city's existing street network; and

WHEREAS, the city-approved conditions for Developer's projects include the requirement to dedicate right-of-way, provide design, and construct Queensgate Drive as an on-site and off-site major collector street to provide access to the subdivisions as no other City streets exist to serve them; and

WHEREAS, Chapter 12.03 RMC authorizes expenditure of collected impact fees to acquire right-of-way, and to finance the design and construction of projects included in RMC 12.03.190; and

WHEREAS, Developer has provided, and the City Engineer has reviewed and approved, estimates of the cost of the Queensgate Drive right-of-way, design fees, and construction for the roadway included in Developer's construction plans. The City Engineer has determined that these costs exceed the transportation impact fee obligation for Developer's projects; and

WHEREAS, Developer wishes to be reimbursed for the costs of constructing a portion of Queensgate Drive in excess of the project's Richland Transportation Impact Fee Program obligation; and

WHEREAS, City wishes to provide the reimbursement sought by Developer as part of its strategy to promote construction of collector streets in the Richland Transportation Impact Fee Program; and

WHEREAS, Chapter 35.72 RCW authorizes the City to contract for construction of streets required to service development, and to enter into latecomer reimbursement agreements.

NOW THEREFORE, in consideration of the construction of a portion of Queensgate Drive within the Richland Transportation Impact Fee Program assessment reimbursement area, and Developer's constructing and dedicating said street as a part of the City's collector street system, along with other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. Arterial Collector Street - Acceptance by City.

The City has approved construction of that portion of Queensgate Drive from Keene Road to Shockley Road, approximately 2,198 linear feet in length, lying both within and partially outside of the Terraces of Queensgate, Phase 1 plat. This segment of Queensgate Drive represents 12.10 percent and 0.50 percent, by estimated value in the assessment financial model, of the remaining improvements in the "Zone 1" and "Zone 3" assessment reimbursement area, respectively. The City intends to accept this street facility as a City street, once construction is completed to the City's standards. After the construction warranty has expired, the City agrees to bear all further maintenance and operation costs of said street.

2. Cost of Streets.

The Developer has presented to the City Engineer documentation showing the estimated costs for right-of-way, design, and construction of said street. The City Engineer has validated these estimates as appropriate for the intended work.

The City and Developer agree that the portion of the total cost of said street which is reimbursable under the provisions of RMC Title 12.03 is \$1,407,504.95 consisting of the following:

Design Engineering & Surveying	\$ 35,000.00
Queensgate Drive Right-of-Way	\$ 694,332.00
Queensgate Drive Grading Costs	\$ 258,652.25
<u>Queensgate Drive Construction</u>	<u>\$ 419,520.70</u>
Total Construction cost	\$ 1,407,504.95

After completion of the street construction, and before payments are initiated, the Developer shall provide, and the City Engineer shall validate, the actual costs for the design, right of way, and construction of the street. The approved actual costs shall replace the estimated figures above and be the basis of accounting for the balance owed.

3. Accumulated Credits.

The transportation impact fee per Chapter 12.03 RMC for one PM peak hour trip within Zone 1 is \$2,647.13. The City has not and will not assess transportation impact fees for lots in the final phase(s) within the Terraces at Queensgate development until the reimbursement under this Agreement is complete. These uncharged transportation impact fees for Phase 1 of the Terraces at Queensgate development constitute a credit against the eligible Total Construction Cost identified in Section 2 above. The amount of credit is equal to \$184,081.42, as calculated in the table below.

Type of Development	Units					Zone 1 Transportation Impact Fee				Total
			Trip Rate		Total New Trips					
Single Family Detached Housing (LU 210)	19	x	0.99	=	18.81	x	\$	2,647.13	=	\$ 49,792.52
Single Family Attached Housing (LU 215)	89	x	0.57	=	50.73	x	\$	2,647.13	=	\$ 134,288.90
TOTAL =										\$ 184,081.42

After accounting for these credits, the amount remaining eligible for latecomer reimbursement to Developer is **\$1,223,423.95**.

4. Payments required.

The City hereby agrees that these street improvements will benefit properties within the street assessment reimbursement area defined in the Transportation Impact Fee Program. Future developments within the street assessment reimbursement area shall pay a fair prorated share of Developer's costs through payment of the transportation impact fee.

5. Repayment.

The City agrees to reimburse Developer as follows:

- a. City will pay Developer 100 percent of the transportation impact fee revenue from the Richland Collector Street Fund collected from all building permits issued for lots located within the Terraces of Queensgate Phase 3. Payments will be made within thirty (30) days of the end of each calendar quarter and shall be based on that quarter's revenue. The quarters will end on March 31, June 30, September 30, and December 31.
- b. City will pay Developer 50 percent of the transportation impact fee revenue from the Richland Collector Street Fund collected from all building permits issued for lots located within the Terraces of Queensgate Phase 2. Payments will be made within thirty (30) days of the end of each calendar quarter and shall be based on that quarter's revenue. The quarters will end on March 31, June 30, September 30, and December 31.
- c. The City will pay Developer 12.10 percent of the transportation impact fee revenue from the Richland Collector Street Fund collected in Zone 1 and 0.50 percent of the transportation impact fee revenue from the Richland Collector Street Fund collected in Zone 3, and excluding revenues collected as referred to in "a." and "b." above. Payments will be made within 30 days of the end of each calendar quarter, and shall be based on that quarter's revenue. The quarters will end on March 31, June 30, September 30, and December 31.
- d. Each quarter when a payment is processed according to "a.", "b", and "c" above the City will calculate a credit against its remaining obligation equal to the number of lots platted in Phase 1 of the Terraces at Queensgate development during the previous quarter multiplied by the Zone 1 transportation impact fee. This calculated credit will be communicated to the Developer in the payment transmittal. This credit will reduce the City's future payment obligations under this agreement.
- e. Total payments to Developer from the Richland Collector Street Fund will not exceed the actual costs of the street as determined in accordance with paragraph 2 above. The City shall, as of June 30 of each year, adjust the unpaid balance upward by 3%.

6. Term.

This Agreement shall continue in force and effect for a maximum of fifteen (15) years from the date this Agreement is executed, or until the balance owed is paid in full, whichever occurs first. Nothing in this Agreement shall be construed to guarantee payment in full to Developer.

7. Required Notification.

Pursuant to RCW 35.72.020(3), every two (2) years from the date of execution of this Agreement, Developer or any assign who is entitled to recover under this Agreement shall notify the City of the current contract name, address and telephone number of the person, company or partnership that originally entered into this contract. Such notice must be received by the City within sixty (60) days of the time specified in this Section, and shall be directed as follows:

City of Richland
Attn: Public Works Director
625 Swift Boulevard
Richland, WA 99352

Failure to comply with this notice requirement shall result in the City retaining any reimbursement funds owed to the property owner under this Agreement.

8. Recording.

This Agreement shall not be enforceable against any party unless Developer has caused the same to be filed and recorded with the Benton County Auditor.

9. Governing Law/Forum Selection.

The interpretation and enforcement of this Agreement shall be governed by the laws of the state of Washington. The parties agree that Benton County is the appropriate venue for the filing of any civil action arising out of this Agreement. Developer expressly consents to personal jurisdiction in Benton County Superior Court.

10. Severability.

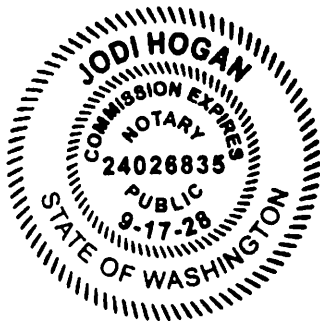
In the event that any term or condition of this Agreement or application thereof to any person, entity, or circumstance is held invalid, such invalidity shall not affect any other terms, conditions, or applications of this Agreement which can be given effect without the invalid term, condition, or application. To this end, the terms and conditions of this Agreement are declared severable.

[Signature page to follow]

STATE OF Washington)
 : ss.
County of Benton)

I certify that I know or have satisfactory evidence that **MALILIKARJUNA VALLEM** is the person who appeared before me, and said person acknowledged that he signed this instrument, and on oath stated that he is authorized to execute the instrument and acknowledged it, as owner of **COLUMBIA VALLEY PROPERTY HOLDINGS, LLC** to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: June 12, 2025.



Jodi Hogan ← print name
Notary Public in and for the State of Washington.
Residing at: 625 Swift Blvd.
My appointment expires 9-17-28.