

**CITY OF RIDGEFIELD
REQUEST FOR COUNCIL ACTION**

MEETING DATE: October 10, 2024

AGENDA ITEM NAME: Second Reading of Ordinance No. 1432 - Greely Farms Development Agreement Amendment

GOVERNING LEGISLATION

RCW 36.70B.170

PREVIOUS COUNCIL ACTION TAKEN:

SUMMARY/BACKGROUND:

The developers, Urban Downs LLC and Ridgefield East Development LLC, are obligated under a Development/Pre-Annexation Agreement to dedicate to the City certain park improvements as part of the Greely Farms PUD Subdivision. Eight total acres of park land dedication were contemplated in the Development/Pre-Annexation Agreement, with two (2) acres to be dedicated without additional compensation (which has already occurred), two (2) acres to be dedicated with compensation in the form of Park Impact Fee (PIF) Credits, and four (4) acres to be dedicated with compensation in the form of cash payment. The rate of compensation was to be determined through an appraisal from a mutually agreed upon source.

The City and Developers reached an agreed-upon appraised value of \$250,000 per acre for park land to be dedicated at Greely Farms. The Developers also identified an additional 0.9 acres of land that could be suitable for public parks/open space which the City agreed to purchase as part of the overall land dedication. City and Developers agreed upon an amended payment structure that gives Developers needed PIF Credits and cash while minimizing and spreading out City cash outlay for the acquisition. The Second Amendment to the Development Agreement memorializes the terms for transfer of the remaining 6.9 acres which have not already been transferred.

Under the terms of this Amendment, the City agrees to the following:

1. The City agrees to issue PIF Credits for the purchase of three (3) acres, as well as an additional nine-tenths (0.9) acre of available adjacent land. Total PIF Credits issued shall be Nine Hundred and Seventy-Five Thousand (\$975,000), which is the sum of 3.9 acres x \$250,000/acre;
2. The City agrees to provide cash payment for the purchase of an additional three (3) acres at the agreed total purchase price of \$250,000 per acre, for a total of \$750,000. Payment shall occur in two equal installments of \$375,000 – the first due on closing of the property conveyance, and the second due on February 1, 2025;
3. The Developers agree to submit a Boundary Line Application to add the agreed upon acreage to adjacent Tract G which is currently owned by the City. The City agrees to pay all costs associated with processing the BLA application;
4. The City agrees to continue deferring collection of PIFs from building permit submittals by Holt

Homes in Greely Farms until issuance of the PIF credits to allow Holt the opportunity to utilize the credits for payment of PIFs on those submittals.

BUDGET/FINANCIAL IMPACTS:

\$975,000 – Park Impact Fee Credits Issued in the total amount of \$975,000

\$750,000 – Cash payment for 3 acres of park land, with ½ due in 2024 and ½ due in 2025

RECOMMENDED ACTION OR MOTION:

"I move to adopt Ordinance No. 1432 as presented."

STAFF CONTACT: Steve Stuart, City Manager

ATTACHMENTS:

1. Ord. 1432 - Greely Farms DA Second Amendment

ORDINANCE NO. 1432

AN ORDINANCE OF THE CITY OF RIDGEFIELD WASHINGTON APPROVING THE SECOND AMENDMENT TO A DEVELOPMENT AGREEMENT WITH RIDGEFIELD EAST DEVELOPMENT, LLC AND URBAN DOWNS LLC - FOR PARK DEDICATION AND ALLOCATION OF IMPACT FEE CREDITS AND CASH PAYMENT

WHEREAS, the City is a Washington Municipal Corporation with land use planning and permitting authority over all land within its corporate limits; and

WHEREAS, the City has the authority to enter into Development Agreement pursuant to RCW 36.70B.170; and

WHEREAS, Ridgefield East Development LLC and Urban Downs LLC (collectively “Developers”) own property within the City of Ridgefield known as the Greely Farms PUD Subdivision (“Subdivision”).

WHEREAS, The City and Developers entered into a Development and Pre-Annexation Agreement with an effective date of April 10, 2008 (“Agreement”).

WHEREAS, The Agreement governs the development, use, and mitigation of certain impacts associated with annexation and development of real property located in Ridgefield, Washington, as more particularly described in the Agreement.

WHEREAS, Contemporaneous with sale of the property to Owner, Predecessors assigned to Owner all rights and obligations under the Agreement.

WHEREAS, Developers and the City have agreed to amend certain terms and conditions of the Agreement, as set forth herein.

WHEREAS, the City has identified a need for these park improvements within its adopted Comprehensive Plan and associated Capital Facilities Plans, and wishes to provide certain impact fee credits and payment associated with the dedication of park land contemplated in the Agreement; and

WHEREAS, the City Council held a public hearing for the proposed Second Amendment to the Agreement at a regular scheduled meeting held on September 26, 2024; and

WHEREAS, the City Council conducted a first reading of this ordinance on September 26, 2024; and

WHEREAS, the City and Developers have reached agreement regarding amendments to certain terms and conditions of the Agreement;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF RIDGEFIELD, WASHINGTON HEREBY ORDAINS AS FOLLOWS:

Section 1. **Public Interest.** The City Council for the City of Ridgefield, Washington finds, following a public hearing process, that it is in the public interest for the City of Ridgefield to approve the Development Agreement with property owners to clarify the PIF eligibility and park dedication boundaries. .

Section 2. **Development Agreement Amendment Approved.** The City Council for the City of Ridgefield hereby approves the Development Agreement Amendment **attached** hereto as Exhibit “A” and authorizes the City Manager to execute the Amendment substantially in the form

attached and to take such other actions as may be necessary to effect this Amendment.

Section 3. **Corrections**. The City Clerk and the codifiers of this ordinance are authorized to make necessary clerical corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 4. **Severability**. Any provision of this ordinance or its application to any person, legal entity, or circumstance is held invalid, the remainder of the ordinance or its application to other persons, legal entities, or circumstances is not affected.

Section 5. **Effective Date**. This ordinance shall be in full force and effect thirty (30) calendar days after adoption and publication pursuant to law.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF RIDGEFIELD, WASHINGTON THIS _____ DAY OF _____ 2024.

CITY OF RIDGEFIELD

Mayor, Ron Onslow

ATTEST:

Julie Ferriss
City Clerk

APPROVED AS TO FORM:

Janean Parker, City Attorney

Public Hearing: September 24, 2024

First reading: September 24, 2024

Second Reading/Passage:

Date of Publication:

Effective Date:

AFTER RECORDING, RETURN TO:

The Holt Group, Inc.
Attn: Jared Dusha
1301 SE Tech Center Drive, Suite #150
Vancouver, WA 98683

GRANTOR(S):	Ridgefield East Development, LLC
GRANTEE(S):	City of Ridgefield
ABBREVIATED LEGAL:	T4RIES23Q3; T4RIES23Q4
REFERENCE NUMBER(S):	None
TAX PARCEL NO(S):	214427-00; 214499-066; 214470-000

SECOND AMENDMENT TO DEVELOPMENT AGREEMENT

This Second Amendment is made and entered into as of _____, 2024, by and between the City of Ridgefield, a political subdivision of the State of Washington (the “City”), Urban Downs, LLC, a Washington limited liability company (“Urban Downs”) and Ridgefield East Development, LLC, a Washington limited liability company, as successor-in-interest to Holt Opportunity Fund (Parallel 1), 2013, LP (“Holt”), collectively (the “Parties”).

RECITALS

- A. The Parties entered into that Development Agreement for Annexation of Property recorded in the real property records of Clark County, Washington, as Document No. 4470184, dated June 30, 2008, as amended by that certain First Amendment to Development Agreement recorded in Clark County, Washington, as Document No. 5369316, dated January 20, 2017, (the “First Amendment”) (collectively, the “Agreement”).
- B. Under that Agreement certain property was to be dedicated to the City in exchange for PIF credits and certain other property was to be purchased by the City.
- C. The Parties now desire to amend a portion of the First Amendment, “Parkland Dedication and Purchase,” Section 4C, for their mutual benefit pursuant to the terms and conditions herein to set for the purchase price and to amend and describe with more specificity the property purchase.
- C. Capitalized terms not defined herein shall have the same meaning as such terms are used in the Declaration.

AGREEMENTS

Now, therefore, in consideration of the above recitals and the mutual covenants contained herein, the Agreement is hereby amended in Section 4C of the First Amendment as follows:

1. Immediately upon the Effective Date, the City shall provide correspondence to Holt to document the issuance of PIF credits for the purchase of three (3) acres, as well as an additional nine-tenths (0.9) acre of available adjacent land. The City shall issue such credits in an amount equal to an agreed purchase price of Two Hundred and Fifty Thousand Dollars (\$250,000) per acre, for a total purchase price of Nine Hundred and Seventy-Five Thousand Dollars (\$975,000) in PIF credits (Park Area "C").

2. City shall provide cash payment to Holt for the purchase of three (3) additional acres (1.40 acres in Park Area "B" (60,807 square feet) and 1.60 acres in Park Area "C") at the agreed value of Two Hundred and Fifty Thousand Dollars (\$250,000) per acre, for a total purchase price of Seven Hundred and Fifty Thousand Dollars (\$750,000). Such purchase price shall be paid in two equal installments of Three Hundred and Seventy-Five Thousand Dollars (\$375,000), with the first installment due on closing of the property conveyance, and the second installment due on February 1, 2025.

3. The parties agree that the conveyance of property to the City under paragraphs 1 and 2 herein shall be a Boundary Line Adjustment to the adjacent Tract G, currently owned by the City and that the closing shall occur immediately after the final approval of the Boundary Line Adjustment application which is expected to occur on or before September 30, 2024. Holt agrees to submit the BLA application, provide the survey and legal descriptions for the BLA and the City agrees to pay all costs associated with the processing of the BLA application.

3. As of the Effective Date of this Second Amendment (the "Effective Date"), the City shall defer collection of Park Impact Fees on all future building permit submittals by Holt until final occupancy following the City's issuance of the PIF credits to allow Holt the opportunity to utilize the credits for payment of the Park Impact Fees on such submittals.

4. The City and Holt shall execute a boundary line adjustment of Tract G, expanding Tract G to encompass the additional 6.9 acres contemplated by this Agreement (300,564 square feet), (Park Area "C").

5. Effect of Amendment. Except as specifically set forth in this Second Amendment, the Agreement shall remain unchanged and in full force and effect.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

GRANTOR:

Ridgefield East Development, LLC,
a Washington limited liability company

By: Holt Group Holdings, LLC,
a Delaware limited liability company
Its: Sole Member

By: _____
Name: _____
Its: Authorized Signer

STATE OF WASHINGTON)
) ss.
County of Clark)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Authorized Signer of Holt Group Holdings, LLC, a Delaware limited liability company, as Sole Member of Ridgefield East Development, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: _____, 2024.

Notary Public for the State of Washington,
Residing in: _____
My Commission Expires: _____

GRANTEES:

City of Ridgefield,
a political subdivision, State of Washington

By: _____
Name: _____
Title: _____

STATE OF WASHINGTON)
) ss.
County of Clark)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the _____ for the City of Ridgefield, a political subdivision in the State of Washington, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: _____, 2024.

Notary Public for the State of Washington,
Residing in: _____
My Commission Expires: _____

Urban Downs, LLC,
a Washington limited liability company

By: _____
Name: _____

Title: _____

STATE OF WASHINGTON)
) ss.
County of Clark)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the _____ for the Urban Downs, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: _____, 2024.

Notary Public for the State of Washington,
Residing in: _____
My Commission Expires: _____