

**INTERLOCAL AGREEMENT BETWEEN THE PORT OF RIDGEFIELD AND
CLARK-COWLITZ FIRE RESCUE CONCERNING VOLUNTARY MITIGATION
RELATED TO RESOLUTION No. 2024-411**

THIS IS AN INTERLOCAL AGREEMENT (“Agreement”) between the **Port of Ridgefield**, a municipal corporation, (“Port”) and **Clark-Cowlitz Fire Rescue**, a municipal corporation, (“District”) for voluntary mitigation and ongoing review of potential impacts to the District related to the Port’s designation of a Tax Increment Area under RCW 39.114 through its adoption of Resolution No. 2024-411.

WHEREAS, Chapter 39.114 RCW authorizes local governments, including cities, to carry out tax increment financing of public improvements needed to support vital private economic development project; and authorizes the allocation of property tax revenues generated from the increased assessed valuation of properties within an adopted Tax Increment Area (“TIA”) to pay for public improvements that are needed to support the private development; and

WHEREAS, the Port adopted Resolution No. 2024-411 on April 10, 2024 that designated a TIA to enable the Port to carry out a tax increment financing of the public improvements within the Port needed to serve that TIA and the resulting private development within that TIA; and

WHEREAS, based on the Project Analysis Report prepared by the Port, the Port is not required to negotiate a mitigation plan with the District at this time under RCW 39.114.020(5), but the Port would be required to negotiate a mitigation plan when the District’s annual report demonstrates an increase in the level of service directly related to the TIA; and

WHEREAS, in anticipation of the potential need to provide mitigation, and to address the concerns of the District, the Port has elected to voluntarily provide certain initial mitigation and the Parties wish to establish an agreed process to review potential future impacts and negotiate potential future mitigation, if any is necessary;

NOW THEREFORE, pursuant to Chapter 39.34 RCW and in consideration of the terms and conditions contained herein, the Port and District (collectively “Parties” or individually as “Party”) agree as follows:

I. Purpose

The purpose of this Agreement is to provide a procedural framework for negotiation of an agreed mitigation plan that (a) identifies the impacts on the District, if any, that are directly related to the Port’s designation of a Tax Increment Area adopted by Port Resolution No. 2024-411, (b) generates information, data and analysis demonstrating “an increase in the level of service directly related to the increased development in the increment area,” for the purpose of negotiating a mitigation plan and (c) creates a process for ongoing review of TIA impacts in order to identify future potential impacts and the terms of any mitigation plan for those future impacts. .

For purposes of this Agreement, the term “impact” shall mean “an increase in the level of service directly related to the increased development in the increment area.”

II. Term and Termination

The Term of this Agreement shall commence on the date of the last signature of the Parties below and shall continue so long as the TIA is in effect.

This Agreement may be terminated by mutual agreement of the Parties. In the event the Port’s legal authority to initiate and/or continue tax increment financing ends as a result of a statutory change or judicial ruling or inability to bond the proposed improvements, the Port’s obligation under this Agreement shall terminate.

III. Administration

This Agreement is entered into pursuant to Chapter 39.34 RCW, the Interlocal Cooperation Act and Chapter 39.114 as modified by chapter 236, laws of 2024. The Agreement shall be administered by the Fire Chief for the District and by the Port Chief Executive Officer for the Port. No separate entity is created, and no separate joint board is created by this Agreement. No joint financing or joint budgeting is anticipated and no property shall be acquired for a cooperative or joint undertaking unless such property is part of the required mitigation. No property is expected to be acquired pursuant to this Agreement which will need to be disposed of upon termination of this Agreement; any such property shall be disposed of as set forth in Section IV of the Agreement. The Agreement’s duration and method of termination are specified in Section II (Term and Termination).

IV. Port Initial Mitigation

The Port has elected to voluntarily provide certain initial mitigation, in advance of any negative impacts from the TIA. As a gesture of good faith and a commitment to community partnership, the Port is voluntarily complying with the Arbitration provisions of chapter 236, laws of 2024, as detailed below in section VII(b).

V. Port Termination of Tax Increment Area

The Port agrees to terminate the TIA when all public improvements listed in Port of Ridgefield Resolution No. 2024-411 have been constructed.

VI. Ongoing Impact Review Process and Future Mitigation

a. The Port agrees to meet with the District in 2026, and every year prior to July 1st thereafter until the termination of this Agreement pursuant to Section II to discuss potential impacts from TIA development on fire service in the TIA, as specifically documented and supported by the District with the following data relevant to the extent it demonstrates an increase in the level of service directly related to any increased development in the TIA :

- i. Anticipated calls for increased service directly related to the increased development in the increment area as demonstrated by industry-standard predictive analysis programs which generate an anticipated range of service calls [low, medium, high] using data from the TIA;
- ii. Calls for service within the TIA, within the Port district, and within the entirety of the District's service area;
- iii. Response times for the District for service calls within the TIA, the Port, and the entirety of the District's service area;
- iv. Proposed capital needs (facilities and equipment) within the TIA, the Port, and the entirety of District's service area and justification documented in an adopted Capital Facilities Plan for the basis of the need and how capital improvements will improve the level of service within the TIA and how the capital improvements relate to an increase in the level of service directly related to increased development in the TIA;
- v. Staffing needs generated by the service calls within the TIA, the Port, and the entirety of the District's service area;
- vi. Property tax revenues imposed for the District within the TIA, the Port, and the entirety of the District's service area and resources available through other mitigation plans. Property tax revenues foregone by the District in the TIA, as well as any other tax increment area that may be established in the future and impacting the District.

b. In the event actual, not anticipated, impacts on fire service from TIA development are identified, the Port and the District will make good faith efforts to agree on additional mitigation efforts to address the impacts.

VII. Dispute Resolution

a. Mediation

In the event the Port and the District are unable to agree on the need for, amount of, or the type of additional mitigation, or to resolve any other dispute arising out of this Agreement, the Port and the District agree to attempt to resolve the dispute through a mediation process as follows prior to either party seeking to resolve the dispute through the statutory arbitration process.

Either party shall give the other written notice requesting to engage in mediation and setting forth, with specificity, the issues that are to be resolved. The mediation will be conducted in Clark County, Washington with a mutually acceptable mediator. If the parties cannot reach agreement on the selection of a mediator within 21 days of the date the written mediation request letter was received by the other party, the mediation will be administered by Community Mediation Services of Clark County. The parties will pay their own costs, including witness and attorney fees and will share equally the costs of the mediator's fees.

b. Arbitration

In the event the Port and the District are unable to agree on the need for, amount of, or the type of additional mitigation after engaging in mediation, the parties agree to follow the arbitration requirements of RCW 39.114.020(5)(b) as modified by chapter 236, laws of 2024, or as subsequently modified by the legislature or the courts. Both parties acknowledge that the Port's TIA was adopted prior to the effective date of the 2024 legislation, and that the Port is willingly committing to this Arbitration requirement.

The Arbitration provision is the only provision of Chapter 236, laws of 2024, that the Port is voluntarily choosing to comply with. All other provisions of RCW 39.114 shall be effective as of the effective date of the Port's TIA, April 10th, 2024.

VIII. Indemnification

To the extent authorized by law, the District and Port shall indemnify and hold harmless one another and their employees, officers, contractors and agents, from and shall process and defend at their own expense any and all claims, demands, suits at law or equity, actions, penalties, losses, damages (both to persons and/or property), or cost, of whatsoever kind or nature, brought against the one Party arising out of, in connection with, or incident to the other Party's performance or failure to perform any aspect of this Agreement, provided, that if such claims are caused by or result from the concurrent negligence of (a) the District and (b) the Port, their respective employees, officers, contractors or agents, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the District or the Port, and provided further, that nothing herein shall require the District or Port to hold harmless or defend the other or its employees, officers, contractors or agents from any claims arising from that Party's sole negligence or that of its employees, officers, contractors or agents. The terms of this Section shall survive the termination of this Agreement.

IX. General Provisions

a. Amendments. The provisions of this Agreement may be amended with the mutual consent of the Parties. No additions to, or alterations of, the terms of this Agreement shall be valid unless made in writing and formally approved and executed by the duly authorized agents of both Parties, except as provided in previous sections.

b. Waiver. No waiver by either Party of any term or condition of this Agreement shall be deemed or construed to constitute a waiver of any other term or condition or of any subsequent breach, whether of the same or different provision.

c. Notice. All notices, demands, consents, approval or other communications which are required or desired to be given by either party to the other hereunder will be in writing and

will be hand-delivered, sent by a nationally recognized overnight courier service or sent by United States mail, marked certified mail return receipt requested, addressed to the appropriate party at its address as set forth, or at such other address as the party will have last designated by notice to the other. Notices, demands, consents, approvals, and other communications will be deemed given when delivered two (2) days after deposit with the courier or mailing, as the case may be.

To the Port:	To the District:
Randy Mueller Chief Executive Officer P.O. Box 55 Ridgefield, WA 98642	John Nohr Fire Chief 911 N 65 th Ave Ridgefield, WA 98642

d. No Third-Party Beneficiary. The Parties does not intend by this Agreement to assume any contractual obligations to anyone other than the other Party. The District and Port do not intend there be any third-party beneficiary to this Agreement.

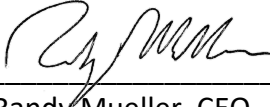
e. Attorneys' Fees. In the event that either Party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this Agreement, the Parties agree that any such action or proceedings shall be brought in the Superior Court of Clark County, Washington. Each Party shall be responsible for its own attorney's fees and costs.

f. Document execution and filing. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument and shall become effective when counterparts have been signed by each of the Parties and delivered to the other Parties. The Port shall post a copy of this Agreement on the Port website pursuant to RCW 39.34.040.

g. Entire Agreement. This Agreement contains all of the agreements of the Parties with respect to the subject matter covered or mentioned therein, and no prior Agreements shall be effective to the contrary.

h. Severability. If any portion of this Agreement shall be invalid or unenforceable to any extent, the validity of the remaining provisions shall not be affected thereby.

IN WITNESS WHEREOF, the Port and District have caused this Agreement to be executed by their duly authorized officers and have caused the Agreement to be dated as of the date of the last signature.

CLARK-COWLITZ FIRE RESCUE	PORT OF RIDGEFIELD
By: _____ John Nohr, Fire Chief	By:  Randy Mueller, CEO
Date: _____	Date: 5/17/2024
Approved as to form: By: _____ District Attorney	By: n/a Port Attorney