

CITY OF MARYSVILLE AGENDA BILL

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: 3/23/15

AGENDA ITEM: Mutual Agreement regarding credit for donation of property for transportation improvements.	
PREPARED BY: Shawn Smith DEPARTMENT: Community Development	DIRECTOR APPROVAL:
ATTACHMENTS: Mutual Agreement regarding credit for donation of property for transportation improvements.	
BUDGET CODE: 30500030.563000	AMOUNT: \$183,485.20
SUMMARY:	

LID 71 was established in 2010 for the 156th Street Overpass project. Terra Firma owns property within LID 71 and agreed to dedicate right of way (where 30th Avenue was built for the 156th Street Overpass project) in exchange for the City crediting the value of the property dedicated against Terra Firma's LID assessment. This agreement is to credit the cost of the right of way previously dedicated by Terra Firma to their LID 71 assessment.

RECOMMENDED ACTION: AUTHORIZE THE MAYOR TO SIGN THE mutual agreement regarding credit for donation of property for transportation improvements.

MUTUAL AGREEMENT REGARDING CREDIT FOR DONATION OF PROPERTY FOR TRANSPORTATION IMPROVEMENTS

This Mutual Agreement Regarding Credit for Donation of Property for Transportation Improvements (“Agreement”) is made this ____ day of March, 2015 between the City of Marysville, Washington, a Washington municipal corporation (“City”), and Terra Firma Development Company Ltd, a Washington corporation (“Terra Firma”).

WHEREAS Terra Firma owns property described as follows:

Legal Description: _Section 29 Township 31 Range 05 Quarter SE- ADJ PAR 1 OF CITY MAR BLA 03-005 SURVEY REC AFN 200307155002 BEING PTN OF S1/2 SE1/4 SD SEC LESS E 30.00FT TO CITY OF MAR PER PER DEED & DED REC AFN200911100595

Parcel Number: 31052900401300

WHEREAS the City established Local Improvement District 71 (LID 71) through Ordinance 2827 passed by the City Council and approved by the Mayor on September 20, 2010.

WHEREAS this Local Improvement District was created to construct transportation improvements related to the construction of an overpass across Interstate 5 at 156th Street NE.

WHEREAS Terra Firma’s property described above is located within LID 71 and is subject to an assessment for the benefit of the transportation improvements built through LID 71.

WHEREAS Terra Firma agreed to dedicate right-of-way to the City of Marysville as part of this project at no cost provided that value of the dedication would be credited against the LID 71 assessment for Terra Firma’s property.

WHEREAS the value of this right-of-way, including interest accrued to date, is \$174,188.78 (interest of \$9,296.42 for a total of \$183,485.20).

WHEREAS the assessment against tax parcel no. 310529-004-013-00, owned by Terra Firma in LID 71 is \$202,096 (interest of \$9,296.42 for a total of \$211,392.42).

WHEREAS RCW 35.44.420 authorizes a city legislative authority to give credit for all or any portion of any property donation against an assessment, charge, or other required financial contribution for transportation improvements within a local improvement district.

WHEREAS the City and Terra Firma desire to enter into this Agreement in accordance with RCW 35.44.420.

NOW THEREFORE, it is agreed between the City and Terra Firma as follows:

1. Truth of Recitals. City and Terra Firma agree that the recitals above are true and accurate.

2. Application of value of right-of-way. The City shall apply the amount of \$183,485.20 (value of right-of-way plus interest accrued to date) to Terra Firma's assessment for LID 71. The City shall apply this credit to the LID assessment by March 31, 2015.

3. Obligation to pay assessment; shortage. Because the amount of the value of the dedicated right-of-way is less than the assessment, the unpaid balance of the assessment shall be the obligation of Terra Firma, to be paid when due and shall be a charge on the land in accordance with the provisions of chapters 35.44 through 35.49 RCW.

4. Right to Interplead; dispute. In the event a dispute develops between City and Terra Firma concerning this Agreement, the parties agree that the City may interplead the value of the right-of-way plus accrued interest into the registry of the Snohomish County Superior Court and such dispute shall be resolved in that court.

5. Interpretation. This Agreement was drafted by the City, but the provisions of this Agreement shall be given a fair and equal interpretation as if drafted by both parties.

6. Complete agreement; integration. This Agreement is intended to be an integrated, complete, and final agreement, and there are no other or further agreements between the parties except as set forth herein concerning the subject matter of this Agreement. The Parties specifically recognize that a letter dated September 28, 2009, regarding a traffic mitigation fee credit is superseded by this Agreement and that letter is of no further effect.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date set forth above.

CITY OF MARYSVILLE

TERRA FIRMA DEVELOPMENT COMPANY, LTD

JON NEHRING, Mayor

NOORDIN DAYANI, President

ATTEST:

APRIL O'BRIEN, Deputy City Clerk

APPROVED AS TO FORM:

JON WALKER, City Attorney