

## SETTLEMENT AGREEMENT

This Settlement Agreement is between and among the following parties: Kathy Miotke, the Neighborhood Alliance of Spokane County, Futurewise, the Five Mile Prairie Neighborhood Association, the Southgate Neighborhood Council, the Glenrose Association, Paul Kropp, Larry Kunz, Dan Henderson, Neil Membrey, Kasi Harvey-Jarvis, State of Washington Department of Commerce (Commerce), and Washington State Department of Transportation (WSDOT), collectively, Petitioners, and Spokane County (County), Respondent. The parties hereby agree to settle all of the disputes between them relating to Growth Management Hearings Board Case Nos. 05-1-0007, 08-1-0002, 13-1-0006c, and 14-1-0002 as detailed below, in consideration of the following terms and conditions.

### RECITALS

WHEREAS, Spokane County is under an obligation to enact a comprehensive plan and development regulations that meet the requirements of the Growth Management Act, including adoption of an urban growth area (UGA);

WHEREAS, Growth Management Hearings Board (GMHB or Board) Case Nos. 05-1-0007, 08-1-0002, 13-1-0006c, and 14-1-0002 challenging Spokane County's adoption of various comprehensive plan amendments are pending before the Board;

WHEREAS, prior to further litigation of these cases, all parties requested that GMHB authorize mediation, and the Parties agreed that settlement negotiations were appropriate to either resolve the pending issues or reduce the number of unresolved issues. The Board granted the Parties request and assigned two settlement officers from the GMHB who are not on the panels hearing any of the cases. Formal settlement conferences were held in Spokane over six sessions – May 27-28, June 10, July 23, September 30, 2015, April 28-29, and June 2, 2016. Individual meetings among the parties and telephonic discussions among the parties and settlement officers also took place;

WHEREAS, at the initial May 27-28, 2015 settlement conference, the settlement officers (1) explained the ground rules for the settlement discussions, (2) explained the role of Intervenor, (3) organized the issues to be resolved into topics, and (4) identified and linked the parties to the issues presented in the several cases. All settlement participants signed confidentiality agreements;

WHEREAS, **Case No. 05-1-0007, the "Five Mile case,"** has been remanded from the Washington Court of Appeals under *Kathy Miotke, et al v Spokane County*, 181 Wn. App. 369 (2014). Petitioners Five Mile Neighborhood Ass'n and Kathy Miotke were represented by Rick Eichstaedt;

WHEREAS, **Case No. 08-1-0002, the "McGlades case,"** has been remanded from the Washington Court of Appeals under *Spokane County II v EWGMHB*, 176 Wn. App. 555 (2013). Petitioners Dan Henderson, Larry Kunz, Neil Membrey, Kasi Harvey-Jarvis and Neighborhood Alliance of Spokane County were represented by Rick Eichstaedt;

WHEREAS, **Case No. 14-1-0002, the “LOS case,”** was decided in the Board’s Final Decision and Order, issued September 23, 2014. Three issues of non-compliance are currently pending: numeric level of service standards (LOS) for parks; numerical LOS standard for law enforcement, and extension of urban public facilities in rural and resource lands (Policy CF.3.4). Petitioner Neighborhood Alliance of Spokane County was represented by Rick Eichstaedt;

WHEREAS, **Case No. 13-1-0006c, the “UGA Expansion Case,”** was consolidated petitions for review challenging Spokane County’s 2013 Comprehensive Plan update and setting forth multiple issues alleging non-compliance with the Growth Management Act, chapter 36.70A RCW (GMA). A challenge to the County’s population projection, based on public participation violations, was decided by the Board on dispositive motions and affirmed by the Washington Court of Appeals on June 18, 2015, under *Spokane County v EWGMHB*, et. al., 188 Wn. App. 467 (2015);

WHEREAS, at the May 27-28 settlement conference, the disputed issues necessary to resolution of the urban growth area expansion case were identified as: population and land capacity analysis; vesting; transportation analysis; capital facilities planning; and the specific revisions to the urban growth areas boundaries. Petitioners Neighborhood Alliance of Spokane County, Five Mile Prairie Neighborhood Association, Southgate Neighborhood Council, Paul Kropp, Larry Kunz, and Dan Henderson were represented by Rick Eichstaedt. Petitioners Futurewise, and the Glenrose Association were represented by Tim Trohimovich. Petitioner State of Washington Department of Commerce (Commerce) was represented by Kristen Mitchell. Petitioner Washington State Department of Transportation (WSDOT) was represented by Deborah Cade;

WHEREAS, Spokane County’s settlement team was represented by Dan Catt and included Commissioner Al French, former Commissioner Todd Mielke, Planning Director John Pederson, and consultant Stacy Bjordahl;

WHEREAS, Intervenor in the UGA expansion case participated in the settlement discussions in the County’s caucus. Intervenor Ann C. Oehlert and Dwight and Lynda Calkins were represented by Nathan Smith. Intervenor CPM Development Corporation, West Plains Holdings LLC, Central Valley School District #356, TZL Investments LLC, Whitetail Ridge LLC, Riverside Memorial Park, Daniel and Cathryn Joann Ruddell were represented by Taudd Hume;

WHEREAS, the Parties agree that by resolving disputed issues through this Settlement Agreement, they will derive substantial benefits and substantial detriments from not fully prosecuting or defending the disputes;

WHEREAS, all Parties agree these benefits and detriments constitute sufficient mutual consideration to support this Settlement Agreement;

WHEREAS, after intensive discussion and negotiation, the County produced a series of proposed amendments to its comprehensive plan, development regulations and land use map, which were circulated to the Parties for review and comment; and

WHEREAS, the parties wish to settle unresolved compliance issues in Case Nos. 05-1-0007, 08-1-0002, 13-1-0006c, and 14-1-0002 by means of this Settlement Agreement, the following Terms and Conditions outline the parties' mutual promises and commitments for resolving the issues in dispute.

### **TERMS AND CONDITIONS**

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, the parties mutually agree as follows:

1. The preceding recitals are adopted as terms and conditions and incorporated here by reference as though fully set forth herein.
2. Pursuant to RCW 36.70A.130(5)(c), within 45-days of signing this Settlement Agreement, Spokane County agrees to adopt a 2017-2037 population forecast based on the 2012 OFM population forecast of 583,409 countywide and 474,746 for the urban growth area and the associated jurisdictional population allocations as recommended by a majority of the Spokane County Steering Committee of Elected Officials on November 10, 2015. The Parties acknowledge that the adoption of this population forecast, while lower than the number adopted in 2013, does not require a reduction of the size of the UGAs.
3. Spokane County agrees to prepare and adopt, prior to adoption of comprehensive plan amendments, including amendments identified in this settlement, updated transportation and capital facility plan elements guided by the following:
  - 3.1. WSDOT agrees to provide technical assistance to the County as needed and to provide applicable and available data, in order for the County to complete a transportation analysis that identifies impacts of development on the state highway system in the unincorporated existing and expanded urban growth area. The transportation analysis will also include reasonable and feasible options for mitigating identified impacts, including improvements to the state highway system and local transportation network, as well as probable funding sources. Exhibit "A" sets out the guidelines for and timelines to complete the transportation analysis.
  - 3.2. As required by the Growth Management Act, the transportation element will also consider the impact of projected growth throughout unincorporated Spokane County, include projects necessary to meet the locally adopted level of service standards on the local transportation system, and will identify probable funding sources for those projects. The transportation element will include analysis of the four-way intersection at the East 37th Avenue and South Glenrose Road, and recommend a measurable threshold, based on development within the area, when the intersection will require a traffic signal, roundabout or other traffic calming approach. When the threshold is met, the County

will include the intersection improvement in the six-year Capital Facilities Plan. The County Public Works Department will consult with the Glenrose Association and the public during the intersection analysis and the determination of the measurable threshold.

- 3.3. The County will include an assessment of the impacts of including the Geiger Spur Area classified as light industrial zone in the urban growth area in the updated transportation and capital facility plans.
- 3.4. Spokane County agrees to adopt amendments to the capital facility plan that identify existing and forecast future needs for new and expanded capital facilities for the expanded urban growth area and the existing urban area to maintain adopted level of service standards, and that provides an analysis of financing through the twenty-year planning period, including at least a six-year plan for financing the capital facilities within projected funding capacities and clearly identified sources of public money.
- 3.5. Commerce agrees to provide technical support to Spokane County as needed to complete the update to the capital facilities plan as provided in Section 3.3 and 3.4 in a timely manner. Commerce also agrees to provide technical support to the County regarding compliance with the GMA.
4. In the matter of **Five Mile case, Case No. 05-1-0007**, Petitioners Five Mile Neighborhood Ass'n., et al. agree to withdraw their petition or stipulate to the County's compliance within 45 days of the adoption of a resolution by the County to include the vested property identified in Exhibit "B" and map 22 of Exhibit "C" within the urban growth area except for the property identified as Parcel Number 26233.9068 which remains outside the urban growth area at this time. If the vested property identified in Exhibit "B" and map 22 of Exhibit "C" as Parcel Number 26233.9068, is subsequently developed, the County agrees to include the property in the urban growth area boundary in any subsequent comprehensive plan amendment process. The parties to this appeal agree not to challenge these properties' compliance with the GMA.
5. In the matter of the **McGlades case, Case No. 08-1-0002**, the County accepts the GMHB determinations that the inclusion of McGlades property first in a LAMIRD expansion and then in a UGA expansion were invalid, null, and void under the GMA. Petitioners Dan Henderson, et al. agree to withdraw their petition or stipulate to the County's compliance within 45 days of the County's adoption of an amendment to the comprehensive plan with an amended UGA map, that will identify the McGlades property as outside the UGA and zoned Urban Reserve. The Parties acknowledge this Settlement Agreement is intended to implement the binding Final Orders of the Court and GMHB and not intended to impact any other rights of McGlades' property owners.
6. In the matter of the **LOS case, Case No. 14-1-0002**, the County will consider for adoption, within 45-days of signing this Settlement Agreement, a resolution that will amend the County's comprehensive plan and adopted level of service (LOS) as summarized below such that:

- 6.1. A numeric LOS standard for Law Enforcement is reestablished substantially in the form as set forth in Exhibit “D.”
- 6.2. A numeric LOS standard for Parks is reestablished substantially in the form as set forth in Exhibit “D.”
- 6.3. The existing LOS standard for Detention will be deleted and within one-year following the completion of the requirements of the MacArthur Foundation grant awarded in April 2016 or by December 31, 2020, whichever is sooner, the County will develop a capital facilities element and/or a LOS for detention/rehabilitation services.
- 6.4. Section CF.3.4 of the Comprehensive Plan will be deleted.

Within 45 days of the adoption of the Resolution amending the comprehensive plan substantially in the form set forth in this section, Petitioner Neighborhood Alliance of Spokane County agrees to withdraw its petition or stipulate to the County’s compliance.

7. In the matter of the **UGA Expansion Case, Case No. 13-1-0006c**, after completing the transportation and capital facilities plan element updates, the County will consider for adoption a resolution or resolutions to amend the County’s comprehensive plan and development regulations as provided in this section. The County will comply with all requirements for notice, public comment, and public hearings. The Petitioners agree to participate in public hearings, orally or in writing, in support of the resolutions substantially in compliance with in this section. The County agrees to complete its review and adoption of the resolutions by no later than December 31, 2017.
  - 7.1. The final disposition of the urban growth area expansions and designated zones will be as set forth in Exhibit “B,” Urban Growth Areas, and Exhibit “C,” Urban Growth Area Map. If there are any inconsistencies between the Settlement Agreement and Exhibit B and C, the Settlement Agreement controls. If there are any inconsistencies between this Exhibit B and Exhibit C, Exhibit B controls.
  - 7.2. The final disposition of McGlades property is outside the urban growth area, outside the limited area of more intense rural development, and zoned Urban Reserve, its prior classification, as agreed to resolve Case No. 08-1-0002 and addressed in Section 5 above.
  - 7.3. If the vested property identified in Exhibit “B” and map 22 of Exhibit “C” as Parcel Number 26233.9068 is developed subsequent to the termination of this Settlement Agreement, the County shall include the property in the urban growth area in any subsequent Comprehensive Plan Amendment process, as agreed to resolve Case No. 05-1-0007 and addressed in Section 4 above.
  - 7.4. Amendments to development regulations governing the expiration dates of land use applications and permits are adopted in substantially the form as set forth in Exhibit “E.”

- 7.5. Amendments to the level of service standards are adopted in substantially the form as updated in Section 6.
- 7.6. Adoption of the population projection as provided in Section 2 and urban growth area amendments as provided in Sections 4, 5, 7, and 9 of this Settlement Agreement shall constitute the review of the designated urban growth areas for Spokane County's 2017 comprehensive plan periodic update required by RCW 36.70A.130(3)(a). If the County adopts the urban growth area amendments as provided in Sections 4, 5, 7, and 9, the Petitioners agree to waive any over-capacity challenge to a 2017 comprehensive plan update, provided the update does not increase the total acreage of the urban growth area in excess of the amendments identified in these sections. If and only if the County adopts a 2017 comprehensive plan periodic update that increases total acreage in its urban growth areas in excess of the acreage increases identified with the adoption of amendments identified in Sections 4, 5, 7, and 9, Spokane County agrees to waive its right to argue that additional capacity is needed, or that an urban growth area in excess of needed capacity complies with the goals and requirements of the GMA.
- 7.7. Within 45 days of the County's completion and adoption of the dispositions, amendments and resolutions identified in this section, the Petitioners agree to withdraw their petitions in Case No. 13-1-0006c or stipulate to the County's compliance.
- 7.8. The provisions in Section 7 do not apply to any 2016 comprehensive plan review and amendments presently pending, which may not be concluded until 2017, provided they do not include expansion of the total acres of the urban growth area.
8. Within 45-days of signing this Settlement Agreement and prior to adopting the 2017 comprehensive plan periodic update, the County will present to the Spokane County Steering Committee of Elected Officials, established under the Spokane County Countywide Planning Policies, a proposal to review and update the Land Quantity Analysis Methodology for Spokane County as follows:
  - 8.1. Removal of "Step 4: Subtract all parcels which your community determines are not suitable for development for social and economic reasons."
  - 8.2. Removal of "Step 6: Build a safety factor."
  - 8.3. Compile and analyze current market data under "Step 5: Subtract that percentage of land which you assume will not be available for development within your plan's 20-year time frame." If warranted, adopt a revised evidence-based market factor.
9. Geiger Spur Area: The parties agree that Spokane County shall retain the Geiger Spur Area as described in Exhibit "B" and "C" in the urban growth area classified as light industrial zone. The Parties agree the portion of the GMHB's Order of Invalidity governing the designated Geiger Spur Area shall remain in full force and effect until the County adopts a

moratorium on development and acceptance of new project permit applications within the Geiger Spur Area as follows:

- 9.1. The moratorium will outright prohibit development in the Geiger Spur Area until the County has removed 1,200 acres from the urban growth area. A portion of those 1,200 acres no greater than the acres in the Geiger Spur Area may be acres that are currently zoned as light industrial within the area purchased by the Spokane International Airport for future use as a runway and ancillary areas needed for movement of air-traffic. For purposes of this Section, acres within the urban growth area that are rezoned to a designation that will not permit industrial, commercial, or residential development, and acres for which development rights have been purchased and transferred to acres within the Geiger Spur Area, shall be counted towards the 1,200 acres but at the County's option, those acres may remain within the urban growth area.
- 9.2. Upon removal of the 1,200 acres provided for in Section 9.1 and adoption by Spokane County of an ordinance or overlay zone subjecting property within Geiger Spur Area to a pre-project permit application process, the moratorium will allow new project permit applications after the conditions in Section 9.3 have occurred:
- 9.3. The County will consult with representatives of WSDOT, Commerce, the Governor's Office, Fairchild Air Force Base (the Base), and the Washington Military Alliance to ensure that allowed uses in the Geiger Spur Area are compatible with the mission requirements and activities of the Base. Before accepting any project application within the Geiger Spur Area, the County will:
  - 1) Fully inform the Base of the County's proposal under this section;
  - 2) Obtain from the Base a written response related to any concerns the Base may have with development in the Geiger Spur Area;
  - 3) Communicate in writing the County's response to written concerns received from the Base under this section and obtain from the Base a written response related to any additional or unresolved concerns related to development in the Geiger Spur Area;
  - 4) Communication and response processes in Step 3) shall be repeated until concerns received from the Base are resolved; and
  - 5) Prohibit incompatible uses by means of comprehensive plan amendments, zoning, overlay zones, or other similarly enforceable regulatory methods.
10. In consideration for the expansions to and alterations of the urban growth area agreed to by the parties in Sections 4, 5, 7 and 9 of this Settlement Agreement, Spokane County agrees that no amendment of the urban growth area increasing acreage, no modification to the logical outer boundary of a limited area of more intense rural development to add new territory, and no de-designation of natural resource lands of long-term commercial significance will be adopted except as provided in this section.
  - 10.1 The County may amend its urban growth area as long as there is no net increase in acreage and the impacts on transportation and capital facilities are identified and probable funding sources for any needed improvements have been identified in the simultaneously adopted transportation and capital facilities plan elements.

- 10.2 The County may amend the urban growth area to include property subsequently acquired by Central Valley School District in the expansion area known as “Southeast Valley” map number 7, identified in Exhibit “B” and “C,” provided the amendment results in no-net-gain of total UGA acreage, is adjacent to parcel 55296.9002, is acquired solely for school use, and is within the original Southeast Valley expansion study area adopted in the 2013 Comprehensive Plan.
- 10.3 The County will not initiate a review of the urban growth area for expansion of total UGA acreage, modify the logical outer boundary of a limited area of more intense rural development to add new territory, or de-designate of natural resource lands of long-term commercial significance prior to July 1, 2033 unless the triggers for review of the urban growth area expansion are met as provided in the Countywide Planning Policies for Spokane County, Policy Topic 1 – Joint Planning with the Urban Growth Areas (UGAs), Urban Growth Area Revisions, Triggers for Review, items 17.a and 18.a, (See Exhibit “F”). The County will adopt a policy or regulation that mandates a preliminary determination that the Triggers for Review, items 17.a and 18.a, have been met prior to accepting applications for revision of the urban growth area that propose expansion of total acreage.
- 10.4 If the County makes a preliminary determination that the triggers identified in Section 10.2 are met allowing consideration of an expansion to the urban growth area, modification of the logical outer boundary of a limited area of more intense rural development to add new territory, or de-designation of natural resource lands of long-term commercial significance, the County shall provide written notice to persons designated by Petitioners to receive this notice and identified in Exhibit “G” no less than 60 days prior to taking any action to commence the process of adoption of any proposed change. The County shall provide Petitioners with documentation supporting the triggers identified in Section 10.3 or documentation related to the modification of boundaries or de-designation at the time notice is provided.
- 10.5 If any Petitioner disagrees with the County’s preliminary determination that the triggers identified in Section 10.2 are met allowing consideration of an expansion to the urban growth area, modification of the logical outer boundary of a limited area of more intense rural development to add new territory, or de-designation of natural resource lands of long-term commercial significance, the Petitioner designee will inform and consult with the person designated by the County in Exhibit “G” to receive notice within 90-days of being provided with notice regarding the disagreement or the right to challenge the initiation of review under this Settlement Agreement shall be deemed waived. As a part of the consultation, any Petitioner and the County may agree to extend the period of consultation or engage in the dispute resolution procedure set forth in Section 12 or any other agreeable dispute resolution process to resolve the conflict. The parties agree to negotiate in good faith and shall not unreasonably delay the consultation. Any extended period of consultation may be terminated by either side without cause. The County will take no further action to adopt the proposed changes during the period of consultation.



- 10.6 If the County initiates review or otherwise considers a revision to the urban growth area, considers a modification to the logical outer boundary of a limited area of more intense rural development to add new territory, or considers a de-designation of natural resource lands of long-term commercial significance, other than those authorized by Sections 10.1 through 10.5 or if the County fails to provide the notification as provided in Section 10.4, the County is in breach of this Settlement Agreement.
- 10.7 Any party may bring an action for breach of contract, declaratory judgment, or to otherwise enforce its rights under this Settlement Agreement in the Superior Court of Thurston County, Washington or Spokane County, Washington. If more than one party brings an action, the parties agree that the actions shall be consolidated to the extent possible pursuant to the civil rules. If any party brings an action under this section, the County stipulates to a stay of its adoption of the proposed changes.
- 10.8 The provisions of Sections 10.1 through 10.7 shall not apply to the 2025, 2033, or any subsequent comprehensive plan periodic update.
- 10.9 For the 2025 comprehensive plan periodic update, the County agrees as follows:
- 10.9.1 To adopt as an amendment to the Spokane County Comprehensive Plan, a 2025-2045 population forecast based on the then-applicable OFM population forecast for the countywide urban growth area;
  - 10.9.2 To consider, deliberate on, and adopt a 2025-2045 population projection and associated jurisdictional population allocations, and determine if the total acreage of the urban growth areas need expansion to accommodate the projected growth within 90-days following the receipt of the Spokane County Steering Committee of Elected Officials recommendations;
  - 10.9.3 During consideration, deliberation, and adoption of the 2025-2045 population projection and associated jurisdictional population allocations, to grant deference to recommendations from the majority of the Spokane County Steering Committee of Elected Officials. For purposes of this Section, “deference” shall not preclude the Board of County Commissioners from adopting different numbers, provided after consideration the variance is compliant with provisions of Sections 10.9.1 and 10.9.2;
  - 10.9.4 To publish formal findings and conclusions concerning the adopted 2025-2045 population projection, associated jurisdictional population allocations, and any need to initiate reviews for purposes of expansion of the urban growth area within 45-days of the adoption;
  - 10.9.5 If the County (1) adopts a 2025-2045 population projection or associated jurisdictional population allocations other than as provided in this Section 10.9, (2) fails to publish formal findings and conclusions as required in this Section 10.9, (3) or accepts proposals to expand a UGA or otherwise considers an

expansion of a UGA not shown to be needed by the analysis in 10.9.2, the County will be in breach of this Settlement Agreement. Any party may bring an action for breach of contract, declaratory judgment, or to otherwise enforce its rights under this Settlement Agreement in the Superior Court of Thurston County, Washington or Spokane County, Washington.

- 10.10 Any Notice under this Section shall be sent certified mail, return receipt requested, to the designated representatives identified in Exhibit "H." Designee changes may be made at any time without cause and become effective 30-days following written notice to the parties.
- 11 In recognition of the engagement by Spokane County in efforts to comply with the Growth Management Act, and in consideration for the conditions to which Spokane County has agreed to implement in this Settlement Agreement, Commerce agrees to file supportive briefing such as an amicus brief in a proceeding alleging that the County has no legal authority to reduce or take the necessary action to reconfigure the UGA, including issues raised in the context of that proceeding such as the authority to reduce the total acreage of the UGA, modify the population allotment to jurisdictions within the UGA, modify the comprehensive plan or zone designations within the UGA, or reconfigure the outer boundaries of the UGA. The provisions of this section are to apply prospectively only.
- 12 The parties shall in good faith try to cooperatively resolve disputes and problems that arise in connection with this Settlement Agreement. When a dispute arises between parties, the parties will attempt to resolve the dispute and will continue without delay to carry out all their respective responsibilities under this Settlement Agreement. Upon agreement, the parties may utilize alternative dispute resolution procedures such as mediation to assist in resolving the dispute.
- 13 This Settlement Agreement, including referenced Exhibits, represents all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, shall be deemed to bind any of the parties hereto.
- 14 This Settlement Agreement may not be modified or amended except by the written agreement of all of the parties.
- 15 The remedies provided for in this Settlement Agreement shall not be exclusive and are in addition to all other remedies available under the law.
- 16 This Settlement Agreement shall be construed and interpreted according to the laws of the State of Washington.
- 17 This Settlement Agreement may be executed in counterparts and each executed counterpart shall have the same force and effect as the original instrument and as if all of the parties to the counterparts had signed the same instrument. Electronic facsimile signatures and/or electronically scanned signatures shall be sufficient to demonstrate a party's assent to this Settlement Agreement.

- 18 The provisions of this Settlement Agreement are intended to be severable. If any term or condition of this Settlement Agreement is held invalid, such invalidity shall not affect the validity of the other terms or conditions of this Settlement Agreement.
- 19 This Settlement Agreement inures to the benefit of the parties and organizational successors hereto and does not create any third-party beneficiaries or rights. The rights to individual parties shall not be transferable except as provided in this Section.
- 20 For the purposes of performance of obligations and enforcement of this Settlement Agreement, the life of the Settlement Agreement shall be through December 31, 2025. For the purpose of performance of obligations and enforcement of the agreements made in Section 10 and Sections 12 through 21, the life of this Settlement Agreement shall be through December 31, 2033.
- 21 Each party shall bear its own attorneys' fees and costs. However, in the event any party commences an action to enforce this Settlement Agreement, the prevailing party shall be entitled to its reasonable attorneys' fees and costs.

NOW THEREFORE, in acknowledgment of and with full understanding of the terms and conditions, this Settlement Agreement is executed by the persons signing below, who warrant they have the authority to execute this Settlement Agreement:

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

BOARD OF COUNTY COMMISSIONERS  
OF SPOKANE COUNTY, WASHINGTON

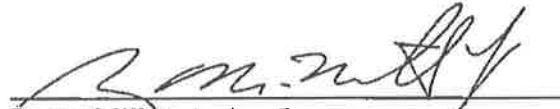
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SHELLY O'QUINN, CHAIR

\_\_\_\_\_  
AL FRENCH, VICE-CHAIR

\_\_\_\_\_  
Ginna Vasquez, Clerk of the Board

\_\_\_\_\_  
NANCY MCLAUGHLIN,  
COMMISSIONER

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION

  
\_\_\_\_\_  
Roger Millar, Acting Secretary

WASHINGTON STATE DEPARTMENT OF COMMERCE

\_\_\_\_\_  
Brian Bonlender, Director

KATHY MIOTKE

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Kathy Miotke

NEIGHBORHOOD ALLIANCE OF SPOKANE

\_\_\_\_\_  
Kathy Miotke, Chair

DAN HENDERSON

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Dan Henderson

LARRY KUNZ

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Larry Kunz

NEIL MEMBREY

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Neil Membrey

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Roger Millar, Acting Secretary

WASHINGTON STATE DEPARTMENT OF COMMERCE



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Brian Bonlender, Director

KATHY MIOTKE

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Kathy Miotke

NEIGHBORHOOD ALLIANCE OF SPOKANE

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Name & Title

DAN HENDERSON

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Dan Henderson

LARRY KUNZ

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Larry Kunz

NEIL MEMBREY

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Neil Membrey

KASI HARVEY-JARVIS

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Kasi Harvey-Jarvis

FUTUREWISE

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION

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Roger Millar, Acting Secretary

WASHINGTON STATE DEPARTMENT OF COMMERCE

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Brian Bonlender, Director

KATHY MIOTKE

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Kathy Miotke

NEIGHBORHOOD ALLIANCE OF SPOKANE

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Kathy Miotke, Chair

DAN HENDERSON

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Dan Henderson

LARRY KUNZ

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Larry Kunz

NEIL MEMBREY

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Neil Membrey

*In the original document  
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Kathy Miotke's signature*

*She has 3 signature  
lines and only signed one*

**NEIGHBORHOOD ALLIANCE OF SPOKANE**

Dan Henderson  
Dan Henderson

**LARRY KUNZ**

Larry Kunz  
Larry Kunz

**NEIL MEMBREY**

Neil Membrey  
Neil Membrey

**KASI HARVEY-JARVIS**

Kasi Harvey-Jarvis  
Kasi Harvey-Jarvis

**FUTUREWISE**

\_\_\_\_\_  
Tim Trohimovich, Attorney

**FIVE MILE PRAIRIE NEIGHBORHOOD ASSOCIATION**

\_\_\_\_\_  
Rick Eickstaedt, Attorney

**SOUTHGATE NEIGHBORHOOD COUNCIL**

\_\_\_\_\_  
Name & Title

**THE GLENROSE ASSOCIATION**

\_\_\_\_\_  
Rick Eickstaedt, Attorney

**PAUL KROPP**

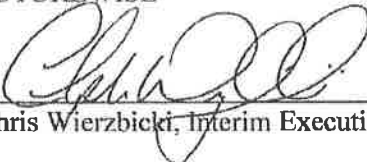
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Paul Kropp

KASI HARVEY-JARVIS

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Kasi Harvey-Jarvis

FUTUREWISE



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Chris Wierzbicki, Interim Executive Director

FIVE MILE PRAIRIE NEIGHBORHOOD ASSOCIATION

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Kathy Miotke, Chair

SOUTHGATE NEIGHBORHOOD COUNCIL

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Theodore Teske, Chair

THE GLENROSE ASSOCIATION



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Richard Brooke, Vice President

PAUL KROPP

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Paul Kropp



KASI HARVEY-JARVIS

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Kasi Harvey-Jarvis

FUTUREWISE

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Theodore Teske, Chair

THE GLENROSE ASSOCIATION

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Richard Brooke, Vice President

PAUL KROPP

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Paul Kropp

KASI HARVEY-JARVIS

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Kasi Harvey-Jarvis

FUTUREWISE

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Chris Wierzbicvki, Interim Executive Director

FIVE MILE PRAIRIE NEIGHBORHOOD ASSOCIATION

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Kathy Miotke, Chair

SOUTHGATE NEIGHBORHOOD COUNCIL

---

Theodore Teske, Chair

THE GLENROSE ASSOCIATION

---

Richard Brooke, Vice President

PAUL KROPP



A handwritten signature in black ink, appearing to read 'Paul Kropp', written over a horizontal line.

Paul Kropp

List Exhibits Incorporated in the Settlement Agreement

Exhibit “A” - Analysis of Transportation Impacts of Amended Comprehensive Plan

Exhibit “B” - Urban Growth Areas included in the 2013 Urban Growth Area Expansions and their Agreed Status under the Settlement Agreement.

Exhibit “C” - Urban Growth Area Map

Exhibit “D” - LOS case, Case No. 14-1-0002

Exhibit “E” - Pre-Application Process and Timelines for Permit Application Expiration

Exhibit “F” – Countywide Planning Policies

Exhibit “G” – Designation of Representatives for Purposes of Notice

## **Exhibit “A” - Analysis of Transportation Impacts of Amended Comprehensive Plan**

1. The transportation analysis required for any draft comprehensive plan or plan revision shall conform to the guidelines set out in “Your Community’s Transportation System: A Guide to Reviewing, Updating, and Implementing Your Transportation Element,” published in 2012 by the Washington Department of Commerce and developed in collaboration with the Washington State Department of Transportation (WSDOT) (Transportation Study Guide).
2. The inventory of transportation facilities to be studied must include the state transportation facilities within Spokane County’s boundaries.
3. The County’s transportation analysis will include a minimum 10-year travel forecast based on the draft comprehensive plan, and include impacts of forecast travel on state highways.
4. The County’s transportation analysis shall utilize WSDOT’s functional classification of state highways. This information is currently available at <http://www.wsdot.wa.gov/mapsdata/travel/hpms/functionalclass.htm>.
5. The County will utilize WSDOT traffic volume data for state highways
6. The County will utilize levels of service for individual state highways established by WSDOT. Those levels of service are:
  - a. Highways of Statewide Significance (HSS) -- Urban: LOS D
  - b. HSS – Rural: LOS C
  - c. Non-HSS – Urban: LOS D
  - d. Non-HSS – Rural: LOS C
7. The County and WSDOT will cooperate in the development of segments for state highway traffic analysis that reasonably disclose the draft comprehensive plan’s impacts to the state highway system.
8. The County’s transportation analysis will identify potential improvements to mitigate adverse impacts to the state highway system, including improvements to both the segment of impacted state highway as well as improvements to the local transportation network in the vicinity of the impacted portion of the state highway. The analysis will also consider funding of forecast improvement needs and identify whether improvements are currently funded, and if not, identify potential funding sources.
9. For purposes of the 2017 update, the County and WSDOT staff will meet and confer prior to the County’s beginning the transportation analysis. The County will provide a draft analysis for WSDOT’s review by October 31, 2016. The County will confer with WSDOT by November 30, 2016 to resolve any WSDOT comments prior to finalizing the analysis. The transportation analysis shall be complete by December 31, 2016. The County and WSDOT will develop applicable timelines for development and review of transportation analyses for any subsequent updates. The County will regularly keep Commerce apprised of this process.

**EXHIBIT "B" 1,2**

**Urban Growth Areas in the 2013 Urban Growth Area Expansions and their Agreed Status under the Settlement Agreement**

Map #	Map Description	Changes to BoCC adopted UGA Modification (Res. 2013-0689). See Exhibit "C" for maps illustrating revisions.	Implementing Comprehensive Plan/Zoning.
1	Little Spokane	Include in UGA as originally adopted.	Low Density Residential (LDR)
2	C. Pre Mix	Remove from the UGA as originally adopted	Mineral Lands (M)
3	Mead - Mt. Spokane	Remove from UGA, retain previous LAMIRD comp plan and zoning.	Previous limited area of more intense rural development (LAMIRD) designations and zones, except parcel number 37263.9025 (McGibbes) which is outside LAMIRD and previous rural designation and zone of Urban Reserve (LDR)
4	Havana - Lyons	Include in UGA as originally adopted.	Light Industrial (LI)
5	Bogelow Gulch	Include only parcel 46304.9103. SW corner of Argonne Road and Bigelow Gulch. Retain previous comp plan and zoning on remainder of parcels.	Community Commercial (CC) for the land in the UGA, parcel 46304.9103. Rural Traditional (RT) for land outside the UGA.
6	Monte Del Ray	Include in UGA as originally adopted.	Low Density Residential (LDR).
7	Southeast Valley	Include only parcels 55296.9002 & 55213.9028. Retain previous comp plan and zoning on remainder of parcels.	Low Density Residential (LDR) for the land in the UGA, parcels 55296.9002 & 55213.9028. Previous designations of Urban Reserve (UR) & Rural for land outside the UGA.
8	Ruddell - Tupper	Include in UGA as originally adopted.	Low Density Residential (LDR).
9	Belle Terre	Include only vested development south of 40 <sup>th</sup> Avenue (White Tail Ridge). Retain previous comp plan and zoning on remainder of parcels.	Low Density Residential (LDR) for the land in the UGA / Urban Reserve (UR) for land outside the UGA.
10	Ponerosa	Include in UGA as originally adopted.	Low Density Residential (LDR).
11	Shultz	Remove from UGA per BCC original decision. Implement with UR category.	Urban Reserve (UR).
12	South Glenrose	Include only vested development (Trickle Willows as submitted under application PS-2037-13 and Trickle Creek 3 <sup>rd</sup> & 4 <sup>th</sup> Additions as submitted under application PS-2036-13). Retain previous comp plan and zoning on remainder of parcels.	Low Density Residential (LDR) for the land in the UGA/Urban Reserve (UR) for land outside the UGA.
13	Moran Prairie	Include in UGA as originally adopted.	Low Density Residential (LDR).
14	Hurne	Include in UGA as originally adopted.	Community Commercial (CC).
15	West Plains-Thorpe	Remove from UGA per BCC original decision. Implement with R-5 category.	Rural-5 (R-5).
16	Kunze Farms	Include only "urban density" vested subdivisions. Retain previous comp plan and zoning on remainder of parcels.	Low Density Residential (LDR) for the land in the UGA / Urban Reserve (UR) for land outside the UGA.
17	Jail site	Jail site in and limited to use as a jail. Remainder is out.	Light Industrial (LI), conditional implementation for the land in the UGA / Rural Traditional (RT) for land outside the UGA.
18	Geier Spur	Include in UGA as originally adopted (Res. 2013-0689) and later modified (Resolution 2014-0054).	Light Industrial (LI) for the land in the UGA. Rural Traditional (RT) for land outside the UGA.
19	Medical Lake	Include in UGA as originally adopted.	Low Density Residential (LDR) for land added to the UGA/ Rural Traditional (RT) for land removed from the UGA.
20	Pillar Rock	Include in UGA as originally adopted.	Low Density Residential (LDR).
21	Palisades	Include only a portion of the area in the UGA as shown on the attached map dated Sept. 30, 2015). Retain previous comp plan and zoning on remainder of parcels	Low Density Residential (LDR)/ Rural Conservation (RCV).
22	Five Mile	Include property in UGA except for Parcel No. 26233.9068 which will be included if subsequently developed during subsequent Comp Plan Amendment	Low Density Residential (LDR)

Notes: <sup>1</sup> All references to parcels are as they existed on May 20, 2016.

<sup>2</sup> If there are any inconsistencies the following applies:

If there are any inconsistencies between the settlement agreement and this Exhibit, the settlement

If there are any inconsistencies between this Exhibit and Exhibit C, this exhibit controls.

If there are any inconsistencies between the settlement agreement and Exhibit C, the settlement agreement controls.

EXHIBIT "C"  
 URBAN GROWTH AREA MAP

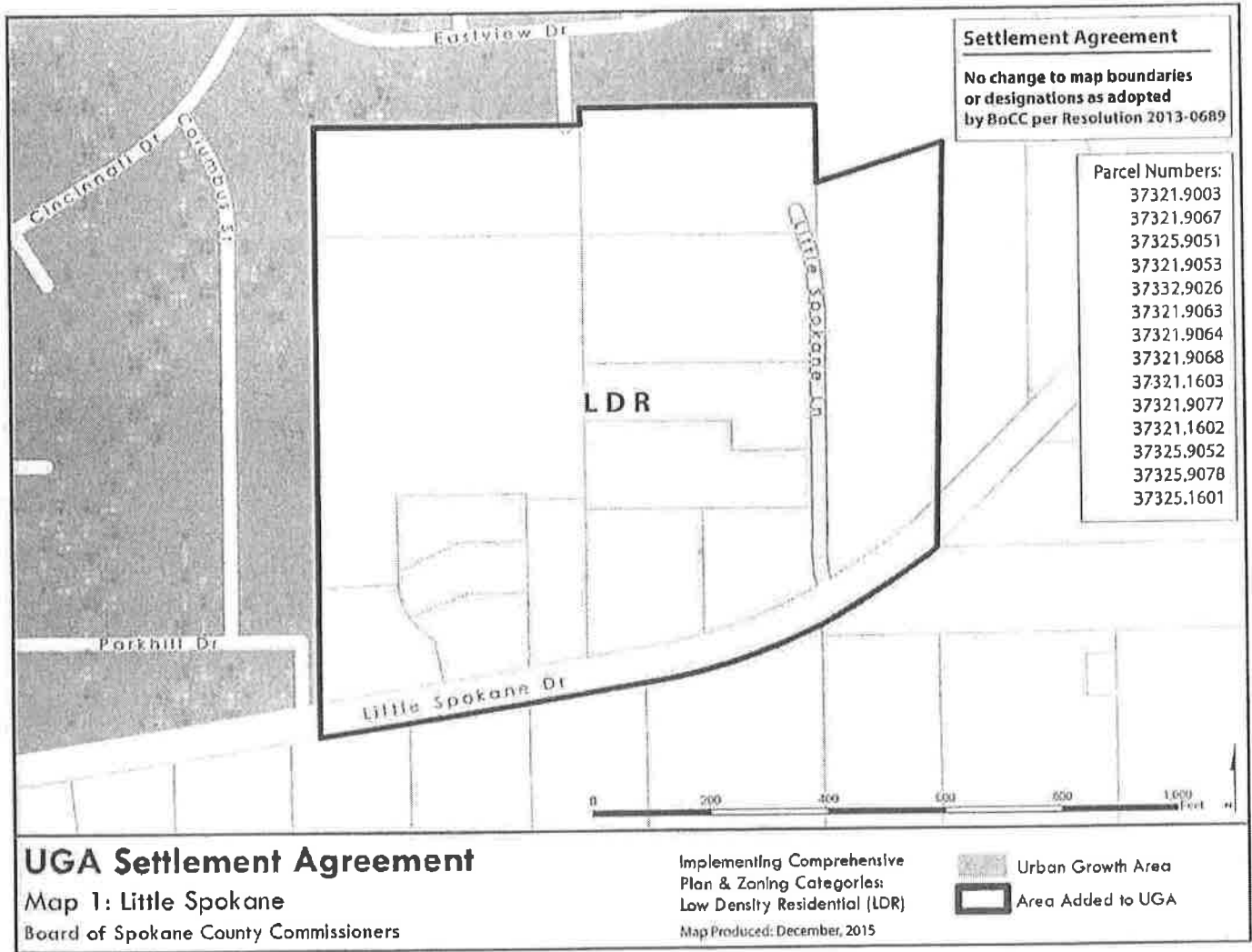


EXHIBIT "C"  
 URBAN GROWTH AREA MAPS

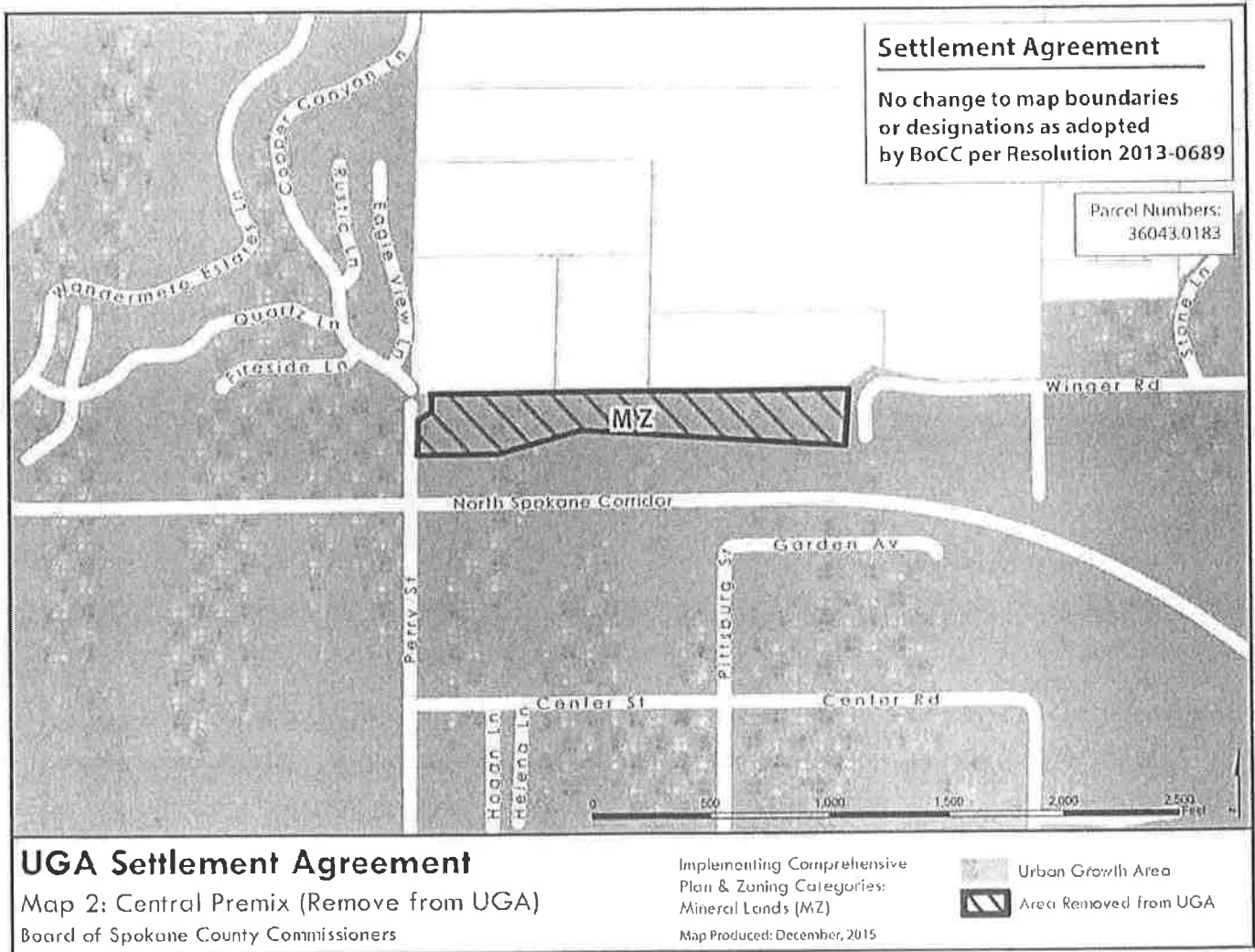




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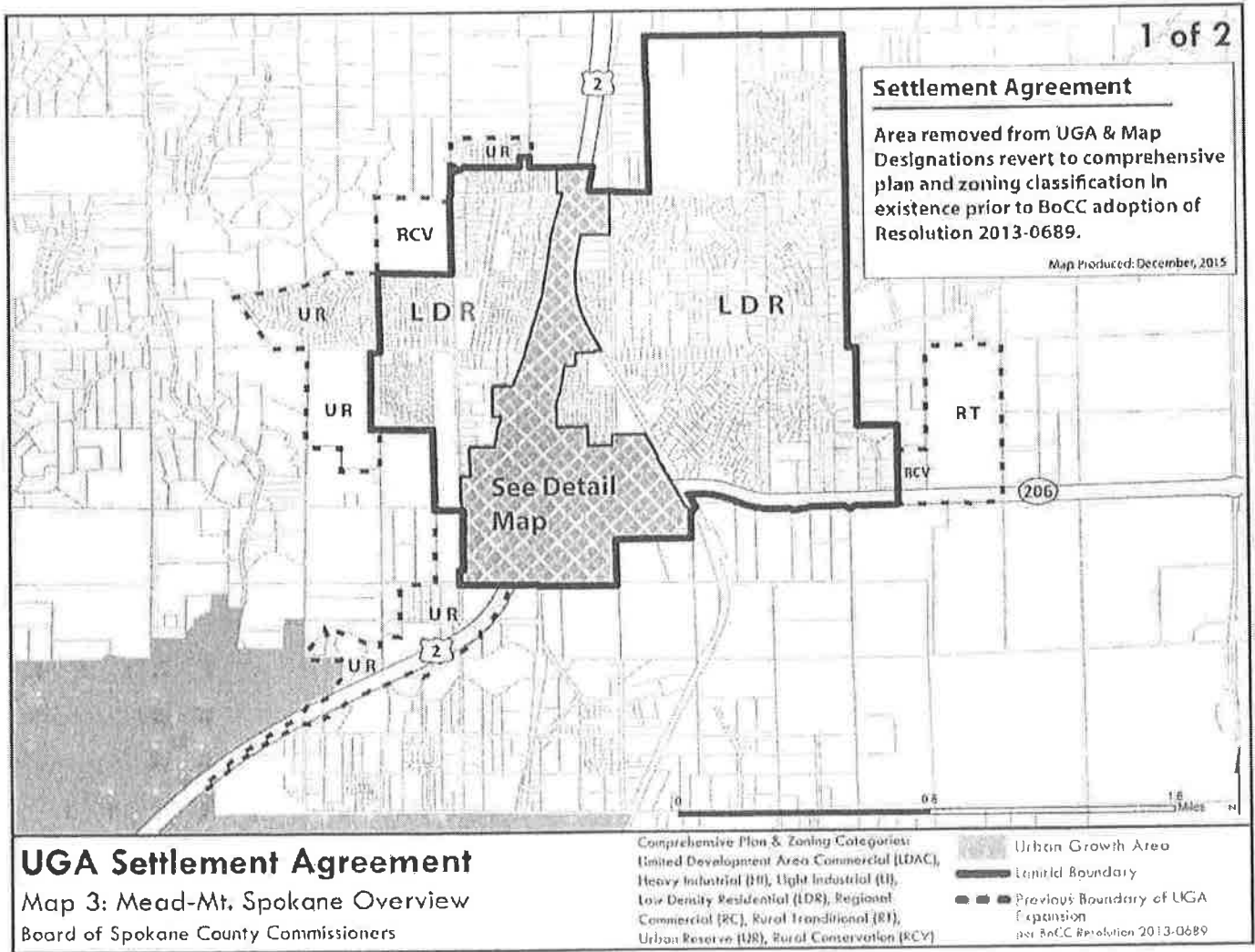


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URBAN GROWTH AREA MAPS

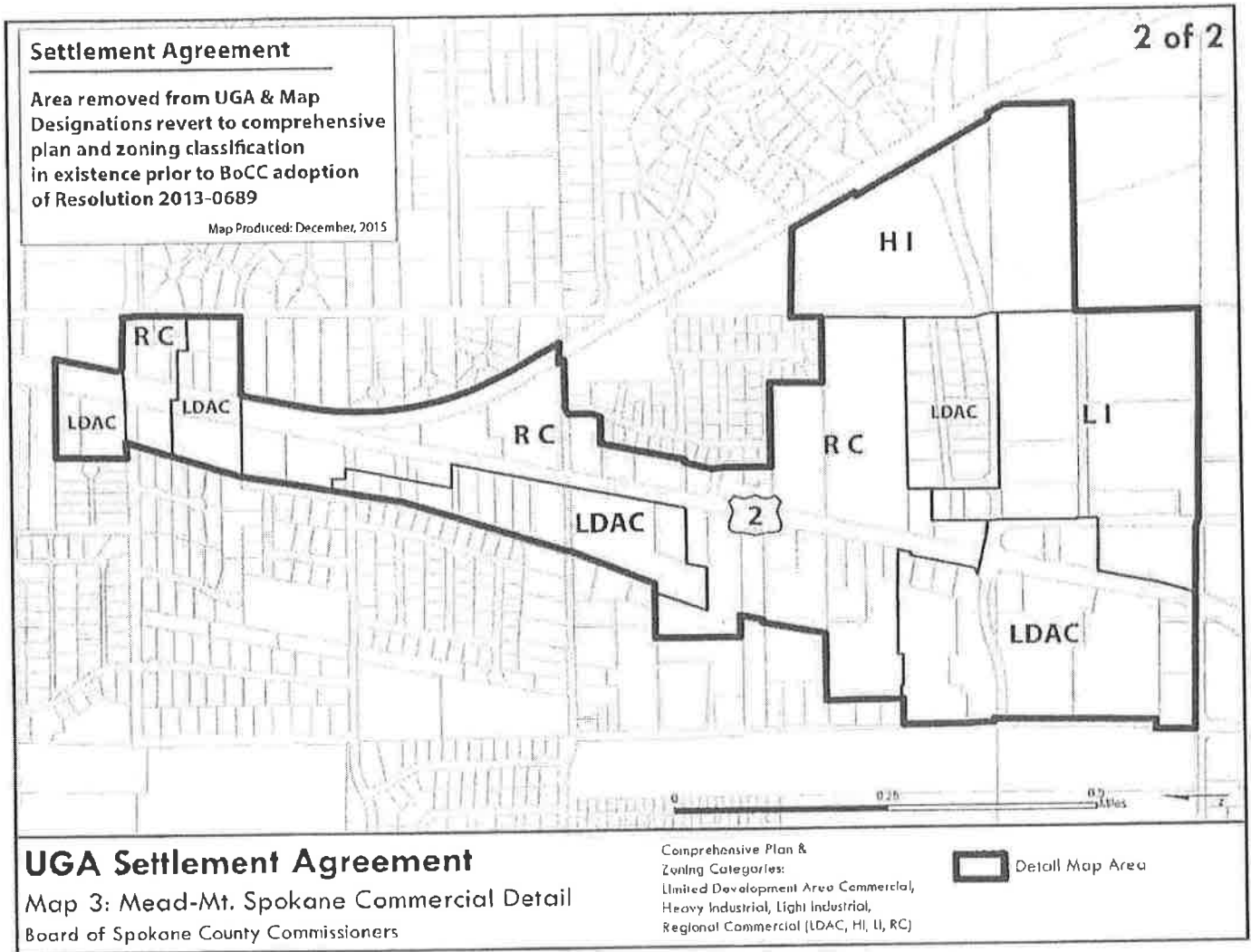


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 URBAN GROWTH AREA MAPS

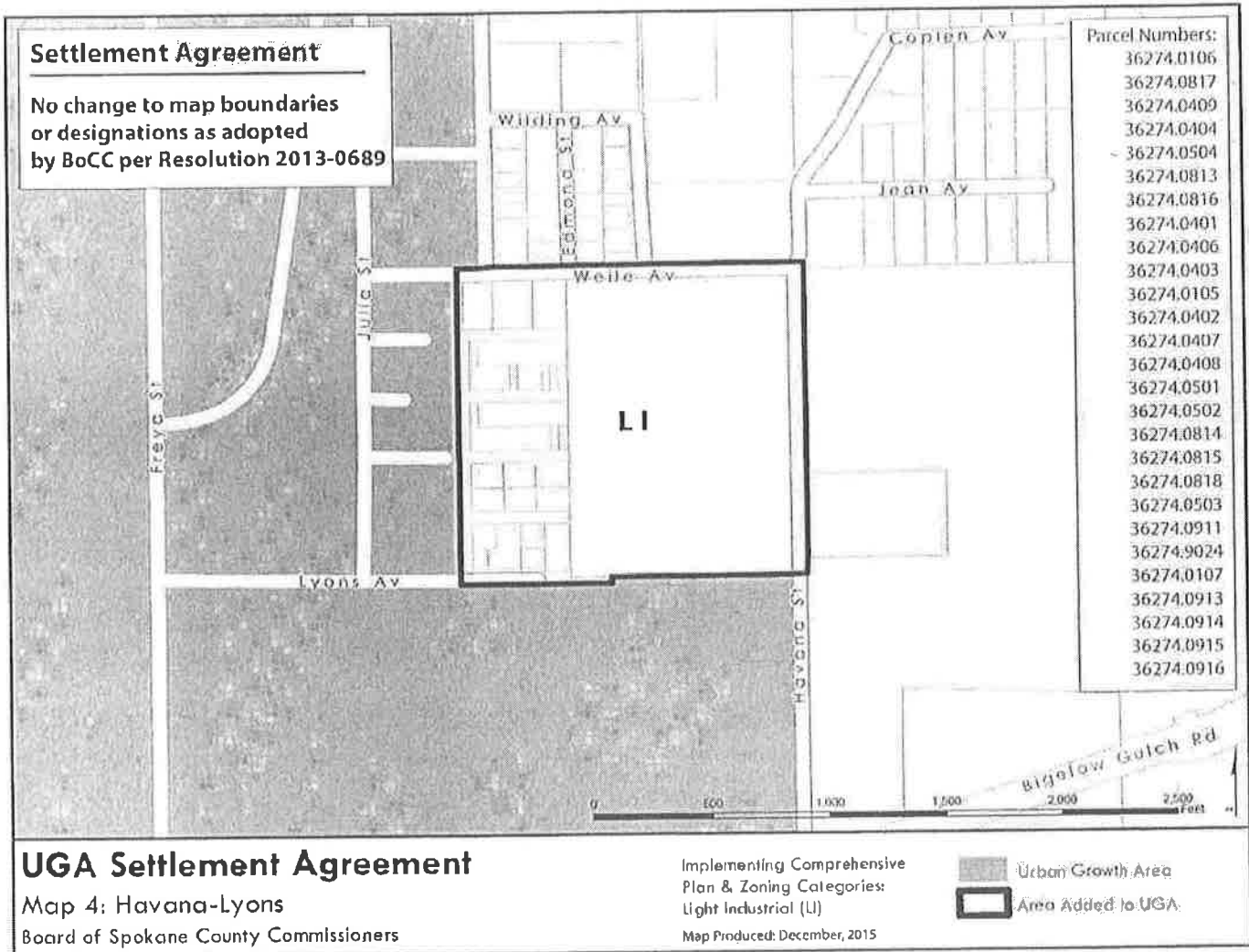


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 URBAN GROWTH AREA MAPS

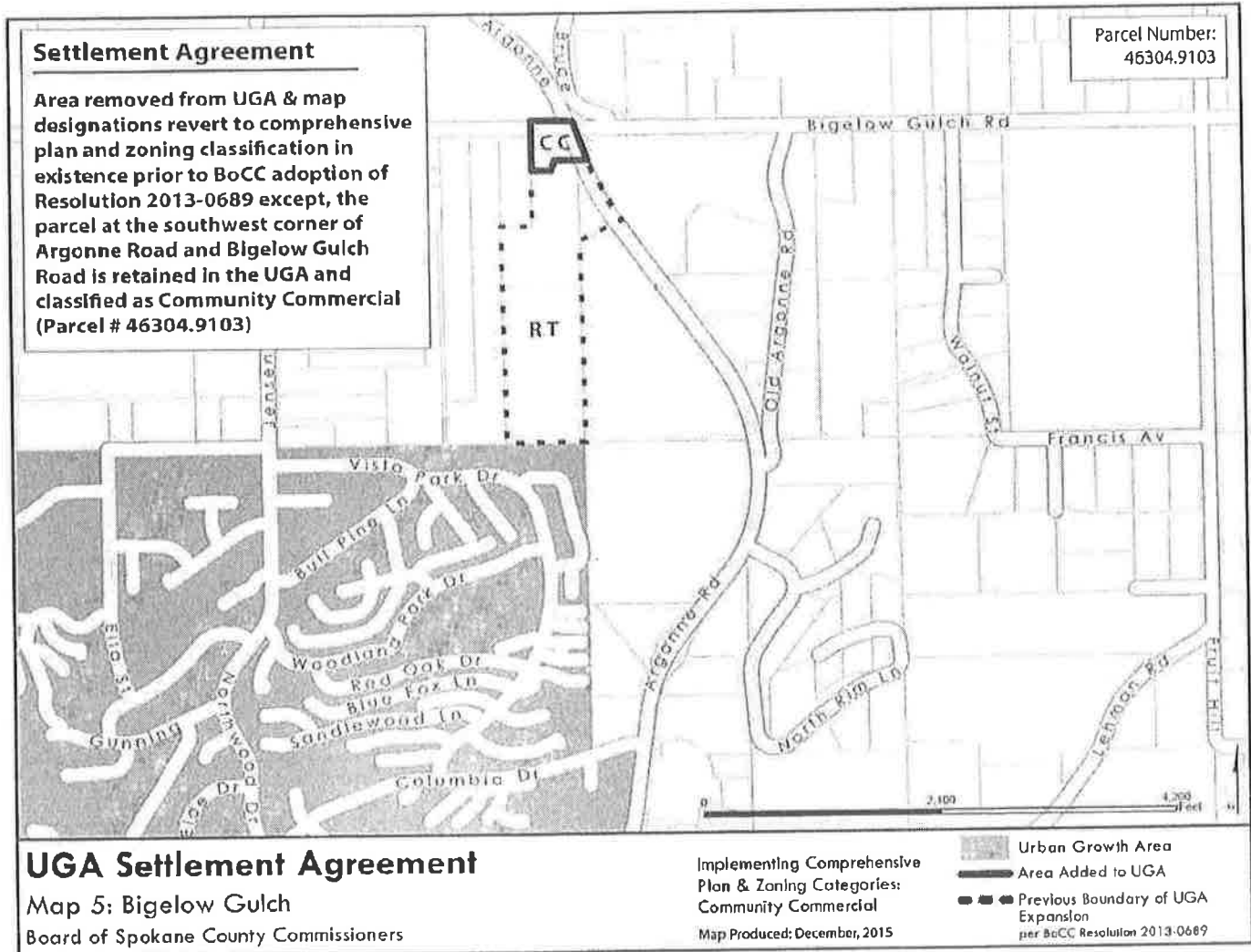


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 URBAN GROWTH AREA MAPS

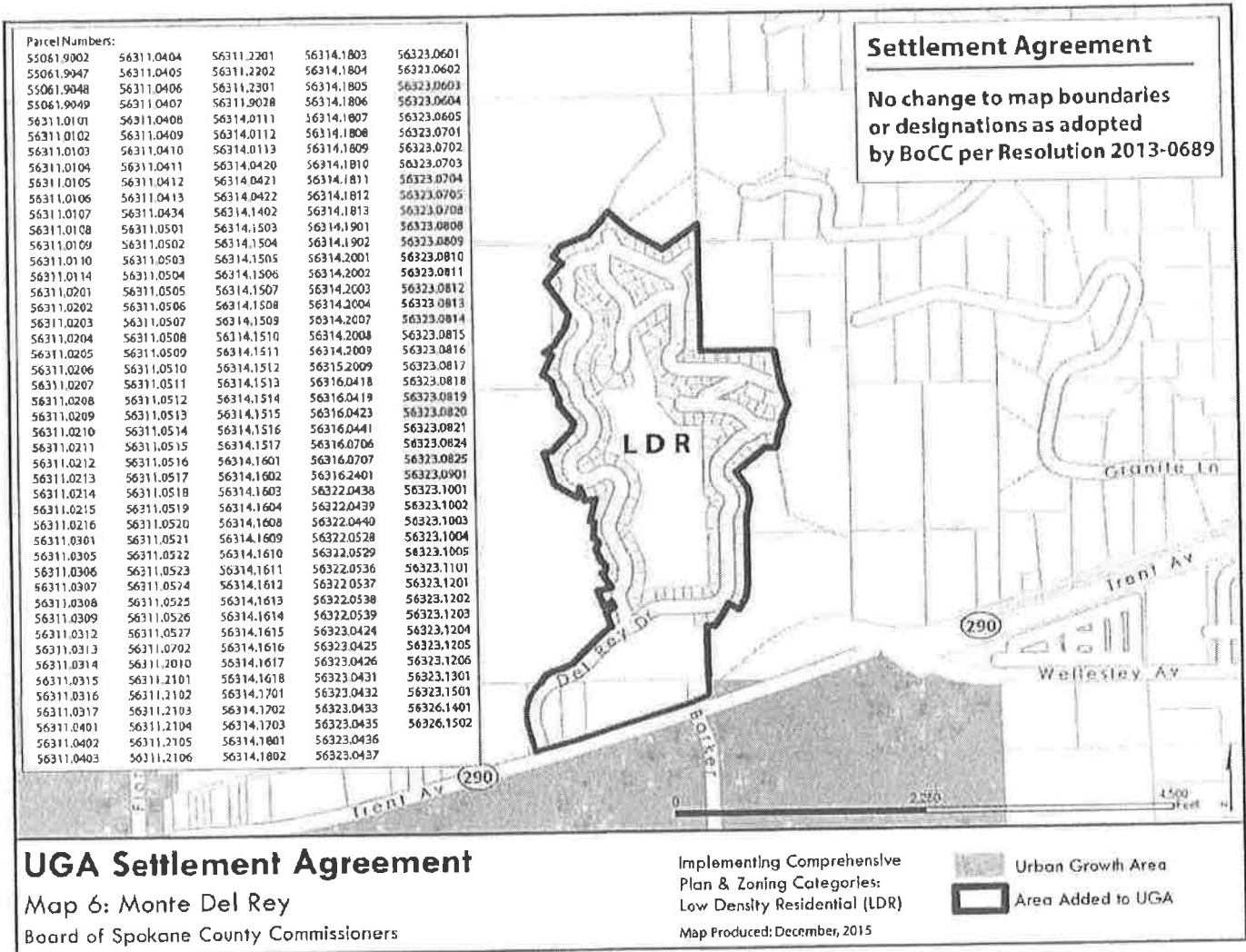


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 URBAN GROWTH AREA MAPS

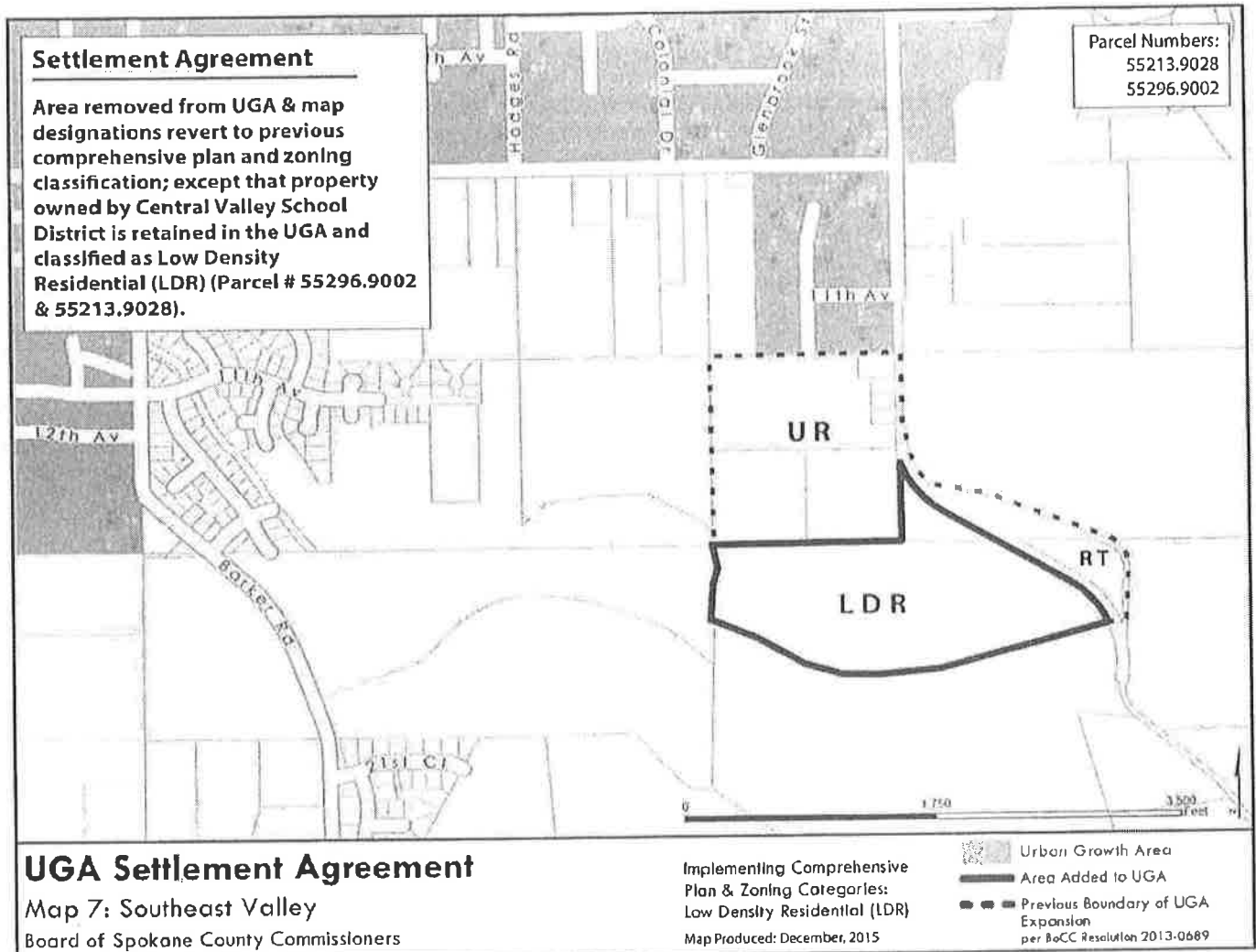


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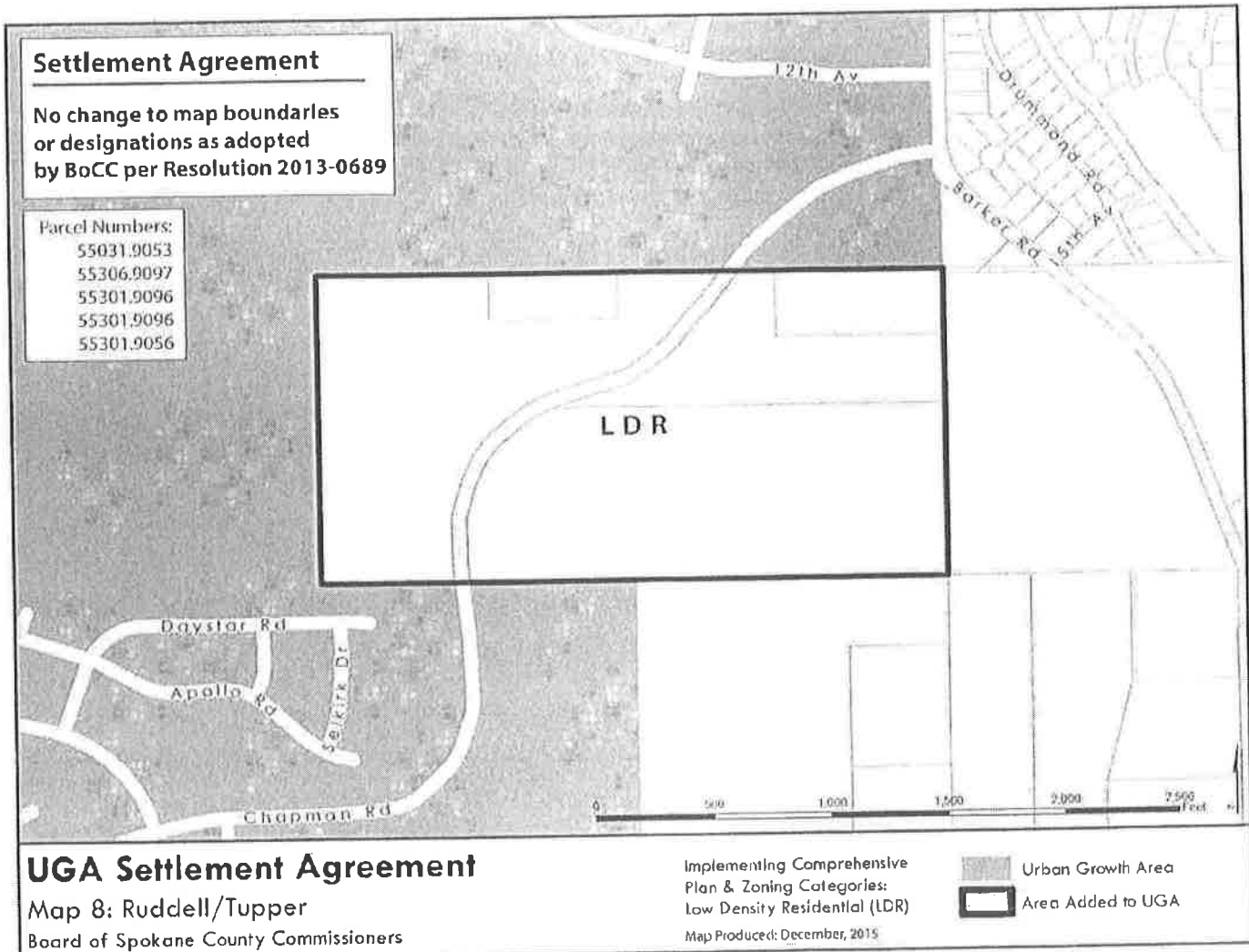


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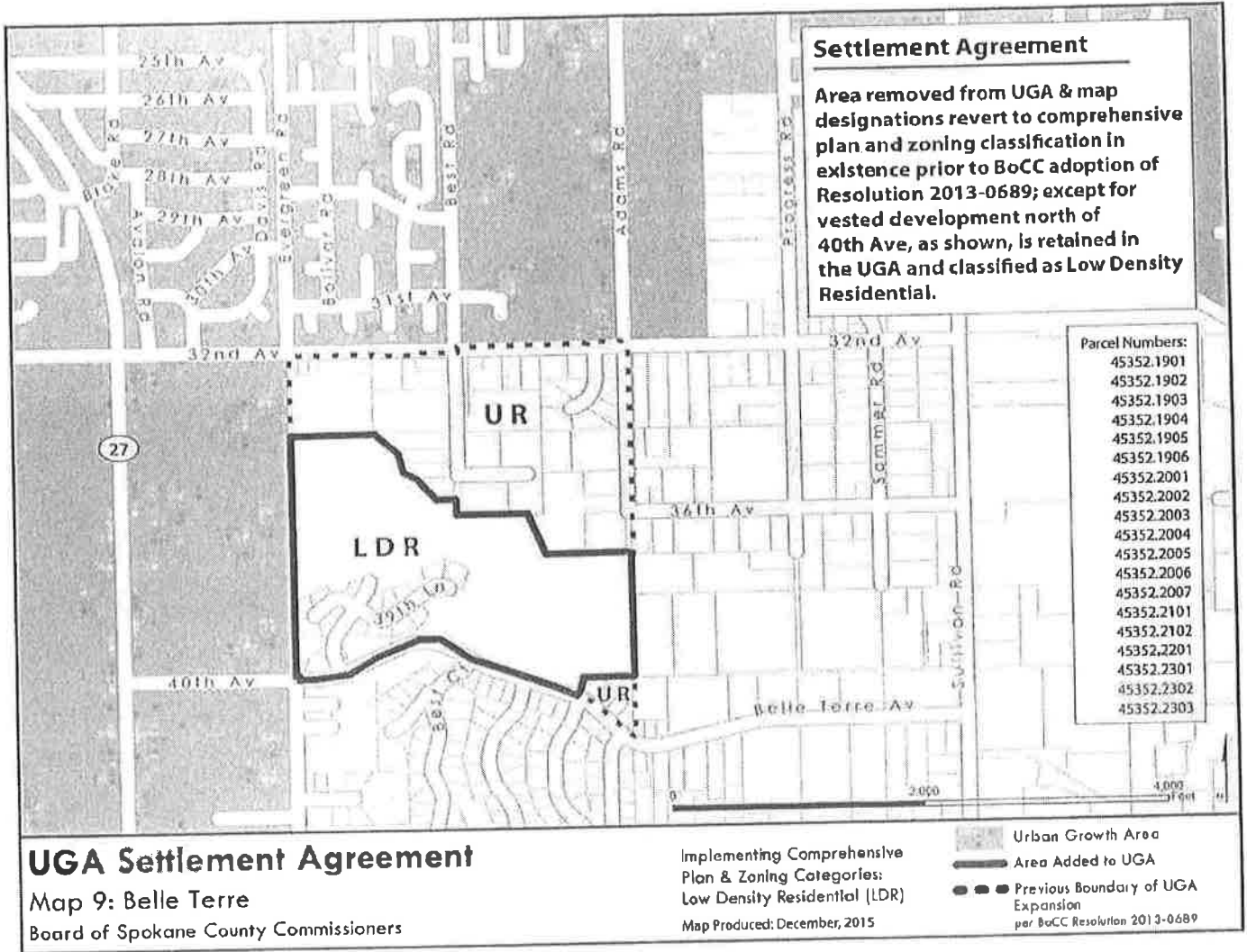






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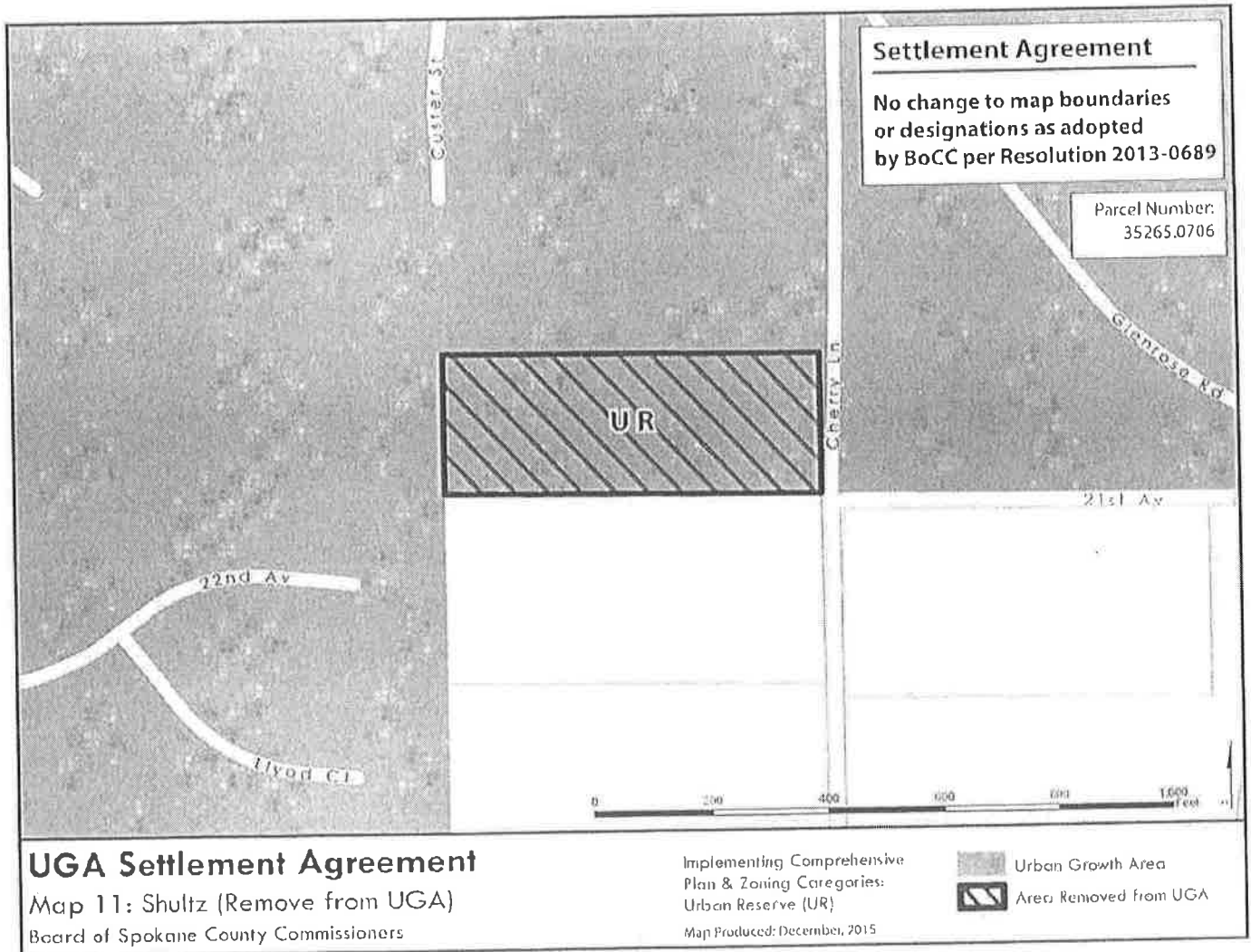


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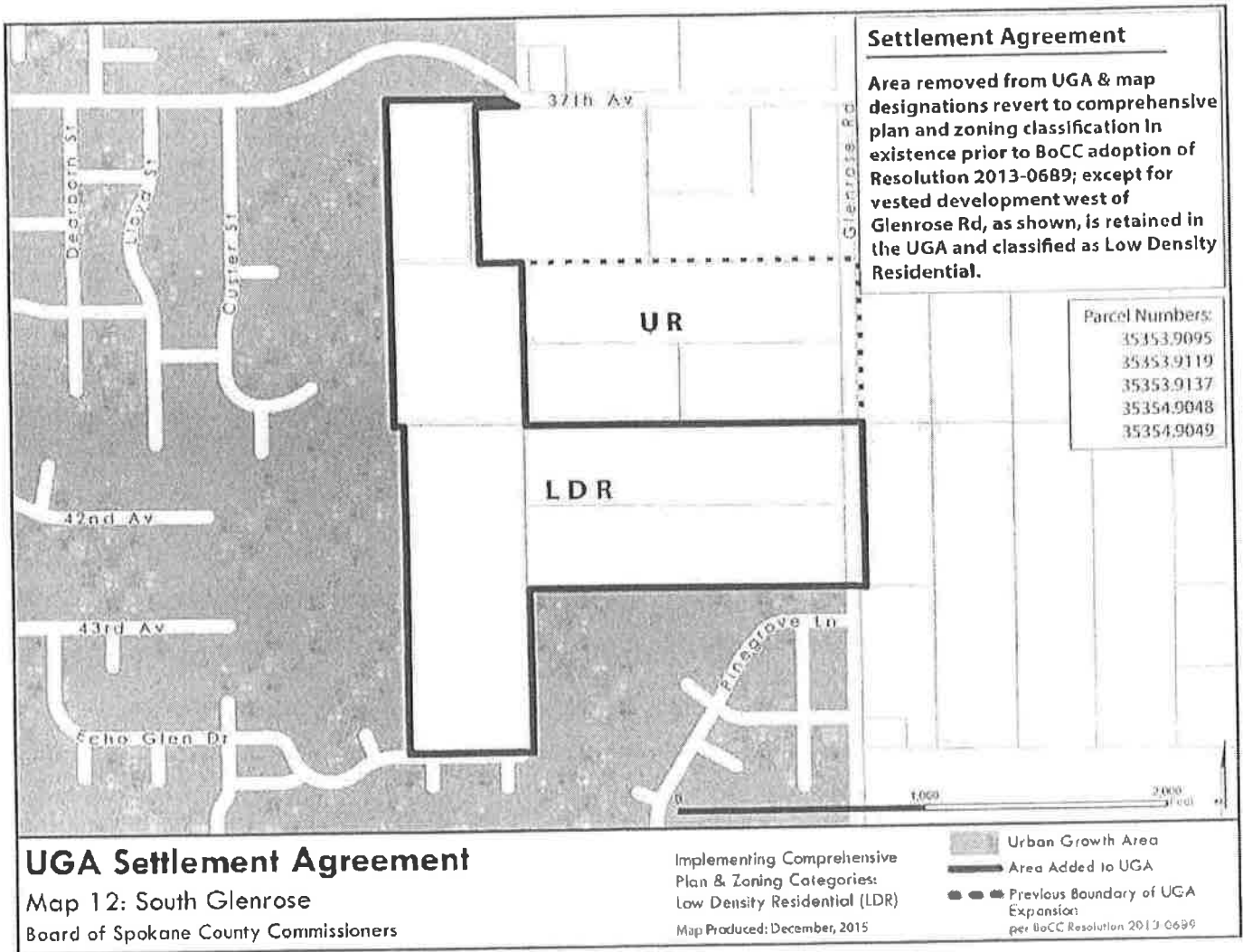


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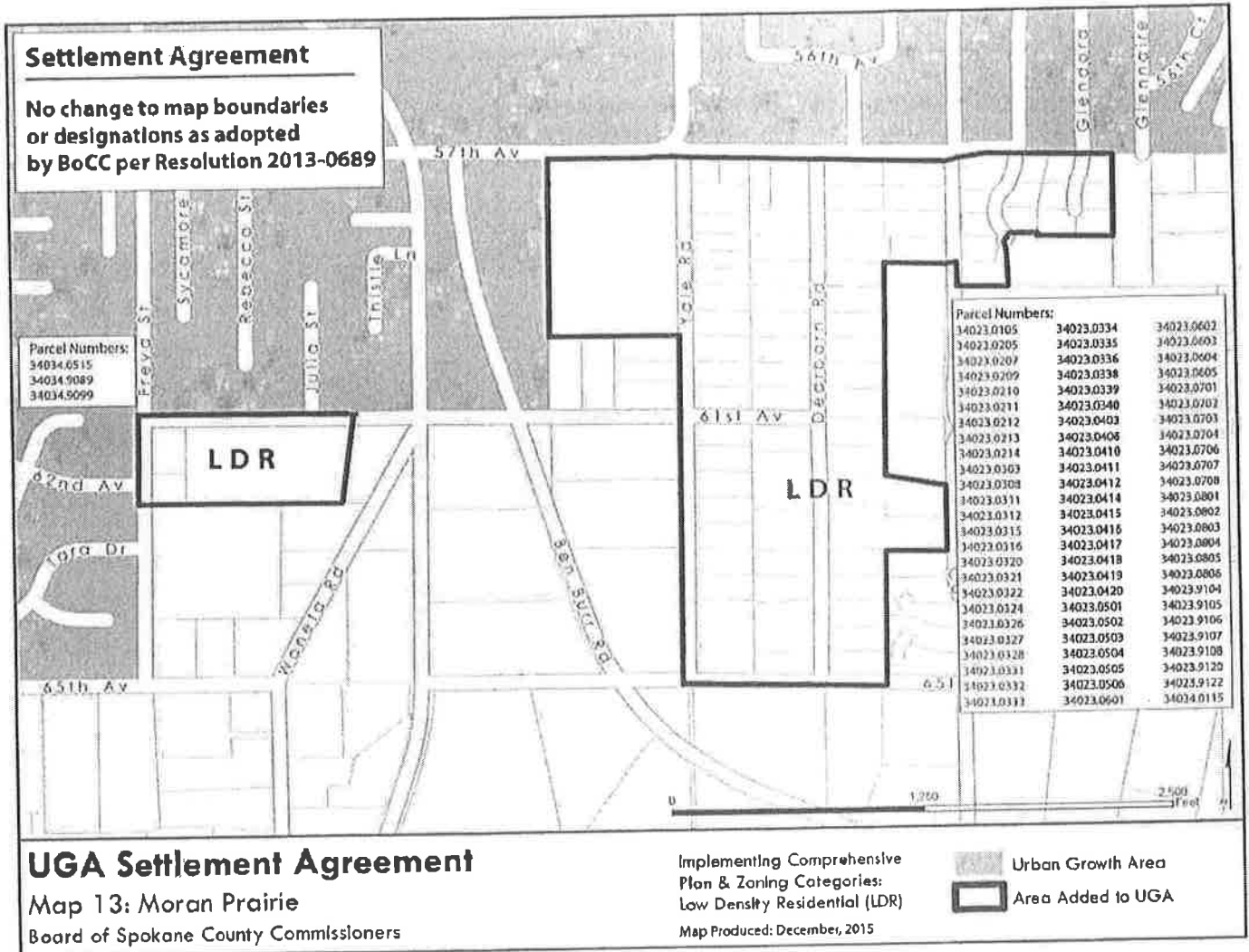


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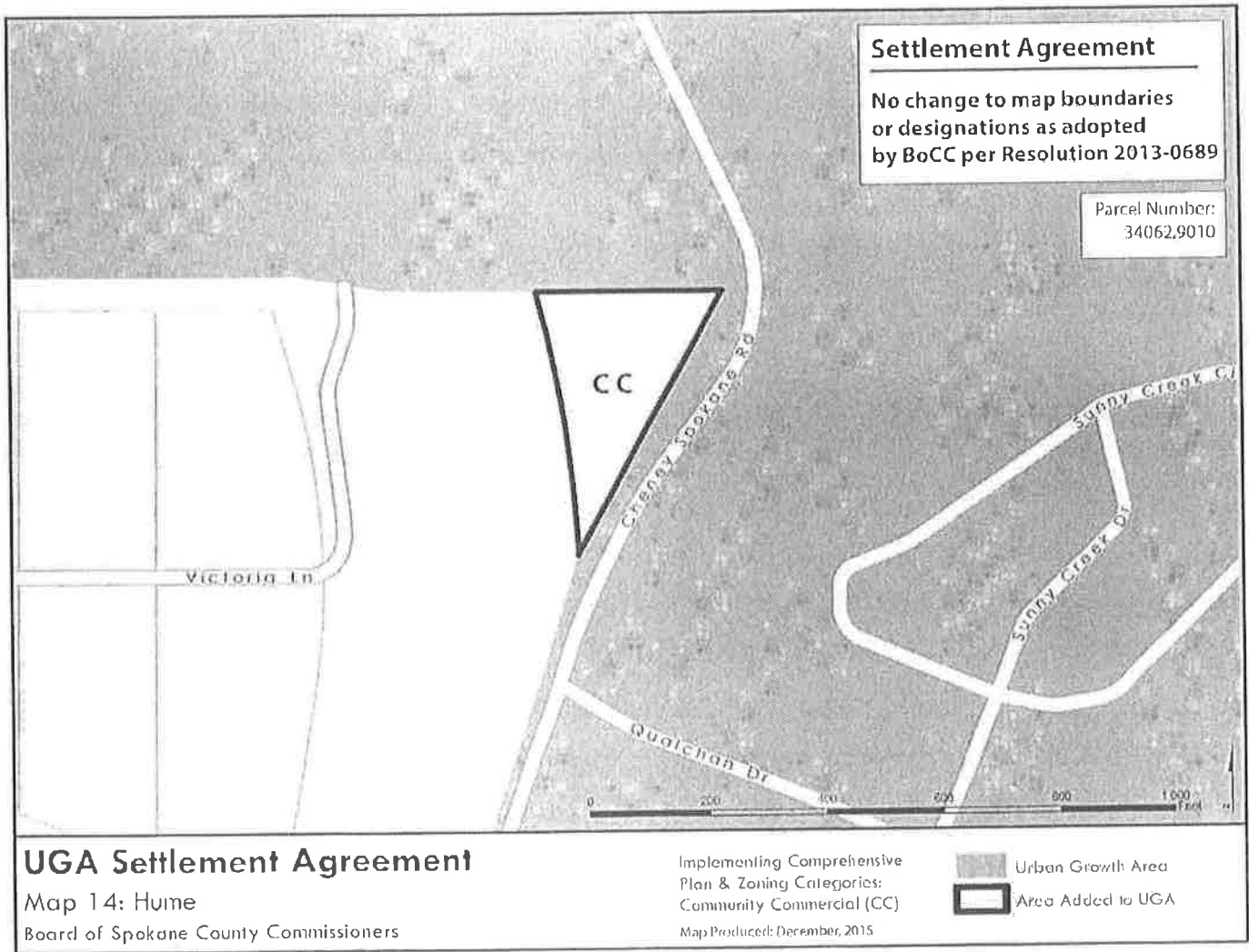




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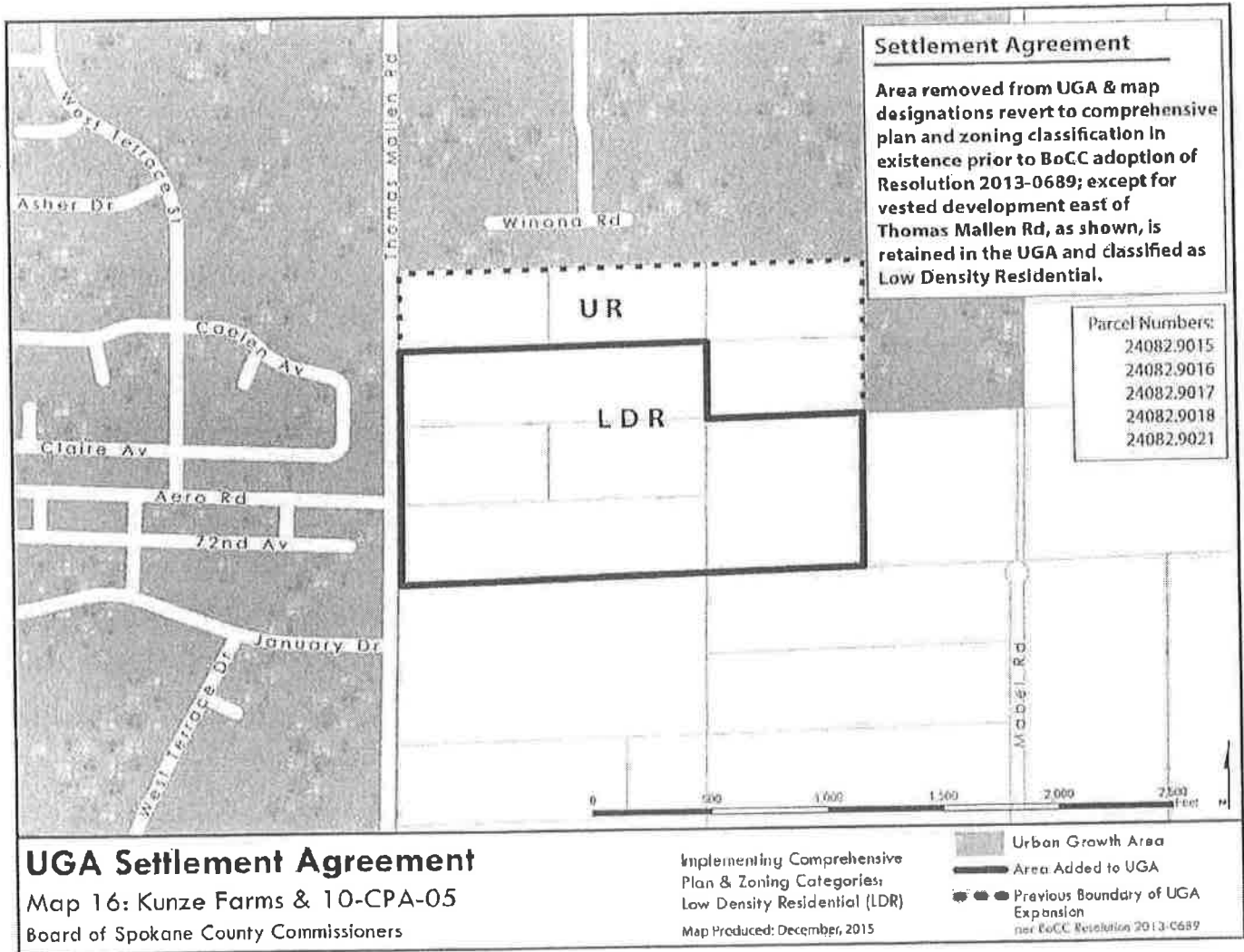


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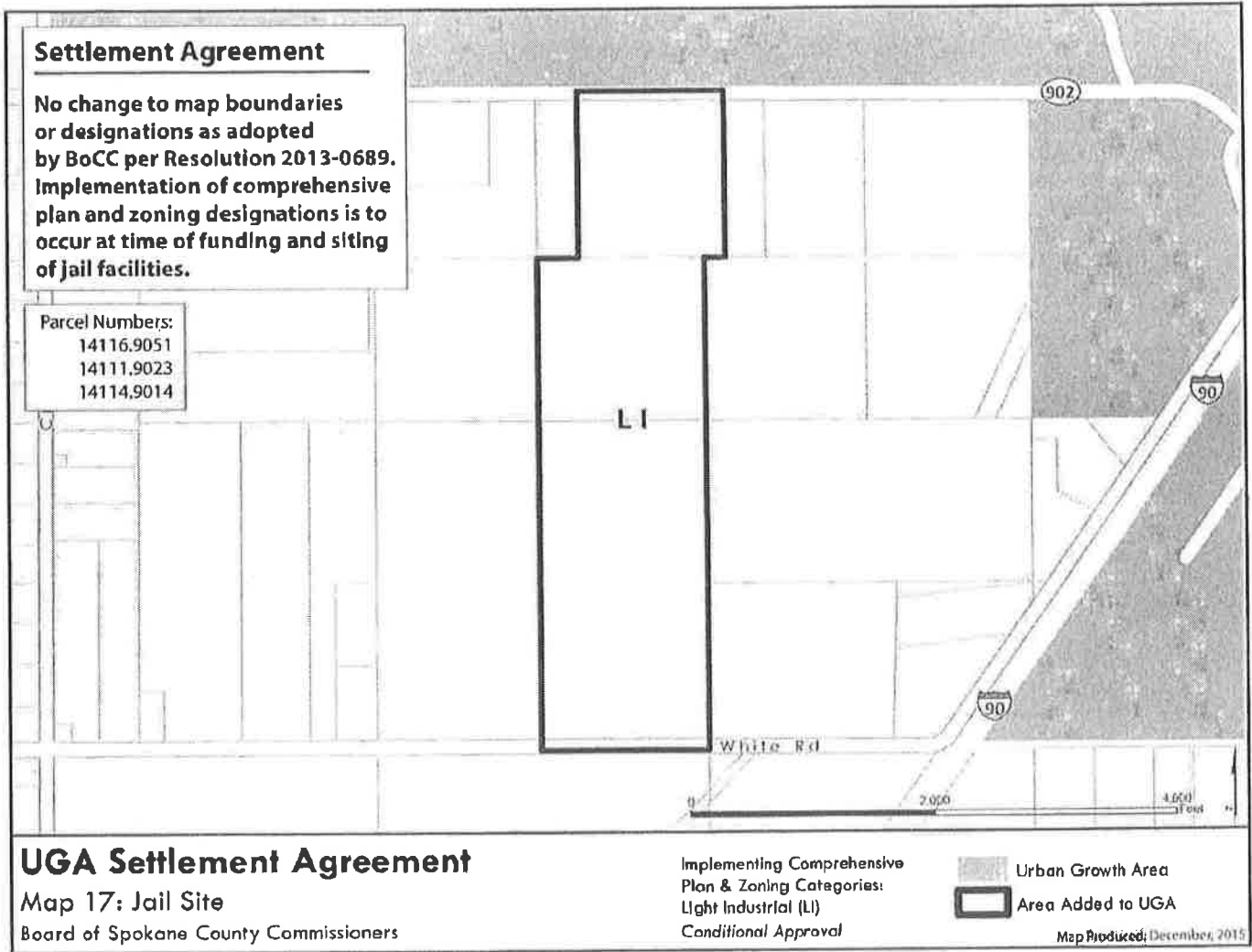




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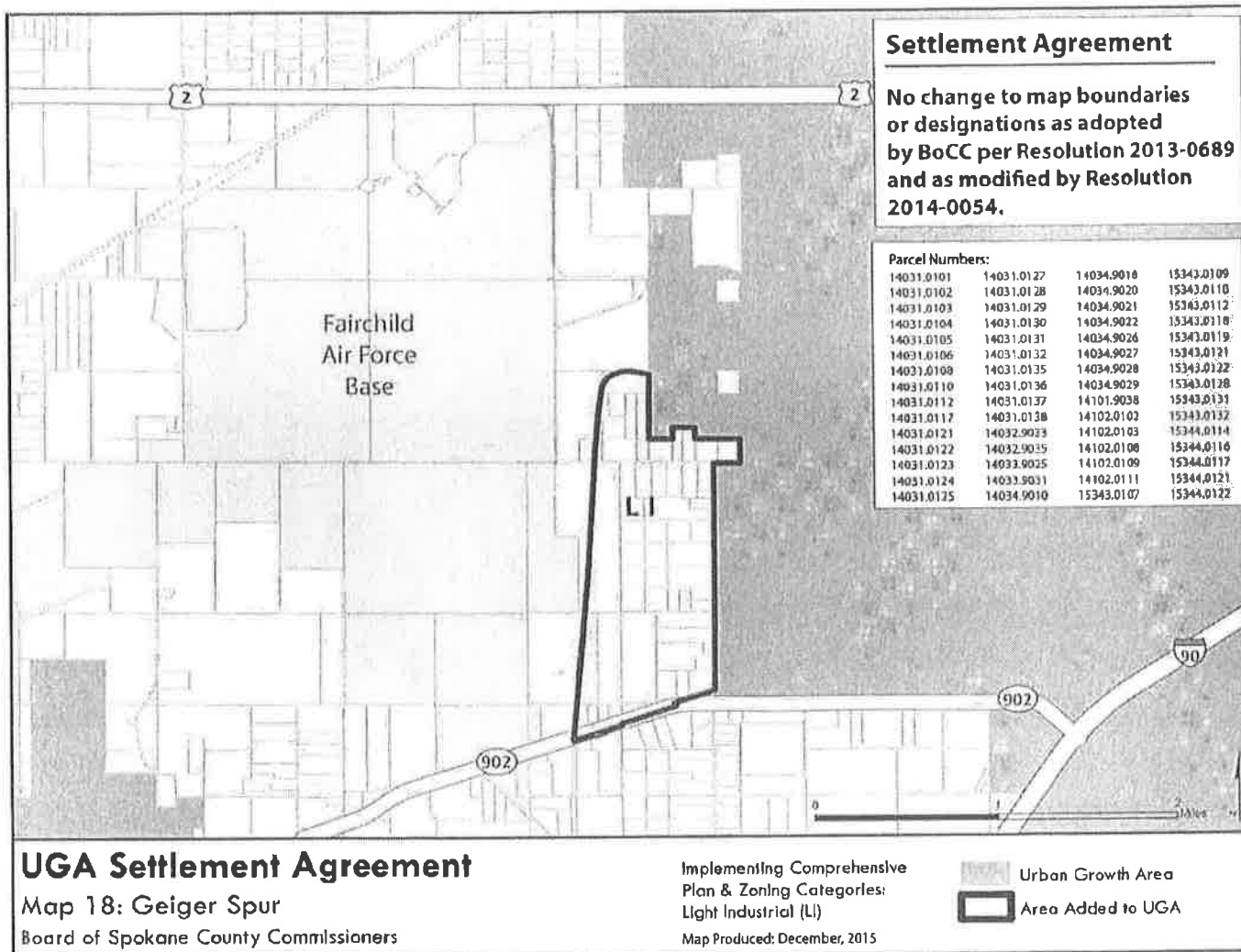


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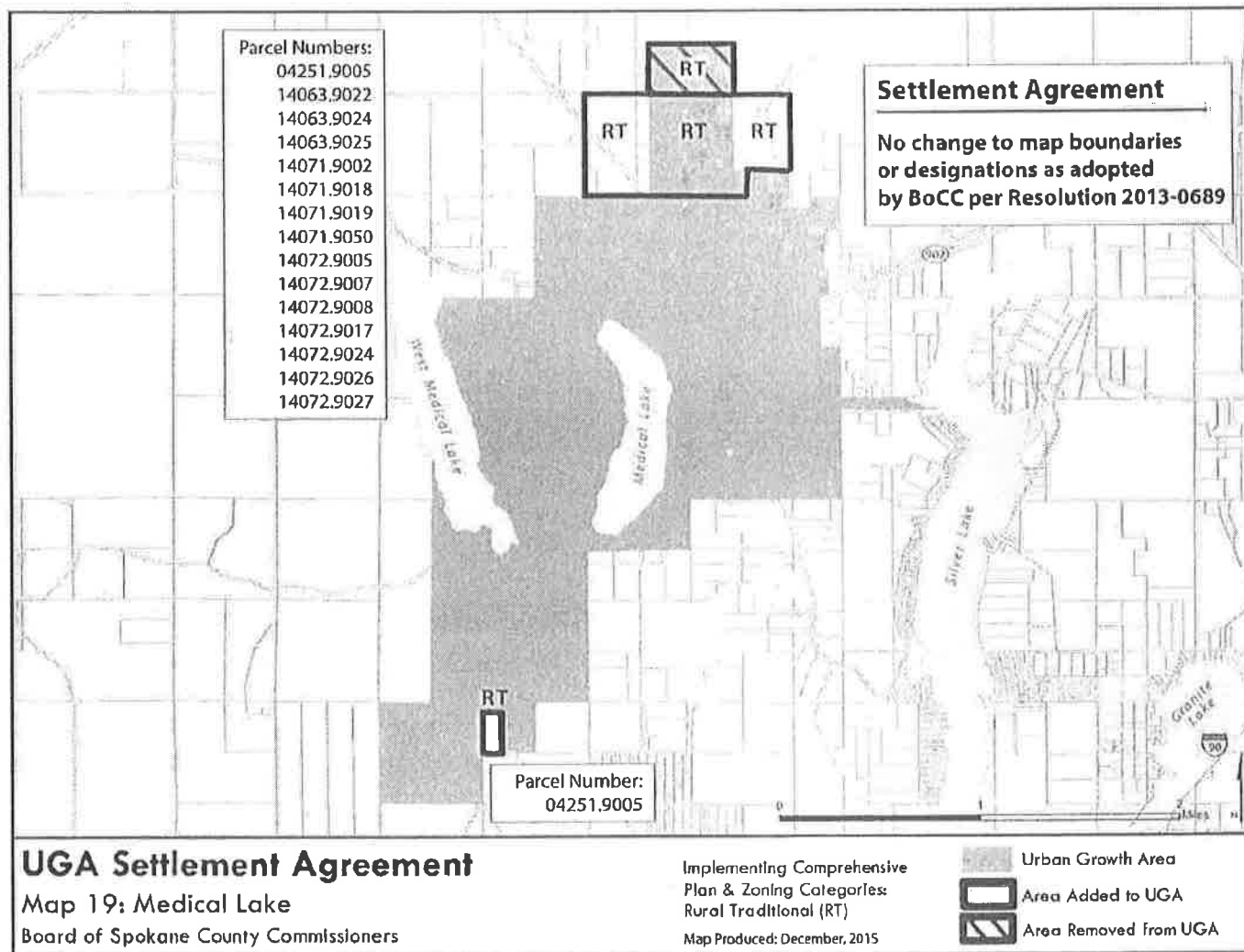




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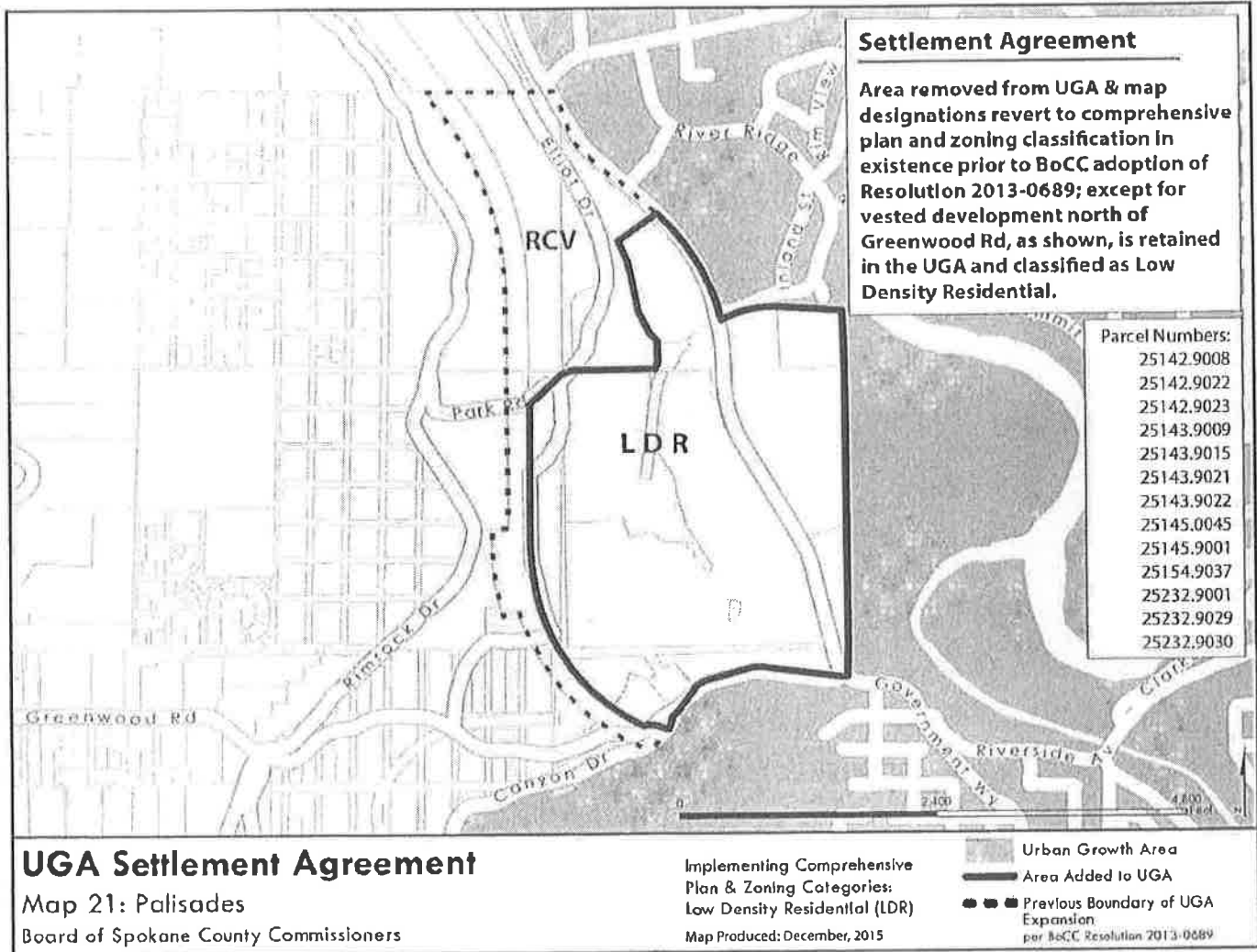
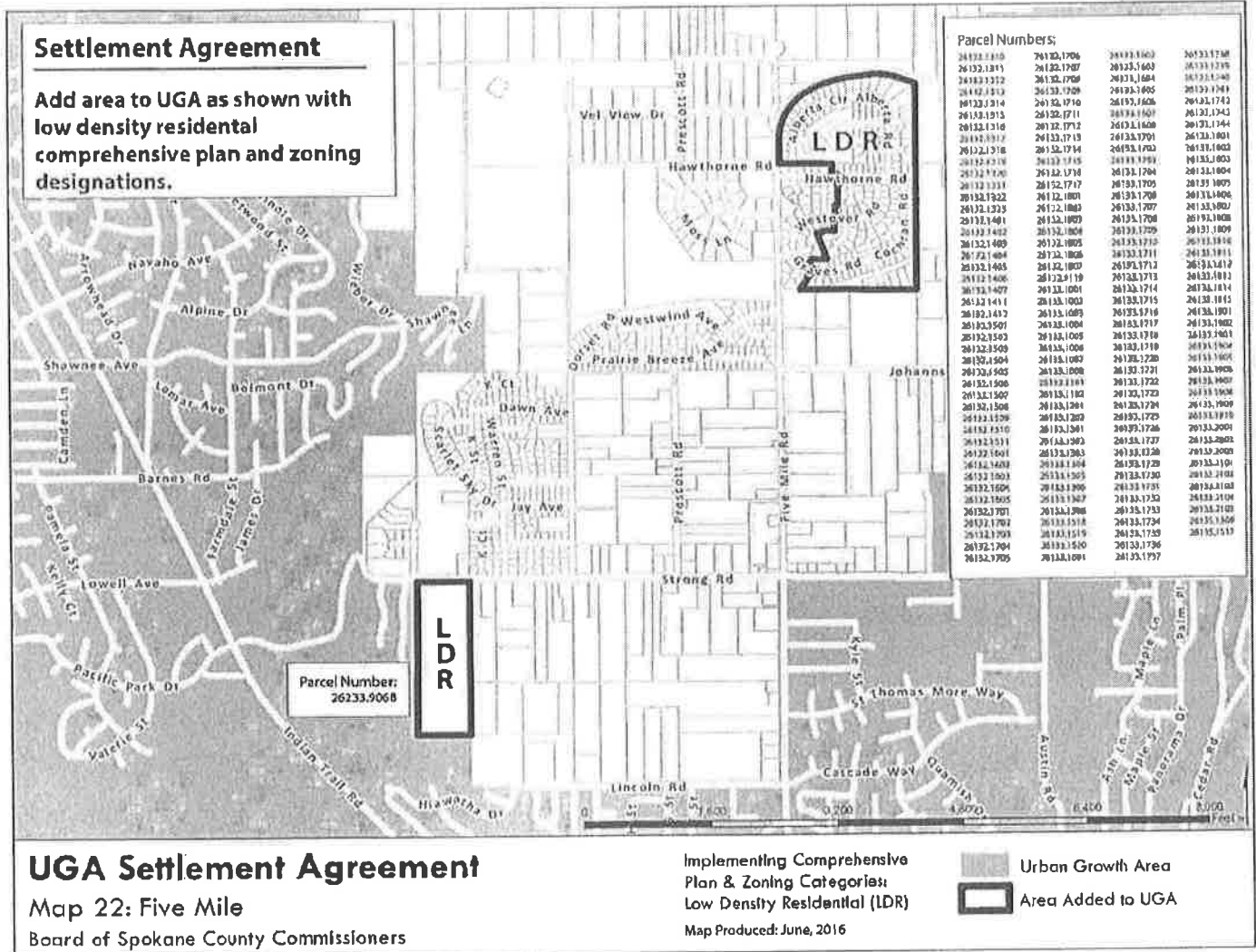


EXHIBIT "C"  
URBAN GROWTH AREA MAPS



## **Exhibit “D” – LOS**

### **Level of Service for Community Law Enforcement**

The County must provide 1.01 law enforcement officers (LEO) per 1,000 residents within the Unincorporated Urban Growth Area (UGA) not otherwise served by a local law enforcement agency or by contracted services

### **Level of Service for Community Parks**

The County must provide 1.4 acres of community parkland per 1,000 residents within the Unincorporated Urban Growth Area (UGA) where a concentration of 7,000 or more residents are not located within three miles (using the existing road/street system) of an existing improved or unimproved County, municipal, or other public park that provides or is planned to provide amenities similar to a community park (e.g. irrigated turf, play fields, etc.). For purposes of this Level of Service standard only, the calculation of resident population concentrations shall be determined by multiplying the existing and permitted dwellings within a designated area by the Washington State Office of Financial Management’s persons per household estimate for single family residential and multi-family residential within unincorporated Spokane County.

## Exhibit “E” - Pre-Application Process and Timelines For Permit Application Expiration

### Pre-Application Process:

*Spokane County agrees to modify the Pre-Application process to exclude any requests for which the proposed project is not allowed under the current zone.*

### Timelines For Permit Application Expiration:

#### PROPOSED CHANGES

Spokane County Code Section 13.300.108 - Expiration of application.

Absent statute or ordinance provisions to the contrary, any application for which a determination of completeness has been issued and for which no substantial step has been taken to meet project approval requirements for a period of one hundred eighty days after issuance of the determination of completeness, or for a period of one hundred eighty days after the county has requested additional information studies, will expire by limitation and become null and void. ~~Unless~~ The review authority may grant one extension per application of one hundred eighty days if a request is filed before the permit expires and the review authority makes written findings that no substantial step had been taken to meet project approval requirements specifies in written findings that additional time is needed due to circumstances beyond the control of the applicant. For purposes of calculating time under this Section, time during which the application or any underlying comprehensive plan amendment or zone reclassification upon which the application was dependent was under appeal, shall be excluded.

(Res. No. 16-\_\_\_\_\_ ;Res. No. 14-0881, 11-12-2014; Res. 01-0700, Attachment A (part), 2001)

COUNTYWIDE PLANNING POLICIES FOR SPOKANE COUNTY

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14. Unplatted property should not be allowed to be developed to urban densities unless and until located within an Urban Growth Area (UGA) boundary or designated as a master planned resort.
15. Extension of urban governmental services outside of Urban Growth Areas (UGAs) should only be provided to maintain existing levels of service in existing urban like areas or for health and safety reasons, provided that such extensions are not an inducement to growth.

**Urban Growth Area Revisions**

Mandated Review of County-wide UGA

16. The Urban Growth Area boundaries shall be reviewed to accommodate the succeeding twenty years of projected growth, as required by RCW 36. 70A.130. The County Commissioners shall initiate the review process approximately three years prior to the required review deadline. This process shall re-evaluate population allocation, land quantity analysis and urban service delivery. Any jurisdiction through its representative on the Steering Committee of Elected Officials may request that the Board of County Commissioners initiate a review of the Urban Growth Area boundaries prior to the scheduled time.

Triggers for Review of the UGA

17. Review of the Urban Growth Area shall be required when:
  - a. Population growth within the UGA (cities plus unincorporated UGA combined) equals or exceeds fifty percent of the additional population capacity estimated for the UGA at the start of a twenty year planning period; or
  - b. Population growth within a city and its assigned, unincorporated UGA equals or exceeds fifty percent of the additional population capacity estimated for the city and its assigned UGA at the start of a twenty year planning period.
  - c. Population growth within all UGAs that have not been assigned to cities equals or exceeds fifty percent of the additional population capacity estimated for the unassigned UGAs at the start of a twenty year planning period.



COUNTYWIDE PLANNING POLICIES FOR SPOKANE COUNTY

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The start of the twenty year planning period is defined as the initial adoption date of the comprehensive plan or the adoption date of a UGA update as required under RCW 36.70A.130(3).

The above review shall be consistent with the requirements of RCW.36.70A and the Countywide Planning Policies, and shall incorporate:

- an updated population capacity and land quantity analysis using the most recent residential capacity estimates and assumptions; and
- an evaluation of land use and capital facilities to determine land use and capital facility needs within the existing UGA and any proposed UGA expansion area.

18. Review of the Urban Growth Area to consider additional commercial or industrial land shall be required when:

- a. Commercial or industrial land consumption within the UGA (cities plus unincorporated UGA combined) equals or exceeds fifty percent of the developable commercial or industrial land supply within the UGA at the start of the twenty year planning period; or
- b. Commercial or industrial land consumption within a city and its assigned, unincorporated UGA equals or exceeds fifty percent of the developable commercial or industrial land supply within the city and its assigned, unincorporated UGA at the start of the twenty year planning period.
- c. Commercial or industrial land consumption within all UGAs that have not been assigned to cities equals or exceeds fifty percent of the developable commercial or industrial land supply within the unassigned UGAs at the start of the twenty year planning period.

The start of the twenty year planning period is defined as the initial adoption date of the comprehensive plan or the adoption date of a UGA update as required under RCW 36.70A.130(3).

The above review shall be consistent with the requirements of RCW.36.70A and the Countywide Planning Policies, and shall incorporate:

- the most recent commercial/industrial capacity estimates and assumptions; and

Exhibit "G" List of Notice Designees

Below are listed the Parties designees to be notified by certified mail under Section 10 of the Settlement Agreement. The list, is not complete but contains the names and addresses provided as of June 20, 2016. Additional designees and address changes will be submitted on or before July 30, 2016. Beginning August 1, 2016, the list may be amended as provided for under Section 10.

Managing Director, Growth Management Services Department of Commerce, Local Government Division 1011 Plum St SE Olympia WA 98504-2525	<i>Eastern Regional Manager, Growth Management Services</i> Local Government & Infrastructure Division Washington Department of Commerce 10 N. Post Street, Suite 447, Spokane, WA 99201
Washington State Department of Transportation	Eastern Regional Manager Washington State Department of Transportation
Center for Justice 35 West Main Avenue, Suite 300 Spokane, WA 99201	Southgate Neighborhood Council Theodore D. Teske 4511 S. Myrtle Street Spokane, WA 99223
Paul Kropp 3311 E Donora Ct Spokane WA 99223	Larry Kuntz
Five Mile Prairie Neighborhood Association Kathy Miotke	Futurewise Director of Planning & Law 816 Second Avenue, Suite 200 Seattle, WA 98104-1530
The Glenrose Association	Neighborhood Alliance