RIDGEFIELD CITY COUNCIL
MEETING AGENDA

Thursday, July 25, 2019
RACC - Columbia Assembly Room
510 Pioneer Street, Ridgefield, WA 98642

I. STUDY SESSION - 5:30 P.M.

1. **Introduction to 2020 Budget and Economic Update - Kirk Johnson, Finance Director**

II. GENERAL SESSION CALL TO ORDER - 6:30 PM

1. **Flag Salute**
2. **Roll Call**
3. **Late changes to the agenda**

III. PUBLIC COMMENT

Anyone requesting to speak to the Council regarding all items not subject to a specific Public Hearing may come forward at this time. Please state your name and address. Comments are limited to three minutes. Written comments may be submitted to the City Clerk prior to the meeting.

IV. CONSENT AGENDA

1. **Approval of Minutes from the July 11, 2019 Meeting**
2. **Approval of Claims And/Or Payroll**

V. PRESENTATION

1. **Workforce Southwest Washington Update - Melissa Boles, Program Manager & Darcy Hoffman, Director of Business Services**
2. **Columbia River Economic Development Council Update - Jennifer Baker, President**

VI. BUSINESS

1. **Resolution No. 561 – Approval of Amendment to Financial Policy #01: Financial Management Policies - Kirk Johnson, Finance Director**
2. **Motion - Approval of Purchase Agreement for 725 N 32Nd Court - Steve Stuart, City Manager**
3. **Motion - Approval of Code Enforcement Officer Designation - Louisa Garbo, Community Development Director**

VII. PUBLIC COMMENT

Anyone requesting to speak to the Council regarding all items not subject to a specific Public Hearing may come forward at this time. Please state your name and address. Comments are limited to three minutes. Written comments may be submitted to the City Clerk prior to the meeting.

VIII. COUNCIL/PRESIDING OFFICER/STAFF REPORTS

1. **Council**
2. **Mayor**

   Appointment of two Council Members to serve on the 2020 Budget Advisory Committee

   Appointment of a citizen to serve on 2020 Budget Advisory Committee
3. **City Manager**

IX. ADJOURN

City Council Agenda Packet is available at the following link:
http://ridgefieldwa.iqm2.com/Citizens/

CITY OF RIDGEFIELD
REQUEST FOR COUNCIL ACTION

MEETING DATE: July 25, 2019

ITEM: STUDY SESSION - 5:30 P.M.

AGENDA ITEM TITLE: Introduction to 2020 Budget and Economic Update

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GOVERNING LEGISLATION:

RCW 35A.33; Budgets in Code Cities, City of Ridgefield Financial Policy #07: Budget

PREVIOUS COUNCIL ACTION TAKEN:

Adopt annual budget. The 2019 budget was adopted on December 6, 2018

SUMMARY/BACKGROUND:

Economic update presentation and introduction to the 2019 budget

BUDGET/FINANCIAL IMPACTS:

None

RECOMMENDED ACTION OR MOTION:

No action taken – presentation on current economic update and introduction to 2020 budget calendar

STAFF CONTACT: Kirk Johnson, Finance Director

ATTACHMENTS: 2020 Budget Economic Report (PDF)
Budget Calendar - 2020 (XLSX)

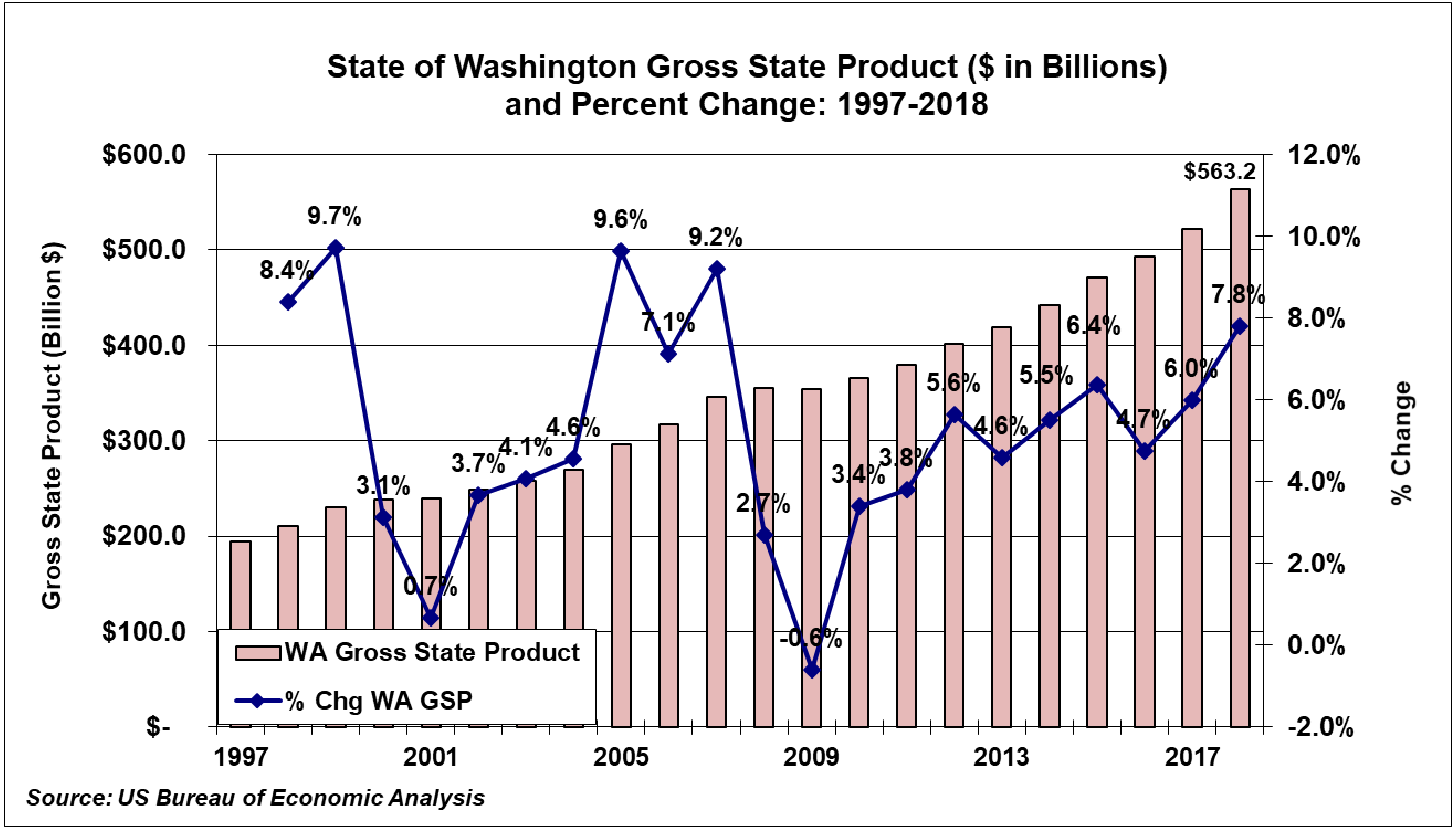
CITY OF RIDGEFIELD WASHINGTON

2020 Budget
Economic Update

Agenda

- Gross State Product
- Clark County Jobs & Unemployment
- Clark County Median Income
- Inflation – West Region CPI-U
- County Real Estate Market
- SFR Building Permit Activity
- Population Changes
- Retail Sales Tax
- Property Tax – Assessed Valuation and New Construction
- City Fund Balance and Policy Reserves

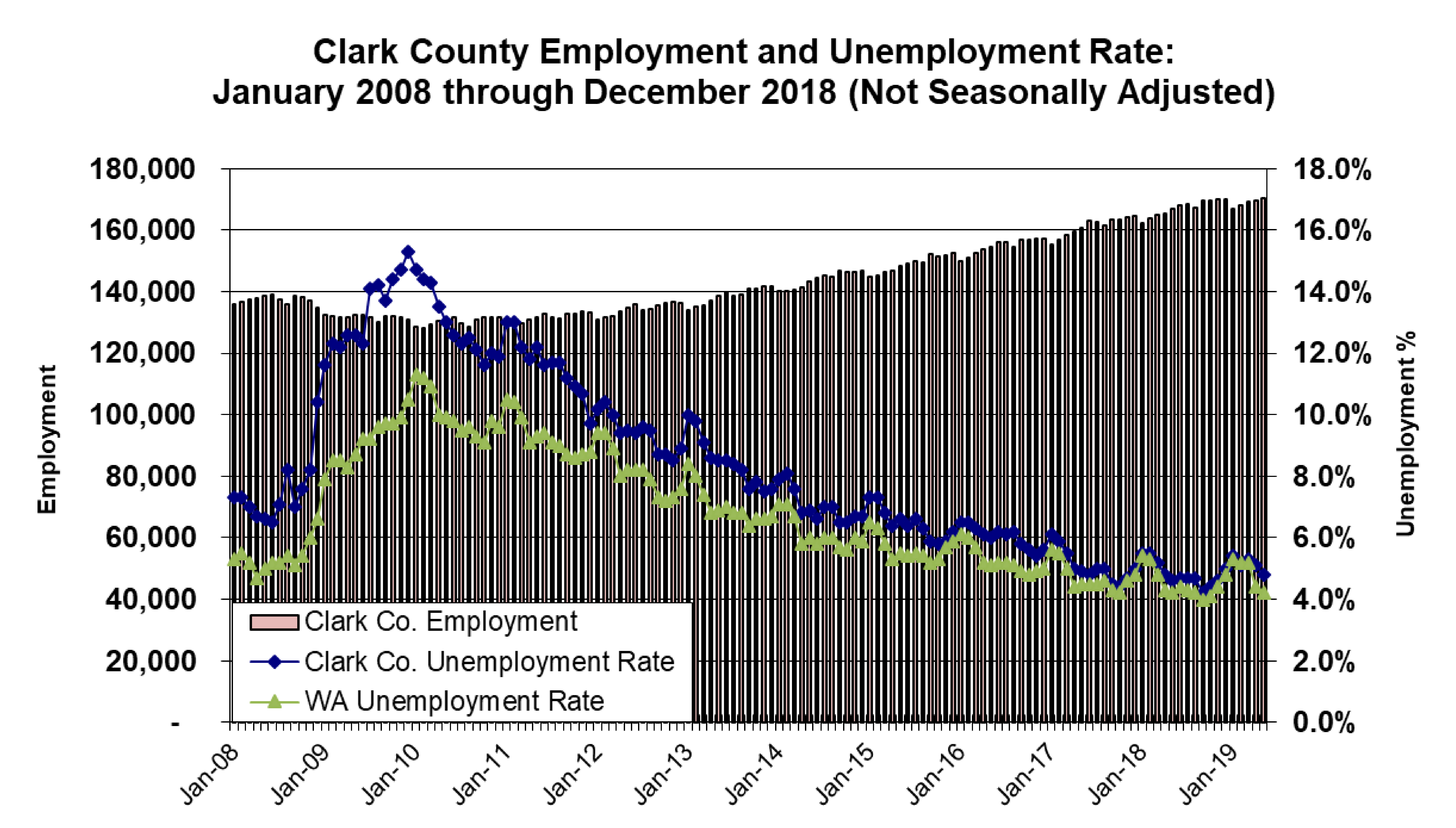
Economic Update
Gross State Product



Gross State Product
In Billions
- 2018 $563.2
- 2017 $522.4
- 2016 $492.9
- 2015 $470.6
- 2014 $442.4
- 2013 $419.3
- 2012 $400.9
- 2011 $379.5
- 2010 $365.6

Gross Domestic Product – U.S.
- 2019 1st Qrtr 3.1%
- 2018 4th Qrtr 2.2%
- 2018 – Annual 3%
- 2017 – Annual 2.5%
- 2016 – Annual 1.9%

Economic Update
Clark County Jobs & Unemployment



Source: WA Employment Security Department

Labor Force in Clark County
- 2018 – 230,353
- 2017 – 227,398
- 2016 – 220,790

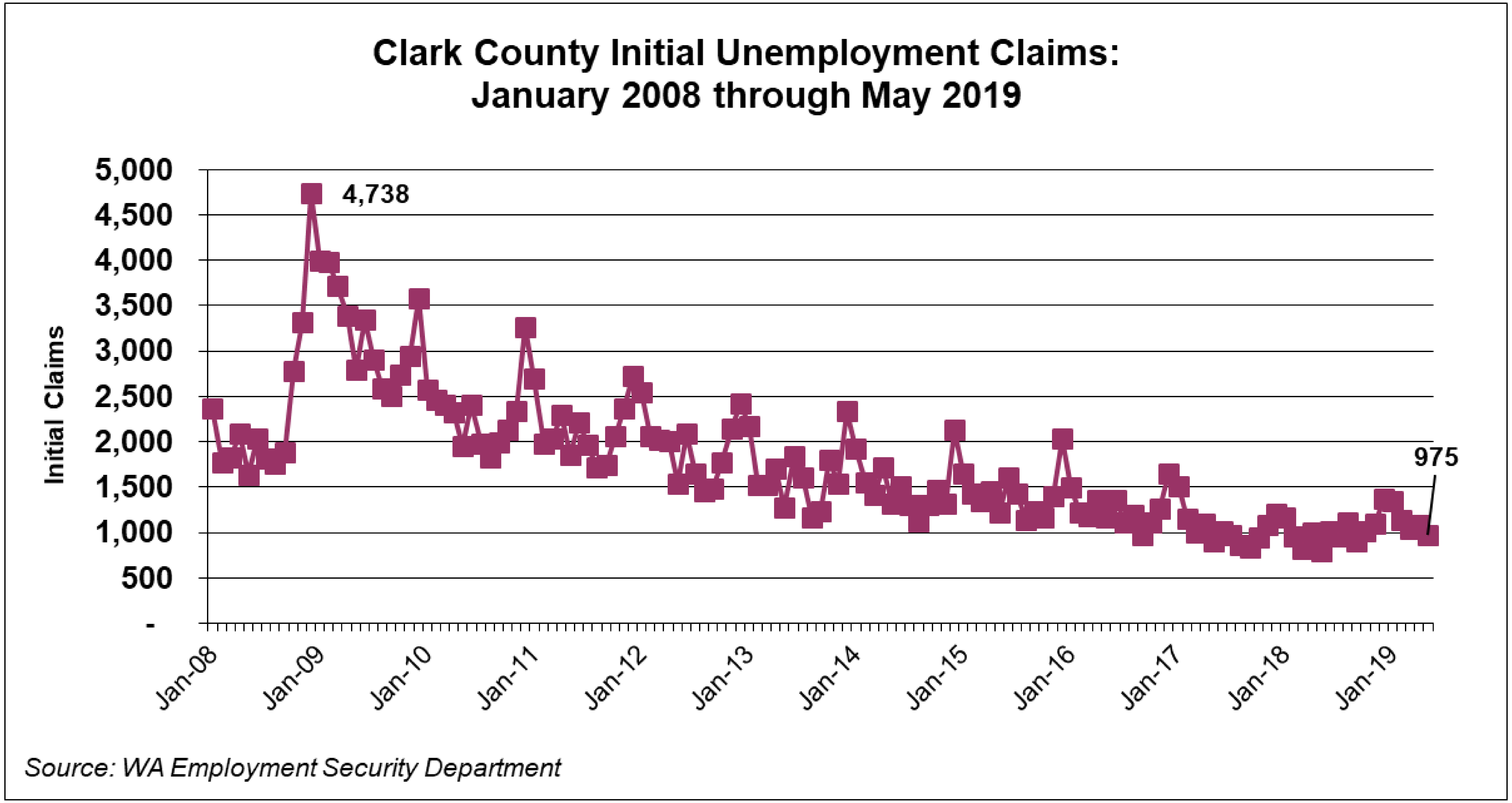
Total Employment in Clark County
- 2018 – 219,230
- 2017 – 215,888
- 2016 – 207,514

Unemployment in Clark County
- 2018 – 11,123
- 2017 – 11,510
- 2016 – 13,276

Employed in Clark County
- 2018 – 167,242
- 2017 – 161,117
- 2016 – 154,708

May Unemployment Rate
- Clark County – 4.8%
- Washington – 4.2%
- Portland Metro – 3.3%
- United States – 3.6%

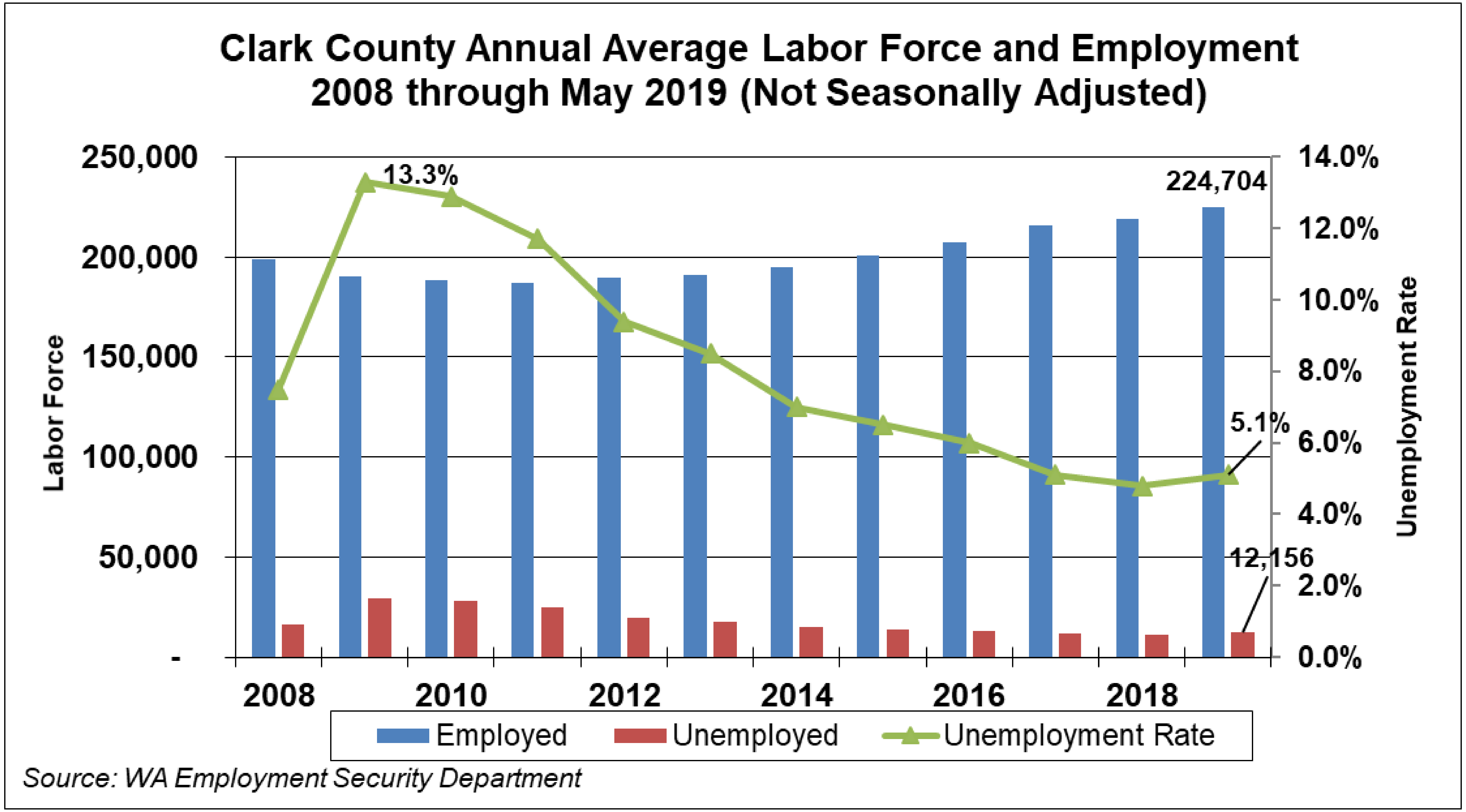
Economic Update
Initial Unemployment Claims



Continuing Claims
- May 2019 – 2,312
- May 2018 – 2,010
- May 2017 – 2,094
- May 2016 – 2,422

Initial Unemployment Claims
- May 2019 – 975
- May 2018 – 788
- May 2017 – 908
- May 2016 – 1,161

Economic Update
Labor Force & Employment Annual Average

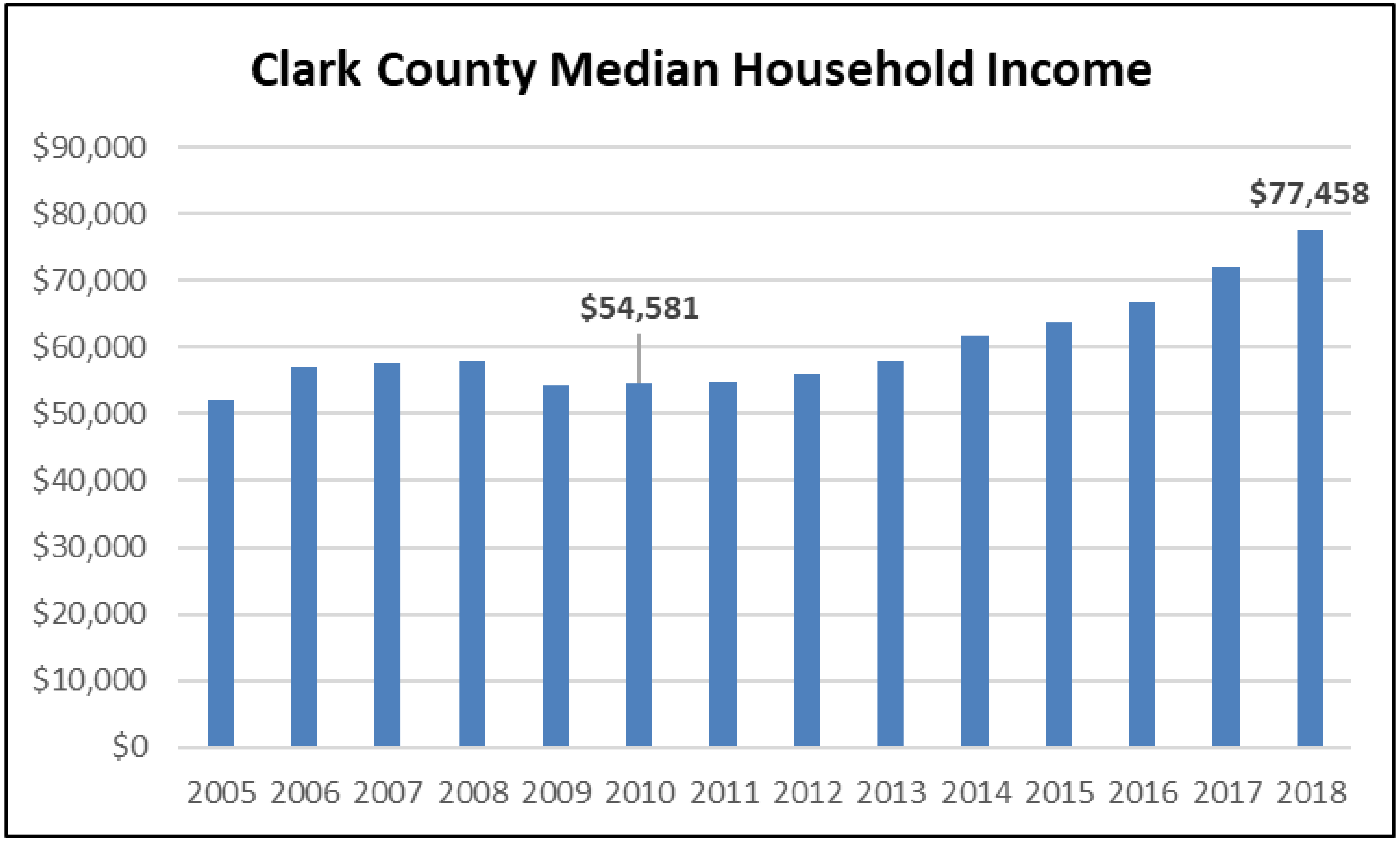


May Unemployment Rate
- Clark County – 4.8%
- Washington – 4.2%
- Portland Metro – 3.2%
- United States – 3.6%

Employed in Clark County
- Jan 2019 – 166,800
- Jan 2018 – 162,400
- Jan 2017 – 155,200
- Jan 2016 – 150,000

Economic Update

Median Income - Annualized



Source: Washington State Office of Financial Management

Percentage Increase

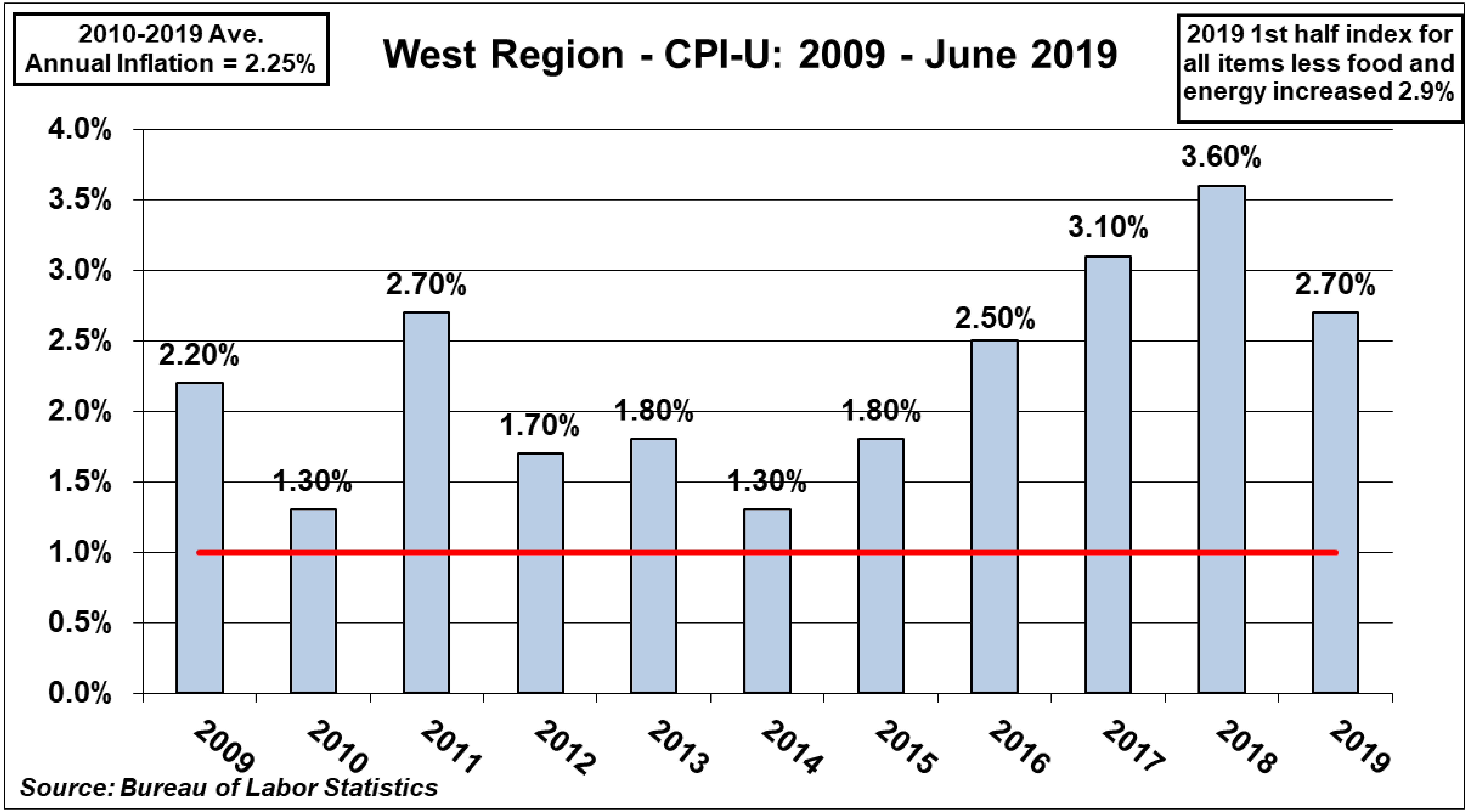
- 2018 – 7.70%
- 2017 – 7.70%
- 2016 – 4.94%
- 2015 – 3.12%
- 2010-2017 41.91%

Median Household Income Ridgefield

- 2017 - $93,958

Source: U.S. Census Bureau

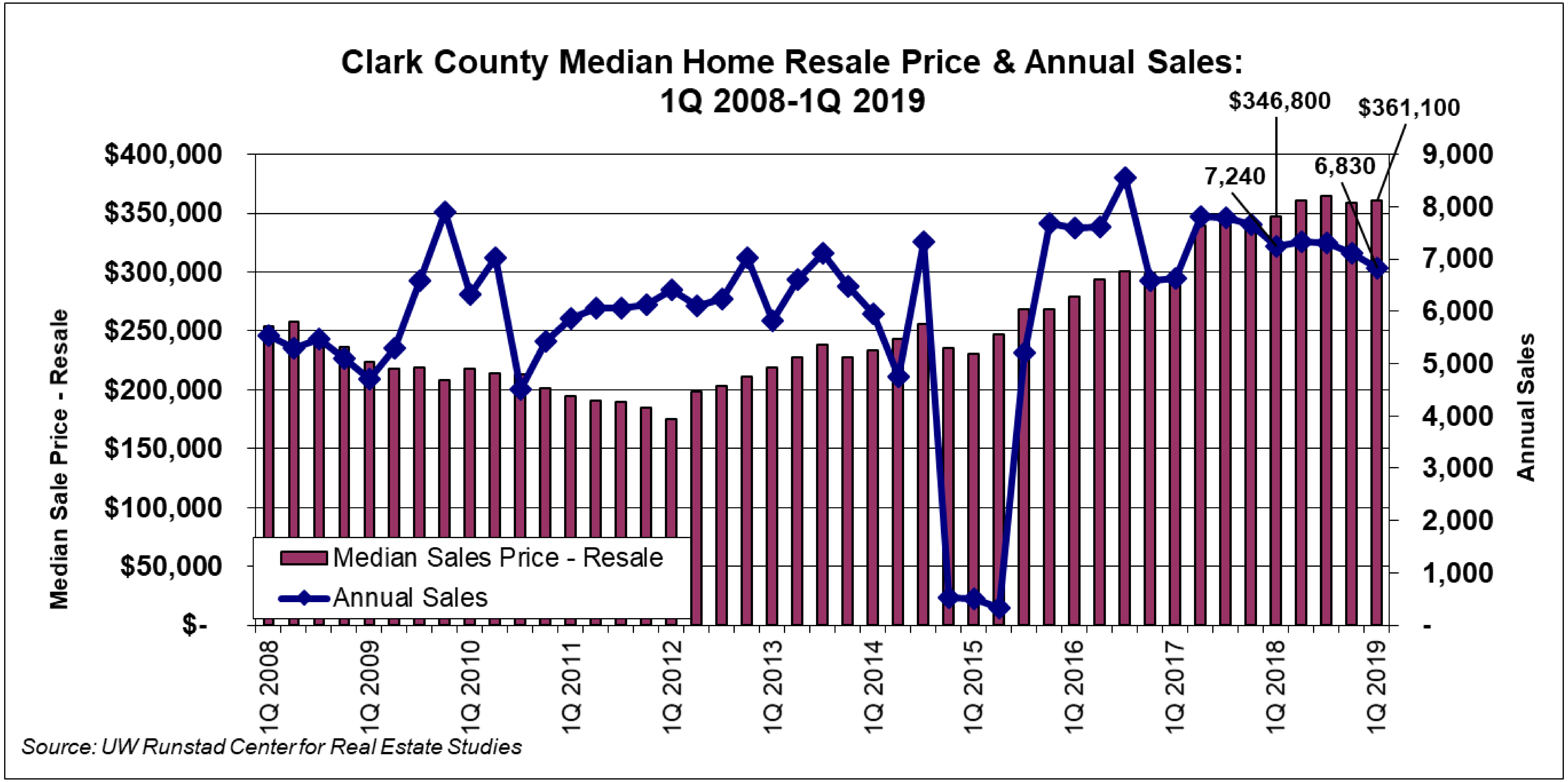
Economic Update
Inflation



2018 Inflation Factors last 12 months

- CPI-U All items > 2.7%
- All items less food & energy > 2.9%
- Energy > 0.8%
    - Motor Fuel > 0.9%
    - Electricity > 1.7%
    - Nat Gas < 2.7%
- Medical > 2.3%
- Shelter > 4.5%
- Food – Away > 3.4%
- Food – Home > 2.1%
- Apparel > 0.5%
- Transportation > 1.2%
- Services > 3.4%

Economic Update
County Home Sales & Prices



Home Sales
- 1Q 2019 – 6,830
- 2018 – 29,000
- 2017 – 29,890
- 2016 – 30,370
- 2015 – 13,720
- 2014 – 18,550

Average Resale
- 1Q 2019 – $361,100
- 2018 - $358,025
- 2017 – $329,050
- 2016 – $293,025
- 2015 – $253,800
- 2014 – $241,950

Economic Update

County Housing Market

Total Active Listings	1,642
Listings with Purchase Contingencies	-45
Available Listings	1,597
Under Construction	-139
Proposed	-293
Total Available Listings for Move In	1,165
Monthly Inventory Move In Ready	1.7

Clark County Stats 2019 YTD April

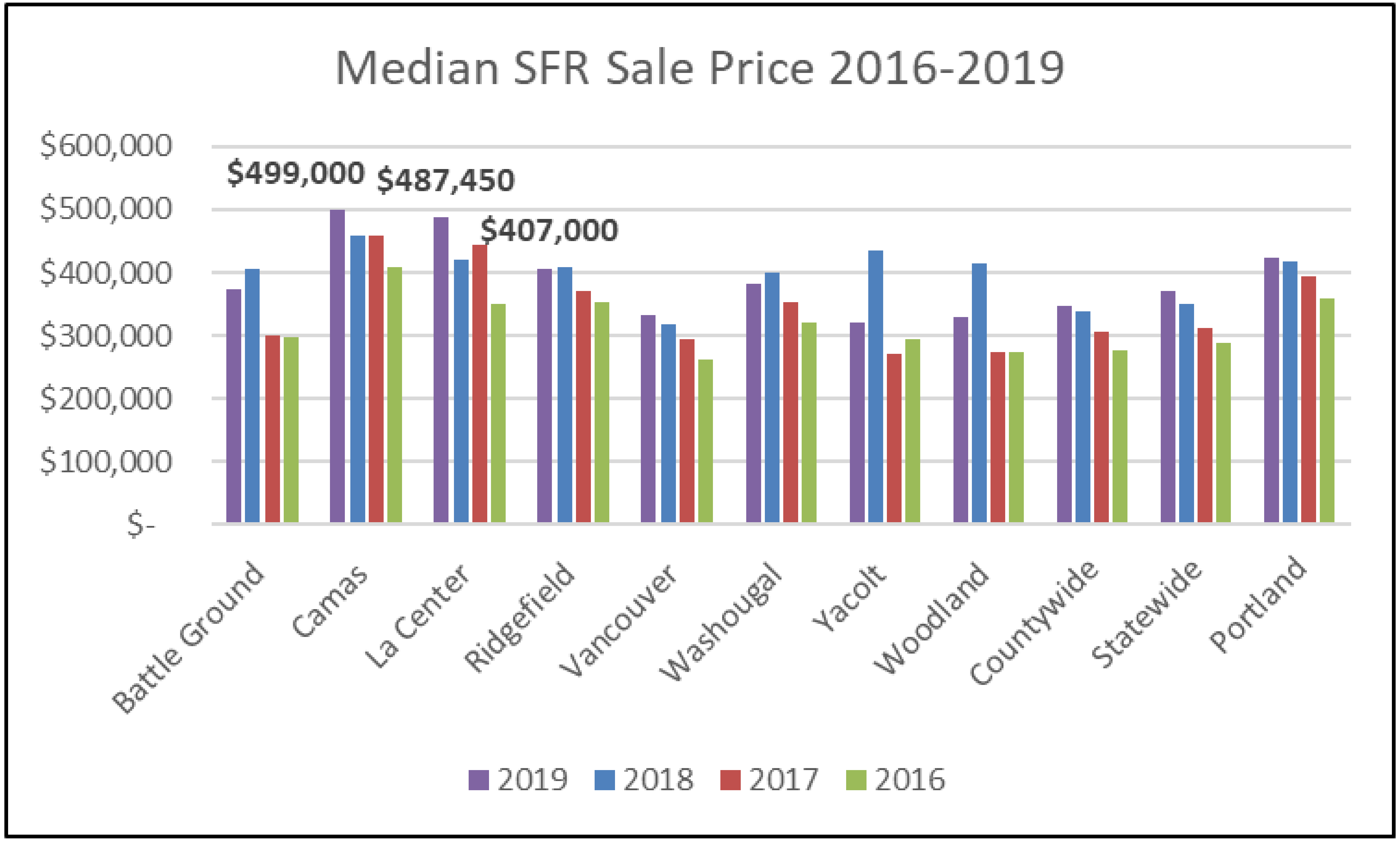
- Closed Sales – 2,359
- Pending Sales – 2,918
- New Listings – 3,789
- Total Inventory – 1.7 Mo
- Days on Market - 67
- Avg. Sales Price - $396,500
- 3.7% increase from 2018

Ridgefield Stats April 2019

- Active Listings April – 120
- New Listings April - 80
- SFR Sales YTD – 135
- Pending Sales – 170
- New Listings YTD – 236
- Days on Market - 73
- Avg. Sales Price - $435,900
- Commercial – No Sales
- Land Avg. Sale Price $111,900 – 2 Sales
- Multi Family Avg. Sales Price $677,000 – 1 Sale

Source: RMLS™ Regional Multiple Listing Service, Portland Oregon

Economic Update
Median Sale Price 2016-2019



Source: Zillow Home Value Index and Realtor.com

Clark County median sales price has increased 3.3% in 2019 compared to 2018.

Portland Metro median price $234 per square foot.

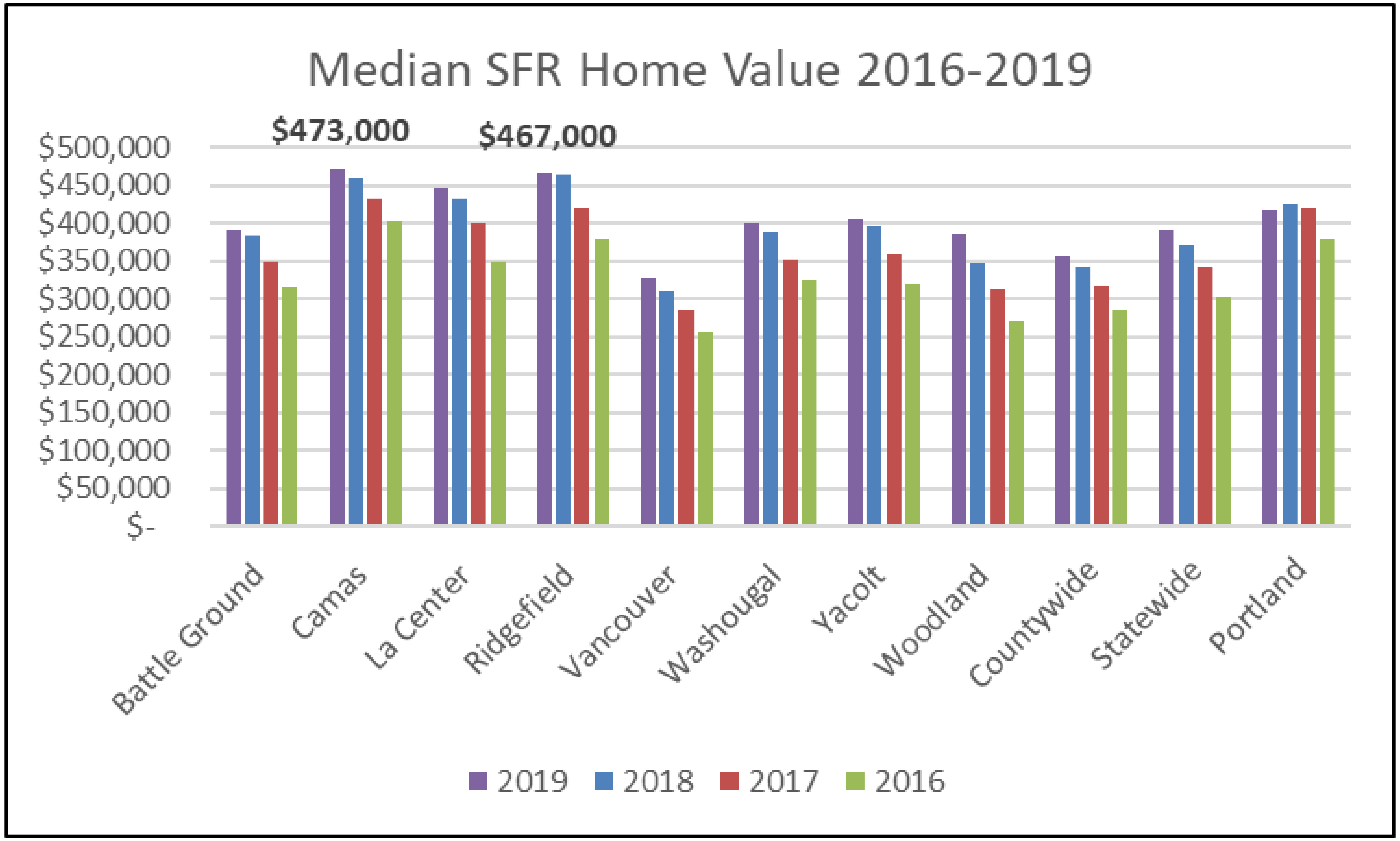
Clark County median price $209 per square foot.

Ridgefield median price $201 per square foot.

Ridgefield median listing price of homes currently $479,000

Ridgefield median selling price of homes currently $407,000

Economic Update
Median Home Value 2016-2018



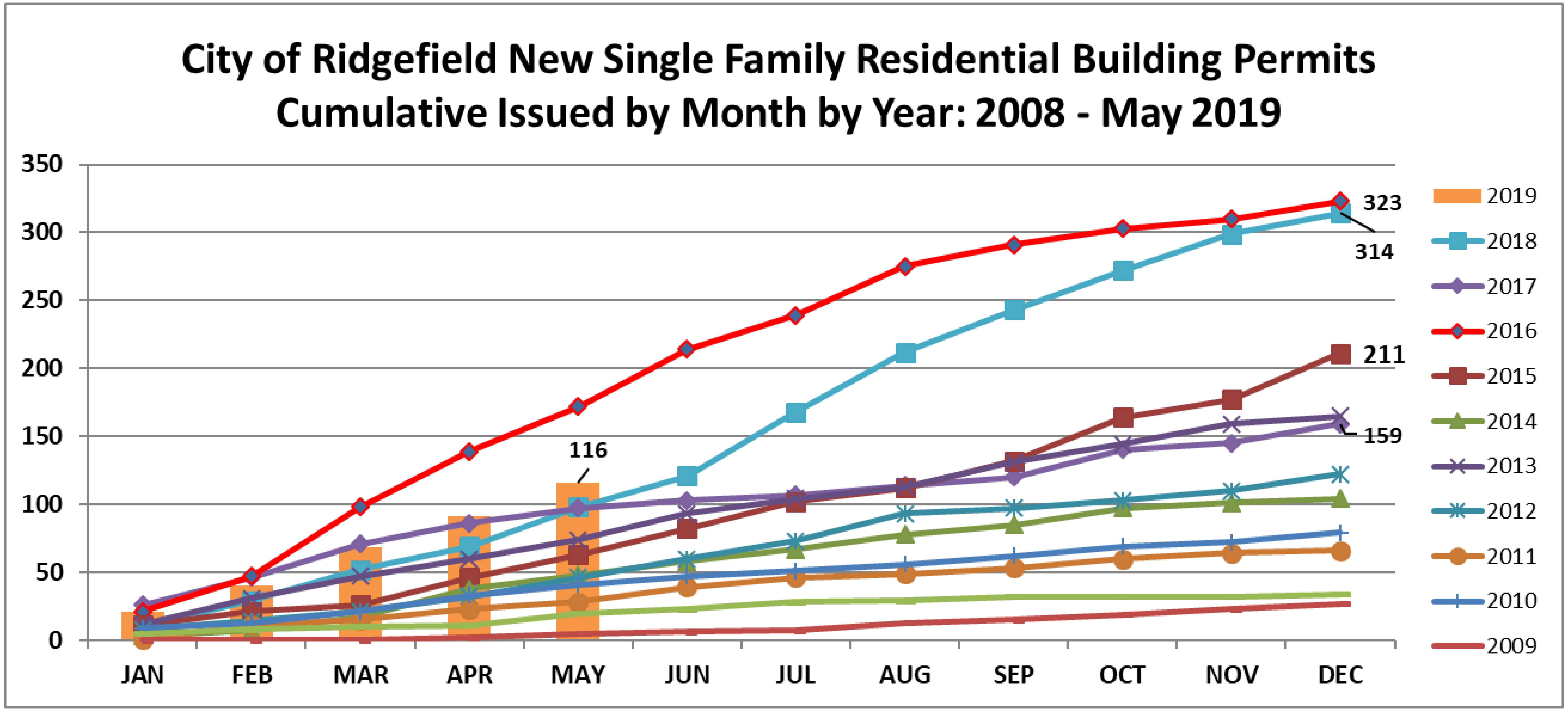
Source: Zillow Home Value Index

Ridgefield Median Home Value has increased 0.4% in 2019 compared to 2018.

Clark County average is 4.1%.

Ridgefield median home value of all homes $454,500.

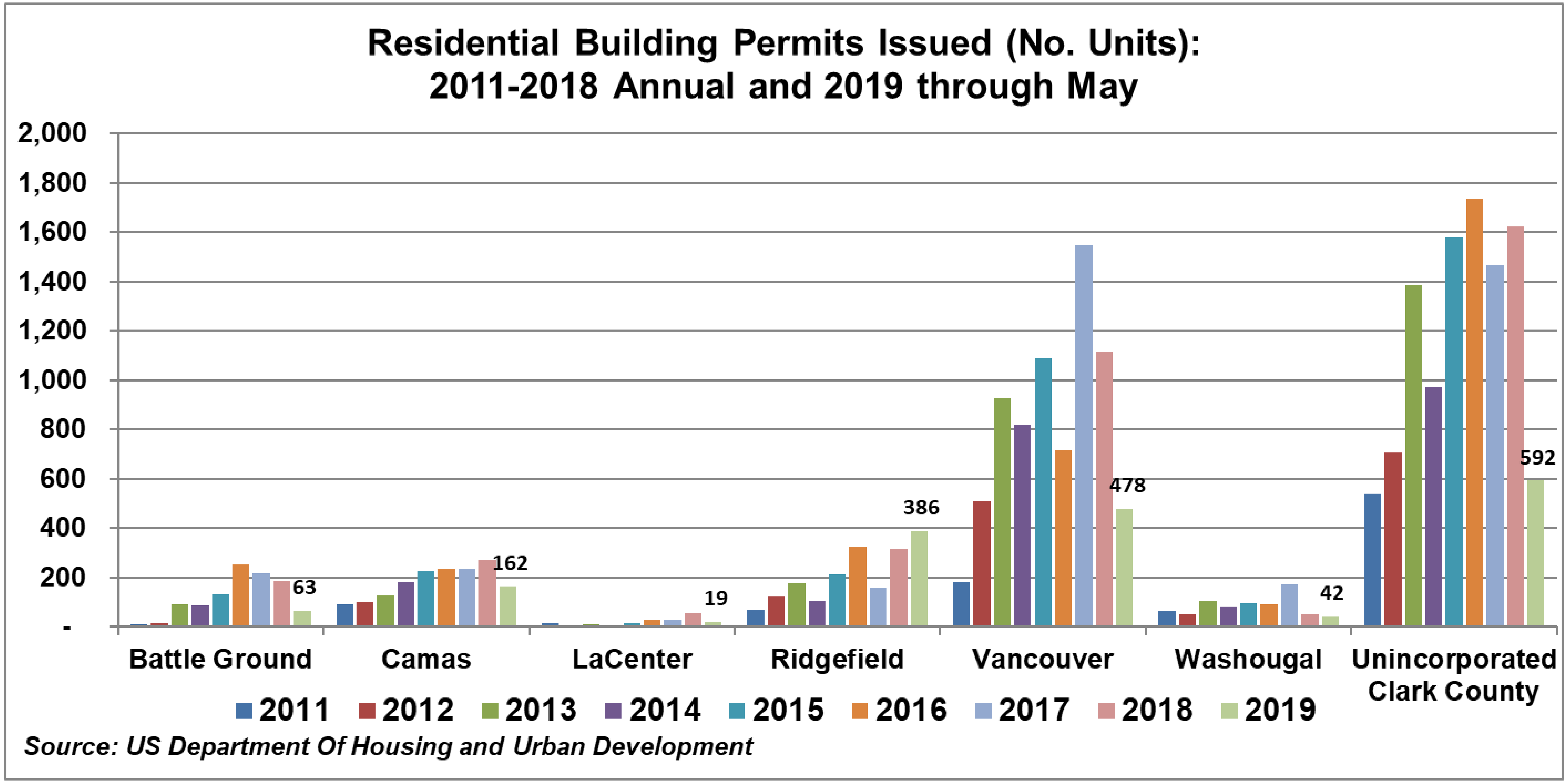
Economic Update
Residential Building Permit Activity



May Permit Numbers
- 2019 - 116
- 2018 - 98
- 2017 – 97
- 2016 – 172
- 2015 – 63

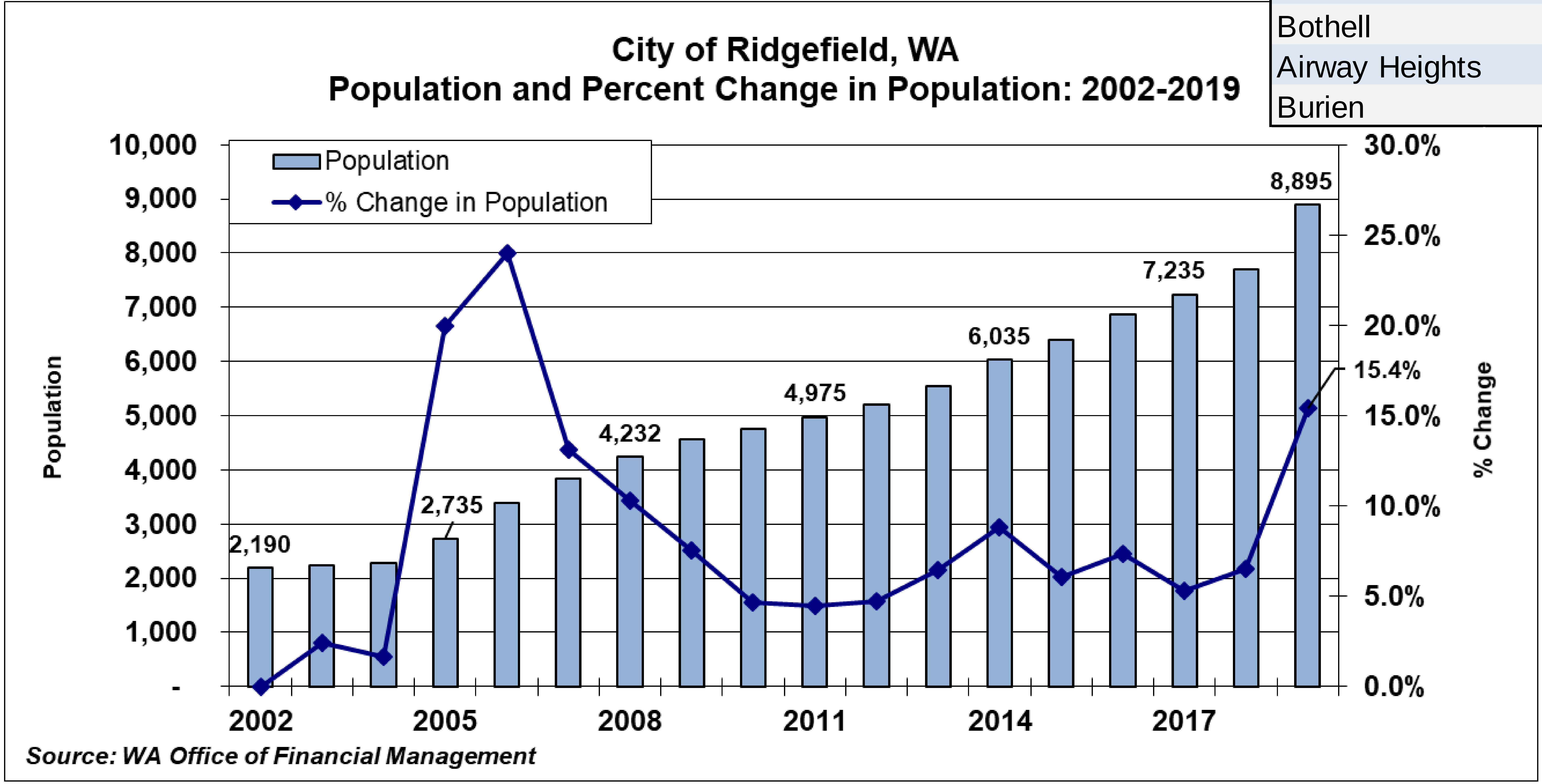
Source: State of the Cities Data Systems
U.S. Department of Housing and Urban Development

Economic Update
Residential Building Permit Activity



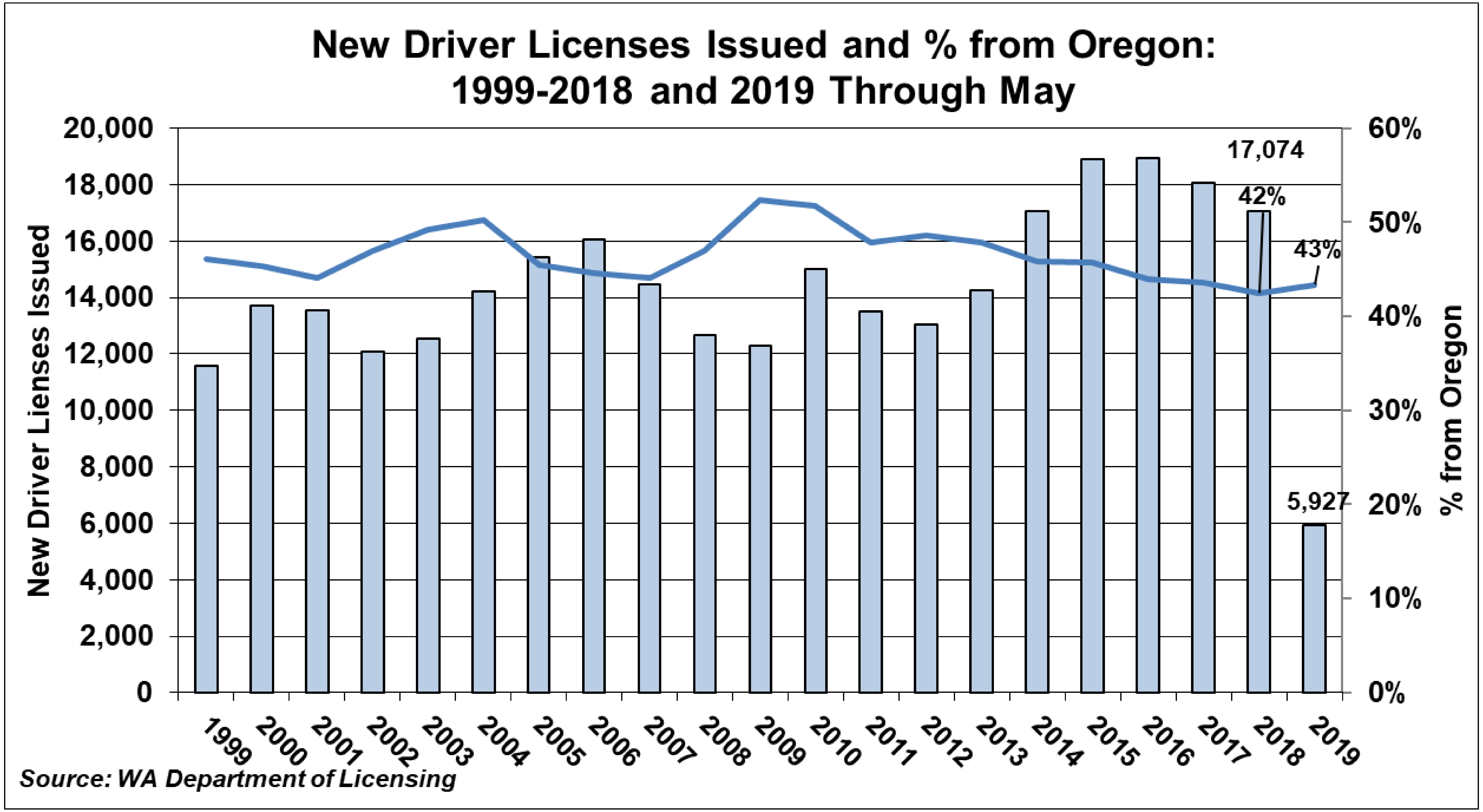
Economic Update
Population

City	2019 Population	2010-2019 Population Increase
Ridgefield	8,895	86.80%
Kirkland	88,940	82.30%
Bothell	28,570	67.20%
Airway Heights	9,545	56.10%
Burien	52,000	56.10%



Population Change
- Since 2010 – 4,132
- 2019 – 1,190
- 2018 - 470
- 2017 – 365
- 2016 – 470
- 2015 – 365
- 2014 – 490
- 2013 – 335
- 2012 – 235
- 2011 – 212

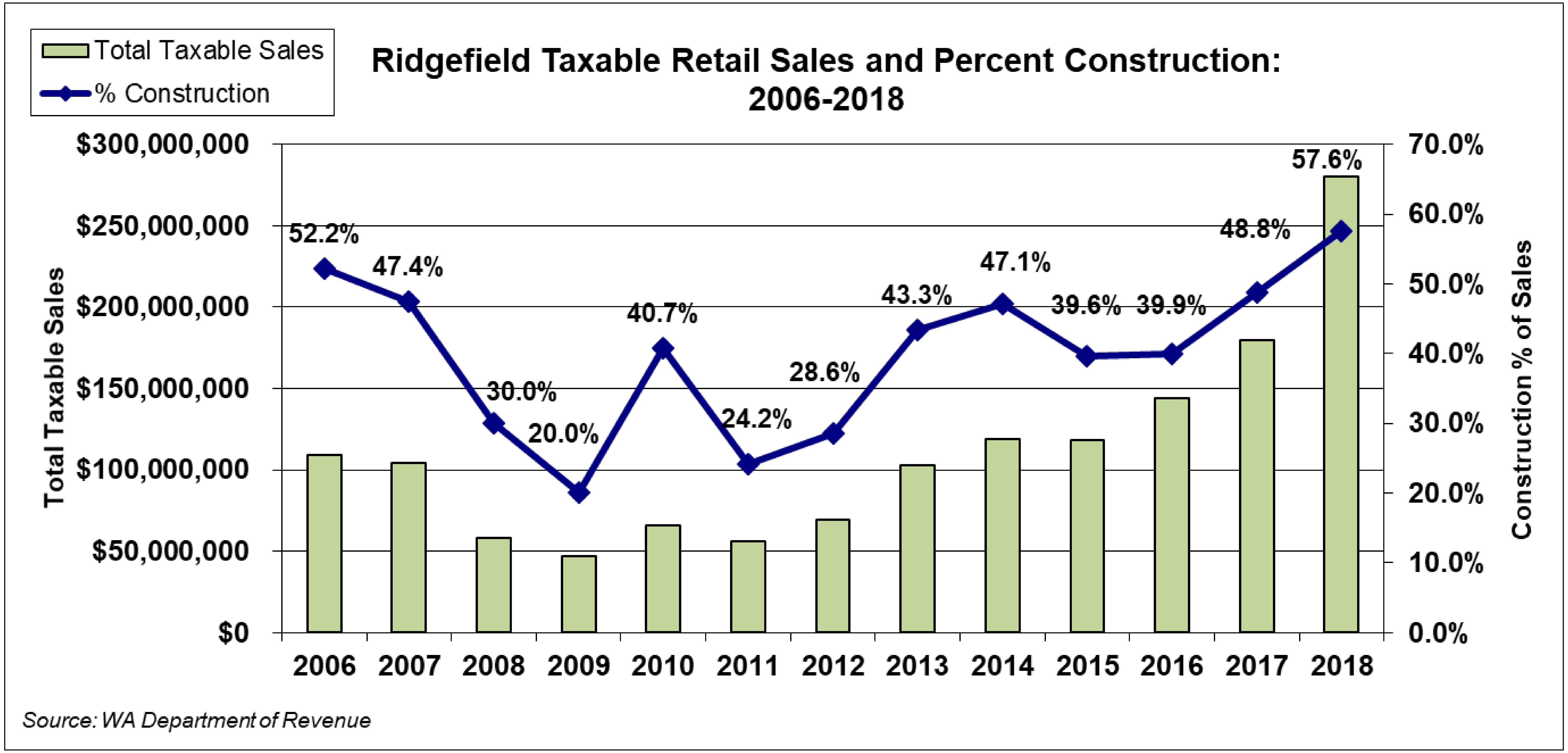
Economic Update
County in Migration



Top 5 Locations - 2019

- Oregon 43.4%
- California 18.5%
- Arizona 3.5%
- Texas 3.2%
- Other Countries 2.2%

Economic Update
Retail Sales Tax Base



Retail Sales Tax Receipts

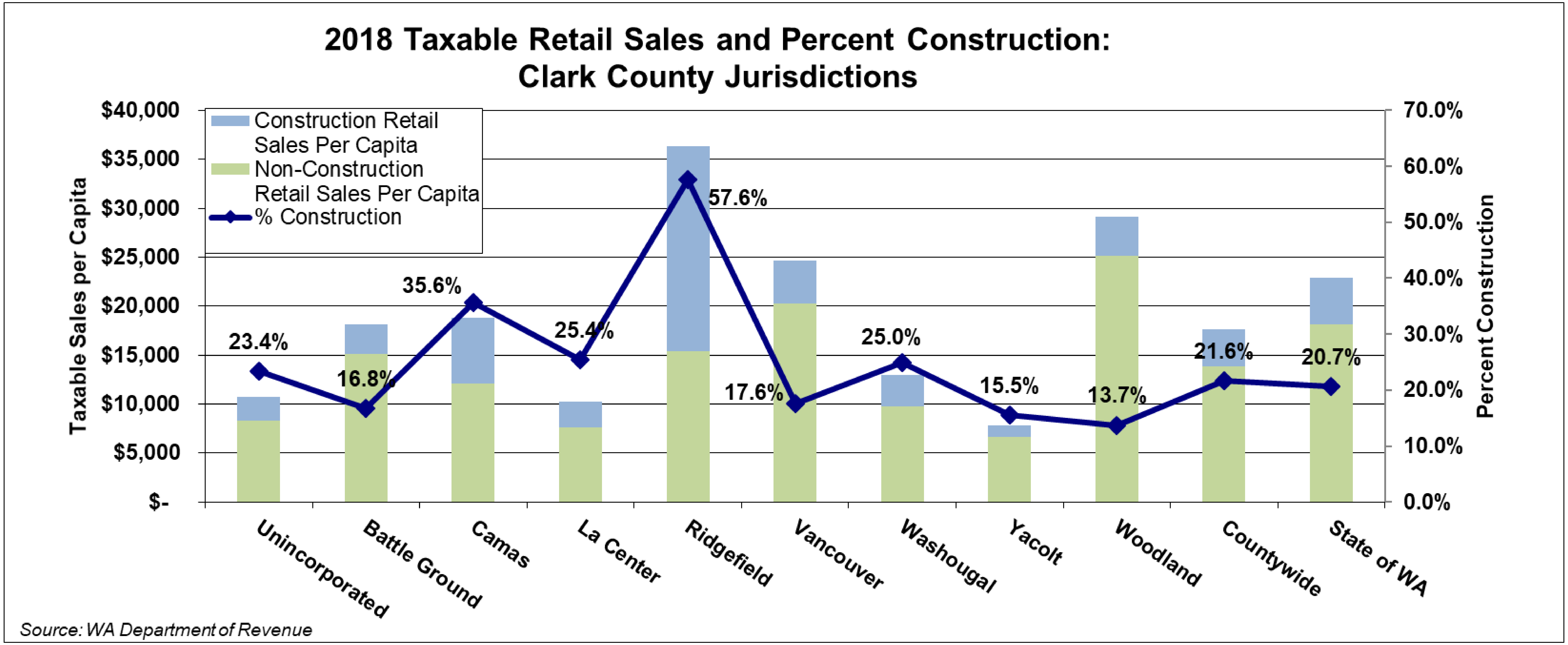
- 2018 $2,507,814
- 2017 $1,607,942
- 2016 $1,340,280
- 2015 $1,049,387
- 2014 $1,066,054
- 2013 $813,714
- 2012 $600,720

Construction Portion
Retail Sales Tax Receipts

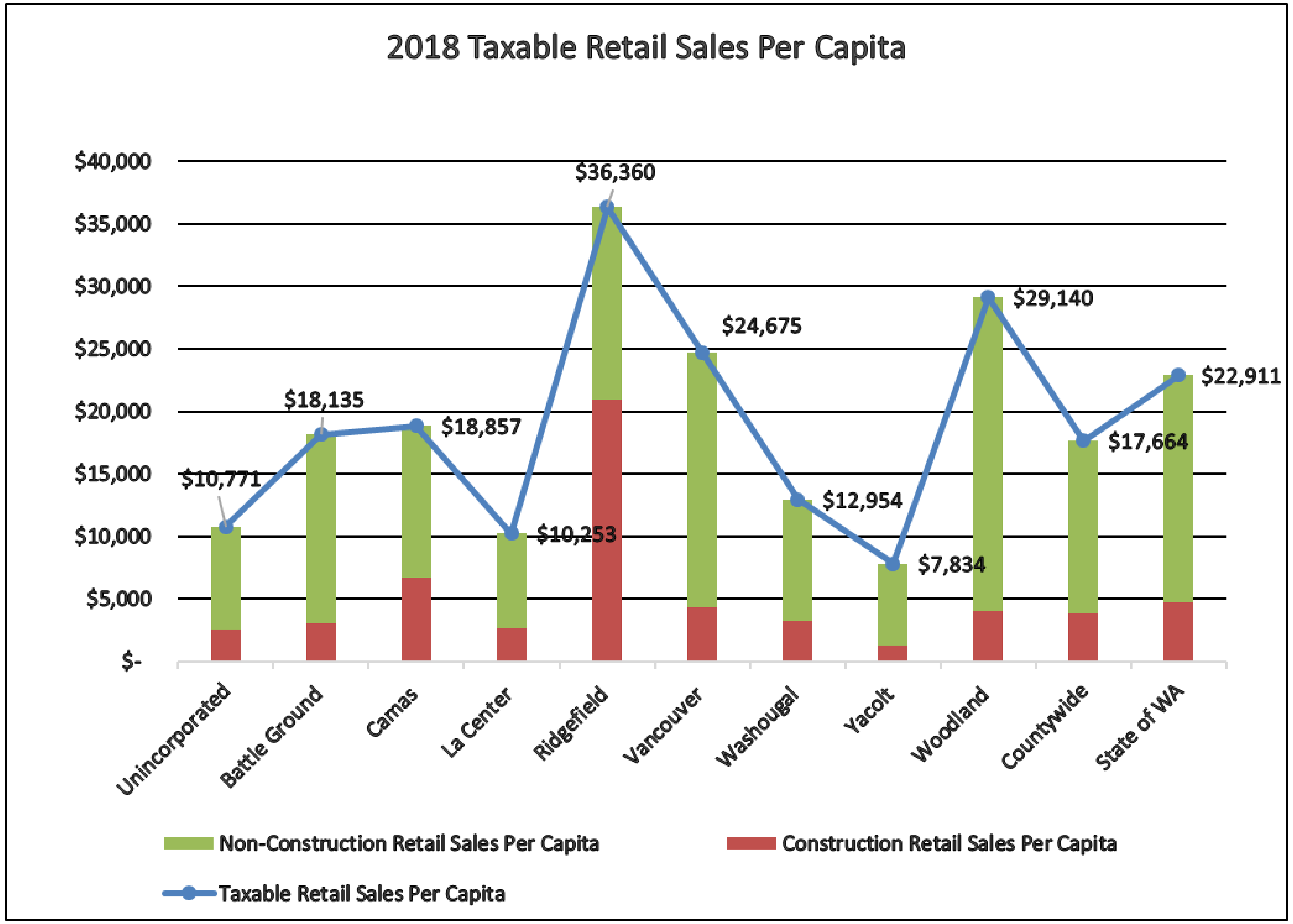
- 2018 $1,445,525
- 2017 $784,008
- 2016 $534,809
- 2015 $415,686
- 2014 $501,909
- 2013 $352,561
- 2012 $171,529

Economic Update

Retail Sales Tax Base Clark County Comparison



Economic Update
Retail Sales Tax Base Clark County Comparison



Retail Sales Tax Per-Capita			
Entity	Constructi	Non-Cons	Total
Unincorporate	$ 2,520	$ 8,251	$ 10,771
Battle Ground	$ 3,045	$ 15,091	$ 18,135
Camas	$ 6,721	$ 12,136	$ 18,857
La Center	$ 2,608	$ 7,645	$ 10,253
Ridgefield	$ 20,958	$ 15,402	$ 36,360
Vancouver	$ 4,354	$ 20,322	$ 24,675
Washougal	$ 3,233	$ 9,721	$ 12,954
Yacolt	$ 1,211	$ 6,623	$ 7,834
Woodland	$ 4,006	$ 25,134	$ 29,140
Countywide	$ 3,821	$ 13,843	$ 17,664
State of WA	$ 4,733	$ 18,178	$ 22,911

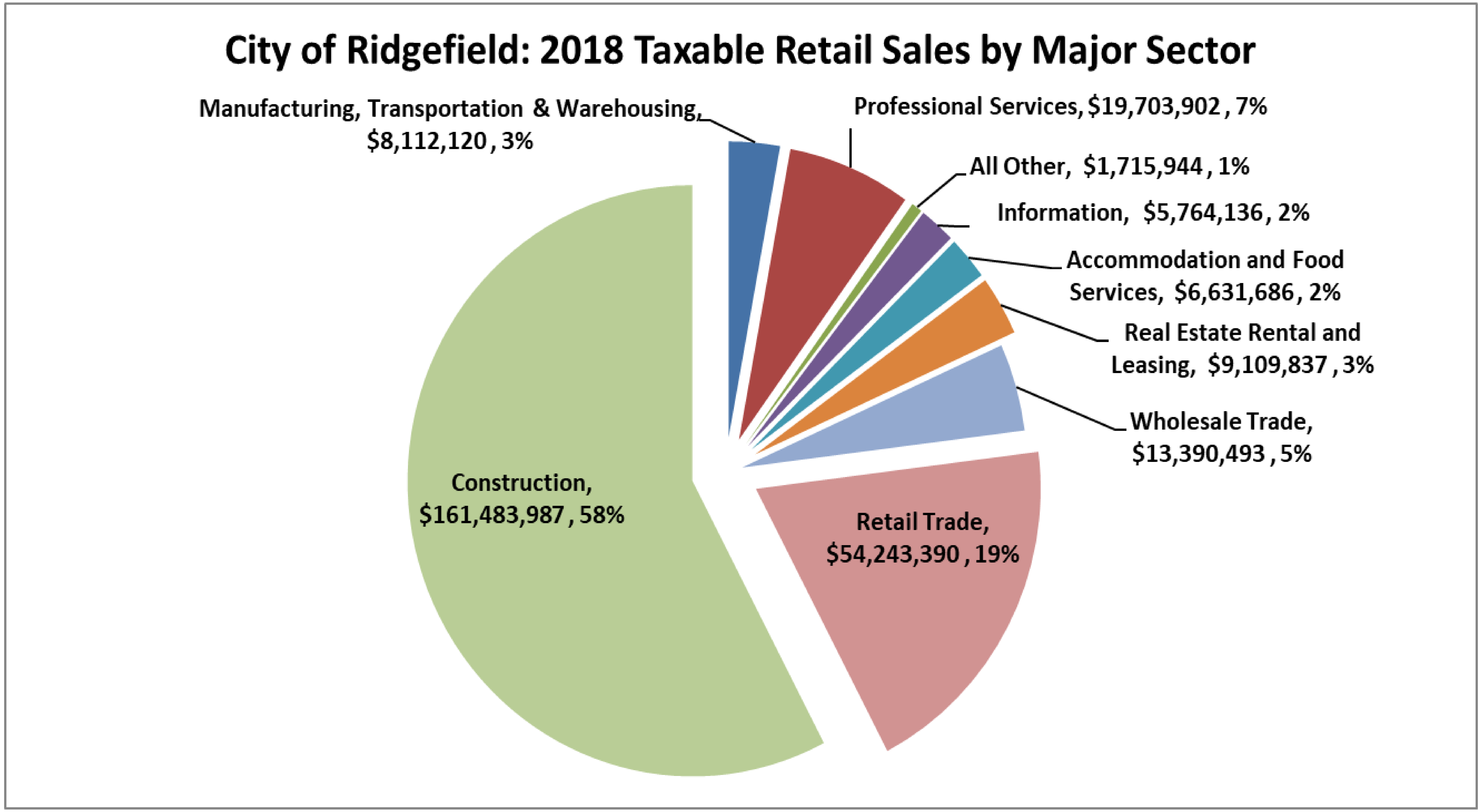
Economic Update

Retail Sales June 2019

- Headline retail sales increased by 0.4% MoM in June, above market expectations of 0.2%.
- Excluding autos and gas, retail sales increased by 0.7% MoM printing above market estimates of a 0.3% increase. The prior month (May) was unchanged at 0.5% MoM.
- The control group, used in calculating GDP, also increased by 0.7% MoM above market estimates of 0.3% and the prior month was revised slightly higher from 0.5% to 0.6% MoM.
- The sharpest jump was posted by online retailers rising 1.7% MoM; motor vehicles, which make up 20% of retail sales, were up 0.7%
- Food and beverage sales, which make up 13% of all retail sales, were up by 0.9% MoM.

Source: U.S. Census Bureau

Economic Update
Retail Sales Tax Base

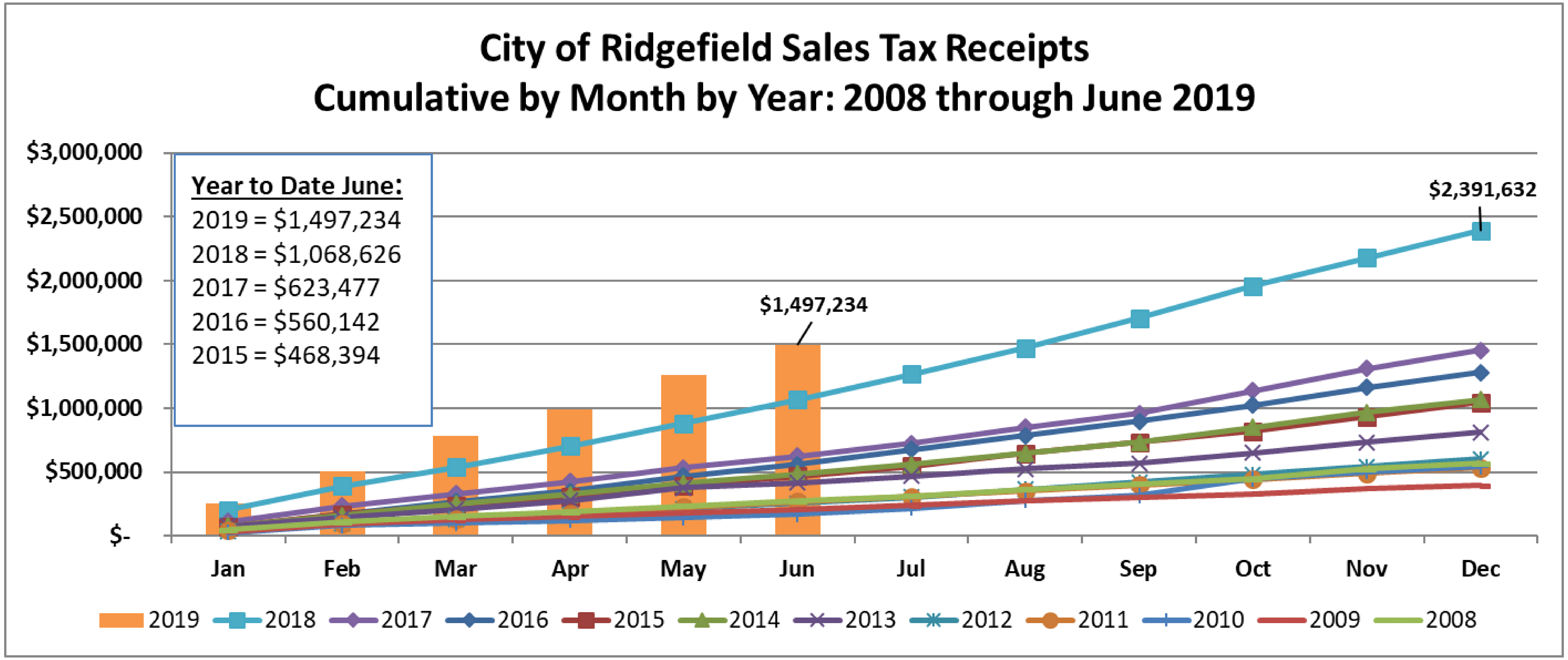


Annual Change

- All Sectors > 55.7%
- All Other > 93.9%
- RE Rental/Lease > 84.9%
- Construction > 84.2%
- Retail Trade > 33.8%
- Professional Services > 30.2%
- Wholesale Trade > 23.4%
- Information < 4.7%
- Accom. & Food < 0.7%%

Attachment: 2020 Budget Economic Report (Introduction to 2020 Budget and Economic Update)

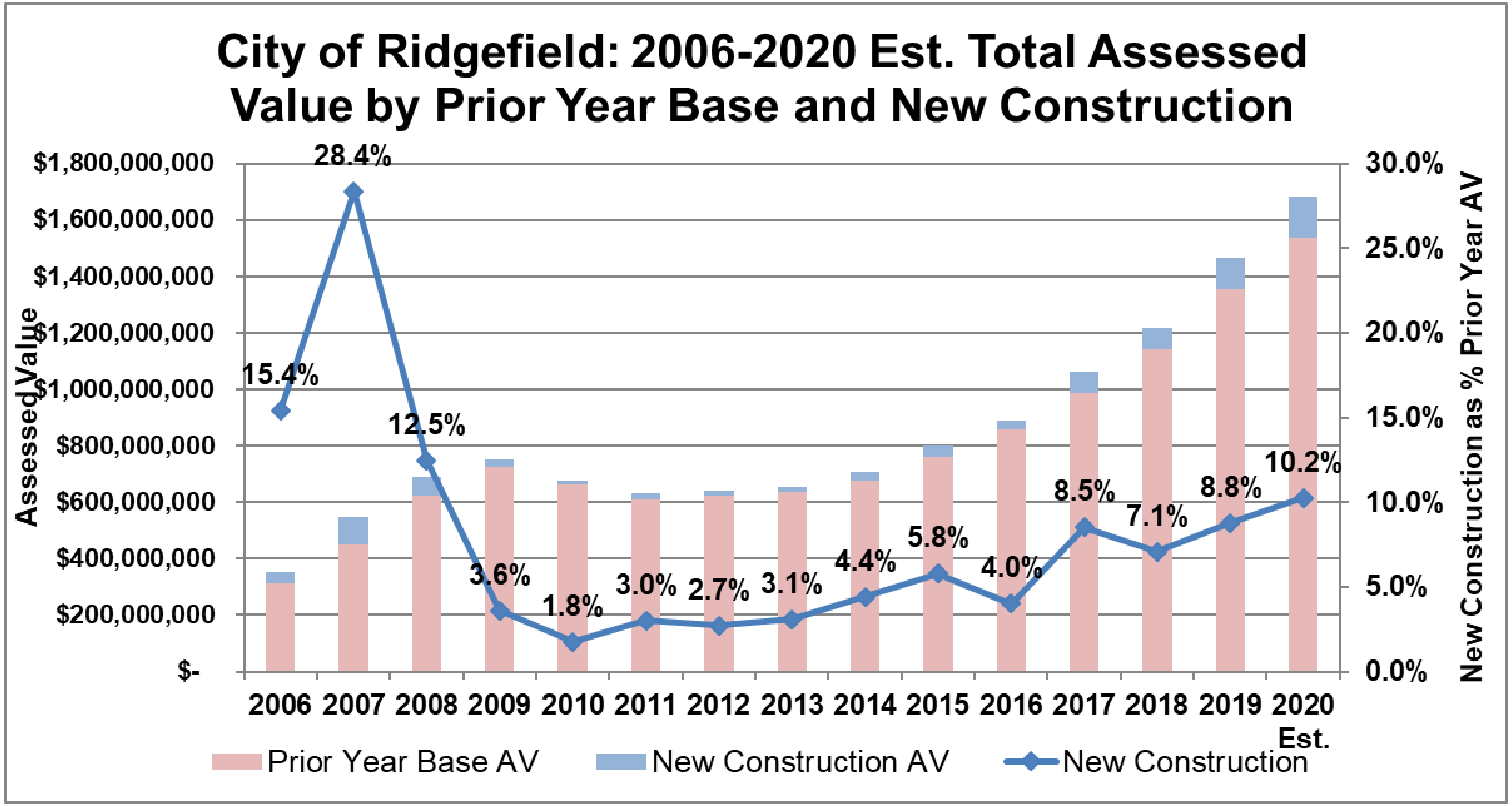
Economic Update
Retail Sales Tax Receipts



Retail Sales Tax Receipts
- 2018 $2,391,632
- 2017 $1,451,377
- 2016 $1,279,081
- 2015 $1,045,648
- 2014 $1,066,066
- 2013 $810,274
- 2012 $600,720

Construction
Retail Sales Tax Receipts
- 2018 $1,377,580
- 2017 $708,272
- 2016 $510,353
- 2015 $414,077
- 2014 $502,117
- 2013 $350,849
- 2012 $171,806

Economic Update
Property Tax Base



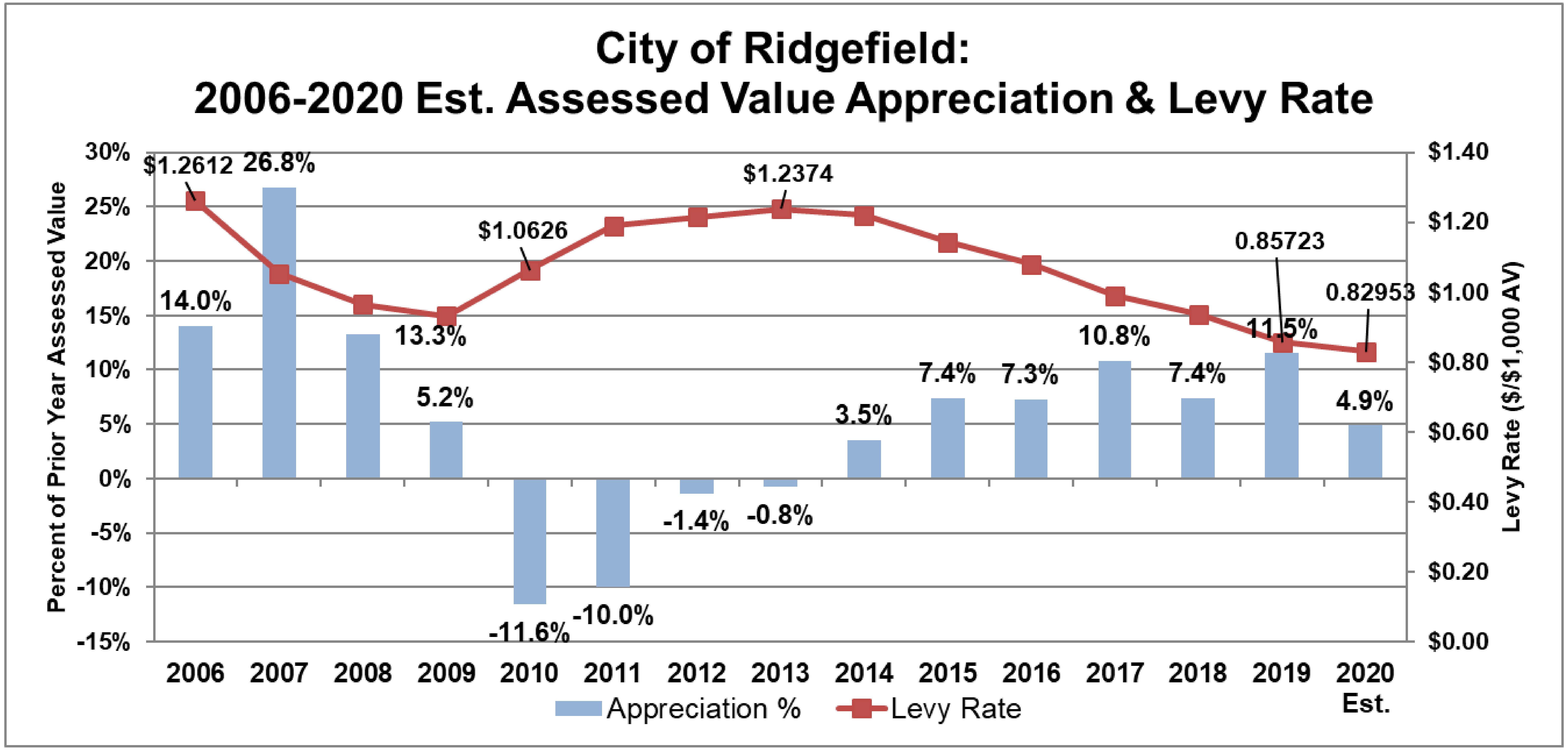
Assessed Values

- 2019 $1,463,452,195
- 2018 $1,216,398,789
- 2017 $1,062,451,903
- 2016 $890,239,033
- 2015 $799,996,361
- 2014 $707,009,098
- 2013 $655,058,366
- 2012 $639,677,608
- 2011 $630,256,002
- 2010 $677,079,521

New Construction Assessed Value

- 2019 $106,935,231
- 2018 $75,209,344
- 2017 $75,688,703
- 2016 $32,136,747
- 2015 $40,770,111
- 2014 $28,873,444
- 2013 $19,767,481
- 2012 $17,183,667
- 2011 $20,338,583
- 2010 $13,328,631

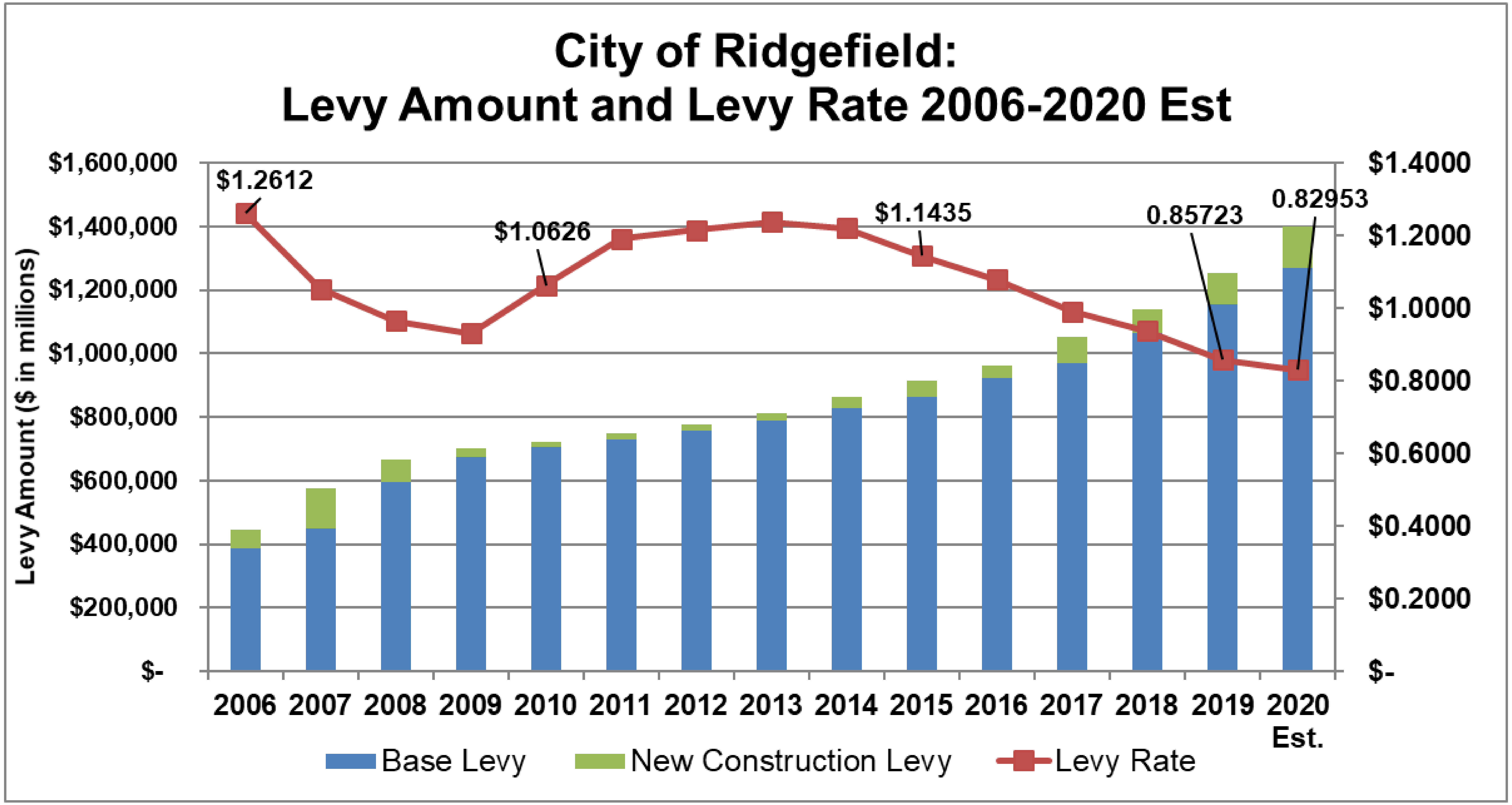
Economic Update
Property Tax Base



Appreciation in Assessed Value

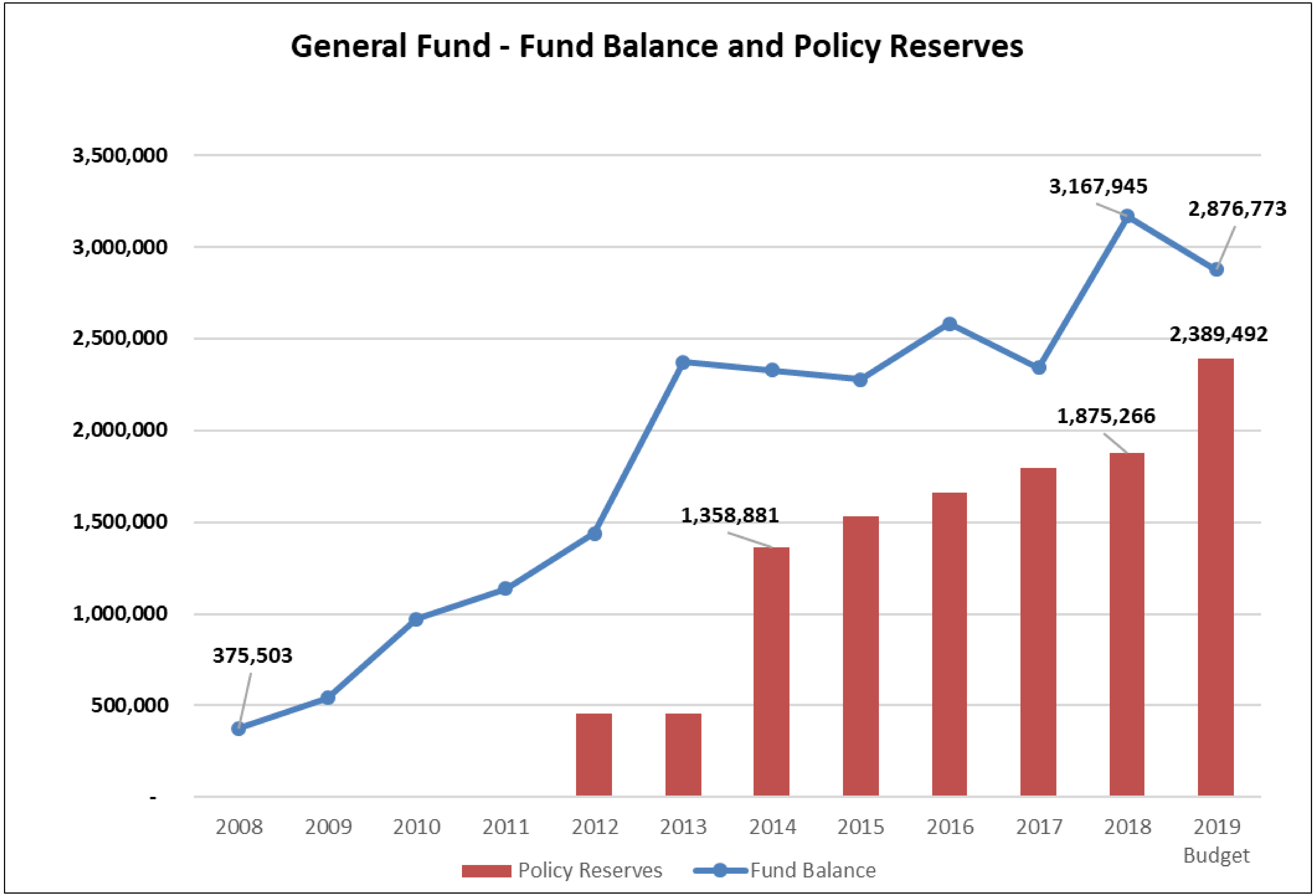
- 2019 $140,118,175
- 2018 $78,737,542
- 2017 $96,524,167
- 2016 $58,105,925
- 2015 $52,217,152
- 2014 $23,077,288
- 2013 ($4,386,723)
- 2012 ($7,762,061)
- 2011 ($67,162,102)
- 2010 ($87,872,297)

Economic Update
Property Tax Base



Levy Amounts
- 2019 $1,254,512
- 2018 $1,139,742
- 2017 $1,052,384
- 2016 $960,587
- 2015 $914,806
- 2014 $862,535
- 2013 $810,569
- 2012 $777,418
- 2011 $750,130
- 2010 $719,477

General Fund – Fund Balance and Policy Reserves




THANK YOU

			July					Aug				Sept					Oct				Nov				Dec				
Week of	May	June	1	8	15	22	29	5	12	19	26	2	9	16	23	30	7	14	21	28	4	11	18	25	2	9	16	23	3
City Council Goals/Retreat																													
Review Financial Sustainability Model (6 Year)																													
Management Initiatives/Goals Retreat																													
Review Budget and Financial Policies																													
Review Economic Conditions						25th																							
Determine Baseline Assumptions																													
Develop Proposed Budget																													
Levels of Service																													
Baseline/Beginning Budget																													
New Programs or Initiatives																													
Update Indirect Cost Plan																													
Update Equipment Replacement Fund																													
Preliminary Budget																													
Operating																													
Capital																													
Update Financial Forecast																			24th										
Adopt Final Budget																													
Conduct Hearing on Revenue Sources																					7th								
Draft Final Budget																													
Adopt Property Tax Levy																					7th		21st						
Update Utility Rates																					7th		21st						
Final Budget and Conduct Hearings																							21st		5th				
Executive Management Meetings (10 am)						24th			13th				10th					15th				12th							
Budget Advisory Committee Meetings (10 am)									15th				12th					17th				14th							
City Council Work Sessions						25th				22nd					26th				24th										

July 25 council presentation - Economic update and introduction to budget process and calendar
August 22 work session - Present baseline budget
September 26 work session - Present FTE initiatives, special revenue, capital and operating initiatives budget
October 24 work session - Update economic forecast and present preliminary budget

Attachment: Budget Calendar - 2020 (Introduction to 2020 Budget and Economic Update)

CITY OF RIDGEFIELD
REQUEST FOR COUNCIL ACTION

MEETING DATE: July 25, 2019

ITEM: CONSENT AGENDA

AGENDA ITEM TITLE: Approval of Minutes from the July 11, 2019 Meeting

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AGENDA ITEM TITLE:

Approval of minutes from the following meeting(s) of the council:

GOVERNING LEGISLATION:

Not applicable

PREVIOUS COUNCIL ACTION TAKEN:

Not applicable

SUMMARY/BACKGROUND:

Staff has prepared the minutes for Council consideration of adoption for the Council meeting(s)

BUDGET/FINANCIAL IMPACTS:

Not applicable

RECOMMENDED ACTION OR MOTION:

Staff recommends Council approve the minutes by making the following motion:

1. **"I move to approve the consent agenda"**

STAFF CONTACT: Julie Ferriss, City Clerk

ATTACHMENTS: 07-11-2019 (PDF)

CITY OF RIDGEFIELD, WASHINGTON
City Council MEETING MINUTES
July 11, 2019

Regular Meeting - 6:30 PM

GENERAL SESSION CALL TO ORDER - 6:30 PM

FLAG SALUTE

ROLL CALL

Attendee Name	Title	Status	Arrived
Ron Onslow	Councilor	Present	
David Taylor	Councilor	Present	6:33 PM
Lee Wells	Councilor	Present	
Don Stose	Mayor	Present	
Darren Wertz	Councilor	Present	
Sandra Day	Councilor	Present	
Jen Lindsay	Councilor	Present	

LATE CHANGES TO THE AGENDA

Add Business Item: Ordinance No. 1295 - Declaring an emergency and adopting a six-month moratorium within the City of Ridgefield on the filing, acceptance, and/or approval of applications or permits for any new gasoline service station facilities within the Commercial Neighborhood Business zone.

Remove Item: Appointment to the Clark County Arts Commission.

PUBLIC COMMENT

Shannon Hagen - Resident
Been working with the City to complete work on my property regarding stormwater issue
Recently informed that storm drains/piping will not be removed
Requesting for City to reconsider removal of the materials

BJ Babcock - Resident
Spoke regarding use of fireworks
Requesting City to ban fireworks discharge

Jerry Claar/Michelle Montana/Tim Woock - Resident
Spoke regarding use fireworks
Requesting City adopts additional regulations regarding “Safe and Sane” fireworks

Al Anderson - Resident

Spoke regarding use of fireworks
Requesting City ban fireworks discharge in City limits
Clark County Fairgrounds did a great display of fireworks, which was safe and not dangerous to anyone or homes

Rob Aichele - Resident
Spoke regarding use of fireworks
Consider adopting additional regulations regarding "Safe and Sane" fireworks

John Dotson - Resident
Thanked engineering staff on recent road construction in the neighborhood
Another great 4th of July event

Clyde Burkle - Resident
Ridgefield Outdoor Recreation Complex - consider adding addition handicap parking near the entrance to the fields.

Written comments submitted to City Council from Bruce Carpenter.

CONSENT AGENDA - MOTION TO APPROVE AS PRESENTED.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Ron Onslow, Councilor
SECONDER:	Lee Wells, Councilor
AYES:	Onslow, Taylor, Wells, Stose, Wertz, Day, Lindsay

1. **Approval of Claims And/Or Payroll**
2. **Approval of Minutes from the June 20, 2019 Meeting**

PRESENTATION

1. **2018 Complete Streets Update**

BUSINESS

1. **Motion - Approval of Magnolia Heights Final Plat**

The Ridgefield Hearing Examiner approved the preliminary plat for Magnolia Heights Subdivision on October 26, 2018, as PLZ-18-0053. The project proposes to subdivide a 2.98-acre site, Assessor's #120967000, into 12 single-family residential lots. The lots range from 7,504 square feet (Lot 5) to 13,427 square feet (Lot 1), consistent with the lot size approved for Magnolia Heights. The average lot size is 8,717 square feet. Magnolia Heights includes one public street, North 4th Way. Due to the absence of critical areas, Magnolia Heights received preliminary approval as a subdivision rather than a planned unit development (PUD). Therefore, no open space tracts were required. Stormwater facilities are located offsite to the east in the Union Ridge Ranch PUD.

MOTION: MOVED TO APPROVE FINAL PLAT WITH AN ADDITION OF HOME OWNERS ASSOCIATION.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ron Onslow, Councilor
SECONDER:	Darren Wertz, Councilor
AYES:	Onslow, Taylor, Wells, Stose, Wertz, Day, Lindsay

2. Motion - Approval of Reimbursable Services Agreement Between City of Ridgefield and Regional Transportation Council

This Reimbursable Services Agreement memorializes the ability for the Regional Transportation Council and City of Ridgefield to enter into work agreements when needed, to complete mutually beneficial transportation planning studies and project development activities.

MOTION: MOVED TO AUTHORIZE THE CITY MANAGER TO EXECUTE REIMBURSABLE SERVICES AGREEMENT BETWEEN THE CITY OF RIDGEFIELD AND REGIONAL TRANSPORTATION COUNCIL AS PRESENTED.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ron Onslow, Councilor
SECONDER:	Sandra Day, Councilor
AYES:	Onslow, Taylor, Wells, Stose, Wertz, Day, Lindsay

3. Ordinance No. 1295 - Declaring an Emergency and Adopting a Six-month Moratorium on Filing, Acceptance, Processing , and/or Approval of Applications or Permits for any new Gasoline Service Facilities within the Commercial Neighborhood Business Zone.

In April 2016, a Type II site plan application was submitted for Parcel # 216031000, generally known as "Hillhurst Commercial", and located at the southern corner of S Hillhurst Road and S Sevier Road. The site plan application and SEPA review were for construction of three commercial building shells on a 98,015 square foot lot: (A) 5,558 SF of retail/restaurant space; (B) 5,558 SF of retail/restaurant space; and (C) 7,7058 SF of retail space and second floor of office space. The project was to be constructed in phases: Phase I included Building B, all parking, stormwater facilities and landscaping; Phase II included Building A and associated pedestrian walkways; and Phase III included Building C and associated pedestrian walkways. Site plan was approved in September 2016. In June 2019, City staff was contacted by a new applicant who was interested in seeking a post-decision review to reconfigure one of the buildings to accommodate a gas station. Staff explained that the proposed use is an allowed use within the zone, but is a significant change which would require a new Pre-application conference. Upon notice of the Pre-application conference, City Council became aware that gasoline service station facilities are a Permitted use in the CNB zone, and expressed concerns that a gas station in the Commercial Neighborhood Business ("CNB") zone might not be compatible with the vision and intent of the zone. Time is needed to analyze the issues presented by gasoline service station facilities located in the CNB zone, such as the appropriateness of use for zoning and location, and/or design standards to ensure the health, safety and welfare of those living and working near the proposed use. Currently no applications have been received for gasoline service station facilities to operate within the CNB zone within the Ridgefield city limits, though there has been one proposed for consideration as described above. This moratorium is necessary to permit staff time to research, facilitate public outreach, and modify or establish regulations related to gasoline service station facilities in the CNB zone. Pursuant to RCW 35A.63.220 and RCW 36.70A.390, the City Council may adopt a moratorium for a period of up to six (6) months without notice and public hearing provided that the City holds a public hearing within sixty (60) days after the adoption of this Ordinance. Pursuant to RCW 35A.63.220 and RCW 36.70A.390, if Council adopts Ordinance 1295, and tasks staff with the work identified above and within the Ordinance itself, then City Council would be required to hold a public hearing at its regularly scheduled meeting at 6:30pm in the Ridgefield

Administrative and Civic Complex on August 22, 2019, or as soon thereafter as the business of the City Council shall permit, in order to take public testimony and to consider adopting further findings on the moratorium. The moratorium set forth in this Ordinance, if adopted, shall be in effect for a period of six (6) months from the date this Ordinance is adopted and will automatically expire at the conclusion of that six-month period unless the same is extended as provided in RCW 35A.63.220 and RCW 36.70A.390, or unless terminated sooner by City Council.

City Council conducted discussion.

MOTION: MOVED TO SUSPEND THE RULES OF PROCEDURE AND ADOPT ORDINANCE NO. 1295 AS PRESENTED.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	David Taylor, Councilor
SECONDER:	Jen Lindsay, Councilor
AYES:	Onslow, Taylor, Wells, Stose, Wertz, Day, Lindsay

PUBLIC COMMENT

Kelly House - Resident
Spoke in favor of legal fireworks
Neighbors worked together and cleaned up neighborhood after event, everything went great and kids were happy
Don't punish everyone by eliminating fireworks all together in City limits

Jon Babcock - Resident
Spoke regarding use of fireworks
Requesting City to ban fireworks discharge
Consider adopting additional regulations regarding “Safe and Sane” fireworks

Curt Croft - Resident
With the recent change to the code regarding 1-day discharge of fireworks, resident bought enough fireworks to last more than 1 day
S 8th Avenue construction project - contractors did a great job

COUNCIL/PRESIDING OFFICER/STAFF REPORTS

Council

Council Member Onslow - Attended AWC conference, Lewis & Clark trail map review, Pioneer Village groundbreaking ceremony, 4th of July event.
Council Member Taylor - Attended AWC Conference, C-Tran special event announcement, 4th of July Event.
Council Member Wells - Attended 4th of July event.
Council Member Wertz - Attended AWC Conference, C-Tran special event announcement, 4th of July Event, Pioneer Village groundbreaking ceremony.
Council Member Lindsay - Attended C-Tran special event announcement, 4th of July Event, Pioneer Village groundbreaking ceremony.
Council Member Day - Attended AWC Conference, C-Tran special event announcement, 4th of July Event, Pioneer Village groundbreaking ceremony, Ridgefield Chamber of Commerce 1st Anniversary event, Library fundraiser event.

Mayor

Appointment of Parks Board Members, Position No. 5 & 7

John Rose, Position No. 5
Rachel Coker, Position No. 7

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Ron Onslow, Councilor
SECONDER:	David Taylor, Councilor
AYES:	Onslow, Taylor, Wells, Stose, Wertz, Day, Lindsay

City Manager

City Manager Steve Stuart - Addressed RORC handicap parking, groundbreaking ceremony for Pioneer Village, Vancouver Clinic open house, Vancouver Business Journal top project award scheduled for July 24th.

City Attorney Janean Parker - Litigation update provided.

Community Development Director Louisa Garbo - Community Development report update provided.

Public Works Director Bryan Kast - Kudos to Public Works for all the prep prior to 4th of July event, S Royle Road closure update.

Deputy City Manager Lee Knottnerus - Tuesdays in the Park event, engineering tech position is still open and applications are being accepted.

Police Chief John Brooks - New hire will be starting on August 1st.

ADJOURN - 7:45 PM

______________________________ Julie Ferriss, City Clerk

______________________________ Don Stose, Mayor

CITY OF RIDGEFIELD
REQUEST FOR COUNCIL ACTION

MEETING DATE: July 25, 2019

ITEM: CONSENT AGENDA

AGENDA ITEM TITLE: Approval of Claims And/Or Payroll

GOVERNING LEGISLATION:

Revised Code of Washington Title 35A

PREVIOUS COUNCIL ACTION TAKEN:

City Council approves claims and/or payroll of the City on a regular basis

BACKGROUND:

Vendor claims

BUDGET/FINANCIAL IMPACTS:

See vendor detail attached

RECOMMENDED ACTION OR MOTION:

Staff recommends Council approve the claims and/or payroll by making the following motion:

"I move to approve the consent agenda as presented"

STAFF CONTACT: Kirk Johnson, Finance Director

ATTACHMENTS: July 25 2019 - CLAIMS REPORT (PDF)

City of Ridgefield

Claims Payment Report

For Approval on: July 25, 2019

Sum of Amount Vendor Name	Vendor Number	Invoice Number	Resp. Department	Description	Total
ACCELA INC.	2779	190721926	Public Works	Customer Web Payments	132.84
		INV-ACC47228	Public Works	ACH Web Payments	361.00
ACCELA INC. Total					493.84
ADVENTIST HEALTH/OCCUPATIONAL MC	865	82202	Public Safety	Pre Hire Medical Screening - Santos	823.00
ADVENTIST HEALTH/OCCUPATIONAL MC Total					823.00
ARAMARK UNIFORM SERVICES	32	864055255	Genl Govt/Facilities	City Hall Floor Mats	7.09
				CDD/PW/FIN Floor Mats	0.61
			Public Safety	PD Floor Mats	4.47
			Public Works	CDD/PW/FIN Floor Mats	3.30
			Community Development	CDD/PW/FIN Floor Mats	3.92
		864055254	Genl Govt/Facilities	PW Floor Mats	1.69
				PW Uniforms	1.14
			Public Works	PW Floor Mats	26.03
				PW Uniforms	27.45
		864045230	Genl Govt/Facilities	PW Floor Mats	1.69
				PW Uniforms	1.14
			Public Works	PW Floor Mats	26.03
				PW Uniforms	27.45
ARAMARK UNIFORM SERVICES Total					132.01
ASSOCIATED CONSULTANTS INC.	1030	19-159-01	Community Development	Ridgefield VRMS Portable Classroom Plan Review	722.50
		19-139-03	Community Development	Taco Bell Drive-through Plan Review	892.50
		19-174-01	Community Development	UNFI Canopy & Tank Foundation Plan Review	1,275.00
		19-139-02	Community Development	Discovery Ridge Building 2 Plan Review	850.00
		19-173A-01	Community Development	Ridgefield Apartments Carports Plan Review	255.00
		19-173C-01	Community Development	Ridgefield Apartment Carports Plan Review	255.00
		19-160-01	Community Development	Ridgefield VRMS Portable Classroom Plan Review	722.50
		19-173B-01	Community Development	Ridgefield Apartments Carport Plan Review	255.00
ASSOCIATED CONSULTANTS INC. Total					5,227.50
B AND L PAPER COMPANY	2165	28740	Public Works	Abrams Park Paper Supplies	111.21
B AND L PAPER COMPANY Total					111.21
BLUEFIN PAYMENT SYSTEMS	2827	2827-20190725	Public Works	Citizen Payment Fees - June 2019	1,136.60
BLUEFIN PAYMENT SYSTEMS Total					1,136.60
BRENDA HOWELL	2875	2875-20190723	Public Works	Meals per-diem - Highway Runoff Manual Trianing - Howell	138.00
BRENDA HOWELL Total					138.00
BSK ASSOCIATES	2119	V902018	Public Works	Coliform Testing	325.00
BSK ASSOCIATES Total					325.00
CFM STRATEGIC COMMUNICATIONS INC.	2551	25105	Genl Govt/Facilities	June 2019 Lobbyist	5,200.00
CFM STRATEGIC COMMUNICATIONS INC. Total					5,200.00
CLARK AND SONS EXCAVATING INC.	2848	2848-201907-1	Genl Govt/Facilities	Retainage	(3,442.74)
			Public Works	Pavement Preservation Program	68,854.72
CLARK AND SONS EXCAVATING INC. Total					65,411.98

Attachment: July 25 2019 - CLAIMS REPORT (Approval of Claims And/Or Payroll)

City of Ridgefield

Claims Payment Report

For Approval on: July 25, 2019

CLARK COUNTY	**102**	CI004100	**Public Safety**	Range Rental - May 2019	200.00
		CI003970	**Public Safety**	Range Rental - March 2019	200.00
		CI004137	**Judicial**	2nd Qtr. 2019 Limited Court Services	160.00
CLARK COUNTY Total					**560.00**
CLARK COUNTY FIRE DISTRICT #5	**104**	10223	**Genl Govt/Facilities**	Safety Consortium Qtrly Billing July-Sept 2019	29.31
			Public Works	Safety Consortium Qtrly Billing July-Sept 2019	451.94
CLARK COUNTY FIRE DISTRICT #5 Total					**481.25**
CLARK COUNTY TREASURERS OFFICE	**554**	SIF201906	**Genl Govt/Facilities**	School Impact Fees	549,964.89
		SIF201905	**Genl Govt/Facilities**	School Impact Fees	840,402.75
CLARK COUNTY TREASURERS OFFICE Total					**1,390,367.64**
CLARK PUBLIC UTILITIES	**110**	20190725-7448-974-1	**Public Works**	N 35th and Pioneer St.	24.55
				N 35th Ave and Pioneer St	24.56
		20190725-7207-403-2	**Public Works**	911 N 65th Ave Intertie 2 - Water	191.54
		20190725-7122-942-1	**Public Works**	3701 N 3rd Cir - Electricity	26.97
		20190725-7123-806-7	**Public Works**	Pioneer St. & Gee Creek Loop - Electricity	27.23
		20190725-7207-402-4	**Public Works**	1504 NW Intertie 3 - Water	1,623.15
		20190725-7122-944-7	**Public Works**	512 N Allen Dr - Electricity	26.83
		20190725-7126-408-9	**Public Works**	2300 N 3rd Way Bellwood Trail Lights	31.07
		20190725-7453-365-4	**Public Works**	535 N Abrams Park Rd.	36.50
		20190725-7124-838-9	**Public Works**	Overlook Park - Electricity	54.91
		20190725-7207-401-6	**Public Works**	800 NE 264 St Intertie 1 - Water	611.09
CLARK PUBLIC UTILITIES Total					**2,678.40**
CLARK REGIONAL WASTEWATER DISTRICT	**741**	032664-000-20190725	**Public Works**	301 N 3rd Ave CDD - Sewer	25.08
			Community Development	301 N 3rd Ave CDD - Sewer	25.07
		032695-000-20190725	**Public Works**	109 W Division WWTP - Sewer	227.51
		032894-000-20190725	**Public Works**	Abrams Park Kitchen - Sewer	145.56
		032895-000-20190725	**Public Works**	Abrams Park Restrooms - Sewer	74.01
		035480-000-20190725	**Public Works**	255 S 56th Pl Well & Reservoir - Sewer	40.03
		032899-000-20190725	**Public Works**	Abrams Park Former Mgr House - Sewer	43.43
		032752-000-20190725	**Genl Govt/Facilities**	230 Pioneer St City Hall - Sewer	103.97
		032712-000-20190725	**Public Safety**	116 N Main Ave PD - Sewer	47.09
CLARK REGIONAL WASTEWATER DISTRICT Total					**731.75**
Clevenger James & Diane	**UB*00239**	(blank)	**Genl Govt/Facilities**	Refund Check 005150-000 210 S 4Th Ave	66.98
Clevenger James & Diane Total					**66.98**
CNR NW SERVICES LLC	**3352**	3352-201907	**Genl Govt/Facilities**	Business License Refund - CNR NW Services LLC	50.00
CNR NW SERVICES LLC Total					**50.00**
COLF CONSTRUCTION LLC	**2984**	2984-2019-14	**Public Works**	RORC Construction	35,376.71
COLF CONSTRUCTION LLC Total					**35,376.71**
COLUMBIAN PUBLISHING	**116**	13360	**Community Development**	Notice of Type II hrg - Camp Bow Wow	117.00
		13353	**Community Development**	Notice of SEPA/DNS - Greely Farms Ph. 2	169.20
		13375	**Community Development**	Notice of Use Discovery Ridge Phase 3A	111.60
		13003	**Genl Govt/Facilities**	Special RSS Raptors	195.00
COLUMBIAN PUBLISHING Total					**592.80**
COMCAST	**2271**	2271-201907-230	**Genl Govt/Facilities**	Internet Services - City Hall	302.87
		2271-201907-109	**Genl Govt/Facilities**	PW Shop Communications	23.89

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City of Ridgefield

Claims Payment Report
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COMCAST	2271	2271-201907-109	Public Works	PW Shop Communications	368.38
		2271-201907-116	Public Safety	PD Communications	350.67
COMCAST Total					1,045.81
COMCAST BUSINESS	1666	85213156	Genl Govt/Facilities	Internet Services - 230 Pioneer St.	370.08
COMCAST BUSINESS Total					370.08
COMDATA NETWORK INC.	1101	20316096	Genl Govt/Facilities	Fuel PW - XN173	103.42
			Public Works	Fuel PW - XN173	1,594.76
			Community Development	Fuel CDD - XN173	236.16
		20316095	Public Safety	Fuel PD - XN795	1,064.59
COMDATA NETWORK INC. Total					2,998.93
CONSERVATION TECHNIX INC.	1821	828	Public Works	Ridgefield Parks and Recreation Plan Update	2,035.00
CONSERVATION TECHNIX INC. Total					2,035.00
CUSTOMINK LLC	2718	31937286	Human Resources	City Logo Trucker Hats	1,102.30
		31937420	Genl Govt/Facilities	City Logo Mugs	583.19
CUSTOMINK LLC Total					1,685.49
DARREN WERTZ	1839	1839-20190725	Council	Mileage and Parking Reimb - Wertz	502.08
DARREN WERTZ Total					502.08
DAY WIRELESS SYSTEMS INC	140	492228	Public Safety	LIDAR Unit Calibration	90.59
DAY WIRELESS SYSTEMS INC Total					90.59
DEPARTMENT OF LICENSING	154	RG0000353-2019	Genl Govt/Facilities	CPL License - Gerretson	18.00
		RG0000354-2019	Genl Govt/Facilities	CPL License - Gerretson	18.00
		RG0000355-2019	Genl Govt/Facilities	CPL License - Alldredge	18.00
DEPARTMENT OF LICENSING Total					54.00
DESIGNS OF ALL KINDS INC.	3350	18479	Genl Govt/Facilities	4TH of July	286.18
DESIGNS OF ALL KINDS INC. Total					286.18
DKS ASSOCIATES	1565	70706	Community Development	On Call Review Services - June 2019	2,020.00
DKS ASSOCIATES Total					2,020.00
DUDE SOLUTIONS INC.	3044	inv-52236	Genl Govt/Facilities	SmartGOV Subscription and Porta Salesl Tax	(922.77)
			Community Development	SmartGOV Subscription and Portal	11,908.17
DUDE SOLUTIONS INC. Total					10,985.40
E2 LAND USE PLANNING SERVICES LLC	485	0485-20190725	Community Development	Planning/Consulting Services June 2019	9,074.20
E2 LAND USE PLANNING SERVICES LLC Total					9,074.20
ECOLOGICAL LAND SERVICES	3130	2032377	Community Development	Wetland Mitigation Consulting - Pioneer Village	460.50
ECOLOGICAL LAND SERVICES Total					460.50
ENGINEERING NORTHWEST PLLC	3120	ENG-19-0041	Genl Govt/Facilities	Refund ENG-19-0041	1,500.00
ENGINEERING NORTHWEST PLLC Total					1,500.00
FERGUSON ENTERPRISES INC # 8423	181	784619	Genl Govt/Facilities	Water Meters	(1,010.75)
			Public Works	Water Meters	13,043.55
FERGUSON ENTERPRISES INC # 8423 Total					12,032.80
Ferguson Geary	UB*00231	(blank)	Genl Govt/Facilities	Refund Check 010383-000 118 N 42Nd Pl	94.05
Ferguson Geary Total					94.05
GISI MARKETING GROUP	2811	152157	Genl Govt/Facilities	Play at the Park Handbills	372.90
GISI MARKETING GROUP Total					372.90
GO CHURCH	3358	3358-201907	Genl Govt/Facilities	Abrams Park Refundable Deposit - Go Church	100.00
GO CHURCH Total					100.00

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City of Ridgefield

Claims Payment Report
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GROVER ELECTRIC AND PLUMBING	**210**	HA93614	**Genl Govt/Facilities**	Returned PW Shop Supplies	(0.78)
			Public Works	Returned PW Shop Supplies	(12.10)
		HA93613	**Genl Govt/Facilities**	PW Shop Supplies	14.11
			Public Works	PW Shop Supplies	217.55
GROVER ELECTRIC AND PLUMBING Total					**218.78**
H.D. FOWLER COMPANY	**2036**	I5201370	**Public Works**	Water Operational Supplies	80.82
H.D. FOWLER COMPANY Total					**80.82**
HARRY'S LAWN AND POWER EQUIPMENT	**214**	164588	**Public Works**	Parks/Street Equipment Maintenance	381.39
HARRY'S LAWN AND POWER EQUIPMENT Total					**381.39**
HOME DEPOT CREDIT CARD SERVICES	**1805**	3605721	**Genl Govt/Facilities**	PW Shop Supplies	1.72
			Public Works	PW Shop Supplies	26.57
HOME DEPOT CREDIT CARD SERVICES Total					**28.29**
HUMANE SOCIETY FOR SW WASHINGTON	**526**	5022	**Public Safety**	Animal Control	350.00
HUMANE SOCIETY FOR SW WASHINGTON Total					**350.00**
IMAGINEERING GRAHICS INC	**234**	19175	**Community Development**	Correction Notices	344.09
IMAGINEERING GRAHICS INC Total					**344.09**
INTERMEDIA.NET INC	**2187**	1907072138	**Information Technology**	Voice Services Charges - June 2019	84.28
INTERMEDIA.NET INC Total					**84.28**
JASON DALLUM	**3357**	3357-201907	**Genl Govt/Facilities**	Abrams Park Refundable Deposit - Dallum	100.00
JASON DALLUM Total					**100.00**
JESSICA KIPP	**2099**	2099-20190725	**Genl Govt/Facilities**	Mileage Reimb - Kipp	42.57
JESSICA KIPP Total					**42.57**
Johnson Jennifer	**UB*00237**	(blank)	**Genl Govt/Facilities**	Refund Check 011788-000 3501 S 1St Cir	157.88
Johnson Jennifer Total					**157.88**
KENYON DISEND PLLC	**1746**	188905	**Community Development**	Prof. Attorney Services - Com. Plan Appeal	175.00
		188904	**Community Development**	Prof Attorney Services Annexation Appeal	1,484.00
KENYON DISEND PLLC Total					**1,659.00**
King Tyler & Karina	**UB*00238**	(blank)	**Genl Govt/Facilities**	Refund Check 011076-000 121 N 44Th Pl	66.51
King Tyler & Karina Total					**66.51**
Kraner Ronn	**UB*00232**	(blank)	**Genl Govt/Facilities**	Refund Check 011701-000 3676 N 10th St	48.35
Kraner Ronn Total					**48.35**
Krippner Homes LLC	**UB*00234**	(blank)	**Genl Govt/Facilities**	Refund Check 010340-091 3174 N Canyon Cir	45.49
	UB*00235	(blank)	**Genl Govt/Facilities**	Refund Check 010340-073 3134 N Canyon Cir	49.07
	UB*00236	(blank)	**Genl Govt/Facilities**	Refund Check 010340-067 3102 N Canyon Circle	71.45
Krippner Homes LLC Total					**166.01**
LANGUAGE LINE SERVICES INC.	**3122**	4596513	**Judicial**	Interpretation Services	24.58
LANGUAGE LINE SERVICES INC. Total					**24.58**
LARCH CORRECTIONS CENTER	**2088**	LCC1906.759	**Public Works**	Community Work Crew - June 2019	1,496.93
LARCH CORRECTIONS CENTER Total					**1,496.93**
LASER TECHNOLOGY INC.	**3333**	168831 RI	**Public Safety**	Truspeed Radar	1,512.19
LASER TECHNOLOGY INC. Total					**1,512.19**
LINKO TECHNOLOGY INC.	**3337**	5913	**Genl Govt/Facilities**	Web Tests - June 2019	(13.02)
			Public Works	Web Tests - June 2019	168.02
LINKO TECHNOLOGY INC. Total					**155.00**
MARIUS L MALATTIA	**1817**	127	**Community Development**	Design Reviews - June 2019	1,100.00

City of Ridgefield

Claims Payment Report

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MARIUS L MALATTIA Total					**1,100.00**
May Vincent & Cristy	**UB*00230**	(blank)	**Genl Govt/Facilities**	Refund Check 009842-000 367 N Green Gables Loop	39.41
May Vincent & Cristy Total					**39.41**
MFCP INC.	**2723**	7348706	**Public Works**	Street Sweeper Maint/Water Supplies	32.60
MFCP INC. Total					**32.60**
MJB CONSULTING INC	**3117**	1846	**Genl Govt/Facilities**	State Lobbyist - July 2019	2,500.00
MJB CONSULTING INC Total					**2,500.00**
Muhonen Aaron	**UB*00229**	(blank)	**Genl Govt/Facilities**	Refund Check 011423-000 202 N 39Th Ct	36.99
Muhonen Aaron Total					**36.99**
MUTUAL MATERIALS	**2750**	2061228	**Public Works**	Street Supplies	50.41
MUTUAL MATERIALS Total					**50.41**
NAPA AUTO PARTS	**498**	128928	**Genl Govt/Facilities**	Shop Supplies & Vehicle Maint.	5.49
			Public Works	Shop Supplies & Vehicle Maint.	95.35
		127473	**Genl Govt/Facilities**	Shop Supplies	1.91
			Public Works	Shop Supplies	29.46
		129009	**Public Works**	Streets Supplies	22.64
		128566	**Community Development**	CDD Vehicle Maint.	30.46
NAPA AUTO PARTS Total					**185.31**
NATIONAL ASSOCIATION OF TOWN WATCH	**1219**	NNO1404	**Genl Govt/Facilities**	NNO T-Shirts	245.20
		NNO1466	**Genl Govt/Facilities**	NNO T-Shirts	51.00
NATIONAL ASSOCIATION OF TOWN WATCH Total					**296.20**
NORTHWEST STAFFING	**522**	4103108	**Community Development**	Temp Services - Riccardo	795.52
		4102908	**Community Development**	Temp Services - Riccardo	994.40
NORTHWEST STAFFING Total					**1,789.92**
ONE CALL CONCEPTS	**326**	9069096	**Public Works**	June 2019 Excavation Notifications & Modem Ticket	271.92
ONE CALL CONCEPTS Total					**271.92**
OTAK INC.	**1787**	71900067	**Public Works**	RORC Project Management	4,657.73
OTAK INC. Total					**4,657.73**
OWEN EQUIPMENT COMPANY	**916**	190764	**Public Works**	Street Sweeper Repair	1,226.36
OWEN EQUIPMENT COMPANY Total					**1,226.36**
PACIFIC OFFICE AUTOMATION	**1564**	146981	**Genl Govt/Facilities**	Copy Machines - Quarterly Usage	263.04
			Public Works	Copy Machines - Quarterly Usage	153.04
			Community Development	Copy Machines - Quarterly Usage	138.23
PACIFIC OFFICE AUTOMATION Total					**554.31**
PATRICK HILDRETH BRAND AND DESIGN	**2372**	1406	**Genl Govt/Facilities**	(blank)	725.00
			Information Technology	(blank)	100.00
PATRICK HILDRETH BRAND AND DESIGN Total					**825.00**
PBS ENGINEERING AND ENVIRONMENTAL	**342**	0070940.001-31	**Public Works**	(blank)	1,419.00
PBS ENGINEERING AND ENVIRONMENTAL Total					**1,419.00**
PIONEER PEST MANAGEMENT	**2040**	315024	**Genl Govt/Facilities**	City Hall Monthly Pest Management	129.00
PIONEER PEST MANAGEMENT Total					**129.00**
PORTLAND ENGINEERING INC	**2082**	8830	**Public Works**	Prof Eng Services - S 56/Cemetery Booster Station	1,423.56
PORTLAND ENGINEERING INC Total					**1,423.56**
PROFORCE LAW ENFORCEMENT	**1014**	376920	**Public Safety**	Taser Cartridges	1,002.58
PROFORCE LAW ENFORCEMENT Total					**1,002.58**

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City of Ridgefield

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RICOH USA INC.	1662	102311612	Public Safety	PD Copier Lease	215.21
RICOH USA INC. Total					215.21
RIDGEFIELD HARDWARE	376	0376-20190725	Genl Govt/Facilities	Ridgefield Hardware Opper. Supplies June 2019	35.06
			Public Works	Ridgefield Hardware Opper. Supplies June 2019	1,094.36
			Community Development	Ridgefield Hardware Opper. Supplies June 2019	4.44
RIDGEFIELD HARDWARE Total					1,133.86
RIDGEFIELD LANDSCAPE PRODUCTS	3021	3021-20190725	Public Works	Debris Dump & Bark Dust	1,644.58
RIDGEFIELD LANDSCAPE PRODUCTS Total					1,644.58
ROYALTY FENCE COMPANY	3351	3351-201907	Genl Govt/Facilities	Business License Refund - Royalty Fence Co.	50.00
ROYALTY FENCE COMPANY Total					50.00
SANDRA DAY	1838	1838-20190725	Council	Mileage and Parking Reimb - Day	696.11
SANDRA DAY Total					696.11
SHRED-IT US JV LLC	2274	8127612121	Genl Govt/Facilities	Secure Shreddingf - RACC	2.61
			Public Works	Secure Shreddingf - RACC	14.03
			Community Development	Secure Shreddingf - RACC	16.64
		8127612120	Public Safety	Secure Shredding - PD	33.28
		8127612122	Genl Govt/Facilities	Secure Shredding - City Hall	31.20
SHRED-IT US JV LLC Total					97.76
SHRM	1083	9008075298	Human Resources	2019-2020 SHRM Membership - Blehem	209.00
SHRM Total					209.00
SMARSH	2550	INV00520956	Information Technology	Social Media & Email Archiving - June 2019	76.88
SMARSH Total					76.88
STATE AUDITOR'S OFFICE	524	L131772	Finance	Audit Services	1,170.87
STATE AUDITOR'S OFFICE Total					1,170.87
STATE OF WASHINGTON DEPARTMENT OF REVENU	156	0-009-409-853	Genl Govt/Facilities	June 2019 B&O and Excise Tax	2,279.73
			Public Works	June 2019 B&O and Excise Tax	4,811.19
STATE OF WASHINGTON DEPARTMENT OF REVENUE Total					7,090.92
STEPHANIE VOMBAUR	3353	3353-201907	Genl Govt/Facilities	Abrams Park Refundable Dep - Vomber	100.00
STEPHANIE VOMBAUR Total					100.00
THE MASTERS TOUCH LLC	1786	P63955	Public Works	Utility Statement Mailing June 2019	1,060.01
		63955	Public Works	Utility Statements June 2019	841.25
THE MASTERS TOUCH LLC Total					1,901.26
THE PARR COMPANY	964	26459323	Public Works	Cross Walk Supplies	73.50
		26461589	Public Works	Water Small Tools	29.80
		26460738	Genl Govt/Facilities	4th of July Parade Float	97.33
THE PARR COMPANY Total					200.63
Thompson Bros. Excavating Inc.	UB*00233	(blank)	Genl Govt/Facilities	Refund Check 010990-002 Hydrant Meter	2,016.57
Thompson Bros. Excavating Inc. Total					2,016.57
US BANK	2237	2237-201907	Finance	Custody Charges	22.00
US BANK Total					22.00
VERIZON WIRELESS	452	9833036214	Genl Govt/Facilities	PW Director iPad	5.94
				PW Cell Phones & 2 iPads	53.12
				Julie iPad	39.45
			Public Safety	PD Chief iPad	39.48
				PD Cell Phones	1,052.72

Attachment: July 25 2019 - CLAIMS REPORT (Approval of Claims And/Or Payroll)

City of Ridgefield

Claims Payment Report

For Approval on: July 25, 2019

VERIZON WIRELESS	**452**	9833036214	**Public Works**	PW Director iPad	25.58
				PW Cell Phones & 2 iPads	819.07
			Community Development	PW Director iPad	7.90
				CDD Cell Phones	374.34
				CDD Director iPad	39.47
			Council	Council iPads	280.07
			Finance	Finance Director iPad	39.47
			Administration	Deputy City Manager iPad	39.48
			Executive	City Manager iPad	39.48
		9833036215	**Public Works**	Street Communications	100.04
VERIZON WIRELESS Total					**2,955.61**
WA STATE TREASURER'S OFFICE	**642**	0642-20190630	**Genl Govt/Facilities**	2nd Quarter 2019 - Building Code Fees	1,585.00
WA STATE TREASURER'S OFFICE Total					**1,585.00**
WASHINGTON STATE PATROL	**463**	I19008774	**Genl Govt/Facilities**	Background Checks - CPL	53.00
WASHINGTON STATE PATROL Total					**53.00**
WELLS FARGO	**1681**	201906-4015	**Genl Govt/Facilities**	Arends Harbor Freight shop tools	26.87
				Arends Harbor Freight gloves for crew	5.15
				Arends Walmart gatorade-crew hydration	1.64
			Public Works	Arends Harbor Freight shop tools	414.29
				Arends Harbor Freight gloves for crew	79.28
				Arends Walmart gatorade-crew hydration	25.23
				Arends Amazon sweeper mirrors-streets/storm	52.69
				Arends Iron Clad Company sweeper brooms-streets/storm	273.17
		201906-4056	**Genl Govt/Facilities**	Ferriss Starbucks Management Retreat	19.46
				Ferriss Fred Meyer Management Retreat	33.36
			Council	Ferriss The Davenport AWC Conf-Day	358.83
				Ferriss Brown Paper Tickets CREDC Luncheon-Day	15.00
				Ferriss BIA of Clark County 2019 Legislative Review Luncheon-Wer	110.00
				Ferriss The Davenport AWC Conf-Wertz	522.00
				Ferriss BIA of Clark County 2019 Legislative Review Luncheon-Tay	55.00
				Ferriss The Davenport AWC Conf-Taylor	391.50
				Ferriss BIA of Clark County 2019 Legislative Review Luncheon-Wel	55.00
				Ferriss BIA of Clark County 2019 Legislative Review Luncheon-Day	55.00
		201906-1889	**Executive**	Stuart Adobe Acropro Monthly Subscription	16.25
				Stuart Fuel Bistro Meeting re:Clark County CFAC	22.43
				Stuart COV Parking Parking for Presentation of Ridgefield develo	2.50
				Stuart The Davenport Parking and tax for AWC Annual Conf ($37.50	93.03
				Stuart Salmon Creek Cleaners Conf Expense-NOT REIMBURSABLE- chec	98.86
				Stuart Chevron Presentation of Ridgefield development update @Re	12.38
				Stuart Shell Oil Fuel Expense-NOT REIMBURSABLE- check from emplo	81.74
				Stuart El Rancho Viejo Meeting w/business owner re:potential exp	18.39
				Stuart Farrars Bistro Meeting w/commercial developer re:Ridgefie	23.78
				Stuart Billygans Roadhouse Meeting to discuss Traffic Impact Fee	17.94
				Stuart Fuel Bistro Meeting w/RORC tenant re:park upkeep concerns	46.48
				Stuart Havoline Express Conf Vehicle Expense-NOT REIMBURSABLE- c	149.85

City of Ridgefield

Claims Payment Report

For Approval on: July 25, 2019

WELLS FARGO	**1681**	201906-1889	**Executive**	Stuart Petro Spokane Conf Vehicle Expense-NOT REIMBURSABLE- chec	27.70
				Stuart The Sportsmans Meeting w/City Councilors to discuss upcom	66.43
				Stuart Fuel Bistro Meeting to discuss digital mapping program fo	22.97
				Stuart Chevron NOT REIMBURSABLE- check from employee	8.71
				Stuart Uber Transportation for CM and Councilors @AWC Annual Con	19.30
				Stuart Clark County Parking Clark County Correctional Facilities	2.50
				Stuart Country Cafï¿½ Meeting w/City Councilors to discuss upcomin	50.91
				Stuart The Davenport Lodging for AWC Annual Conf-Julie Ferriss s	391.50
				Stuart Ridgefield Concessions Food for business guests: NOT REIM	33.60
				Stuart WCMA 2019 Summer Conf Reg. for Annual Washington State Ci	390.00
				Stuart Exxon Mobile Conf Vehicle Expense-NOT REIMBURSABLE- check	70.00
				Stuart Fred Meyers Conf Vehicle Expense-NOT REIMBURSABLE- check	79.95
				Stuart Eatery @the Grant House SW WA City Manager's Meeting	22.43
		201906-9760	**Public Safety**	Hoots TLO Transunion back ground investigations	112.52
				Hoots Amazon chemical suits and pens for PD	59.57
				Hoots Amazon measuring wheels for police cars	86.72
				Hoots Costco coffee for PD	36.99
				Hoots USPS found wallet return	8.16
				Hoots NCH Software transcription software	50.13
		201906-2960	**Genl Govt/Facilities**	Johnson Costco PW Coffee	2.43
			Public Safety	Johnson Palmeto State Armory Rifles for Police Department	1,463.37
			Public Works	Johnson Costco PW Coffee	37.53
				Johnson WA DOL Addtl Sales Tax/Licensing for Street Sweeper	139.69
				Johnson Blanks USA Door Hangars	94.52
				Johnson Amazon Vertical Organizer-Utility Clerk-Water Handhelds	32.69
				Johnson VistaPrint Street Signs for Fireworks	535.19
			Community Development	Johnson J2 Efax CDD Fax Line	16.95
			Human Resources	Johnson Costco Wellness Snacks	252.39
			Public Works	Johnson WA DOL Addtl Sales Tax/Licensing for Street Sweeper	139.70
		201906-5494	**Genl Govt/Facilities**	Kipp Papa Petes PW SUPPLIES	10.86
				Kipp Apple Itunes CITY HALL SUPPLIES	14.08
				Kipp PayPal *IJUFY EVENTS	43.34
				Kipp Amazon RACC SUPPLIES	3.64
				Kipp OTC Brands 4TH OF JULY FLOAT	491.66
				Kipp Amazon 4TH OF JULY FLOAT	147.28
				Kipp PayPal *JIANGYUEHUA F2T	56.20
				Kipp Amazon FIRST SATURDAY	201.06
				Kipp PayPal *IJUFY USE/SALES TAX	(3.35)
				Kipp Dï¿½cor Steals F2T	41.18
				Kipp PayPal *Etsy F2T	25.01
			Public Works	Kipp Papa Petes PW SUPPLIES	167.51
				Kipp Amazon RACC SUPPLIES	19.65
			Community Development	Kipp Amazon RACC SUPPLIES	23.30
				Kipp Walmart RORC	125.00
			Human Resources	Kipp Costco WELLNESS	430.15

City of Ridgefield

Claims Payment Report

For Approval on: July 25, 2019

WELLS FARGO	**1681**	201906-5494	**Human Resources**	Kipp Safeway EMPLOYEE APPRECIATION	47.78
		201906-8453	**Public Works**	Kast Amazon GPS for Utility Crew	119.23
				Kast Amazon Corner Flags for Abrams Park	186.69
				Kast Parkrose Hardware RORC supplies	6.40
				Kast Home Depot RORC WiFi antena mounts	34.25
				Kast Parkrose Hardware RORC extra trash cans for Raptors Games	357.56
		201906-8764	**Genl Govt/Facilities**	Knottnerus Costco Event Tables	108.38
				Knottnerus Facebook Big Paddle	9.43
				Knottnerus DRI Printing Services Downtown Pole Banners	64.12
			Information Technology	Knottnerus Adobe Social Media: Community Engagement	21.66
				Knottnerus Eclincher Social Media: Community Engagement	49.00
				Knottnerus TxtSignal Community Engagement	39.00
			Administration	Knottnerus Indeed Job Announcement	229.49
				Knottnerus American Public Works Job Announcement	325.00
		201906-1117	**Genl Govt/Facilities**	Blehm Fuel Bistro Management Retreat	99.21
				Blehm Shutterstock Reported to Wells Fargo as Fraud	31.44
			Public Safety	Blehm Hampton Inns Hotel-Training Cathy Doriot	1,353.15
				Blehm End of the Road Grill Police Oral Boards	65.88
			Public Works	Blehm End of the Road Grill Utility Clerk Interviews	81.55
			Human Resources	Blehm Party City Employee relations	14.58
				Blehm Fred Meyers All Hands	101.89
				Blehm Lava Java All Hands	39.10
		201906-8989	**Genl Govt/Facilities**	Brooks Mallory Safety & Supply Mallory Safety & Supply-Use/Sales	(1.68)
			Public Safety	Brooks COV Parking Parking for Meeting	3.55
				Brooks The Columbian Newspaper Subscription	9.99
				Brooks Mallory Safety & Supply 2 Safety Vests	21.68
				Brooks Glock Professional Refund for Cancelled Class	(250.00)
				Brooks Mimis Cleaners Patches on Vests	37.94
		201906-3663	**Community Development**	Garbo Papa Petes Pizza RACC's farewell lunch for Yonya	56.91
		201906-7296	**Genl Govt/Facilities**	Rhine Costco Snacks for volunteers/Officers 4th of July event	85.95
			Public Safety	Rhine Ridgefield Pack & Ship Shipping & Ins LIDAR to Day Wireles	30.81
				Rhine Clark County Health Food Service Permit National Night Out	195.00
		201906-1133	**Public Works**	Brunson Siemens Industries Potting kit for flow meter	170.19
WELLS FARGO Total					**12,873.35**
WILCO FARM STORE	**655**	704629	**Public Works**	Parks/Street Supplies	158.69
		704409	**Public Works**	Water Supplies	320.82
WILCO FARM STORE Total					**479.51**
WOODLAND TRUE VALUE HARDWARE	**1507**	1507-201906	**Public Works**	Water Supplies	160.17
WOODLAND TRUE VALUE HARDWARE Total					**160.17**
ZENNER PERFORMANCE METERS INC.	**3354**	0047410-IN	**Public Works**	PW Hydrant Meters	1,328.29
ZENNER PERFORMANCE METERS INC. Total					**1,328.29**
Grand Total					**1,616,130.23**

Attachment: July 25 2019 - CLAIMS REPORT (Approval of Claims And/Or Payroll)

CITY OF RIDGEFIELD
REQUEST FOR COUNCIL ACTION

MEETING DATE: July 25, 2019

ITEM:

AGENDA ITEM TITLE: Workforce Southwest Washington Update - Melissa Boles, Program Manager & Darcy Hoffman, Director of Business Services

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Workforce Southwest Washington Update

STAFF CONTACT: Julie Ferriss, City Clerk

ATTACHMENTS: WSW Presentation to City Council 2019_v2 (PDF) workforce

SOUTHWEST WASHINGTON

1

ABOUT US

Workforce Southwest Washington (WSW) is a nonprofit organization that invests in the economies of Clark, Cowlitz and Wahkiakum counties. The programs we fund help residents of Southwest Washington **get jobs that support families, strengthen our region's businesses and create a diverse workforce and strong economy**. Since 2003, we've invested more than **$100 million to get people working** in Southwest Washington.

We fund programs and activities that prepare youth and adult workers for living-wage jobs

We consult local businesses to recruit, train or re-train employees

We invest in community programs that help people find jobs

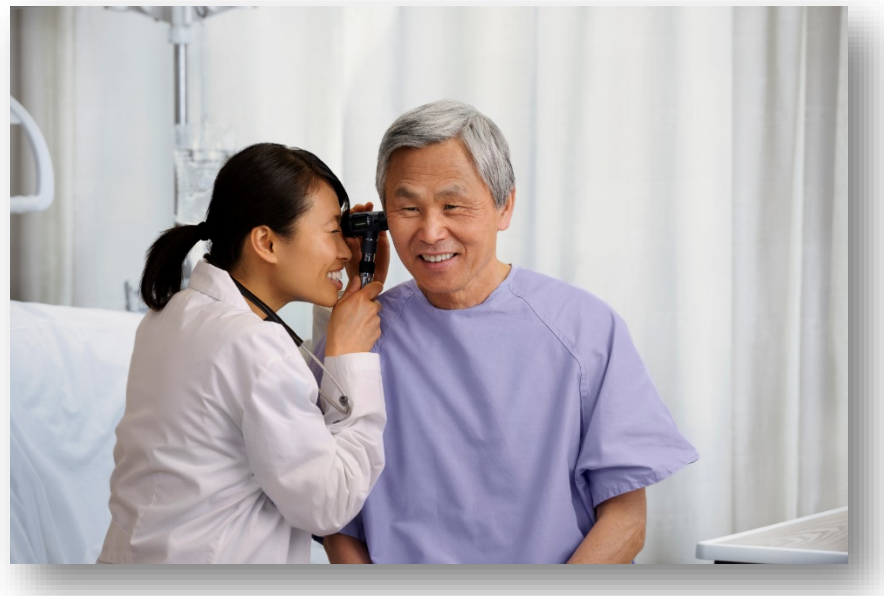
- For example, we manage "Next," Clark County's **first and only youth employment and training center**

The benefits to the community include:

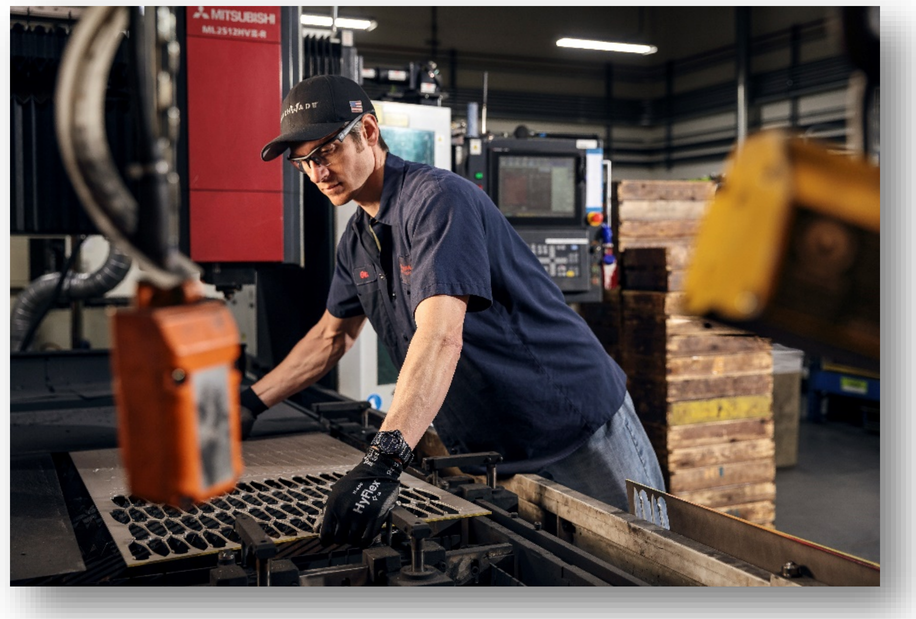
- **For people**: Programs that fund jobs that provide a living wage with room for growth
- **For businesses**: A workforce that is highly trained and motivated
- **For partners**: The opportunity to connect with like-minded organizations

workforce
SOUTHWEST WASHINGTON

COLUMBIA-WILLAMETTE WORKFORCE COLLABORATIVE (CWWC)



1 Workforce Southwest Washington – Clark, Cowlitz and Wahkiakum counties
Worksystems Inc., – Multnomah and Washington counties
Clackamas Workforce Partnership – Clackamas County



2 Unified approach to serving businesses, supporting economic development and guiding public workforce investments

3 Active, industry-led advisory boards focused around Construction, Healthcare, Tech and Manufacturing

workforce
SOUTHWEST WASHINGTON

Business Engagement

Industry needs inform program design and shape investments

Target Industries

Construction | Healthcare
Tech | Manufacturing

Industry Selection

High-growth, high-demand
Career pathways & family wage jobs
Criticalness to the region

Investments

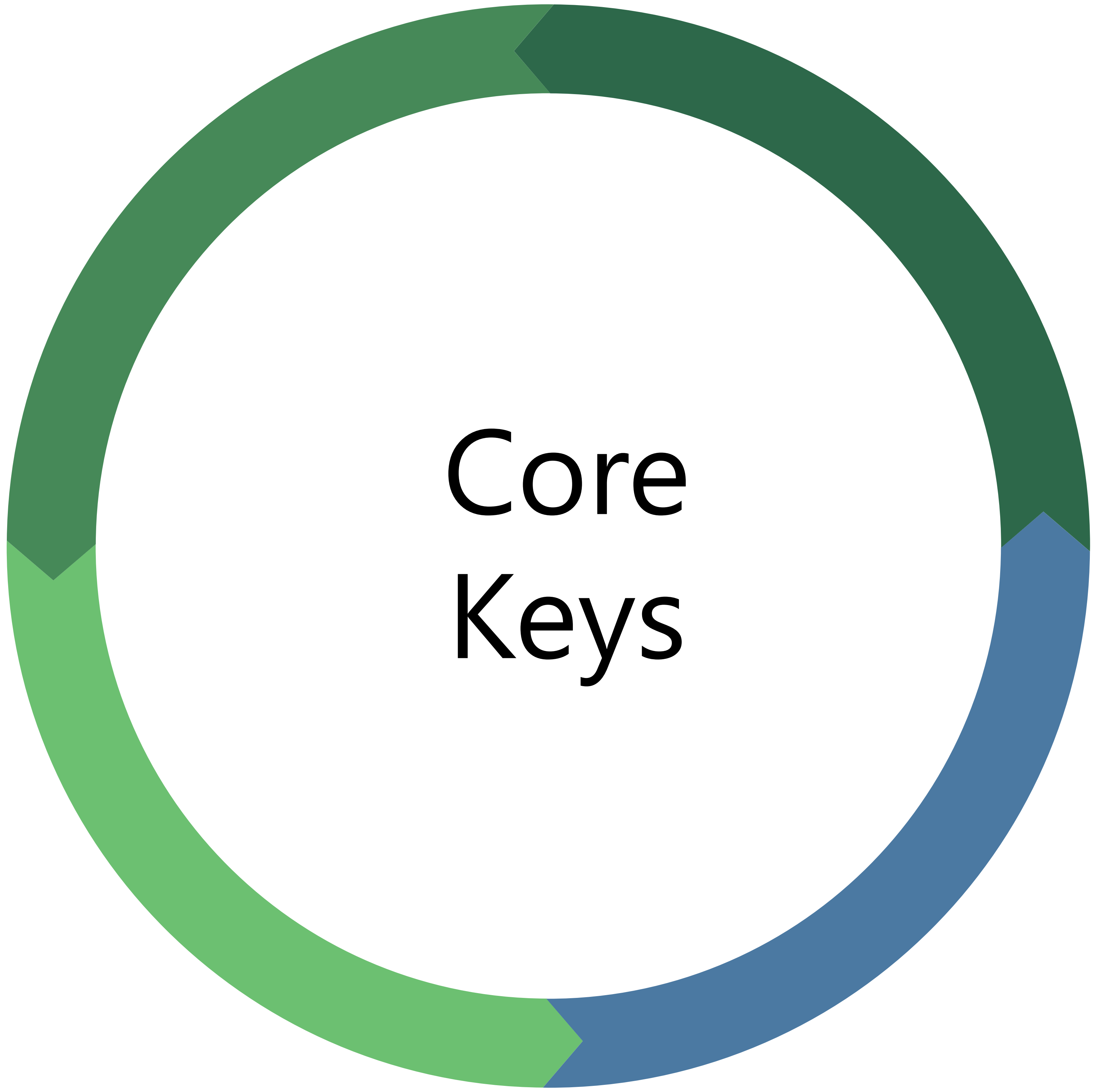
On-the-Job Training
Incumbent Worker Training
Classroom training/credentials

The Numbers

Jobs, wages, education, aging workforce, diversity

workforce
SOUTHWEST WASHINGTON

How WSW invests in the community



Business

Developing innovative approaches to meeting the human capital needs of our regional industries.

People

Empowering individuals to realize their full potential through meaningful education, training, and work.

System

Creating a world-class opportunity engine for Southwest Washington through sustaining a public-private partnership of business, education, government, and community-based partners.

Funding

Investing in, evaluating, and advocating for what works as entrusted stewards of public resources.

workforce
SOUTHWEST WASHINGTON

Program Development

Business need connecting with job seeker need

Next

Youth Employment Center in Clark County, and a model for how we serve Opportunity Youth region-wide.

WorkSource

Community Employment Center that connects job seekers with training, employment, and other job search support.

SummerWorks

Summer Internships that lead to first jobs for in-school youth.

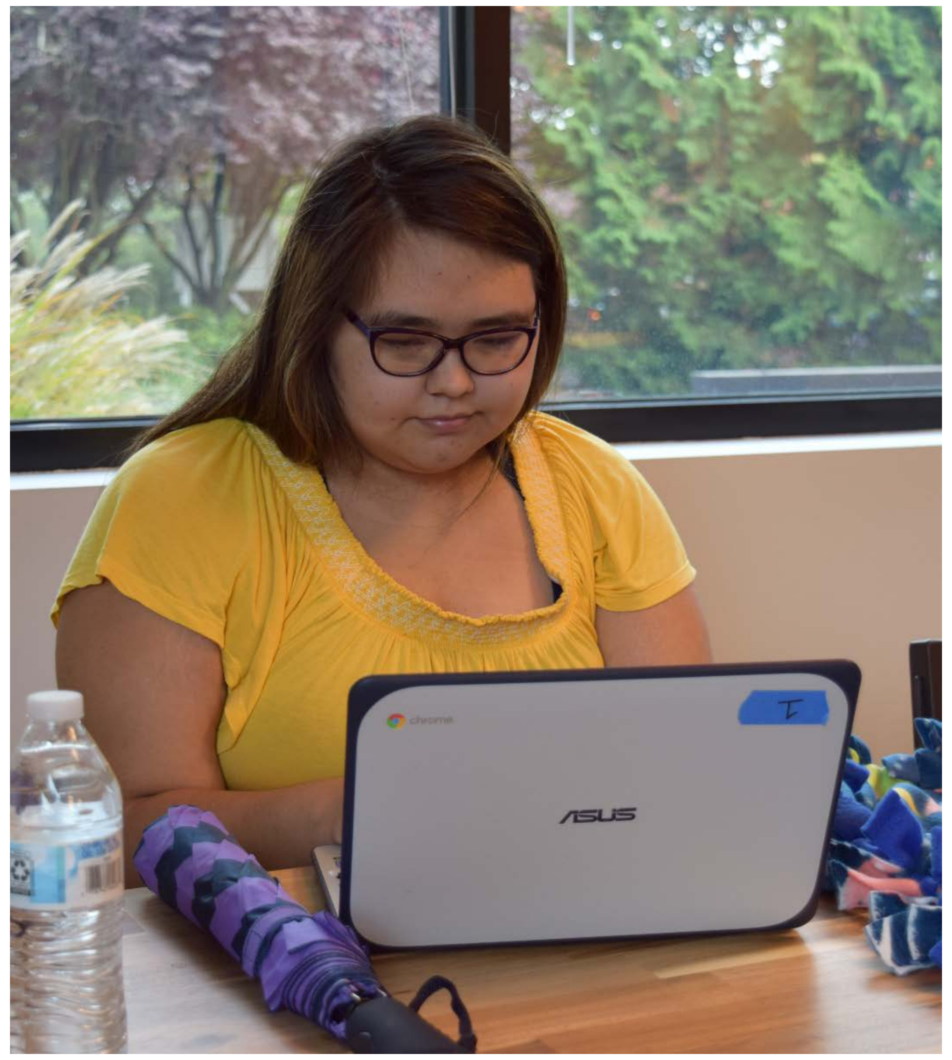
Thrive

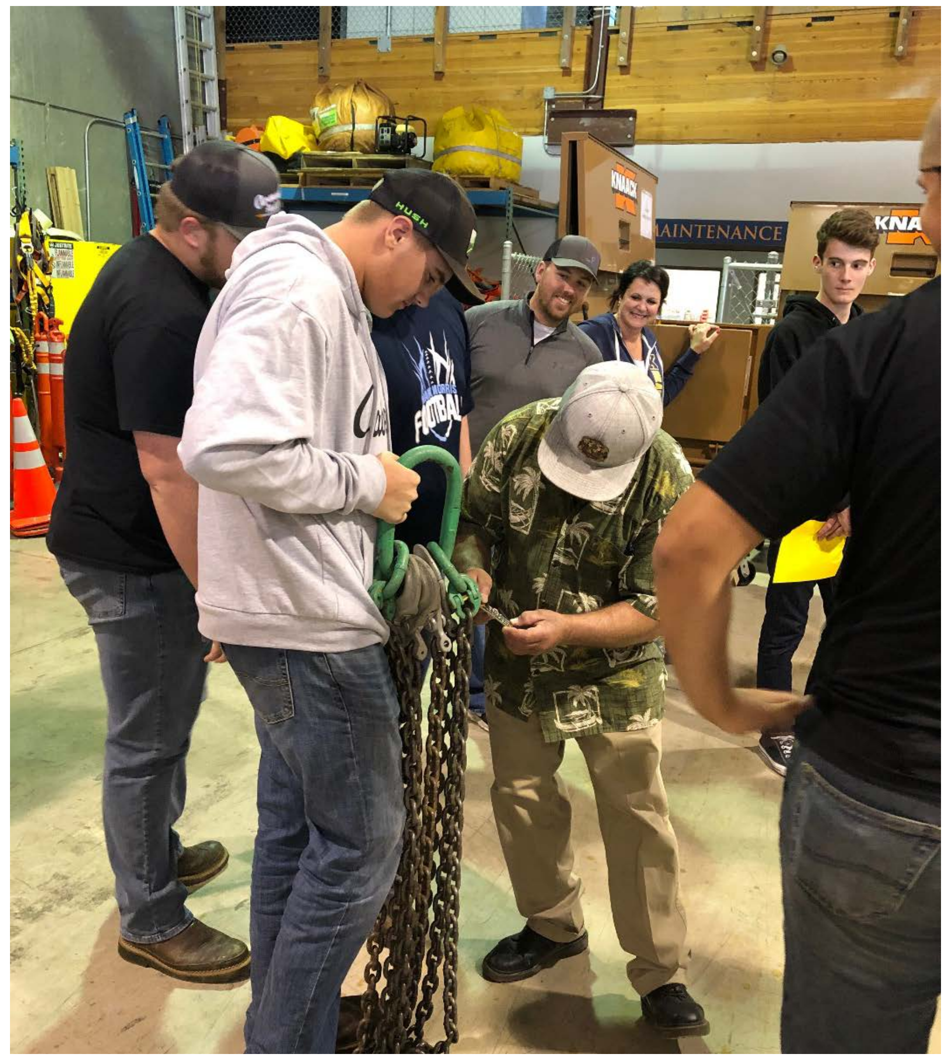
Community engagement that brings job seekers out of poverty and in to long term careers.

workforce SOUTHWEST WASHINGTON

Next – Key Activities

Serving Opportunity Youth





Workforce Academy

We work in partnership with the business community to provide career exploration opportunities for area youth.

Apprenticeship

We prepare students for careers in our four sectors through apprenticeship preparation trainings and connect them to local area apprenticeships.

Work Experience

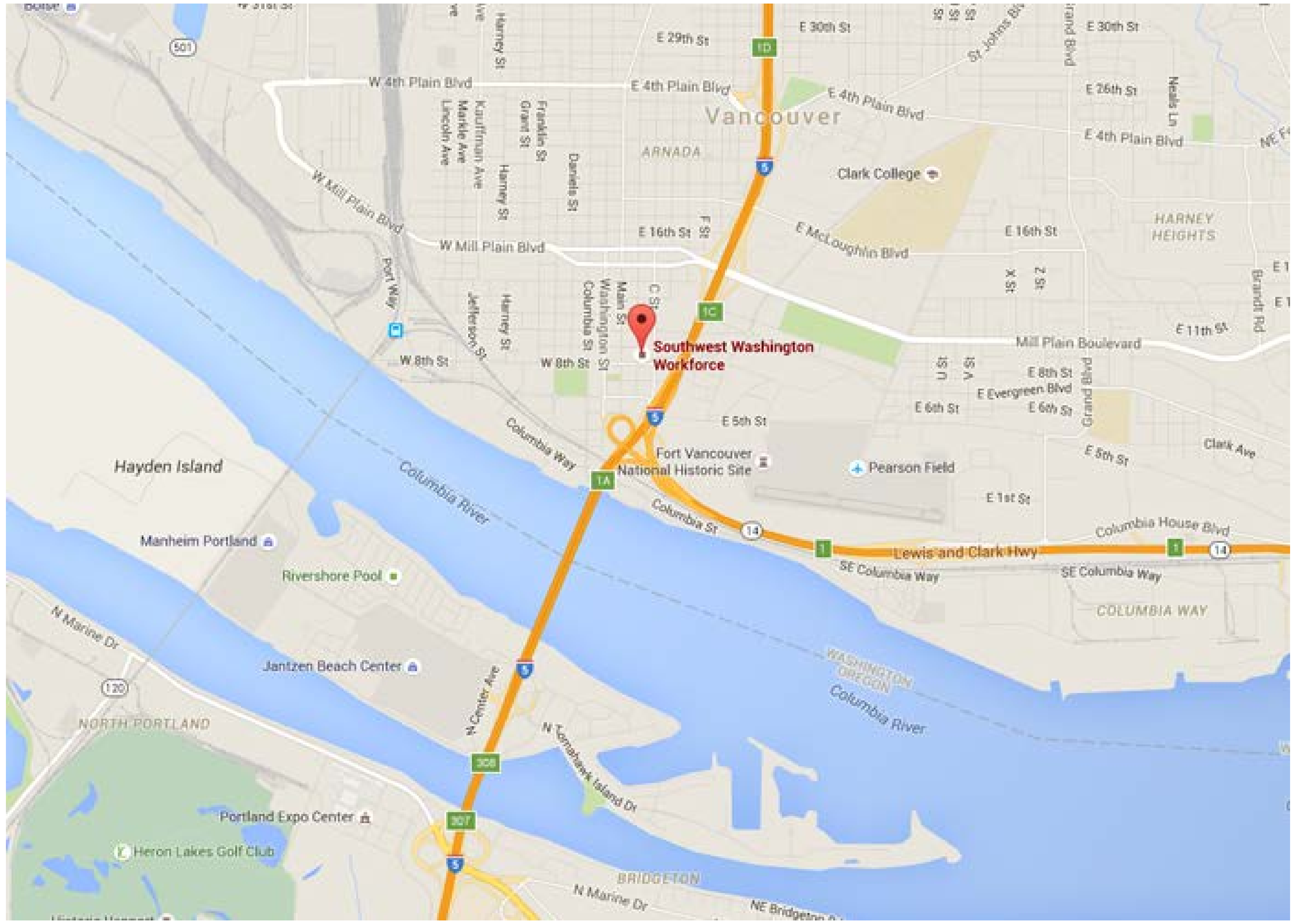
Our investments fund meaningful, paid work experience to help young people learn and develop skills necessary to succeed in today's world of work.

Post-Secondary Connections

Youth can work with Next to complete their HS Diploma or GED, if needed, and make connections to post-secondary programs at Clark College, Lower Columbia College, and WSU-Vancouver.

workforce
SOUTHWEST WASHINGTON

CONTACT US



Phone: 360.567.3172

Email: dhoffman@workforcesw.org
mboles@workforcesw.org

805 Broadway, Suite 412, Vancouver, WA 98660

Online: www.workforcesw.org

Twitter: @WorkforceSWWA

WSW is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Washington Relay 711.

workforce
SOUTHWEST WASHINGTON

CITY OF RIDGEFIELD
REQUEST FOR COUNCIL ACTION

MEETING DATE: July 25, 2019

ITEM:

AGENDA ITEM TITLE: Columbia River Economic Development Council Update - Jennifer Baker, President

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Columbia River Economic Development Council Presentation

STAFF CONTACT: Julie Ferriss, City Clerk

ATTACHMENTS: 7.25.19 CREDC Update to City of Ridgefield_FINAL (PDF)

CREDC
ECONOMIC DEVELOPMENT

Public Presentation:

CITY OF RIDGEFIELD COUNCIL UPDATE

July 25, 2019

Meet the Team

CREDC
ECONOMIC DEVELOPMEN

Jennifer Baker
President | jbaker@credc.org

Clint Hendricks
VP of Business Development
chendricks@credc.org

Brittany Bagent
VP of Strategy
bbagent@credc.org

Monica Santos-Pinach
Dir. of Communications
msantos-pinacho@credc.

Kim Cheatley
Fiscal Administrator
kcheatley@credc.org

Marnie Farness
Relationships & Strategy Mgr.
mfarness@credc.org

Samantha Codi Walker
Marketing & Events Mgr.
scodi@credc.org

Regional Landscape

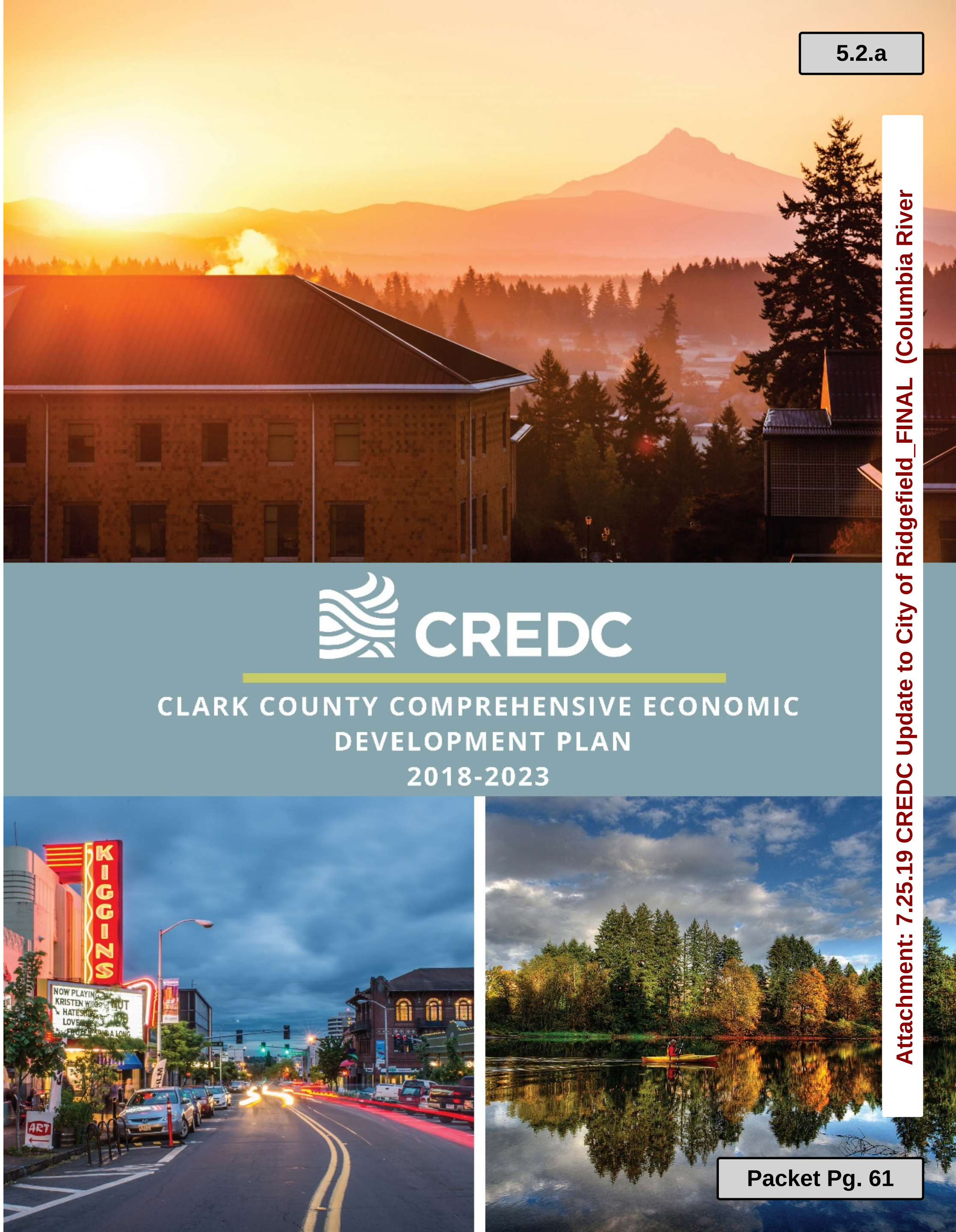
Washington Economic Development Association
WEDA
THE VOICE OF ECONOMIC DEVELOPMENT

GREATER PORTLAND

CREDC
ECONOMIC DEVELOPMENT

Economic Development Plan Overview

- Established a **20-year vision**
- With a **5-year implementation plan** to achieve county-wide goals and objectives
- Engaged over **200 local partners** during the nine-month planning process
- Aligns with regional plans



Vision & Goals

Our vision is for Clark County to be recognized as one of the most inclusive, healthy, and amenity-rich communities in the country. As a result, and with a continued focus on growing a diverse base of community-minded employers, talent (both inside and outside the region) sees greater opportunity here than anywhere else in the country.

1. EXPAND EXISTING BASE

2. SUPPORT PEOPLE

3. CREATE PLACE

Clark County Economic Development Plan

Implementation & Next Steps

CREDC
ECONOMIC DEVELOPMENT

Expand the Existing Business Base

1. **Become Industry Experts** → Traded sector job growth
2. **Strategically Market Industry Clusters** → Business investment
3. **Build a Startup Ecosystem** → Support for new startups

VIGOR
INDUSTRIAL

8	11	117	$11M	485	13
RECRUITMENT WINS	EXPANSION & GROWTH WINS	BUSINESS VISITS	CAPITAL INVESTMENT*	NEW JOBS PROJECTED*	NEW INVESTORS

WellHaven Pet Health

BUSINESS EXPANSION HIGHLIGHT
"2018 was a year of exciting growth for **WellHaven Pet Health**, with 33 hospitals across five states, two Pet Camps, and the addition of our Campus in Downtown Vancouver that houses our support team & state-of-the-art veterinary hospital."
-John Bork, CEO

GTMA

BUSINESS RECRUITMENT HIGHLIGHT
"**GTMA's** move to Vancouver was a huge success. Since our arrival in March, we've brought on 23 local hires. We found the Vancouver community to be kind, generous, and hospitable-we made the right choice."
-Joshua Swanson, CEO

Estimated number of capital investment & jobs created at full buildout of business growth, expansion & recruitment projects.

Support People

1 Foster Skills Development →
Increase wages and productivity

2 Prepare Youth for Economic Opportunity →
Career advancement for all

3 Launch a Brain Gain Initiative →
Attract more Young College Educated talent

4 Promote an Ethical & Just Society →
Commitment to inclusion, equity & Diversity

CREDC
ECONOMIC DEVELOPMENT

Create Place

1 Empower Placemaking Strategies
→ Values-based, unique sense of place

2 Embrace Opportunity in Urban Center
→ Vibrant downtown benefits all

3 CREDC Tells the Story of Place
→ Talent choses to live and work in Clark County

4 Make Employment Areas Shovel Ready
→ Businesses grow and expand in Clark County

5 Determine Regional Transportation Needs
→ Enhance transportation options & resiliency


The Columbia
Community Begins Here

Ridgefield in spotlight duri
CREDC's Main Street Day

Event sees leaders visit Clark County's cities to tout strengths, share issues

By Adam Littman, Columbian Staff W r

YOUR JOURNEY STARTS HERE
CLARK COUNTY, WASHINGTON

Ridgefield & CREDC Partnership

- **Place** | **Ridgefield is an important jurisdiction, experiencing growth and providing some of the region's best amenities**
  - ✓ Elevate story of place to external & internal audiences
  - ✓ Amplify narrative & infuse in Your Journey Starts Here Campaign
- **People** | **Prepare youth for economic opportunity**
  - ✓ Career Connected Learning opportunities
  - ✓ Focus on diversity, equity, inclusion
  - ✓ Ridgefield School District *(Investor Leader)*
- **Business** | **Policy, land use & transportation**
  - ✓ CREDC's Employment Land Study Update
  - ✓ Port of Ridgefield *(Growth Partner investor)*
  - ✓ Support for CERB funds for Wisdom Ridge Business Park Project
  - ✓ Support for BUILD grant for Pioneer Street Extension Project
- **Areas of opportunity**
  - ✓ CREDC Education Committee
  - ✓ Policy alignment & engagement
  - ✓ Future investment

CREDC_Clark
@CREDC_Clark
Following

The Vancouver Clinic officially broke groun on their newest location in Ridgefield! The 15,400 square foot clinic will offer primary and urgent care services and open in the summer of 2019. Congratulations! bit.ly/2yv4hWM

CREDC_Clark
@CREDC_Clark
Following

And that's a wrap. We did it - 6 beautiful cities in 6 hours! Special thank you to @ctranvancouver, @VDAUSA, @DowntownCamas, Ridgefield Main Street and all the champions who help create the vibrant spaces that make #ClarkWA a great place to be #MainStreetDay

Q&A

CREDC
ECONOMIC DEVELOPMENT

THANK YOU

Jennifer Baker
President | jbaker@credc.org

Chairman's Circle investors:

City of Camas WASHINGTON

Port of Vancouver USA

CLARK COUNTY, WASHINGTON

CITY OF Vancouver WASHINGTON

workforce SOU

CITY OF RIDGEFIELD
REQUEST FOR COUNCIL ACTION

MEETING DATE: July 25, 2019

ITEM: BUSINESS

AGENDA ITEM TITLE: Amendment to Financial Policy #01: Financial Management Policies

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GOVERNING LEGISLATION:
State of Washington Budgeting, Accounting and Reporting System Manual and Government Accounting Standards Board – Pronouncement No. 54 pertaining to fund balance. City of Ridgefield Financial Policy #01: Financial Management.

PREVIOUS COUNCIL ACTION TAKEN:
Council originally adopted Financial Management Policies by Resolution No. 324 on August 24, 2006. Council subsequently amended the policy on January 11, 2011 by Resolution No. 396; and on October 9, 2014 by Resolution No. 466; and on August 27, 2015 by Resolution No. 493; and on August 25, 2016 by Resolution No. 512; and on July 26, 2018 by Resolution No. 541.

SUMMARY/BACKGROUND:
Per the City's formal budget policy both financial and budget policies are reviewed each year during the budget process. Staff are recommending the following revisions to the Financial Management Policy. No revisions are recommended for the Budget Policy at this time.
The recommended policy update includes the addition of a new reserve, Priority #4 – Separation Reserve. The policy addition sets aside funding for leave accrual payouts at the time of retirement for City staff. The recommendation is to set aside 30% of the estimated payouts for the following 10 years. The current retirement estimates will be estimated and updated each year during the budget process.
In addition, City staff are recommending that an initial $200,000 balance be transferred into this fund to fully fund the reserve. The funding for the reserve will come from sales and use tax from construction related sources received in 2019 (One-Time Revenue). The addition of this reserve fund will reduce future impacts on operating revenues for estimated payouts. Currently the City is forecasting over $656,000 in payouts over the next 10 years.

BUDGET/FINANCIAL IMPACTS:
Transfer $200,000 in fund balance to the Separation Reserve.

RECOMMENDED ACTION OR MOTION:
Staff recommends that Council adopt Resolution No. 561 as presented by making the following motion:

"I move to adopt Resolution No. 561 as presented."

STAFF CONTACT: Kirk Johnson, Finance Director

ATTACHMENTS:

Policy #01 Financial Management Policies 2019 Redlined (DOCX)

Policy #01 Financial Management Policies 2019 Update - Clean Copy (DOCX)

Resolution No.561

AMENDMENT TO FINANCIAL POLICY #01: FINANCIAL MANAGEMENT POLICIES

WHEREAS**,** the City of Ridgefield established financial management policies by the adoption of Resolution No. 324 on August 24, 2006; and amended the policies by the adoption of Resolution No. 396 on January 27, 2011; and amended the policies by the adoption of Resolution No. 466 on October 9, 2014; and amended the policies by the adoption of Resolution No. 493 on August 27, 2015; and amended the policies by the adoption of Resolution No. 512 on August 25, 2016; and amended the policies by the adoption of Resolution No. 541 on July 26, 2018: and

WHEREAS, the City deems it necessary to update these financial management policies by amending the policy to update the reserve policies to include a separation reserve; and

WHEREAS, these policies provide the guidelines for City Council to use in making policy decisions that can have significant fiscal impact on the City; and

WHEREAS, these policies are designed to promote sound financial management, minimize financial risk, and maintain appropriate financial capacity to meet current and future financial needs.

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

Section 1. The City Council of the City of Ridgefield approves the updated version of the financial management policies, a copy of which is attached and referenced as Exhibit A.

Section 2. The City Manager, Finance Director, and Deputy City Manager are hereby authorized to implement such policies as necessary to carry out the directions of this Resolution.

Section 3. Effective date of this Resolution shall be in full force and effect on the date adopted by the City Council.

ADOPTED AT A REGULAR SESSION BY THE CITY COUNCIL OF THE CITY OF RIDGEFIELD, WASHINGTON ON THE 25TH DAY OF JULY, 2019.

CITY OF RIDGEFIELD

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Don Stose, Mayor

ATTEST:

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Julie Ferriss, City Clerk

Financial Policy #01: Financial Management

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PURPOSE

To provide the necessary tools to ensure the City is capable of meeting its immediate and long-term financial and service level objectives. These policies serve as guidelines for both financial planning and internal financial management of the City.

The City of Ridgefield is accountable to its citizens for the use of public dollars. Resources must be used wisely to ensure adequate funding for the services, public facilities, and infrastructure necessary to meet the community's present and future needs.

OBJECTIVES

1. To guide City Council in management policy decisions that have significant fiscal impact.
2. To set forth operating principles that minimize the cost of government and financial risk.
3. To implement balanced and fair revenue policies that provide adequate funding for desired programs.
4. To maintain appropriate financial capacity for present and future needs.
5. To promote sound financial management by providing accurate and timely information on the City's financial condition.
6. To protect the City's credit rating and provide for adequate resources to meet the provisions of the City's obligations on all municipal debt.
7. To ensure the legal use of financial resources through an effective system of internal controls.

Financial Policy #01: Financial Management

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I. GENERAL INFORMATION

The City of Ridgefield uses the Washington State Auditor's Office prescribed Budgetary, Accounting and Reporting System (BARS) for local governments.

Funds
Funds are used to account for and record designated information. A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Types:

General Government Funds:
General Government funds are accounted for on a modified accrual basis of accounting. Following are the General Government funds used by the City.

General Fund: The General Fund is used to account for all of the financial resources of the government, except those required to be accounted for in another fund.

Special Revenue Funds: Special revenue funds are used to account for the proceeds of specific special revenue sources legally restricted or committed to expenditures for specific purposes.

Debt Service Funds: Debt Service funds are used to account for accumulation of resources for and payment of general government long-term debt principal and interest. It does not include the payment of principal and interest on debt associated with an enterprise fund.

Capital Projects Funds: Capital projects funds are used to account for financial resources used in the acquisition or construction of capital facilities or infrastructure not financed by proprietary or trust funds.

Proprietary (Business Type) Funds:
Proprietary funds are used to account for the proprietary or business-type activities for the City. Proprietary funds consist of enterprise funds and internal service funds. Enterprise funds are accounted for on a full accrual basis of accounting.

Enterprise Funds: Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing the goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are maintained on a full accrual basis of accounting.

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Internal Service Funds: Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit on a cost reimbursement basis. The City's Equipment Replacement Fund is established as an Internal Service Fund.

II. BUDGET MANAGEMENT

Budget Development
Refer to ***Financial Policy #07: Budget*** for more detailed information.

Department directors have primary responsibility for formulating budget proposals in accordance with City Council and City Manager priority direction, and for implementing the budget once they are adopted.

The Finance Department is responsible for conducting the overall preparation and administration of the City's budget. This includes providing information on revenues and expenditures, updating costs and revenues, organizing data in an understandable fashion, and creating and providing tools for budget development.

The Finance Department assists department management in developing their budget proposals including identifying and analyzing budget issues, formulating solutions and alternatives, and implementing any necessary changes.

The budget is prepared and implemented on an annual basis in accordance with RCW 35A.33. The budget includes revenue and expenditure categories that correspond to the State's Budgeting, Accounting and Reporting System (BARS) categories.

The City develops budgets for the General and Enterprise operating funds, Special Revenue, and Equipment Replacement funds of the City. Budgets are also developed in the Debt Service fund to account for principal and interest payments and in the Capital Project fund to account for capital expenditures and associated capital funding sources.

Budget Adjustments and Amendments
The City Council adopts the budget at the fund level. Budget amendments are needed when total expenditures in a fund are expected to exceed the adopted budget for that fund. This may occur due to policies or programs approved by the City Council after the budget was adopted or due to unanticipated expenses. In addition, the City Council may choose to amend the budget in the event of a material change in the City's revenue sources during the year. Minor changes to anticipated revenues or expenditures do not require City Council to adopt a budget amendment. Budget amendments are authorized by City Council through an ordinance.

Budget adjustments within the City Council adopted budget for a fund proceed as follows:

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- The Finance Department receives a request for a budget adjustment from a department. Budget changes can also occur based on new information or documentation that the Finance Department receives directly.
- The Finance Department reviews the request. Adjustments that simply move budget amounts within a department and that do not represent a change in a policy or program are processed by the Finance Department. Budget adjustments that increase the budgeted amount for one department that are offset by decreases in another department are reviewed by the City Manager or other designated person. If approved, the Finance Department makes the requested adjustment as long as it does not change the total budget for the fund.
- Council approval is required if the requested adjustment changes the total budget for a fund. The Finance Department will verify whether there are sufficient resources for the adjustment, and prepare a budget adjustment and ordinance for Council approval.

Budget Monitoring
Budgets are developed and monitored at the line item level, but are managed at the fund level. A department director can overspend on one line item within their department without the need for a budget adjustment as long as it is balanced out by an under expenditure on another line item. The total expenditures for a fund cannot exceed the total budget for the fund.

Department directors are responsible and accountable for their department budget.

Monthly reports that compare budget to actual will be created by the Finance Department and provided to the appropriate department director for review and response if large discrepancies are identified.

City Positions and Staffing Levels
The budget approved by the City Council will fund a number of authorized full time equivalent City positions. The City's authorized positions, will be included in the budget document and/or included in labor agreements approved by City Council. City Council will approve any new permanent City positions prior to the positions being filled. Temporary and seasonal positions do not require City Council approval as long as the expenditure to support them is provided for in the adopted budget.

III. REVENUES

The City will strive to maintain a diversified and stable revenue system to shield the City from short-term fluctuations from any one revenue source.

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The City will work to develop and maintain sustainable revenue sources to ensure its viability over the long term.

Revenue estimates adopted by City Council should be made with consideration to the sensitivity of both local and regional economic activities.

The City will establish all user charges at a level associated with the cost of providing the service.

The City will set fees and user charges for each enterprise fund, such as Water, and Storm Water Drainage, at a level that, along with other anticipated revenue, fully supports the total direct and indirect cost of the activity provided.

Grant revenue sources will be acquired and used whenever possible.

IV. EXPENDITURES

The City will only propose ongoing operating expenditures that can be supported by ongoing operating revenues.

The City will maintain a level of expenditures consistent with the level of services that will meet the goals and mission of the City as approved by the City Council.

Expenditures funded by one-time only sources, such as grants, must be identified and noted as such. Expenditures funded by these sources will not be included in subsequent budgets once the funding source no longer exists.

The City will maintain expenditure categories according to State statute and administrative regulation.

Expenditures associated with a grant revenue source will be identified and recorded against the corresponding grant.

V. CAPITAL ASSETS

Refer to ***Financial Policy #09: Capitalization of Assets*** for more detailed information.

The City of Ridgefield will maintain a capital asset system that meets Generally Accepted Accounting Principles (GAAP) reporting requirements.

A capital asset system will be maintained to identify all City assets and their condition.

Capital assets are maintained for both the General Government and Enterprise funds.

Straight line depreciation will be calculated and charged appropriately against the asset.

VI. FUND BALANCE

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Fund balances are created and maintained to provide capacity to:

1. Offset significant downturns in the economy.
2. Provide sufficient cash flow to meet daily financial needs.
3. Meet all statutory and City Council approved loan covenant requirements for required debt reserves to pay debt service.
4. Maintain the ability to meet scheduled equipment repair and replacement needs that sustain city services at an acceptable level to prevent physical deterioration of city assets.
5. Provide the capacity to pay large unanticipated expenses, such as the payment of vacation and sick leave balances for employees that retire or leave employment with the City.

Fund Balance represents the difference between the fund's assets and the fund's liabilities. A positive fund balance should be maintained to properly manage a fund.

Reserves are a portion of the fund balance that is restricted or categorized to use for a designated purpose. The following definitions (though the City may not use all of these categories at any one time) are published by the Governmental Accounting Standards Board – Pronouncement No. 54:

- Non-spendable: Amounts that cannot be spent due to form; for example, inventories, prepaid amounts, long-term and notes receivables, and other restricted items. Also includes amounts that must be maintained intact legally or contractually.
- Restricted: Amounts constrained for a specific purpose by external parties, or constitutional provision, such as a requirement for revenue bonds to set aside funds in a debt service reserve account.
- Committed: Amounts constrained or restricted for a specific purpose by a government using its highest level of decision-making authority. Action by the legislative authority is required to remove or change this amount.
- Assigned: Used for funds to classify any remaining positive amounts not identified as non-spendable, restricted or committed. These amounts should not result in a deficit in unassigned fund balance.
- Unassigned (remaining fund balance that is not reserved): This is the excess or residual amount of resources that exceed the amount expended, less amounts identified as non-spendable, restricted, committed or assigned. If the residual amount is negative, the assigned amount should be reduced accordingly.

The City has determined the need to create the following reserves and fund balances with the priority identified:

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Priority #1- Debt Service Reserve:
Purpose: This reserve account will be established by any fund that budgets debt service, as an expense item in the fund. The purpose of this account is to create the financial ability to pay for principal and interest due on outstanding debt.
Amount: The amount allocated will be determined by bond issuance and/or loan covenant requirements and adjusted annually. The amount will come from a portion of the annual operating revenue generated in the fund that pays debt service.

Category: Identified as a "Committed" fund balance.

Priority #2 - Operations and Maintenance Reserve:
Purpose: This reserve account will be established by any fund that budgets ongoing operations and maintenance. The purpose of this account is to create the financial ability to pay operating expenses from month to month given the routine and seasonal fluctuations in the City's revenue and expenses.

Amount: The General Fund and Street Fund operations and maintenance reserve will be set at 60 days of prior year actual operating expenses. The operations and maintenance reserve for Enterprise Funds (water and storm water) will be set at 90 days of prior year actual operating expenses. Reserve amounts will be updated annually during the budget process. The source of the operations and maintenance reserve will come from the amount of annual operating revenue that exceeds the annual operating expenses for a fund.

Category: Identified as "Unassigned" fund balance.

Priority #3 - Revenue Stabilization Reserve:
Purpose: This reserve account will be established in the General Fund. The purpose of this reserve account is to provide the financial ability to cover operating expenses during a longer term revenue shortfall due to reduced ongoing revenue receipts or a downturn in the economy. This reserve will allow the City to sustain service levels while the City Council implements policies that respond to and mitigate the revenue shortfall.

Amount: The amount will be calculated annually at 10% of the prior year actual revenues less any one-time revenues such as grant allocations and inter-fund transfers.

Category: Identified as "Unassigned" fund balance.

Priority #4 – Separation Reserve
Purpose: This reserve account will be established by any fund that budgets personnel expense. The purpose of this account is to provide the financial ability to cover retirement payout obligations for City staff. Accrued vacation hours are paid in full upon separation. Accrued sick leave is paid

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per union agreement or personnel policy upon separation. This reserve will allow the City to cover anticipated payouts without impacting ongoing operations and service levels.

Amount: The amount will be calculated at 30% of the anticipated payouts for the following ten years per financial model. The amount allocated to the reserves will be updated annually during the budget process.

Category: Identified as "Unassigned" fund balance.

Priority #~~5~~4 - Capital Reserve:

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Purpose: This reserve account will be used by any fund that budgets capital and/or large maintenance projects as an expense item in the fund or uses a capital projects fund to budget and pay for these expenses. The purpose of this account is to create the financial ability to pay for unanticipated capital needs typically resulting from a natural disaster or other unanticipated event that damages City infrastructure. This fund may with specific appropriation by City Council be used for investment in revenue producing capital projects.

Amount: The amount allocated will be calculated at 1% of prior year net capital assets. The amount will come from a portion of the annual operating revenue generated in the fund that pays for these types of projects.

Category: Identified as "Assigned" fund balance unless a resolution or budget amendment is processed that identifies a specific amount to be used for a specific item or purpose, then this amount would be classified as "Committed" fund balance.

Priority #~~6~~5 - Capital Repair and Replacement Reserve (Enterprise Funds)

Purpose: This reserve account will be used to set aside funds for future repair and replacement of utility infrastructure. The purpose of this account is to create the financial ability to pay for repair or replacement of existing utility infrastructure at the end of the assets useful life, or in the event of a failure of the asset. Use of these funds for specific repair and replacement projects must be appropriated by City Council through the budget process or by emergency declaration in the event of a significant failure of the asset.

Amount: The amount will be allocated on an annual basis as 5% of the previous year utility receipts from rates and will be deposited into a separate fund balance. The minimum target fund balance for this account is 2% of the historical cost for infrastructure, not to include machinery and equipment which is included in the Equipment Replacement Fund Reserve in the accompanying utility fund.

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Replenishment of Reserves – The following criteria will be used to restore the Capital Repair and Replacement Reserve Fund based upon the minimum reserve guideline:

1. If the reserves are drawn down by 25-50% of reserve fund balance, then a budgetary plan shall be implemented to return the reserve level to between 75-100% of the minimum reserve balance over a 5-7 year period.
2. If the reserves are drawn down by 10-25% of reserve fund balance, then the budgetary plan to restore the minimum reserve balance shall be structured over a 3-5 year period.
3. If the reserves are drawn down by 0-10% of reserve fund balance, then the budgetary plan to restore the minimum reserve balance shall be structured over a 1-3 year period.

Category: Identified as "Unrestricted" fund balance unless a resolution or budget amendment is processed that identifies a specific amount to be used for a specific item or purpose, then this amount would be classified as "Committed" fund balance.

Priority #7~~6~~ - Equipment Repair and Replacement Reserve:
Purpose: This reserve account will be set-up as a separate fund to account for equipment replacement for existing City equipment and vehicles. The purpose of this fund is to create the financial flexibility to plan for replacement of these types of expenses, maintaining the City assets at an acceptable level to prevent physical deterioration.

Amount: The amount allocated will be determined by a financial model used to track the funds needed to replace existing vehicles and equipment at the end of their useful life. The amount allocated to the reserves will be updated annually during the budget process.

Category: Identified as "Assigned" fund balance unless a resolution or budget amendment is processed that identifies a specific amount to be used for a specific item or purpose, then this amount would be classified as "Committed" fund balance.

The City will make every effort to create and maintain the fund balances and reserves identified above and based on the priorities established. The City is aware that needs may change over time and fund balance reserve amounts may be redistributed within a fund to meet the needs that occur at a given time. If it is determined that funds need to be redistributed within a fund, the fund balance with the lowest priority will be redistributed first to allow the ability to meet the need of a higher priority fund balance. In all cases, council approval or budget enactment is required before changing or redistributing the amounts allocated to a reserve account.

VII. PURCHASING

Refer to ***Financial Policy #04: Procurement of Goods and Services*** for more detailed information.

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The City shall commit to the following guidelines:

- Comply with all federal, state, and local laws, adopted codes, ordinances, and stated policies in its procurement process.
- Buy competitively and wisely to obtain maximum value for the public resource dollars spent.
- Afford all bidders an equal opportunity to quote and compete on equal terms.
- Initiate and promote good, continuous vendor relations, as well as, reliable alternate sources of supply.
- Buy from suppliers who maintain adequate financial strength, high ethical standards, a record of adhering to specifications and who will maintain integrity in payment terms, delivery and service.

VIII. CAPITAL IMPROVEMENTS

The City will make capital improvements in accordance with an adopted capital improvement plan.

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The capital investment program and the base operating budget will be reviewed at the same time. This will insure that the City's capital and operating needs are balanced with each other.

The City will develop a multi-year plan for capital improvements including operations and maintenance costs and update it every two years or sooner if needed. Future capital expenditures necessitated by changes in population, changes in real estate development, or changes in the economic base will be calculated and included in the capital budget projections.

The City will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to Council for approval. The City will use intergovernmental grants, loans and other outside resources whenever possible.

IX. LOCAL IMPROVEMENT DISTRICTS (LID):

LID's are formed to provide an alternative means of financing for property owners, within a defined geographical area, to make improvements benefiting their property.

Improvements financed by the Local Improvement District (LID) may include street and sidewalk construction, construction of water distribution and storm water collection facilities. Assessments are determined by the size and location of each property in relation to the improvement and the benefit to the property.

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An LID may be initiated by City Council resolution or by petition of the majority of property owners along the frontage of the improvement, within the boundaries of the district. Refer to RCW 35.43 for authority.

The formation of a Local Improvement District is limited to specific instances and can apply as follows:

- When a group of property owners wish to accelerate development of a certain improvement; or
- When a group of property owners desire a higher standard of improvement than the City's project contemplates; or
- When a group of property owners request City assistance in LID formation to fund internal neighborhood transportation facilities improvements.

LID projects may or may not have City funding involved. If City funding is proposed by the project sponsors (property owners), they shall request it from the City Council (through the City Clerk) in writing before the LID promotion activity begins.

X. LATECOMER AGREEMENTS

Refer to Ridgefield Municipal Code chapter 3.90 for more detailed information.

As a source of financing capital improvements, the City may work with private developers to construct projects identified in the capital facilities plan.

The City shall collect a connection or impact fee from future developers that utilize the capital improvement and reimburse the developer that built the initial capital improvement.

Construction projects considered under this agreement:

- The project must be a project identified in the adopted capital facilities plan
- The project extension must serve anticipated future development.
- The project requires prior approval by the Community Development Director or Public Works Director.
- The latecomer agreement must be approved by City Council prior to construction.

Payment of any latecomer fee shall occur within 15 years of final acceptance of construction. Documentation of the actual project costs and the agreement with current participants must be made prior to any reimbursements.

The reimbursements shall not exceed that amount which brings participant costs equal to zero.

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XI. DEBT MANAGEMENT

Refer to ***Financial Policy #10: Debt Management*** for more detailed information.

The Debt Policy for the City of Ridgefield sets forth guidelines for the issuance and management of all financings of the City. Adherence to the policy is essential to ensure that the City maintains a sound debt position and protects the credit quality of its obligations while providing flexibility and preserving financial stability.

XII. INVESTMENTS

Refer to ***Financial Policy #08: Investments*** for more detailed information.

The policy on investment applies to the investment of all City funds excluding pension funds or trust accounts. The primary objective of investment activities shall be: 1) Safety of principal that seeks to minimize potential losses; 2) Liquidity of cash to sufficiently meet all operating requirements; and 3) Return on investment that allows for the highest market rate of return throughout budgetary and economic cycles.

The City of Ridgefield authorized investment officers will perform their duties in a manner consistent with the standard of a “prudent person,” as defined in RCW 43.250.040. A prudent person is defined as “exercising the judgment and care under the circumstances then prevailing which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of the funds considering the probable income as well as the probable safety of the capital.” The investment officer is the Finance Director.

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

The City may invest in any of the securities identified as eligible investments as defined by RCW’s: 35A.40.050, 39.59, 43.250, and 43.84.080. These include: Certificates of Deposit, United States Securities, Bankers' Acceptances, Repurchase Agreements and Certificates, and Notes and Bonds of the State of Washington. The City may also create investment accounts with the Clark County Treasurer’s Office per RCW 36.29.020, and the Local Government Investment Pool per RCW 43.250.040. Speculative investments are not allowed.

Investment transactions shall be conducted with approved broker/dealers selected by credit worthiness and other selection criteria. Broker/dealers must be registered to provide investment services in the State of Washington.

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The policy shall be to assure no single institution or security is invested into, to such an extent that a delay of liquidation at maturity is likely to cause a current cash flow emergency.

XIII. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

The City will establish and maintain a high standard of accounting practices.

The accounting system will maintain records on a basis consistent with Generally Accepted Accounting Principles and the State of Washington Budgeting, Accounting, and Reporting Systems.

Regular monthly, quarterly and annual financial reports will present a summary of financial activity by major types of funds. Monthly reports will also include a summary of the investment activities by type of investment.

Where feasible, the reporting system will also provide monthly information on the total cost of specific services by type of expenditure and, if necessary, by fund.

The State Auditor's Office will audit City records annually or biannually, depending upon audit requirements, and will issue a financial opinion.

XIV. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

Basis of accounting refers to the point at which revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements report the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The City considers taxes as available if they are collected within 60 days after year end. Expenditures are accrued to the period the liability is incurred if the invoice is received within 60 days of the end of the current fiscal period for all

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amounts, when received between day 61 and day 75 invoices exceeding $25,000 will be accrued, and no accrual will occur after day 75 in order to facilitate preparation of financial statements and the year-end close.~~,~~ Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales tax, franchise fees, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and will be recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

As a general rule the effect of interfund activity is eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water, and storm water function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Storm Water Funds are charges to customers for sales and services. Operating expenses for these funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

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The City of Ridgefield is accountable to its citizens for the use of public dollars. Resources must be used wisely to ensure adequate funding for the services, public facilities, and infrastructure necessary to meet the community's present and future needs.

OBJECTIVES

1. To guide City Council in management policy decisions that have significant fiscal impact.

2. To set forth operating principles that minimize the cost of government and financial risk.

3. To implement balanced and fair revenue policies that provide adequate funding for desired programs.

4. To maintain appropriate financial capacity for present and future needs.

5. To promote sound financial management by providing accurate and timely information on the City's financial condition.

6. To protect the City's credit rating and provide for adequate resources to meet the provisions of the City's obligations on all municipal debt.

7. To ensure the legal use of financial resources through an effective system of internal controls.

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Effective Date: July 25, 2019 Resolution No. 561
Replaces and Cancels: Replaces Financial Policy #01: Financial Management; July 26, 2018
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Financial Policy #01: Financial Management

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I. GENERAL INFORMATION

The City of Ridgefield uses the Washington State Auditor's Office prescribed Budgetary, Accounting and Reporting System (BARS) for local governments.

Funds
Funds are used to account for and record designated information. A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Types:

General Government Funds:
General Government funds are accounted for on a modified accrual basis of accounting. Following are the General Government funds used by the City.

General Fund: The General Fund is used to account for all of the financial resources of the government, except those required to be accounted for in another fund.

Special Revenue Funds: Special revenue funds are used to account for the proceeds of specific special revenue sources legally restricted or committed to expenditures for specific purposes.

Debt Service Funds: Debt Service funds are used to account for accumulation of resources for and payment of general government long-term debt principal and interest. It does not include the payment of principal and interest on debt associated with an enterprise fund.

Capital Projects Funds: Capital projects funds are used to account for financial resources used in the acquisition or construction of capital facilities or infrastructure not financed by proprietary or trust funds.

Proprietary (Business Type) Funds:
Proprietary funds are used to account for the proprietary or business-type activities for the City. Proprietary funds consist of enterprise funds and internal service funds. Enterprise funds are accounted for on a full accrual basis of accounting.

Enterprise Funds: Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing the goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are maintained on a full accrual basis of accounting.

Internal Service Funds: Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit on a cost reimbursement basis. The City's Equipment Replacement Fund is established as an Internal Service Fund.

II. BUDGET MANAGEMENT

Budget Development

Refer to ***Financial Policy #07: Budget*** for more detailed information.

Department directors have primary responsibility for formulating budget proposals in accordance with City Council and City Manager priority direction, and for implementing the budget once they are adopted.

The Finance Department is responsible for conducting the overall preparation and administration of the City's budget. This includes providing information on revenues and expenditures, updating costs and revenues, organizing data in an understandable fashion, and creating and providing tools for budget development.

The Finance Department assists department management in developing their budget proposals including identifying and analyzing budget issues, formulating solutions and alternatives, and implementing any necessary changes.

The budget is prepared and implemented on an annual basis in accordance with RCW 35A.33. The budget includes revenue and expenditure categories that correspond to the State's Budgeting, Accounting and Reporting System (BARS) categories.

The City develops budgets for the General and Enterprise operating funds, Special Revenue, and Equipment Replacement funds of the City. Budgets are also developed in the Debt Service fund to account for principal and interest payments and in the Capital Project fund to account for capital expenditures and associated capital funding sources.

Budget Adjustments and Amendments

The City Council adopts the budget at the fund level. Budget amendments are needed when total expenditures in a fund are expected to exceed the adopted budget for that fund. This may occur due to policies or programs approved by the City Council after the budget was adopted or due to unanticipated expenses. In addition, the City Council may choose to amend the budget in the event of a material change in the City's revenue sources during the year. Minor changes to anticipated revenues or expenditures do not require City Council to adopt a budget amendment. Budget amendments are authorized by City Council through an ordinance.

Budget adjustments within the City Council adopted budget for a fund proceed as follows:

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- The Finance Department receives a request for a budget adjustment from a department. Budget changes can also occur based on new information or documentation that the Finance Department receives directly.
- The Finance Department reviews the request. Adjustments that simply move budget amounts within a department and that do not represent a change in a policy or program are processed by the Finance Department. Budget adjustments that increase the budgeted amount for one department that are offset by decreases in another department are reviewed by the City Manager or other designated person. If approved, the Finance Department makes the requested adjustment as long as it does not change the total budget for the fund.
- Council approval is required if the requested adjustment changes the total budget for a fund. The Finance Department will verify whether there are sufficient resources for the adjustment, and prepare a budget adjustment and ordinance for Council approval.

Budget Monitoring
Budgets are developed and monitored at the line item level, but are managed at the fund level. A department director can overspend on one line item within their department without the need for a budget adjustment as long as it is balanced out by an under expenditure on another line item. The total expenditures for a fund cannot exceed the total budget for the fund.

Department directors are responsible and accountable for their department budget.

Monthly reports that compare budget to actual will be created by the Finance Department and provided to the appropriate department director for review and response if large discrepancies are identified.

City Positions and Staffing Levels
The budget approved by the City Council will fund a number of authorized full time equivalent City positions. The City's authorized positions, will be included in the budget document and/or included in labor agreements approved by City Council. City Council will approve any new permanent City positions prior to the positions being filled. Temporary and seasonal positions do not require City Council approval as long as the expenditure to support them is provided for in the adopted budget.

III. REVENUES

The City will strive to maintain a diversified and stable revenue system to shield the City from short-term fluctuations from any one revenue source.

The City will work to develop and maintain sustainable revenue sources to ensure its viability over the long term.

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Revenue estimates adopted by City Council should be made with consideration to the sensitivity of both local and regional economic activities.

The City will establish all user charges at a level associated with the cost of providing the service.

The City will set fees and user charges for each enterprise fund, such as Water, and Storm Water Drainage, at a level that, along with other anticipated revenue, fully supports the total direct and indirect cost of the activity provided.

Grant revenue sources will be acquired and used whenever possible.

IV. EXPENDITURES

The City will only propose ongoing operating expenditures that can be supported by ongoing operating revenues.

The City will maintain a level of expenditures consistent with the level of services that will meet the goals and mission of the City as approved by the City Council.

Expenditures funded by one-time only sources, such as grants, must be identified and noted as such. Expenditures funded by these sources will not be included in subsequent budgets once the funding source no longer exists.

The City will maintain expenditure categories according to State statute and administrative regulation.

Expenditures associated with a grant revenue source will be identified and recorded against the corresponding grant.

V. CAPITAL ASSETS

Refer to ***Financial Policy #09: Capitalization of Assets*** for more detailed information.

The City of Ridgefield will maintain a capital asset system that meets Generally Accepted Accounting Principles (GAAP) reporting requirements.

A capital asset system will be maintained to identify all City assets and their condition.

Capital assets are maintained for both the General Government and Enterprise funds.

Straight line depreciation will be calculated and charged appropriately against the asset.

VI. FUND BALANCE

Fund balances are created and maintained to provide capacity to:

1. Offset significant downturns in the economy.
2. Provide sufficient cash flow to meet daily financial needs.

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3. Meet all statutory and City Council approved loan covenant requirements for required debt reserves to pay debt service.
4. Maintain the ability to meet scheduled equipment repair and replacement needs that sustain city services at an acceptable level to prevent physical deterioration of city assets.
5. Provide the capacity to pay large unanticipated expenses, such as the payment of vacation and sick leave balances for employees that retire or leave employment with the City.

Fund Balance represents the difference between the fund's assets and the fund's liabilities. A positive fund balance should be maintained to properly manage a fund.

Reserves are a portion of the fund balance that is restricted or categorized to use for a designated purpose. The following definitions (though the City may not use all of these categories at any one time) are published by the Governmental Accounting Standards Board – Pronouncement No. 54:

- Non-spendable: Amounts that cannot be spent due to form; for example, inventories, prepaid amounts, long-term and notes receivables, and other restricted items. Also includes amounts that must be maintained intact legally or contractually.
- Restricted: Amounts constrained for a specific purpose by external parties, or constitutional provision, such as a requirement for revenue bonds to set aside funds in a debt service reserve account.
- Committed: Amounts constrained or restricted for a specific purpose by a government using its highest level of decision-making authority. Action by the legislative authority is required to remove or change this amount.
- Assigned: Used for funds to classify any remaining positive amounts not identified as non-spendable, restricted or committed. These amounts should not result in a deficit in unassigned fund balance.
- Unassigned (remaining fund balance that is not reserved): This is the excess or residual amount of resources that exceed the amount expended, less amounts identified as non-spendable, restricted, committed or assigned. If the residual amount is negative, the assigned amount should be reduced accordingly.

The City has determined the need to create the following reserves and fund balances with the priority identified:

Priority #1- Debt Service Reserve:
Purpose: This reserve account will be established by any fund that budgets debt service, as an expense item in the fund. The purpose of this account is to create the financial ability to pay for principal and interest due on outstanding debt.

Amount: The amount allocated will be determined by bond issuance and/or loan covenant requirements and adjusted annually. The amount will come from a portion of the annual operating revenue generated in the fund that pays debt service.

Category: Identified as a "Committed" fund balance.

Priority #2 - Operations and Maintenance Reserve:
Purpose: This reserve account will be established by any fund that budgets ongoing operations and maintenance. The purpose of this account is to create the financial ability to pay operating expenses from month to month given the routine and seasonal fluctuations in the City's revenue and expenses.

Amount: The General Fund and Street Fund operations and maintenance reserve will be set at 60 days of prior year actual operating expenses. The operations and maintenance reserve for Enterprise Funds (water and storm water) will be set at 90 days of prior year actual operating expenses. Reserve amounts will be updated annually during the budget process. The source of the operations and maintenance reserve will come from the amount of annual operating revenue that exceeds the annual operating expenses for a fund.

Category: Identified as "Unassigned" fund balance.

Priority #3 - Revenue Stabilization Reserve:
Purpose: This reserve account will be established in the General Fund. The purpose of this reserve account is to provide the financial ability to cover operating expenses during a longer term revenue shortfall due to reduced ongoing revenue receipts or a downturn in the economy. This reserve will allow the City to sustain service levels while the City Council implements policies that respond to and mitigate the revenue shortfall.

Amount: The amount will be calculated annually at 10% of the prior year actual revenues less any one-time revenues such as grant allocations and inter-fund transfers.

Category: Identified as "Unassigned" fund balance.

Priority #4 – Separation Reserve
Purpose: This reserve account will be established by any fund that budgets personnel expense. The purpose of this account is to provide the financial ability to cover retirement payout obligations for City staff. Accrued vacation hours are paid in full upon separation. Accrued sick leave is paid per union agreement or personnel policy upon separation. This reserve will allow the City to cover anticipated payouts without impacting ongoing operations and service levels.

Amount: The amount will be calculated at 30% of the anticipated payouts for the following ten years per financial model. The amount allocated to the reserves will be updated annually during the budget process.

Category: Identified as “Unassigned” fund balance.

Priority #5 - Capital Reserve:
Purpose: This reserve account will be used by any fund that budgets capital and/or large maintenance projects as an expense item in the fund or uses a capital projects fund to budget and pay for these expenses. The purpose of this account is to create the financial ability to pay for unanticipated capital needs typically resulting from a natural disaster or other unanticipated event that damages City infrastructure. This fund may with specific appropriation by City Council be used for investment in revenue producing capital projects.

Amount: The amount allocated will be calculated at 1% of prior year net capital assets. The amount will come from a portion of the annual operating revenue generated in the fund that pays for these types of projects.

Category: Identified as “Assigned” fund balance unless a resolution or budget amendment is processed that identifies a specific amount to be used for a specific item or purpose, then this amount would be classified as “Committed” fund balance.

Priority #6 - Capital Repair and Replacement Reserve (Enterprise Funds)
Purpose: This reserve account will be used to set aside funds for future repair and replacement of utility infrastructure. The purpose of this account is to create the financial ability to pay for repair or replacement of existing utility infrastructure at the end of the assets useful life, or in the event of a failure of the asset. Use of these funds for specific repair and replacement projects must be appropriated by City Council through the budget process or by emergency declaration in the event of a significant failure of the asset.

Amount: The amount will be allocated on an annual basis as 5% of the previous year utility receipts from rates and will be deposited into a separate fund balance. The minimum target fund balance for this account is 2% of the historical cost for infrastructure, not to include machinery and equipment which is included in the Equipment Replacement Fund Reserve in the accompanying utility fund.

Replenishment of Reserves – The following criteria will be used to restore the Capital Repair and Replacement Reserve Fund based upon the minimum reserve guideline:

1. If the reserves are drawn down by 25-50% of reserve fund balance, then a budgetary plan shall be implemented to return the reserve level to between 75-100% of the minimum reserve balance over a 5-7 year period.
2. If the reserves are drawn down by 10-25% of reserve fund balance, then the budgetary plan to restore the minimum reserve balance shall be structured over a 3-5 year period.

3. If the reserves are drawn down by 0-10% of reserve fund balance, then the budgetary plan to restore the minimum reserve balance shall be structured over a 1-3 year period.

Category: Identified as “Unrestricted” fund balance unless a resolution or budget amendment is processed that identifies a specific amount to be used for a specific item or purpose, then this amount would be classified as “Committed” fund balance.

Priority #7 - Equipment Repair and Replacement Reserve:
Purpose: This reserve account will be set-up as a separate fund to account for equipment replacement for existing City equipment and vehicles. The purpose of this fund is to create the financial flexibility to plan for replacement of these types of expenses, maintaining the City assets at an acceptable level to prevent physical deterioration.

Amount: The amount allocated will be determined by a financial model used to track the funds needed to replace existing vehicles and equipment at the end of their useful life. The amount allocated to the reserves will be updated annually during the budget process.

Category: Identified as “Assigned” fund balance unless a resolution or budget amendment is processed that identifies a specific amount to be used for a specific item or purpose, then this amount would be classified as “Committed” fund balance.

The City will make every effort to create and maintain the fund balances and reserves identified above and based on the priorities established. The City is aware that needs may change over time and fund balance reserve amounts may be redistributed within a fund to meet the needs that occur at a given time. If it is determined that funds need to be redistributed within a fund, the fund balance with the lowest priority will be redistributed first to allow the ability to meet the need of a higher priority fund balance. In all cases, council approval or budget enactment is required before changing or redistributing the amounts allocated to a reserve account.

VII. PURCHASING

Refer to ***Financial Policy #04: Procurement of Goods and Services*** for more detailed information.

The City shall commit to the following guidelines:

- Comply with all federal, state, and local laws, adopted codes, ordinances, and stated policies in its procurement process.
- Buy competitively and wisely to obtain maximum value for the public resource dollars spent.
- Afford all bidders an equal opportunity to quote and compete on equal terms.

- Initiate and promote good, continuous vendor relations, as well as, reliable alternate sources of supply.
- Buy from suppliers who maintain adequate financial strength, high ethical standards, a record of adhering to specifications and who will maintain integrity in payment terms, delivery and service.

VIII. CAPITAL IMPROVEMENTS

The City will make capital improvements in accordance with an adopted capital improvement plan.

The capital investment program and the base operating budget will be reviewed at the same time. This will insure that the City's capital and operating needs are balanced with each other.

The City will develop a multi-year plan for capital improvements including operations and maintenance costs and update it every two years or sooner if needed. Future capital expenditures necessitated by changes in population, changes in real estate development, or changes in the economic base will be calculated and included in the capital budget projections.

The City will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to Council for approval. The City will use intergovernmental grants, loans and other outside resources whenever possible.

IX. LOCAL IMPROVEMENT DISTRICTS (LID):

LID's are formed to provide an alternative means of financing for property owners, within a defined geographical area, to make improvements benefiting their property.

Improvements financed by the Local Improvement District (LID) may include street and sidewalk construction, construction of water distribution and storm water collection facilities. Assessments are determined by the size and location of each property in relation to the improvement and the benefit to the property.

An LID may be initiated by City Council resolution or by petition of the majority of property owners along the frontage of the improvement, within the boundaries of the district. Refer to RCW 35.43 for authority.

The formation of a Local Improvement District is limited to specific instances and can apply as follows:

- When a group of property owners wish to accelerate development of a certain improvement; or
- When a group of property owners desire a higher standard of improvement than the City's project contemplates; or

- When a group of property owners request City assistance in LID formation to fund internal neighborhood transportation facilities improvements.

LID projects may or may not have City funding involved. If City funding is proposed by the project sponsors (property owners), they shall request it from the City Council (through the City Clerk) in writing before the LID promotion activity begins.

X. LATECOMER AGREEMENTS

Refer to Ridgefield Municipal Code chapter 3.90 for more detailed information.

As a source of financing capital improvements, the City may work with private developers to construct projects identified in the capital facilities plan.

The City shall collect a connection or impact fee from future developers that utilize the capital improvement and reimburse the developer that built the initial capital improvement.

Construction projects considered under this agreement:

- The project must be a project identified in the adopted capital facilities plan
- The project extension must serve anticipated future development.
- The project requires prior approval by the Community Development Director or Public Works Director.
- The latecomer agreement must be approved by City Council prior to construction.

Payment of any latecomer fee shall occur within 15 years of final acceptance of construction. Documentation of the actual project costs and the agreement with current participants must be made prior to any reimbursements.

The reimbursements shall not exceed that amount which brings participant costs equal to zero.

XI. DEBT MANAGEMENT

Refer to ***Financial Policy #10: Debt Management*** for more detailed information.

The Debt Policy for the City of Ridgefield sets forth guidelines for the issuance and management of all financings of the City. Adherence to the policy is essential to ensure that the City maintains a sound debt position and protects the credit quality of its obligations while providing flexibility and preserving financial stability.

XII. INVESTMENTS

Refer to ***Financial Policy #08: Investments*** for more detailed information.

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The policy on investment applies to the investment of all City funds excluding pension funds or trust accounts. The primary objective of investment activities shall be: 1) Safety of principal that seeks to minimize potential losses; 2) Liquidity of cash to sufficiently meet all operating requirements; and 3) Return on investment that allows for the highest market rate of return throughout budgetary and economic cycles.

The City of Ridgefield authorized investment officers will perform their duties in a manner consistent with the standard of a “prudent person,” as defined in RCW 43.250.040. A prudent person is defined as “exercising the judgment and care under the circumstances then prevailing which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of the funds considering the probable income as well as the probable safety of the capital.” The investment officer is the Finance Director.

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

The City may invest in any of the securities identified as eligible investments as defined by RCW’s: 35A.40.050, 39.59, 43.250, and 43.84.080. These include: Certificates of Deposit, United States Securities, Bankers' Acceptances, Repurchase Agreements and Certificates, and Notes and Bonds of the State of Washington. The City may also create investment accounts with the Clark County Treasurer’s Office per RCW 36.29.020, and the Local Government Investment Pool per RCW 43.250.040. Speculative investments are not allowed.

Investment transactions shall be conducted with approved broker/dealers selected by credit worthiness and other selection criteria. Broker/dealers must be registered to provide investment services in the State of Washington.

The policy shall be to assure no single institution or security is invested into, to such an extent that a delay of liquidation at maturity is likely to cause a current cash flow emergency.

XIII. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

The City will establish and maintain a high standard of accounting practices.

The accounting system will maintain records on a basis consistent with Generally Accepted Accounting Principles and the State of Washington Budgeting, Accounting, and Reporting Systems.

Regular monthly, quarterly and annual financial reports will present a summary of financial activity by major types of funds. Monthly reports will also include a summary of the investment activities by type of investment.

Where feasible, the reporting system will also provide monthly information on the total cost of specific services by type of expenditure and, if necessary, by fund.

The State Auditor's Office will audit City records annually or biannually, depending upon audit requirements, and will issue a financial opinion.

XIV. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

Basis of accounting refers to the point at which revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements report the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The City considers taxes as available if they are collected within 60 days after year end. Expenditures are accrued to the period the liability is incurred if the invoice is received within 60 days of the end of the current fiscal period for all amounts, when received between day 61 and day 75 invoices exceeding $25,000 will be accrued, and no accrual will occur after day 75 in order to facilitate preparation of financial statements and the year-end close. Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales tax, franchise fees, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and will be recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

As a general rule the effect of interfund activity is eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges

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between the government's water, and storm water function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Storm Water Funds are charges to customers for sales and services. Operating expenses for these funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

CITY OF RIDGEFIELD
REQUEST FOR COUNCIL ACTION

MEETING DATE: July 25, 2019

ITEM: BUSINESS

AGENDA ITEM TITLE: Motion - Approval of Purchase Agreement for 725 N 32Nd Court

GOVERNING LEGISLATION:

RCW 35A.11.010

PREVIOUS COUNCIL ACTION TAKEN:

N/A

SUMMARY/BACKGROUND:

The City of Ridgefield's 2016 Parks and Recreation Comprehensive Plan includes identification of the need to acquire right-of-way for and construct a park in Gap Area J. In 2018, the City Council further identified a priority to acquire right-of-way for and construct a neighborhood park in the general vicinity of the Gap Area noted above, as there has been significant development in the area creating a need for further parks spaces.

In December 2018, the City was approached by the Boyse property owner with the possibility of purchasing approximately 10 acres located in Gap Area J. In January 2019, the City appraised the Boyse property, and began working with the Boyse family on potential purchase scenarios which would meet the interests of the City in acquiring a portion of their property for a neighborhood park.

After further evaluation of potential park alternatives - including a site visit by City staff, Parks Board Chair, and City Councilor - the City, In May of 2019, presented an offer to the Boyse family for purchase of a portion of their property for $250,000. Over the subsequent months between that time and this meeting, the City met with the Boyse family multiple times to reach a tentative negotiated purchase value for the property for $250,000, contingent on mutually agreed upon property subdivision creating legal lots for both City purchase and future potential development. Staff believes that this is amount is a reasonable and fair market value based upon review of the appraisals and negotiations with the property owners.

1) The City agrees to pay $250,000 for approximately 5 acres of mutually agreed upon

land.

2) The City will pay to complete a short subdivision for the entire property, in order to create at least two legal lots - one for the City's approximately 5 acres, one for a remainder parcel suitable for development, and one (if seller so chooses) for the existing residence and surrounding area.

3) Given the nature of the land to be sold to the City, which includes acreage for critical areas, open spaces and parks, the City agrees to record a covenant on the deed of the remainder parcel suitable for development that specifies:

   a. Planned Unit Development open space requirements (RDC 18.401.080) for all subsequent development on the property are accomplished through the subject property to be purchased by the City;
   b. The City shall make best efforts to allow a storm water detention facility capable of meeting requirements for subsequent development under RDC Chapter 18 to be located on the subject property to be purchased by the City, in a mutually agreed upon location. The facility shall be designed, built, and maintained by the subsequent developer at their expense; and
   c. Critical areas and buffers on the property purchased by the City shall qualify as part of the future development project for the purposes of Density Transfer Allowance under 18.280.070.

4) In order to secure the land being transacted during the short subdivision process, the City agrees to pay the seller $50,000 upon signature of this offer by all parties. This initial payment shall be refunded to the City in full if within 6 months the parties have not agreed upon and finalized a purchase and sale agreement for the property as defined above. Final payment for the remainder owed on the purchase of your property will be made available approximately 30 days after the short subdivision has been completed and purchase and sale agreement is recorded.

5) The City shall receive first right of refusal to purchase the remainder parcel suitable for development.

BUDGET/FINANCIAL IMPACTS:

$250,000, to be allocated from Park Impact Fees Fund.

RECOMMENDED ACTION OR MOTION:

Staff recommends that Council approve purchase of property at 725 N. 32nd Ct. for an amount of $250,000.00 and a recommended motion would be:

"I move to approve the City's purchase of the property at 725 N. 32nd Ct. for a purchase price of $250,000.00 and authorize the City Manager to take all steps necessary and incidental to close the sale."

STAFF CONTACT: Steve Stuart, City Manager

ATTACHMENTS: Boyse 7_25_19 Offer Letter (PDF)

July 25, 2019

John and Hannah Boyse
725 N 32nd Ct
Ridgefield, WA 98642

RE: City Park Project - *Purchase of Property at 725 N 32nd Ct*

Dear Mr. and Mrs. Boyse:

The City of Ridgefield plans to proceed with the above-titled public project. As a part of the project, the City needs to purchase your property and/or property rights identified at the address listed above.

Your property has been examined by qualified appraisers and appraisal reviewers who have carefully considered all the elements which contribute to the market value of your property. By law, they must disregard any general increase or decrease in value caused by the project itself. Based upon the market value estimated for your property, the total market value for the property and all improvements on it is estimated to be $1,475,000 (One Million Four Hundred Seventy-Five Thousand Dollars). The appraisal is included in this offer as **EXHIBIT A**.

At this time, the City of Ridgefield is not in a position to offer purchase of the entire property. As such, the City's offer is as follows:

1) ***$250,000 for approximately 5 acres of mutually agreed upon land, to include approximately 5 buildable lots from the proposed subdivision evaluated in the Epic Land Solutions, Inc., appraisal report for this property, as well as critical areas and other unbuildable land comprising the majority of the acreage. This is very roughly identified in EXHIBIT B.***
2) ***The City will pay to complete a short subdivision for the entire property, in order to create at least two legal lots – one for the City's approximately 5 acres, one for a remainder parcel suitable for development, and one (if seller so chooses) for the existing residence and surrounding area.***
3) ***Given the nature of the land to be sold to the City, which includes acreage for critical areas, open spaces and parks, the City shall record a covenant on the deed of the remainder parcel suitable for development that specifies:***
    a. ***Planned Unit Development open space requirements (RDC 18.401.080) for all subsequent development on the property are accomplished through the subject property to be purchased by the City;***
    b. ***The City shall make best efforts to allow a storm water detention facility capable of meeting requirements for subsequent development under RDC Chapter 18 to be located on the subject property to be purchased by the City, in a mutually agreed upon location. The facility shall be designed, built, and warrantied by the***

subsequent developer at their expense, then turned over to the City who shall own and maintain the facility; and

c. ***Critical areas and buffers on the property purchased by the City shall qualify as part of the future development project for the purposes of Density Transfer Allowance under 18.280.070.***

4) ***In order to secure the land being transacted during the short subdivision process, the City shall pay the seller $50,000 upon signature of this offer by all parties. This initial payment shall be refunded to the City in full if within 6 months the parties have not agreed upon and finalized a purchase and sale agreement for the property as defined above.***

   Final payment for the remainder owed on the purchase of your property will be made available to you approximately 30 days after the short subdivision has been completed and purchase and sale agreement is recorded. The date on which final payment is made available to you is called the "payment date". On that date, the City becomes the owner of the property purchased and responsible for its control and management.

5) ***The City shall receive first right of refusal to purchase the remainder parcel suitable for development.***

You may wish to employ professional services to evaluate the City's offer. If you do so, we suggest that you employ well-qualified evaluators so that the resulting evaluation report will be useful to you in deciding whether to accept the City's offer. The City will reimburse up to $750.00 of your evaluation costs upon submission of the bills or paid receipts.

This offer is being made on a willing buyer/willing seller basis. If you decide to accept the offer, the City will pay all closing costs including the Real Estate Excise Tax on this transaction. If you decide to reject the offer, then the City will notify you in writing that this offer will be withdrawn.

The Internal Revenue Service (IRS) requires that the City obtain your correct taxpayer identification number (TIN) or social security number (SSN) to report income paid to you as a result of this real estate transaction. In addition to the IRS requirement, the Washington State Office of Financial Management (OFM) requires that all state agencies use a statewide vendor number for all payments. You will be required to complete the attached substitute Form W-9 for each owner, as well as, the attached Statewide Vendor Registration & Payment Option form, and provide said forms to the City's specialist upon acceptance of the City's offer. However, in order to expedite processing of your payment, these forms can be provided to the City at an earlier date. If you need advice on how to complete these forms, please contact an IRS office, accountant, or legal consultant.

We have attempted by this letter to provide a concise statement of our offer and summary of your rights. We hope the information will assist you in reaching a decision. Please feel free to direct any questions you may have to the undersigned.

Sincerely,

Steve Stuart
City Manager
City of Ridgefield

EXHIBIT A

Epic Land Solutions, Inc.

Creating Land Solutions for the Public Good

Market Value Appraisal Report

725 N 32nd Court
Ridgefield, WA 98642

Prepared For:

City of Ridgefield
Kirk Johnson, Finance Director
230 Pioneer Street
Ridgefield, WA 98642

Prepared By:

Robert Atchison, Certified General Appraiser
Epic Land Solutions, Inc.
10300 SW Greenburg Road, Suite 370
Portland, OR 97223
File: EA18084

Date of Value: January 2, 2019

Epic Land Solutions, Inc.

10300 SW Greenburg Road, Suite 370
Portland, OR 97223

January 24, 2019

City of Ridgefield
Kirk Johnson, Finance Director 230
Pioneer Street
Ridgefield, WA 98642 File

EA18084

Dear Mr. Johnson,

In accordance with the terms of our proposal dated December 20, 2018, I have personally inspected and performed a market value appraisal report of the fee simple interest in approximately 9.85 acres of residentially zoned land improved with a 1,922 square foot home located in Ridgefield, Clark County, Washington more fully described herein.

The purpose of this report is to communicate the data and reasoning used by the appraiser to form an opinion of market value. It is understood that this report is to assist the client in potential acquisition of the subject property. Use of this report by others or for another purpose is not intended.

I certify that I have no present or contemplated future interest in the property beyond this estimate of value. I have not performed any prior services regarding the subject property within the previous three years of the appraisal date.

In the appraisal process, I have reviewed the data from the market area, market trends, sales, and asking prices of comparable properties. Though I considered each approach to value I have appraised the subject using only the sales comparison approach.

City of Ridgefield
Mr. Kirk Johnson
Page Two

File: EA18084

After due consideration of the information contained in the report and based upon my knowledge of the market conditions as of the date of inspection, January 2, 2019, the market value of the subject property is estimated to be:

ONE MILLION FOUR HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

$1,475,000

The values concluded in this report are expressly subject to the conditions, assumptions, limiting conditions, and comments appearing within. The report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP), and the laws of the State of Washington. Thank you for allowing Epic Land Solutions, Inc. to be of service and please do not hesitate to contact me at 503-213-3975 with any questions.

Respectfully Submitted,

Robert Atchison, Certified General R. E. Appraiser
Certification Number 1102538

John W. Arney, MAI, Certified General R.E. Appraiser
Certification Number 1100473

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Client: City of Ridgefield

Intended User(s): City of Ridgefield

Intended Use: This appraisal report is intended to assist the client in potential acquisition of the subject property.

Subject Property: The subject property is a 1,922 square foot residential home built in 2016 situated on a 9.85 acre parcel of residentially zoned land.

The home is average quality and is in good overall condition.

It contains 4 bedrooms and 2 bathrooms and is a one level design.

Of note, the home does have an attached garage with 784 square feet and the driveway leading to the home is gravel. The walkway to the front door is gravel with a wooden landing for the front door.

Location: The subject property is located at 725 N 32nd Court, Ridgefield, WA 98642.

This location is at the end of 32nd Court on the west side of the road.

Adjacent Parcels: **North:** Multi-acre homesites.

South: 2 Residential homesites.

East: Cedar Creek sub-division.

West: 10 acres of vacant land zoned RLD-6.

Legal Description: The subject is identified by the Clark County Assessor's Parcel Number 213711000.

Site size: Approximately 9.85 gross acres and approximately half of the site is affected steep topography, wetlands and flood hazard area. The current location of the house represents a suitable building site and the net usable area is in the southwest corner of gross site size. This allows for an efficient location for future single family development.

Zone: The subject is zoned RLD-6 (Residential Low Density) by the City of Ridgefield. This zone has a minimum and maximum density of 6 units per net acre with a minimum lot size of 7,200 square feet.

Property Rights Appraised: Fee Simple

Effective Date of Value: January 2, 2019

Date of Inspection: January 2, 2019

Date of Report: January 24, 2019

Purpose and Function: The purpose of this report is to communicate the data and reasoning used by the appraiser to form an opinion of the market value, as of the effective date of value.

The function of this report is to assist the client in the potential acquisition of the subject property.

Assignment Conditions: None.

Scope and Identification of the Appraisal Problem: To estimate the market value of the subject using all relevant and supportable methods as of the effective date of value.

Assessment and Taxation:

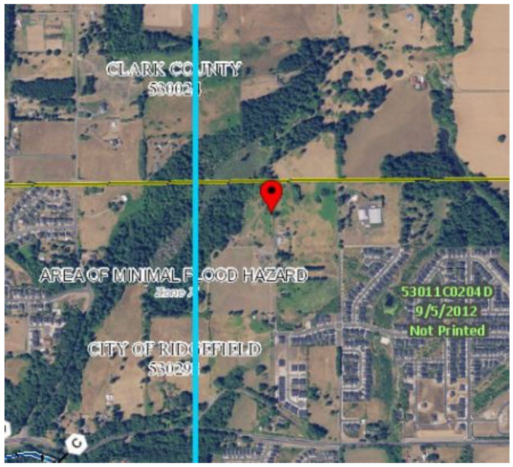
Property Information		Assessment Information	
Lot Shape:	Rectangular	RMV - Land:	$259,095
Lot Size:	429,066	RMV - Improvements:	$312,533
Year Built:	2016	RMV - Total:	$571,628
Building Size:	1,922	Assessed Total:	$571,628
Purchase Date:	07/28/15	Taxes (2018):	$6,065.95

The subject property is assessed as shown above, effective January 1, 2018.

Assessed values have increased 28.3% from 2017. Total value for that assessment period was $409,531 and most likely reflects the partial construction completion of the home.

The value concluded herein is greater than the assessed value but overall assessment is not a significant determinant of value.

Flood Hazard area:



FEMA Map number 53011C0204D, dated September 5, 2012. According to the map, the subject improvements are in Zone X, an area of minimal flooding. The flood map has a status of “not printed” because the entire area of the panel is in a single flood zone. FEMA chose to economize and not create a printable image for this location.

Easements or Encumbrances: A preliminary title report was not provided by the client. It is an extraordinary assumption that no easement or encumbrance exists that would adversely affect the value of the property. Should any be discovered, the appraiser reserves the right to amend the value opinion accordingly.

Hazardous Waste/Materials: There were no obvious hazardous materials observed at the site during the inspection of the property, but I have no expertise in this area. If there is a concern of this issue, the client is advised to consult with an expert.

Census Tract: 403.02

Ownership and Sales History: Ownership is vested in John C and Hannah G Boyse. The land has been under family ownership for over 10 ten years. The home was built in 2016 by Adair Homes.

No other sales have occurred in the past 5 years and the property is not currently listed for sale.

The property owner obtained a CMA from a Realtor with a recommended sales price of $1,500,000. The CMA has considered the land value of the subject with 2 active listings, with one in LaCenter. One pending sale that is also in LaCenter and three closed sales with one in Vancouver. The out of area sales, listings, and pending sales are inferior for LaCenter and superior for Vancouver. The CMA does not provide any analysis or adjustments; therefore, little weight is given to the CMA.

Highest and Best Use: The property zoning, topography, and size could legally permit the creation of 23 lots as determined by engineering work from PLS Engineering out of Vancouver, Washington. It appears to be *physically possible and legally permissible,* and likely to be financially feasible.

Therefore, the highest and best use of the subject is concluded to be development of 23 RLD-6 zoned lots and the continued "as is" use of the subject single family residence.

Valuation Methodology: Each approach to value is considered but only the sales comparison is considered relevant.

Two sets of sale data are analyzed. The first focuses on similar homes in residential subdivisions and the second focuses on sales of land on similar acreage parcels. Each comparable sale is adjusted for superior and inferior attributes that ultimately provide an indication of the subject value.

Exposure Time: Exposure time is estimated to be less than 12 months at the concluded value.

Indicated Value:

ONE MILLION FOUR HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

$1,475,000

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report and the certification of value are expressly contingent upon and subject to the following:

1. The legal description is assumed to be correct and all matters of a legal nature or facts which might be revealed by a survey are excluded from the opinion of value herein.
2. That the title to the property is good and merchantable.
3. That the property is free and clear of all liens or encumbrances including taxes and assessments not specifically referred to in the appraisal.
4. That management and ownership of the property is responsible.
5. The sketch of the proposed lots is intended to assist the reader in visualizing the property and is correct only to a reasonable degree of accuracy, as it is a preliminary drawing.
6. Subsoil characteristics of the subject site appear to be suitable for the intended use. No further studies were undertaken and no responsibility is assumed. Subsurface rights were not considered in making this appraisal.
7. I am not qualified to detect the presence of toxic or hazardous substances or materials that may influence, or be associated, with the subject or adjacent properties. I have made no investigation or analysis as to the presence of such materials.
8. It is assumed that full compliance has been made with all applicable federal, state and local environmental regulations and laws unless specifically stated otherwise in this report. It is assumed that all applicable zoning and use regulations and restrictions have been complied with unless specifically stated otherwise in this report. It is assumed that the improvements, if any, are within the boundaries or property lines of the property described and that there is no encroachment or trespass unless specifically stated otherwise in this report.
9. The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. Any fractional use of the portions of this report with any other appraisal is invalid.
10. Possession of this report, or any portion thereof, does not carry right of publication. Neither all nor any portion of this report may be disseminated to the public through any media or communication without the prior written consent of the author of this report, nor may it be used for any purpose by anyone but the client without previous written consent of the appraiser and then only under the proper qualifications and in its entirety.
11. In the event of subpoena or other required appearance before any court or other formal hearing concerning any or all of the subject matter of this report, the customary charge will be made for such appearance and I am not required to give further consultation or testimony unless arrangements have been made previously.

12. The comparable sales data outlined in this report has been checked as closely as possible for errors and is considered accurate, but this accuracy is limited to the reliability of the people contacted who were involved in the sale and to the information they passed on to the appraiser during his investigation.
13. The liability of the appraiser and subcontractors, if any, is limited to the initial employer (client) only, and only up to the amount of the fee actually received for the assignment. Further, there is no accountability, obligation or liability to any third party. If the appraisal report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraiser is in no way responsible for any costs incurred to discover or correct any deficiency (if any) in the property.
14. Acceptance of and/or use of this appraisal report constitutes acceptance of the foregoing assumptions and limiting conditions.

Extraordinary Assumptions and Hypothetical Conditions

It is an extraordinary assumption of this report that no other easements or encumbrances beyond those described herein exist. If any are found to exist and adversely affect the value of the property, the appraiser reserves the right to amend the value opinion accordingly.

GENERAL CONSIDERATIONS

Intended Use and User of the Appraisal Report

The client, which is the City of Ridgefield is the intended user of this report. Use of this report by others is not intended by the appraiser.

The intended use of this appraisal is to assist the client and any other identified intended users in their potential acquisition of the subject property. This report is not intended for any other use.

Identification of both the intended use and intended user(s) is critical in order to develop an appropriate scope of work, which is necessary to produce credible assignment results and to not mislead any unintended users who may possess the report.

Scope of the Appraisal

The scope of the appraisal encompasses the necessary research and analysis to prepare the report in accordance with the intended use. This report is intended to comply with the laws of the State of Washington and was prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP). If conflict or dispute regarding correct appraisal procedures that are not addressed in these standards arises, then the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA), commonly referred to as Yellowbook, shall be the governing standards.

Property Identification and Inspection

The property was identified by means of the Clark County assessor's map. Additional features of the property were obtained from the internet including aerial photography, zoning, flood, and hazard information. No other tangible property was considered. An onsite inspection was made whereby the appraiser made an interior and exterior inspection of the primary residence. During the inspection the appraiser was accompanied by the property owner, Mr. John Boyse. Square footage is taken from County records and is assumed to be accurate.

Scope of Research

The highest and best use opinion was developed through an analysis of the physical aspects of the subject property and its surrounding area. Each of the applicable approaches to value were considered and ultimately the sales comparison approach was used in this analysis.

*Research involved review of comparable sales data obtained from CoStar, RMLS, and County records, as reported by RealQuest. Each of the sales were **confirmed** by the* *appraiser with one of the parties to the transaction, typically the real estate agent or the buyer, unless otherwise noted.*

Each of the sales used in the analysis were physically viewed and photographed. This market data was adjusted for superior and inferior characteristics and applied to the subject to form an opinion of market value. Land sales were physically viewed and photographed and reviewed via Clark County GIS data.

Scope of Reporting

In accordance with Standard 2-2 of the 2018-2019 edition of USPAP, this assignment has been completed as an Appraisal Report.

Definition of Market Value

The definition of market value used in this appraisal is taken from the State of Washington Administrative Code, Title 390, Chapter 390-05, Section 390-05-235, and is defined as follows:

> *"Fair market value" or "value" is the amount in cash which a well-informed buyer, willing but not obligated to buy that property, would pay, and which a well-informed seller, willing but not obligated to sell it, would accept, taking into consideration all uses to which the property is adapted and might in reason be applied.*

Property Rights Appraised

This assignment concerns the appraisal of the fee simple interest in the subject site. 'Fee simple' is defined as:

> *"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."*[1]

Date of the Inspection

The property was inspected by Robert Atchison on January 2, 2019 for the purpose of this assignment.

Personal Property, Fixtures, and Intangible Items

No personal property, fixtures, or intangible items were included in this valuation.

[1] The Dictionary of Real Estate Appraisal, Third Edition, Appraisal Institute, Chicago, 1993, Page 140.

Competency Provision

The Uniform Standards of Professional Appraisal Practice (USPAP) requires that "*the appraiser must determine, prior to accepting an assignment, that he or she can perform the assignment competently.*[2] The appraiser hereby certifies that he has the necessary experience and knowledge to complete this assignment competently.

Unavailability of Information

It is considered that all information necessary to properly complete this assignment was available to the appraiser during the course of the assignment unless otherwise noted in the individual sections of the appraisal. In all, the data is considered to be the best available and allowed me to generate a credible opinion of value.

Location of the Property and Identification of the Market area

The subject property is located at 725 N 32nd Court, Ridgefield WA 98642. The city limits of Ridgefield are considered to be the subject's market area, which includes areas both east and west of Interstate 5 and north and south of downtown Ridgefield.

Legal Description

The subject is identified by the Clark County Assessor's Parcel Number 213711000.

Ownership and Sales History

Ownership is vested in John C and Hannah G Boyse. The land has been in family ownership for over 10 years. The home was built in 2016 by Adair Homes.

No other sales have occurred in the past 5 years and the property is not currently listed for sale.

Compliance

This appraisal has been prepared in compliance with my best interpretation of the current Uniform Standards of Professional Appraisal Practice (2018 USPAP), any client Supplemental Standards, and the laws of the State of Washington. As mentioned in the Scope of the Appraisal, the Uniform Appraisal Standards for Federal Land Acquisitions (Yellowbook) supersedes any standards in the event of conflict or disagreement regarding appraisal procedures.

Should this report be transferred to another party and/or is reviewed by another party and there are questions or additional work necessary to comply with their subsequent standards,

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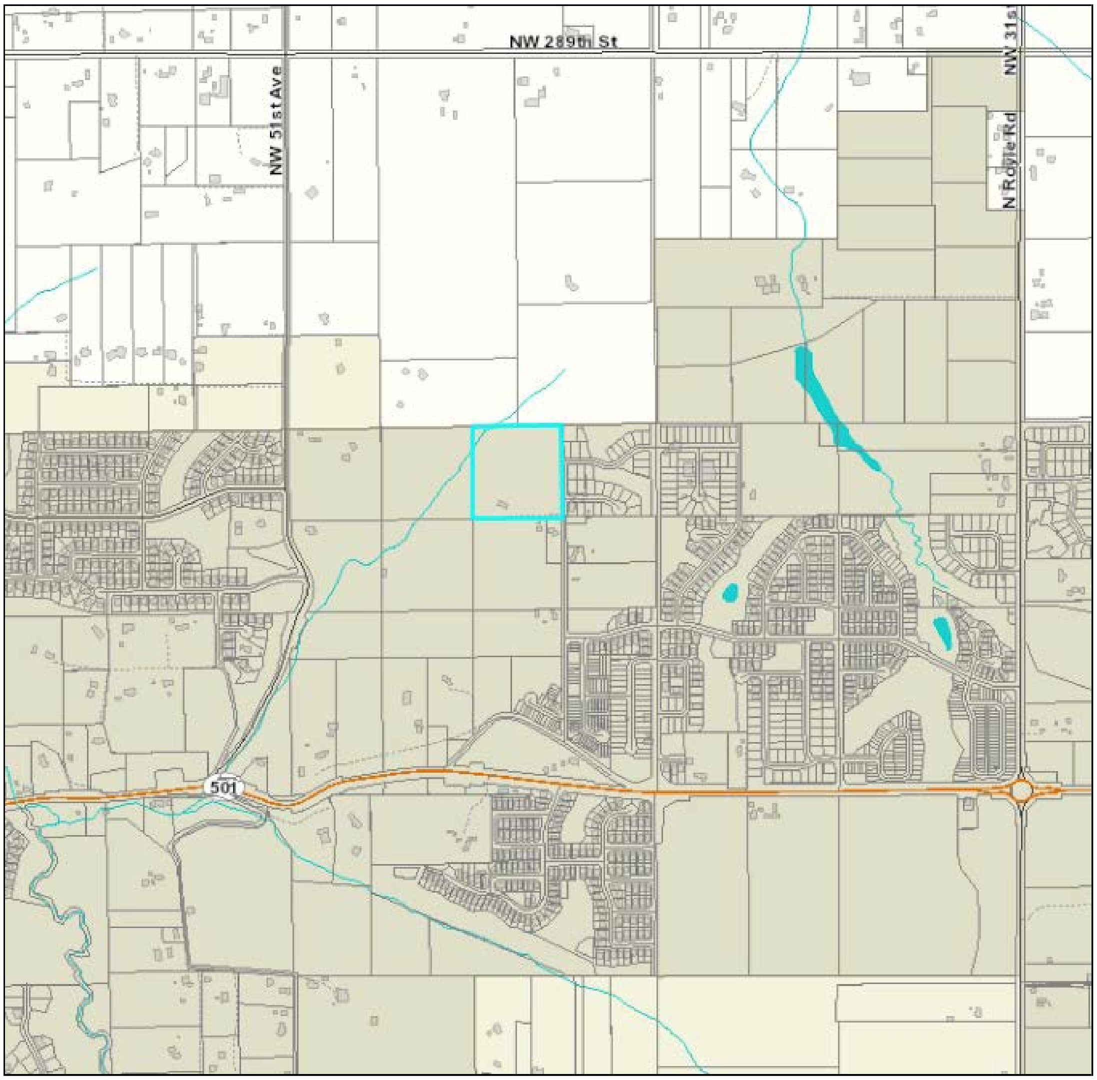
2 USPAP, 2018 Edition, The Appraisal Foundation

the appraiser reserves the right to charge appropriate additional fees for the work and time expended.

Exposure Time

Defined as the "*estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal*" the subject is estimated to have an exposure time less than 12 months at the value concluded herein.

SITE DESCRIPTION



Location: The subject is located at 725 N 32nd Court in Ridgefield, Clark County, Washington 98642.

Neighborhood Description: The subject is located west of N 32nd Court. To the east of the subject is new sub-division with residential development. The surrounding areas to the north, south, and west are large residential acreage homesites. The land to the south of the subject is generally level with land to the north and west having some slope leading to a stream. There is a view of Mt St Helens to the northeast of the subject.

Overall the immediate area retains a rural feel, but is transitioning to higher density residential development.

Transportation: *The downtown area of the City of Ridgefield is approximately 2 miles to the west. SR 501 (Pioneer Road) is approximately .50 mile from the subject.*
Interstate 5 is approximately 2 miles to the east.

Accessibility: *Access to the subject property is via SR 501, otherwise known as Pioneer Road, which is a two lane arterial road that provides access from Interstate 5 to the downtown City of Ridgefield.*

Adjacent Parcels:

North: Multi-acre homesites.

South: 2 Residential homesites.

East: Cedar Creek sub-division.

West: *10 acres of vacant land zoned RLD-6.*

Site Size: *The site is 9.85 acres or 429,066 square feet. The west and north portion of the site is heavily sloped to the creek. The other portions of the site have a gentle slope from the south highpoint down to the north. The current location of the house represents a suitable building site that takes advantage of the wooded area to the west and maximizes available land for single family lot development.*

Topography: *The site includes low lying land near the creek that slopes up to the south and east. There is also a pond on the adjacent property.*

Current Use: Single family residential parcel.

Current Zoning: The subject is zoned RLD-6 (Residential Low Density) by *the City of Ridgefield. This zone has a minimum and maximum density of 6 units per net acre with a minimum lot size of 7,200 square feet.*

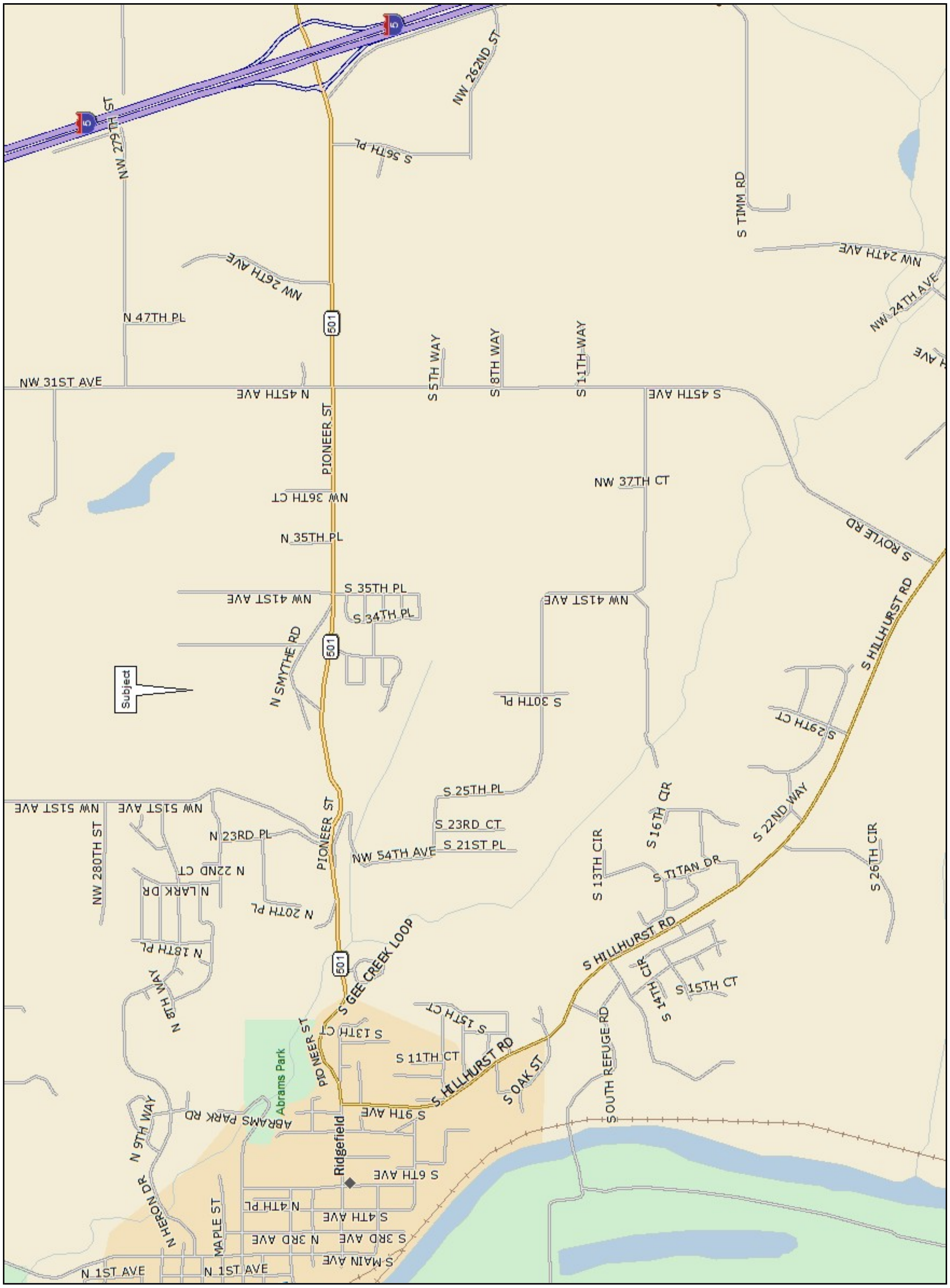
Potential for Re-zone: Very little potential for re-zoning exists.

Utilities: *The subject home is connected to city water and power.*
There is a septic system to the northeast of the residence.

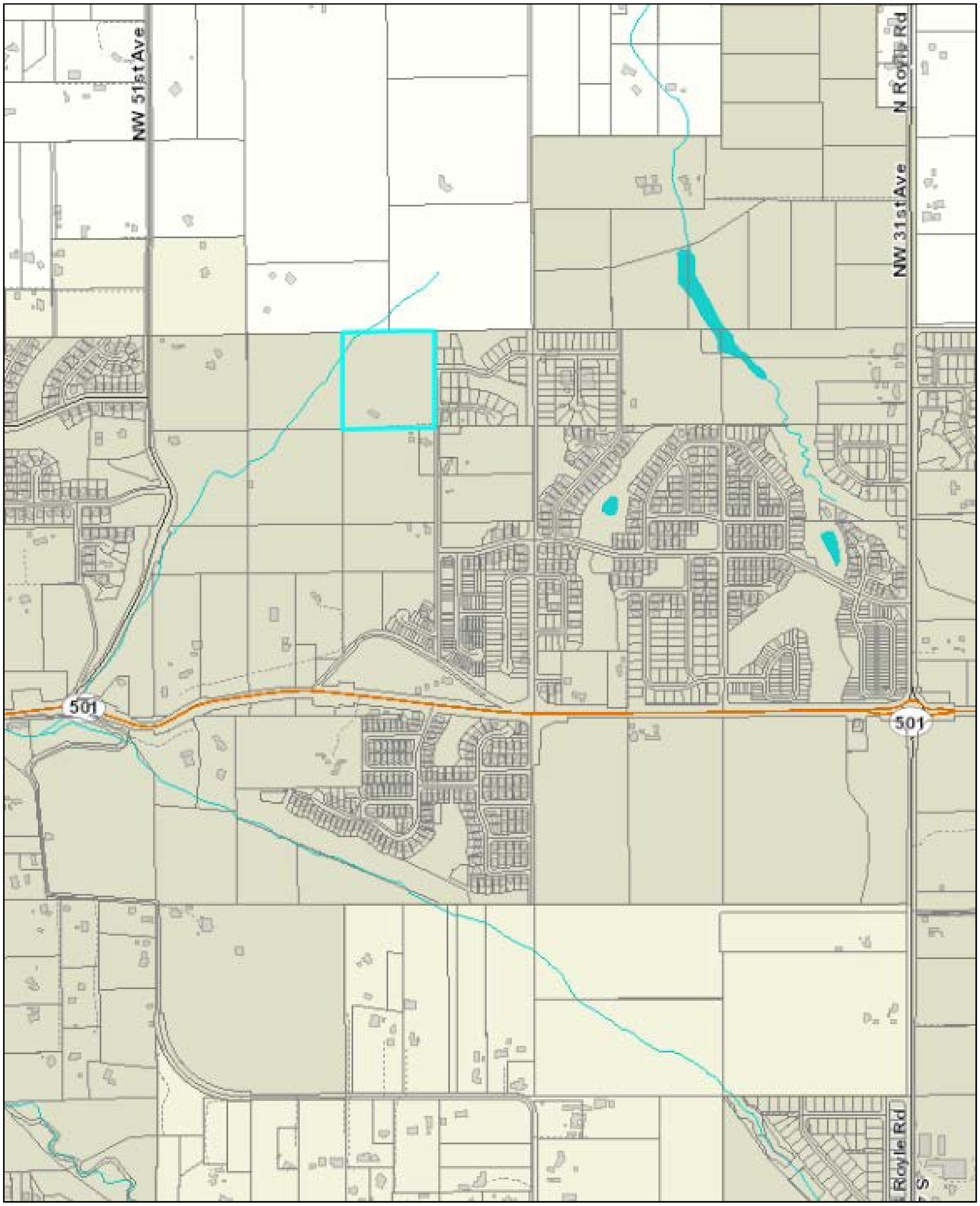
Flood Hazard Area:	FEMA Map number 53011C0204D, dated September 5, 2012. According to the map, the subject improvements, are in Zone X, an area of minimal flooding.
Easements or Encumbrances:	A preliminary title report was not provided by the client. It is an extraordinary assumption that no easement or encumbrance exists that would adversely affect the value of the property. Should any be discovered, the appraiser reserves the right to amend the value opinion accordingly.
Hazardous Waste/Materials:	There were no obvious hazardous materials observed at the site during the inspection of the property, but I have no expertise in this area. If there is concern over this issue, the client is advised to consult with an expert in this area.

MAPS AND EXHIBITS

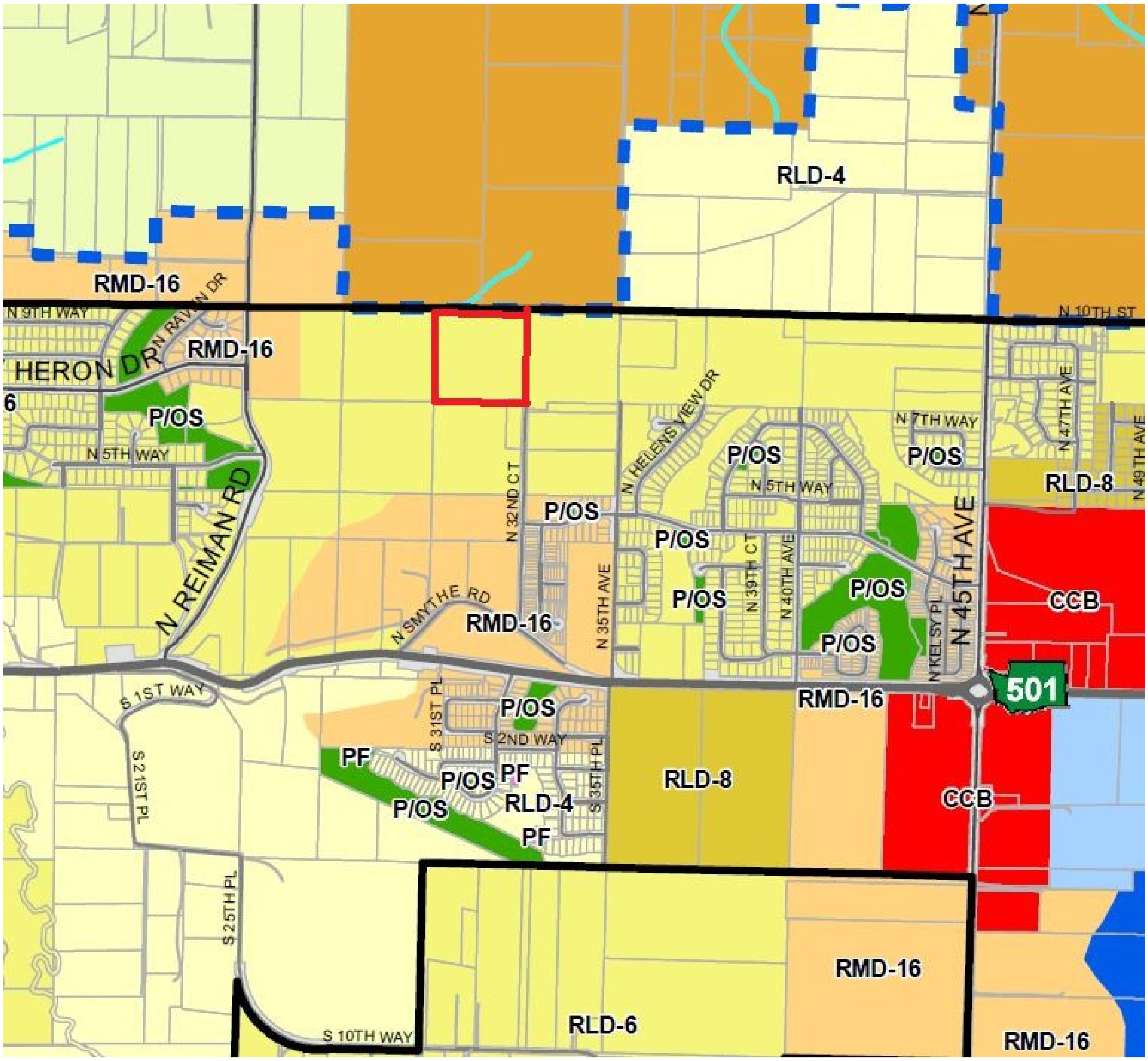
Regional Map



Neighborhood Map



Clark County GIS


RLD-4
RMD-16
N 9TH WAY
N RAVEN DR
HERON DR
RMD-16
P/OS
N 5TH WAY
N REIMAN RD
N 10TH ST
N 32ND CT
N HELENS VIEW DR
N 7TH WAY
N 47TH AVE
N 49TH AVE
P/OS
P/OS
RLD-8
N 5TH WAY
P/OS
P/OS
N 45TH AVE
N SMYTHE RD
RMD-16
N 35TH AVE
P/OS
N 39TH CT
N 40TH AVE
P/OS
CCB
P/OS
N KELSY PL
501
RMD-16
S 1ST WAY
S 21ST PL
S 31ST PL
P/OS
S 2ND WAY
PF
P/OS
PF
S 35TH PL
RLD-8
P/OS
RLD-4
CCB
PF
S 25TH PL
RMD-16
S 10TH WAY
RLD-6
RMD-16

Zoning Map

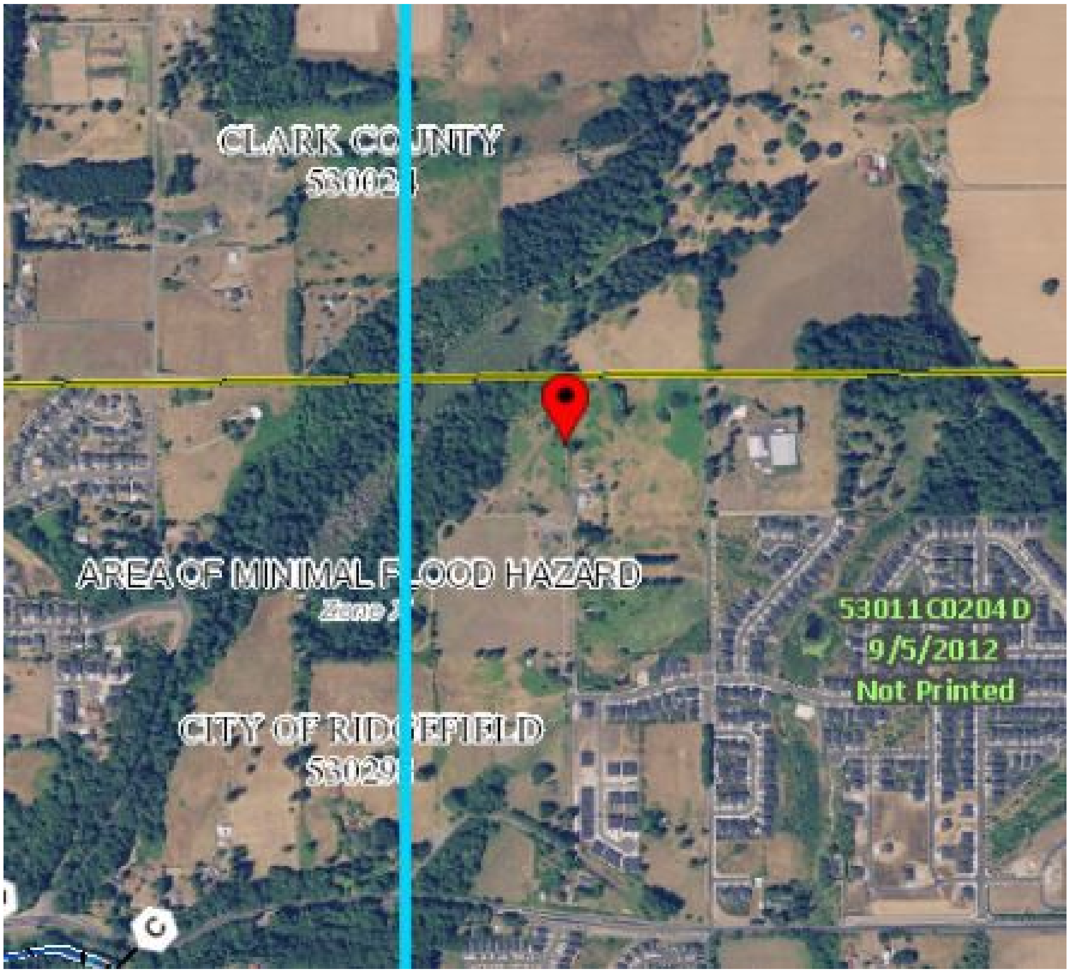
City of Ridgefield Zoning

Ridgefield Designation

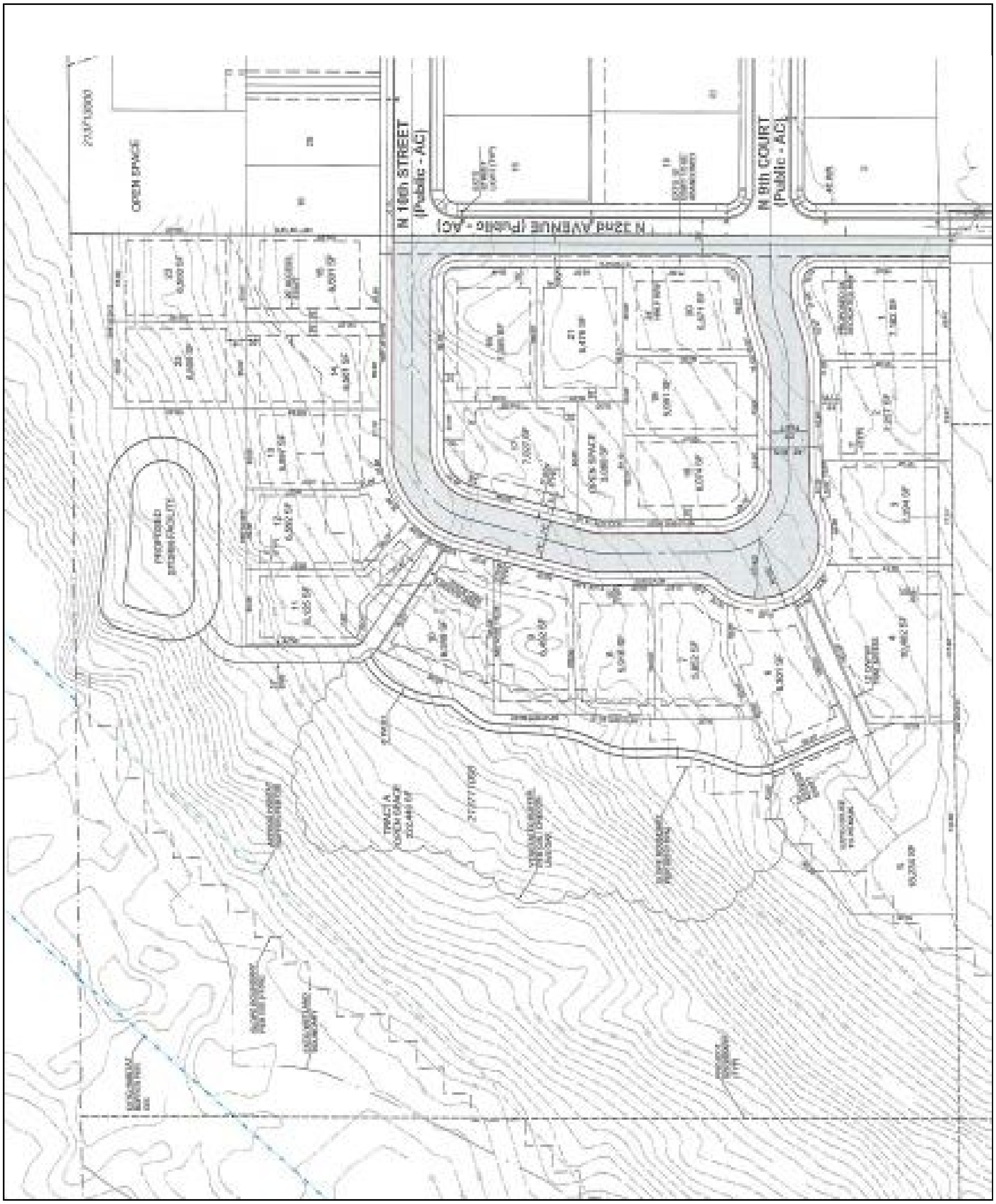
- Residential Low Density - 4 (RLD-4)
- Residential Low Density - 6 (RLD-6)
- Residential Low Density - 8 (RLD-8)
- Residential Medium Density - 16 (RMD-16)
- Central Mixed Use (CMU)
- Waterfront Mixed Use (WMU)
- Waterfront Low Scale (WLS)
- Office (OFF)
- Commercial Community Business (CCB)
- Commercial Neighborhood Business (CNB)
- Commercial Regional Business (CRB)
- Industrial (IND)
- Public Facilities (PF)
- Parks/Open Space (P/OS)

Ridgefield Zoning Overlay District

- Employment Mixed Use Overlay (EMUO)
- Urban Holding-10 (UH-10)



FEMA Flood Map



Proposed Subject Subdivision

DESCRIPTION OF EXISTING IMPROVEMENTS

The subject home is a 1,922 square foot single level home constructed in 2016. It is an average to good quality home, based on standards described by the Marshall & Swift Residential Cost Handbook. The term "average" is not meant to imply that the subject home is equivalent to the typical home in the area. In fact, in many ways, the subject home is superior. Marshall & Swift uses certain criteria to categorize homes for the purpose of estimating construction costs. Based on these criteria, the subject is concluded to be "average" quality rankings.

The exterior of the home is clad in Hardiplank siding with ornamental trim above. There is a 25- year composition roof and windows are vinyl. The entry is accessed via a small covered front porch.

Main Floor

The main entry flows into the living area. The ceiling is vaulted in the living room. To the left of the living room is the dining area with the kitchen further left of the dining area. The 2-car garage leads into the laundry room which lead into the kitchen. There is a 6-foot sliding glass door off of the dining area that is located on the back of the house. The sliding glass door provides access to the natural wooded area to the west of the home.

The kitchen has good quality cabinetry with slab granite counters and a slab granite island. There is an electric range with built in microwave and a built-in dishwasher, all of which are stainless steel. There are 2 bedrooms, a bathroom and the furnace room to the left of the entry. To the right of the entry is the master bedroom, master bathroom and walk-in closet along with another bedroom.

HVAC

A heat pump is used to heat and cool the home via a forced air distribution system. An 80 gallon water heater provides hot water to the home. Both are electrically powered. The subject home is served by public water and a septic sewer system.

Fit and Finish

The subject contains many elements of an above average quality home. The standalone vanities in the bathrooms are attractive, as is the free-standing tub in the master bath. Kitchen cabinetry is good quality and the slab granite is commensurate with what is now expected in new, good quality housing. Although the doors and baseboard are of good quality, there is little other millwork in the home. All of the windows are wrapped in sheetrock and lack a sill and apron. All of the higher end homes in Ridgefield feature extensive millwork including full windows surrounds, columns, wainscoting, and extensive built in cabinetry.

Other minor issues include a small wooden entry with gravel walkway to front door. In the rear of the home there is no deck off of the sliding glass door. Though these items are noted, they do not significantly affect the value opinion, as it would not be a significant cost to remedy this.

Other Notable Items

The oversized 2 car garage is commensurate with the comparable sales. The lack of a paved or concrete driveway and concrete walkway to home are negative influences compared to the comparable sales.

Landscaping is another component found among all the comparables that the subject lacks as well as paved access.

With regards to the subject site itself, it affords the home privacy and the benefit of a scenic view from the rear windows and rear door. The home does have privacy out the back of the house which is important to market participants.

Overall, the home is a well-constructed and appealing property with a functional floorplan offering a high degree of utility. There is a partial view of Mt. St. Helens to the northeast. Interior finishes are of good quality. The most significant negative factors are the lack of a fireplace, paved access, and finished landscaping around the home.

SUBJECT PHOTOS

Front elevation

North side of house

Kitchen area

Living area

Bedroom

Master bedroom

Main bathroom

Tub in master bathroom

HIGHEST AND BEST USE ANALYSIS

Highest and Best Use is defined as:

> *"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."*[3]

In testing legal permissibility, current land use regulations are considered, along with any reasonably probable modification of such land use. Physical possibility concerns suitability of the property for various kinds of development, considering such factors as size, shape, topography, soil conditions, and overall utility of the site. Financial feasibility concerns potential income to be generated by improvement of the site. An integral part of feasibility analysis is interpretation of supply and demand, the rate of absorption, and the effects of financing. Among the uses which are legally permissible, physically possible, and financial feasible, the use that obtains maximum profit or return is considered to be the highest and best use.

The basis for the following analysis is from information that has been provided from the City of Ridgefield Community Development. A preliminary subdivision plat was submitted to the City in August of 2017 from PLS Engineering. The preliminary drawing has 23 lots on the subject site with the existing home occupying a lot of 18,234 square feet. In conversation with Clair Lust, Associate Planner with the City of Ridgefield she said the preliminary drawing was reasonable and did not contain any obvious red flags. The plans have not been submitted for approval and without the formal review process, changes are likely to be requested. For purposes of this analysis we are concluding to 23 proposed lots on the subject property.

Legally Permissible

The subject is zoned RLD-6 (Residential Low Density) by the City of Ridgefield. This zone has a minimum and maximum density of 6 units per net acre with a minimum lot size of 7,200 square feet.

Given the subject's size, the zoning would allow for the creation of 23 lots in total. The site is restricted by other legal impediments such as a buffer zone from the creek and areas of steep slope.

[3] The Dictionary of Real Estate Appraisal, Third Edition, Appraisal Institute, Chicago, IL, 1993, Page 171

Physically Possible

Utilities to the existing home include city water and power. Sewer would need to be brought in, as the existing home is on septic system. Slope and flood hazard/stream buffer also impose physical impediments to lot creation.

Financial Feasibility

Given the demand for single family housing and the potential to create additional lots, including the amount of studies required to satisfy any potential environmental concerns, and the effect on the existing home, it is likely that creation of additional lots would be financially feasible.

Highest and Best Use Conclusion

The maximally productive, and therefore highest and best use of the subject is concluded to be continued use "as is" of the existing home and the creation of a sub-division with 23 lots total.

VALUE PROCEDURE

There are three basic approaches that are generally accepted by the professional societies in the appraisal of real property and the estimation of market value. These are: The cost approach; the sales comparison approach; and the income approach. Each method utilizes market derived data whenever possible.

The sales comparison approach relies upon an analysis of sales that are similar to the subject in size, quality, condition, and location. Ideally, these sales are recent and proximate to the subject property. After identifying and confirming the sales, the appraiser then compares them to the subject property and adjusts them for significant differences. By this method the appraiser is able to estimate the value of the subject if offered for sale in the marketplace, based on relevant and appropriate market data.

The cost approach is based on the principle of substitution which states that "a prudent investor will pay no more for a property than the amount for which the site can be acquired and for which improvements that have equal desirability and utility can be constructed without undue delay." The cost approach is usually applied to proposed or newly constructed properties. Sometimes when special purpose properties such as churches or schools are appraised the cost approach is the most relevant method due to the lack of similar sales.
Often, the sales comparison and cost approaches are used in conjunction.

The income approach estimates the present value of future benefits (income), which is the amount an investor might pay for the property in the open market. First, the subject's gross income is estimated using market rates derived from comparable income producing properties. Then, expenses are subtracted to arrive at an estimate of net operating income. The net operating income is capitalized at a market derived rate that reflects the risk of the particular property. The resulting value of the income stream is the market value of the property.

In appraising the subject property, which is a newer existing home, each approach to value is considered but ultimately the sales comparison approach will be used.

MARKET CONDITIONS SUMMARY

Ridgefield serves as a bedroom community to Vancouver and Portland, providing homebuyers with an opportunity to own larger, quality homes for much less than in the Portland Metro area. As such, Ridgefield is a mix of old and new housing, affordable and extravagant. There are multiple quality tiers of residential subdivisions mixed with 1 to 5 acre parcels containing anything from older farm homes to estate properties boasting very high end finishes with shops, barns, and stables.

Ridgefield has shown an improvement in market conditions over the past year with RMLS Market Action reporting a 17.1% increase in average sales price for area 50, which encompasses the city of Ridgefield. This is for all home sales regardless of age, size, zoning, or level of finish.

My search for comparable home sales for the existing home on site is focused on homes within Ridgefield only in the past 12 months. I searched for homes similar to the subject by narrowing the parameters using a construction date of 2015-2018 and homes square footage of 1,800 to 2,200 square feet. I searched for newer homes on lot sizes from 5,000 square feet to 3 acres and there was only one sale that was on a lot larger than 10,000 square feet. There are 8 active listings with an average list price of $452,193 and an average size of 1,957 square feet.
Currently there are 9 pending sales with an average list price of $443,941 with an average size of 2,013. There are 19 sold homes with an average sale price of $465,560 and an average size of 1,983 square feet.

In the following sales comparison approach, I have used 4 sales of subdivision properties within Ridgefield because there were no other sales with a lot size similar to the subject with 18,234 square feet.

SALES COMPARISON APPROACH

The sales comparison approach is used to estimate the value of the existing home on site. In completing the sales comparison approach, the following categories will be considered in a quantitative manner to determine the estimated value for the subject home. The qualitative manner will be considered also to gain an understanding of the homes unique features and analysis that determine value. The quantitative manner is used to put numeric data to the categories that make up value for a home. The sales used in this report are from 3 different builders and the subject property, (Adair Homes) is different from these builders also. There are many variables in the level of finish with these builders. Adjustments are based off actual costs that have been provided from the Brokers who sold the comparable sales.

Sales or Financing Concessions: Each sale was a cash sale or equivalent with the exception of Sale 3 which had the seller pay $6,000 towards the buyers closing costs.

Sale Date/Time: Three of the sales closed in the last 3 months and no adjustment has been made. Sale 4 was 12 months ago and with a 17% increase in sale price for all residential homes in Ridgefield that is an upward adjustment of $76,831. However, with new construction this adjustment seems overstated and has been adjusted $30,000.

Neighborhood: Sale one and two do not have a Homeowners Association and Sale 3 and 4 have dues of $200 per year for common area landscaping. Sale 3 and 4 have been adjusted $200 annually.

Site: The subject is far superior to all four sales with a lot size of 18,234 square feet and a natural wooded area in the backyard that will not be developed. The subject site is estimated at $50,000 above the comparable sales for this amenity.

View: Sale one, two, and three have similar mountain views and are considered similar. Sale 2 is on a cul-de-sac and has been given a downward adjustment of $20,000 for this superior feature. Sale four has no view and is inferior and has been adjusted upward $10,000.

Quality of Construction: The subdivision homes are superior in quality, having dormers and exterior stone with fiber cement siding. After consulting with one of the Brokers at Pacific Lifestyle Homes who sell new construction a downward adjustment of $60,000 is made for the comparable sales versus the subject that has no dormers or exterior stone elements. Sale one also has extensive shelving and woodwork in the living area and has been adjusted with an additional $12,000 downward for this superior feature.

Age: I have estimated the subject to have an effective age of 2 years, which is equivalent to its actual age. Sale 1 and 2 were built in 2018, Sale 3 is two years old and sale 4 is one year old. The wear and tear on the subject and comparable sales are similar and no adjustment has been made.

Condition: Each home's condition is considered good relative to its effective age.

Gross Living Area: Difference to total living area is adjusted at $40 per square foot.

Functional Utility: Additional rooms are adjusted $5,000 to reflect the added utility gained. The subject and all comparable sales have two full bathrooms so no adjustment has been made.

Garages: All of the comparable' s and subject have oversized 2 car garages, which emphasizes the importance of this amenity at this price point. The exception is sale 4 which has a 3-car garage and the adjustment is based on the cost to construct a third garage bay at $10,000.

Fireplaces: We have made a $3,500 adjustment where appropriate based on the cost for the fireplace, gas connection and mantle/surround. The exception is sale one which has a hearth and stone work from floor to ceiling and the cost is $6,000 as reported from Broker.

Deck, Walkway, Driveway: The subject does not have a paved or concrete driveway, a cement walkway or deck. The comparable' s all have these features and have been adjusted $15,000 to reflect actual costs as reported by broker at Pacific Lifestyle Homes.

Fencing: The comparable's all have fully fenced back yards and sale one has a retaining wall also. This adjustment is based off of the costs from sale one.

Landscaping: The comparable's all have fully landscaped yards and this adjustment is based off of actual costs from the basic landscape package for new homes.

Woodwork: Comparable's 1, 2, and 3 all have woodwork superior to the level of finish in the subject property. Adjustments have been made from actual costs reported by the broker involved in the sale.

Comparable Sales Photos – Subdivision Homes

3201 N Abernathy Circle

3349 N Abernathy Circle

1111 N Heron Drive

4556 N Noble Loop

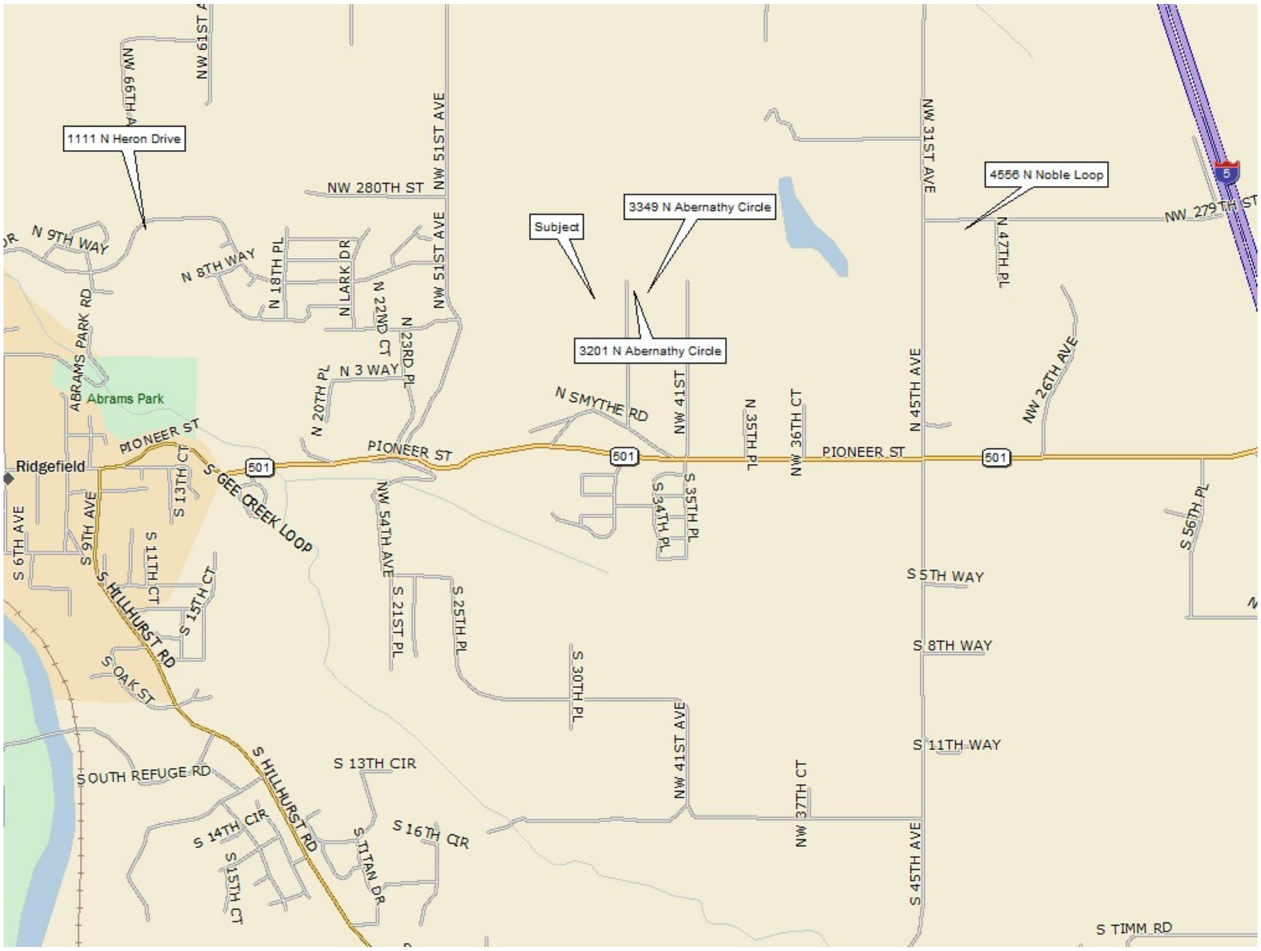
ITEM	SUBJECT	COMPARABLE 1		COMPARABLE 2		COMPARABLE 3		COMPARABLE 4	
Address	725 N 32ND COURT RIDGEFIELD WA 98642	3201 N ABERNATHY CIRCLE RIDGEFIELD WA 98642		3349 N ABERNATHY CIRCLE RIDGEFIELD WA 98642		4556 N NOBLE LOOP RIDGEFIELD WA 98642		1111 N HERON DRIVE RIDGEFIELD WA 98642	
Proximity to Subject		ACROSS THE STREET		WITHIN 1.0 MILE		WITHIN 1.2 MILES		WITHIN 2 MILES	
SALES PRICE			$452,000		$495,000		$425,000		$451,950
Price/Gross Living Area	$0.00 SF	$249.17 SF		$249.75 SF		$204.52 SF		$209.62 SF	
Seller Concessions	Negotable	NONE DISCLOSED		NONE DISCLOSED		SELLER CLOSING COSTS	($6,000)	NONE DISCLOSED	
Financing		CASH TO SELLER		CASH TO SELLER		CASH TO SELLER		CASH TO SELLER	
Sale Date / Conditions		9/14/2018		10/16/2018		12/6/2018		1/19/2018	($30,000)
ADJUSTED SALES PRICE			$452,000		$495,000		$419,000		$421,950
Neighborhood		CEDAR CREEK		CEDAR CREEK		CANTERBURY TRAILS	($200)	HERON RIDGE	($200)
Leasehold/Fee Simple	FEE SIMPLE	FEE SIMPLE		FEE SIMPLE		FEE SIMPLE		FEE SIMPLE	
Site	18,234.00	6,547 SF	$50,000	7,212 SF	$50,000	5,998 SF	$50,000	6,858 SF	$50,000
View	CREEK / WOODED / PRIVATE	PARTIAL MT ST HELENS		ON CUL-DE-SAC	($20,000)	OPEN SPACE BEHIND BACKYARD		NONE	$10,000
Design and Appeal	ONE LEVEL RANCH	CRAFTSMAN TRADITIONAL		ONE STORY CRAFTSMAN		ONE LEVEL RANCH		ONE LEVEL CUSTOM	
Quality of Construction	AVERAGE	GOOD	($72,000)	GOOD	($60,000)	GOOD	($60,000)	GOOD	($60,000)
Age	ACT/EFF 2/ 2	ACT/EFF 0/ 0		ACT/EFF 0/ 0		ACT/EFF 2/ 2		ACT/EFF 1/ 1	
Condition	GOOD	GOOD		GOOD		GOOD		GOOD	
Above Grade Room Count	Total 10 / Bdrms 4 / Baths 2	Total 10 / Bdrms 3 / Baths 2	$5,000	Total 10 / Bdrms 4 / Baths 2		Total 10 / Bdrms 4 / Baths 2		Total 10 / Bdrms 3 / Baths 2	$5,000
Gross Living Area	1,922 Sq.Ft.	1,814 Sq.Ft.	$4,320	1,982 Sq.Ft.	($2,400)	2,078 Sq.Ft.	($6,240)	2,156 Sq.Ft.	($9,360)
Basement & Finished Rooms Below Grade	NONE N/A	CRAWLSPACE NONE		NONE N/A		NONE N/A		NONE NONE	
Functional Utility	4 BED / LIV / DIN	HARDWOOD FLOORS	($7,500)	4 BED / LIV / DIN		4 BED / LIV / DIN		3 BED / LIV / DIN	
Heating/Cooling	FORCED AIR GAS / CENTRAL AIR	FORCED AIR GAS / CENTRAL AIR		FORCED AIR GAS / CENTRAL AIR		FORCED AIR GAS / CENTRAL AIR		FORCED AIR GAS / CENTRAL AIR	
Energy Efficient Items	TYPICAL	TYPICAL		TYPICAL		TYPICAL		TYPICAL	
Garage/Carport	2 CAR ATTACHED WITH SHOP	2 CAR ATTACHED WITH SHOP		2 CAR ATTACHED WITH SHOP		2 CAR ATTACHED OVERSIZED		3 CAR ATTACHED	($10,000)
Deck, Walkway, Drivewa	NONE	DECK / WALKWAY / DRIVEWA	($15,000)	DECK / WALKWAY / DRIVEWAY	($15,000)	DECK / WALKWAY / DRIVE	($15,000)	DECK / WALKWAY / DRIVEWA	($15,000)
Fireplace(s)	NONE	1 GAS	($6,000)	1 GAS	($3,500)	1 GAS	($3,500)	1 GAS	($3,500)
Fence, Pool, etc.	NONE	FENCING & RETAINING WALL	($6,000)	FENCING	($5,000)	FENCING	($5,000)	FENCING	($5,000)
Landscaping	GRASS	FULLY LANDSCAPED	($5,000)	FULLY LANDSCAPED	($5,000)	FULLY LANDSCAPED	($5,000)	FULLY LANDSCAPED	($5,000)
Other		WRAPPED WINDOWS,UTILITY S	($16,000)	WRAPPED WINDOWS,WOODWO	($12,000)	WRAPPED WINDOWS,WO	($8,000)		
Net Adjustment		OVERALL SUPERIOR	$383,820	OVERALL SUPERIOR	$422,100	OVERALL SUPERIOR	$366,060	OVERALL SUPERIOR	$378,890

ESTIMATED SUBJECT VALUE: **$375,000**

41

Attachment: Boyse 7_25_19 Offer Letter (Purchase Agreement for 725 N 32Nd Court)

Sales Comparable Map



Conclusion of Value

Each of the sales is arrayed on the adjustment grid as shown on the previous page and adjusted for superior and inferior differences.

*After adjustment they provide a range of value between $366,060 and $422,100. Giving more weight to sales 1, 3, and 4, a value toward the lower end of the range indicates an estimated value of **$375,000** for the subject.*

Land Value

The land value of the subject will be valued to its Highest and Best use. The subject will be estimated for the existing land value. To estimate the value of the land, the Sales Comparison Approach is utilized. This approach produces an estimate of value for property by comparing it with similar properties that have sold recently in the same competitive market area. The subject is 9.85 acres or 429,066 square feet.

To estimate the value of the subject property, recent vacant land sales reported by the local multiple listing service as well as Costar commercial property subscription service were researched along with conversations with local brokers for sales. Sales were taken from the Ridgefield area within the last 18 months. The sales which were judged to have sufficient relevancy to estimate the value of the subject property as vacant were identified by the assessor's map and physical data, viewed, photographed and verified with at least one of the primary parties to the transaction. The following is a brief summary of each sale that was utilized in this report. The verified sale sheets, maps, and photographs are included in the addendum. The challenge with the subject property is to find similar land sales with characteristics similar to the subject in regard to topography, zoning, site size and number of lots that can be built.

The subject property has a preliminary drawing from PLS Engineering that shows 23 lots on the subject property. A preliminary subdivision plat was submitted to the City in August of 2017 from PLS Engineering. The preliminary drawing has 23 lots on the subject site with the existing home occupying a lot of 18,234 square feet. In conversation with Clair Lust, Associate Planner with the City of Ridgefield she said the preliminary drawing was reasonable and did not contain any obvious red flags. The plans have not been submitted for approval and without the formal review process, changes are likely to be requested. For purposes of this analysis we are concluding to 23 proposed lots on the subject property.

LOT INVENTORY	
Population of Ridgefield	**7,959**
Lots under construction	1,767
Lots under review(accepted and going to plan's examiner)	1,534
Lots under review for engineering work	1,016
TOTAL LOTS	**4,317**

The zoning is RLD-6 under the jurisdiction of the City of Ridgefield. This zoning allows for 6 lots per acre with a minimum lot size of 7,200 square feet. Since we have previously estimated the value of the subject home on a 18,234 square foot lot it will be subtracted from the site area of 9.85 acres and 429,066 square feet. For land development purposes the subject would be 9.43 acres and 410,832 square feet with 22 proposed lots on site.

The average sale price increased 17.1% for all residential home sales regardless of age, size, level of finish, or zoning type in Ridgefield in 2018. There are no statistics for land sales. Since the statistics from RMLS don't break down the market increase for specific zoning types I have made no adjustment for date of sale. With no specific market evidence to support an adjustment we will make qualitative adjustments. The following sales are concluded to be the best available indicators of the subject's value. Based on the most prevalent indictor of value for residential zoned lots is the unit value. Once the unit value is estimated it will be multiplied by the number of lots on the subject property of 22. Therefore, a unit value or raw lot value will be utilized as the unit of comparison most representative of buyer and seller behavior.

Many of the land sales are not reported to RMLS as developers approach land owners directly. The following land sales are the best available and have been confirmed with a party to the transaction.

COMPARABLE SALES

LAND SALES SUMMARY CHART

Sale	Property	City	Zoning	Sale Date	Sale Price	Number of Lots	Price per lot	Size (SF)	Price/SF
Subj	725 N 32nd Court	Ridgefield	RLD-6			22		410,832	
1	2067 S Royle Road	Ridgefield	RLD-8	08/02/17	$2,520,000	53	$47,547	1,655,280	$1.52
2	195 N 32nd Court	Ridgefield	RMD-16	05/22/18	$550,000	23	$23,913	200,812	$2.74
3	2014 N 3rd Way	Ridgefield	RLD-6 & 4	Pending	$2,995,000	67	$44,701	217,800	$13.75
4	1784 N 3rd Way	Ridgefield	RLD-6	Listing	$1,350,000	18	$75,000	334,105	$4.04
					Minimum	18	$23,913	200,812	$1.52
					Maximum	67	$75,000	1,655,280	$13.75
					Average	40	$47,790	601,999	$5.51

2067 S Royle Road*, this parcel is 39.14 acres and spans both sides of Royle Road. This development is broken down into four phases for land acquisition purposes. This sale is part of the first phase and subsequent phases are tied up in escrow while the developer acquires land entitlements to build single family homes. The broker was not at liberty to disclose the pending land sales and their price per raw lot or total acquisition cost. This land sale represents 53 raw lots on 39.14 acres. The zoning is RLD-8 which has a minimum lot size of 5,000 square feet. At the sale price of $2,520,000 with preliminary approval for 53 lots the average sale price per raw lot is $47,547. This sale is from August of 2017. With a 17.1% increase in average sale price per single family residence and the inferior minimum lot size of 5,000 square feet this sale at*

$47,547 per raw lot is a low indicator for the subject property.

195 N 32nd Court*, this sale is closest in proximity to the subject. The zoning is for higher density than the subject and is RMD-16, which allows for medium density residential development.*

The minimum lot size is 2,500 square feet. This sale is from March of 2017. The buyer was a real estate broker and he bought the 23 raw lots for $550,000 or $23,913 per raw lot. After he completed entitlements on the raw land he sold them to a builder for $1,794,000 or $78,000 per finished lot. Based on conversation with real estate brokers and land acquisition personnel the subject finished lots should sell for $120,000 per lot as a bulk sale. The finished lot sale price for this comparable is much lower than the subject, hence the raw lot price of $23,913 is a very low indicator of value for the subject.

2014 N 3rd Way*, this pending sale is 14.53-acres and entered escrow in May of 2018. This development is called Union Ridge Ranch PUD. There are 2 existing homes on site with one being moved off-site and the other will be razed. The buyer is working on land entitlements and has preliminary approval. The zoning is a mixture of RLD-6 and RLD-4. The minimum lot size for RLD-6 is 7,200 square feet and the minimum lot size for RLD-4 is 10,890 square feet. The buyer said the sale price is $2,995,000 for the site and it will be developed with 67 lots. The buyer is a real estate broker and he did not assign any value to the two existing homes. The average sale price per raw lot is $44,701 and is considered slightly low for the subject because of the appreciation of 17.1% for home sales in 2018 and the law of diminishing return with a larger development of 67 lots.*

1784 N 3rd Way*, this 7.67-acre parcel shares the same zoning as the subject with RLD-6. This listing has been on the market since October of 2018. The broker said there has been lots of interest since it abuts Union Ridge Ranch PUD that is being developed with 67 lots. The broker anticipates 18 lots on site because of the topography of the site. Also the broker feels the list price should be under $1,000,000 to sell the property. The current list price of $1,350,000 with 18 lots is $75,000 per raw lot which is the high end of the range for the subject. With a sale price of $990,000 for 18 lots the raw lot price would be $55,000 which seems to be in line with the current market. This listing demonstrates the ceiling for raw lot prices in Ridgefield.*

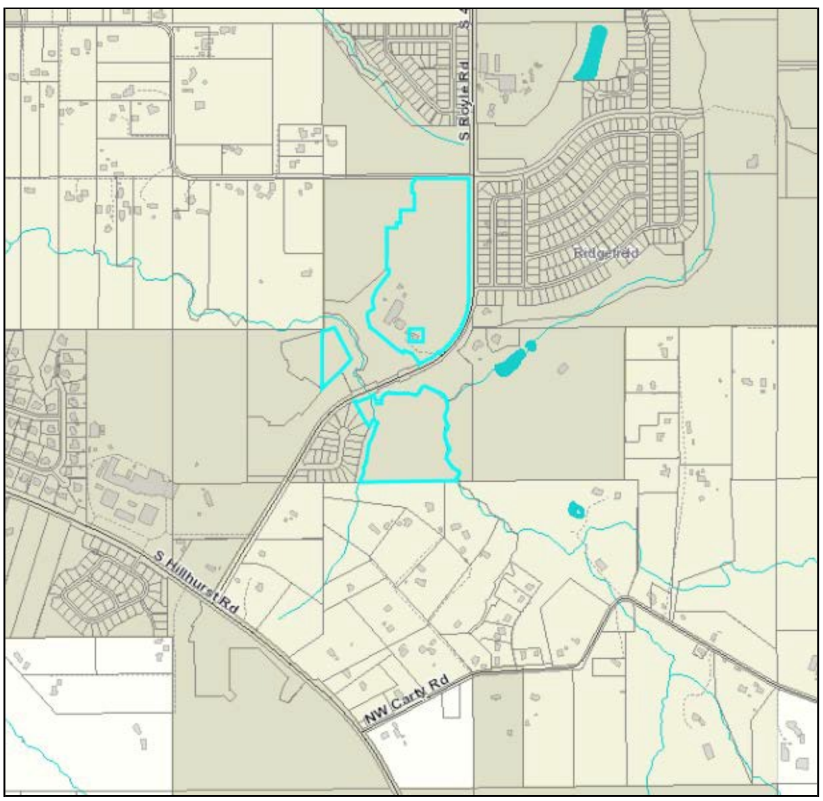
Summary of Sales and Land Value Conclusion

The sales chosen for this appraisal assignment were the best available in regard to site size, location in Ridgefield and similar topography. Most of the lands sales for home development in Ridgefield are between home builders and property owners and are not accurately portrayed in the county assessor's online data. The home builders are reluctant to share sale price information to protect their profitability. Sale one and three are given equal weight along with the appreciation of 17.1% for all home sales in Ridgefield in 2018. There are projected to be 4,317 lots coming online in the next 18 months if things are approved that are in the pipeline. Eventually the market will be flooded with finished lots and lot prices may soften at that time. In the meantime, lot prices should be strong in 2019. Based on this information we are concluding to a raw lot price of $50,000 for the subject property.

VALUATION SUMMARY	Value
Home on 18,234 SF Lot	$375,000
Raw Lot Value	$50,000
Number of Lots: 22	$1,100,000
Market Value Opinion	$1,475,000

Comparable Land Sales

2067 S Royle Road

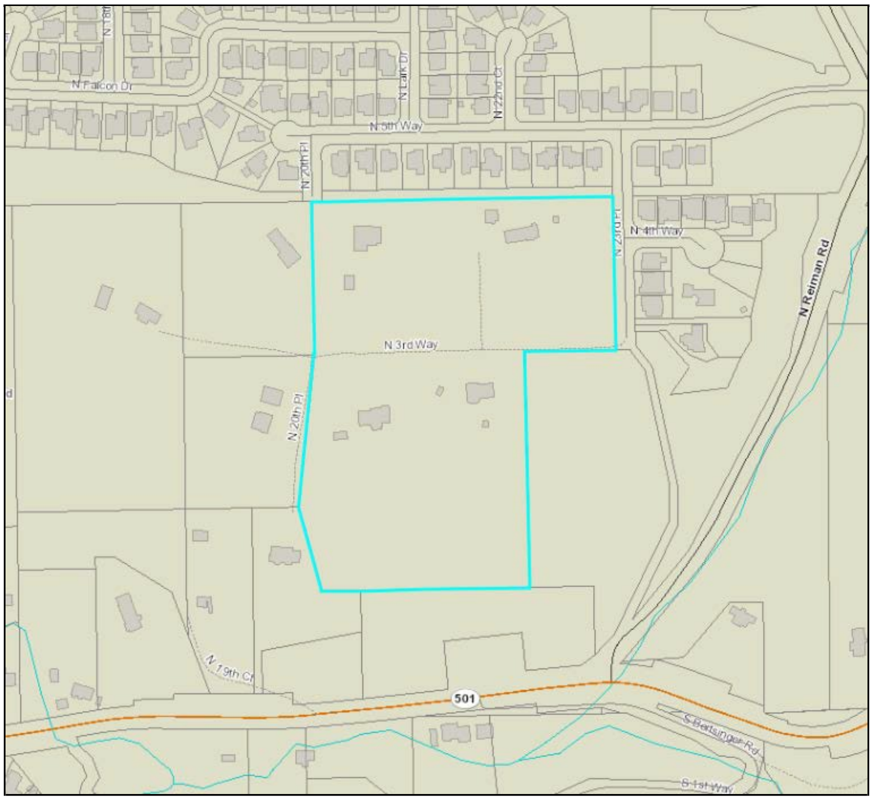


Plat Map 2067 S Royle Road

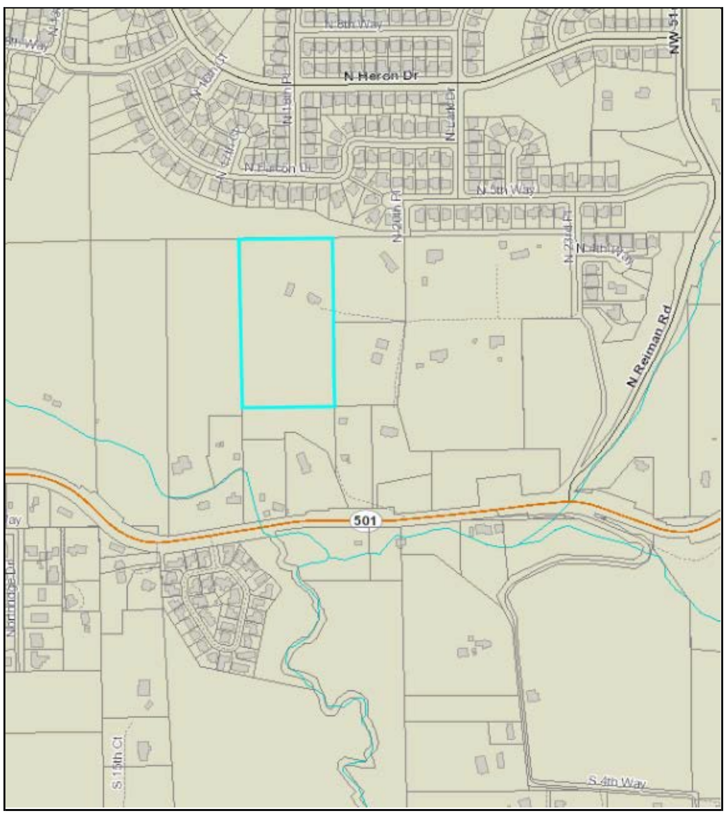
195 N 32nd Court

Plat map 195 N 32nd Court

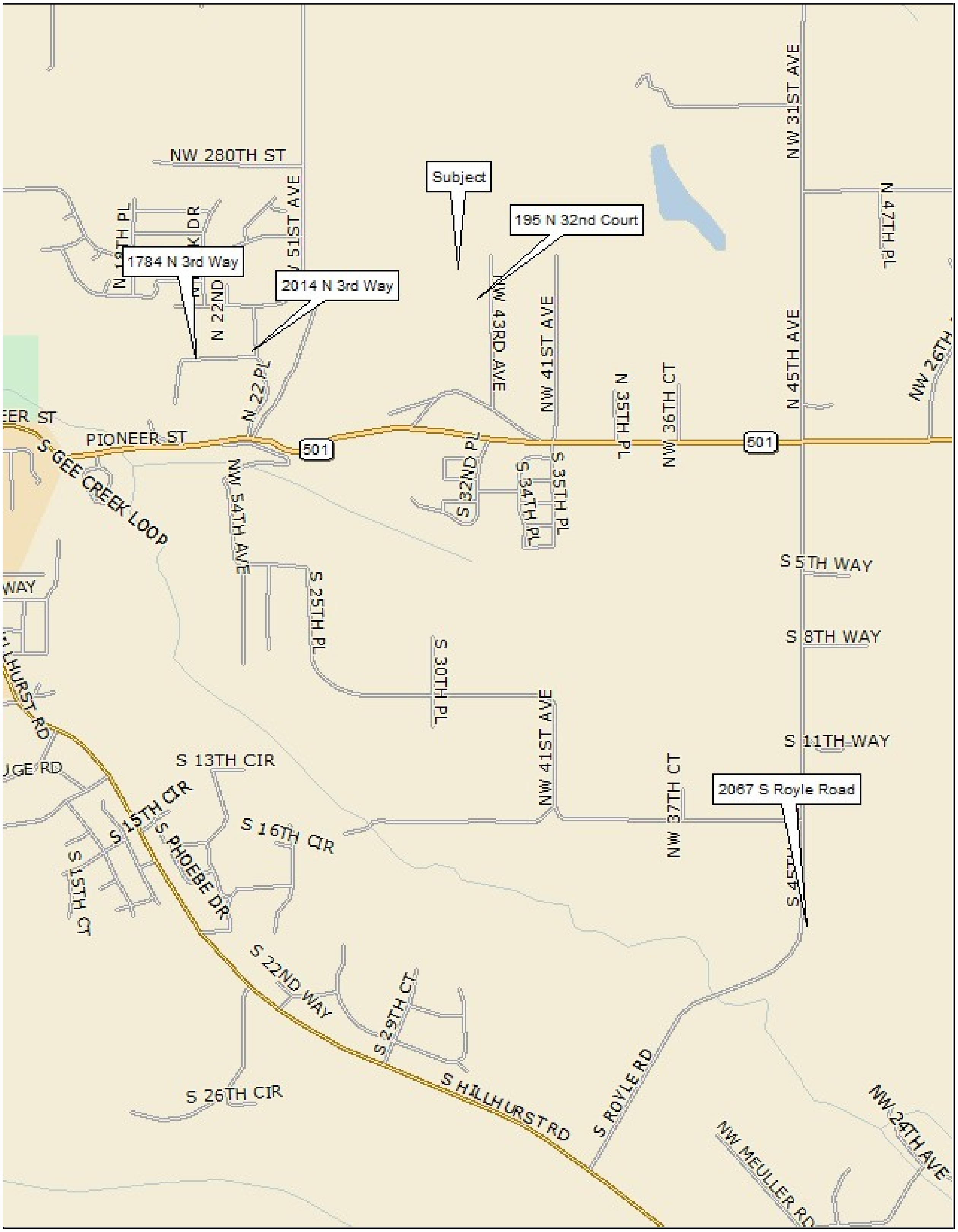
2014 N 3rd Way (Photo from Google maps)



1784 N 3rd Way



Plat map 1784 N 3rd Way



Attachment: Boyse 7_25_19 Offer Letter (Purchase Agreement for 725 N 32Nd Court)

QUALIFICATIONS

OF

APPRAISERS

John W. Arney, MAI, Senior Appraiser

Total Years of Experience: >35

Years with Firm: <1

Education: Bachelor of Business Administration, Real Estate, Boise State University

Registrations/Certifications:

Certified General Real Estate Appraiser, Idaho, License #CGA-3630

Certified General Real Estate Appraiser, Washington, License #1100473

MAI Designated Member, Appraisal Institute

Associations/Organizations:

Member, International Right of Way Association (IRWA)

Education in Real Estate Appraisal:

Appraisal Institute Classes

- Real Estate Appraisal Principles
- Basic Valuation Procedures
- Rural Valuation
- Hotel/Motel Valuation
- Capitalization Theory & Techniques, Parts A & B
- Reviewing Appraisals Seminar
- Case Studies in R.E. Valuation
- Valuation Analysis Report Writing
- Standards of Professional Practice, Parts A & B
- Understanding Limited Appraisals
- Business Valuation
- Condemnation Appraising: Basic Principles & Applications
- Condemnation Appraising: Advanced Topics & Applications
- Separating Real, Personal & Intangible Property
- Uniform Appraisal Standards for Federal Land Acquisitions
- Litigation Appraisal: Specialized Topics & Applications
- Uniform Standards of Professional Appraisal Practice
- Business Practices & Ethics

IAAO Classes:

- Property Taxation & Income Valuation
- Personal Property Valuation
- Leasehold Valuation

John W. Arney has over 35 years of appraisal experience in commercial, industrial, special use and complex residential properties. He has completed appraisals throughout the Pacific Northwest in Washington, Idaho and Oregon as well as in Alaska, California, Nevada and Arizona. John has appraised properties for major projects including the I-405 expansion project between Tukwila and Bothell; the SR-167 expansion project between Renton and Kent; the US-99 Beautification project for the Cities of Federal Way, Des Moines, Sea-Tac, Tukwila and Shoreline and the Seattle Monorail project. He has over 14 years of experience in eminent domain valuations. John has valued total and partial acquisitions, temporary and permanent easements and determined property damages resulting from acquisitions and easements. He also has experience valuing large, multi-property valuation projects. John has qualified as an expert witness in Superior Court of Washington in and for King County. He holds a BBA in Real Estate from Boise State University and is a designated MAI member of the Appraisal Institute.

Please note: The appraisal group works independently within the Epic organization to ensure complete objectivity and impartiality for all appraisal opinions and conclusions.

Relevant Experience

Government Clients:

- City of Auburn
- City of Bellevue
- City of Coeur d'Alene
- City of Des Moines
- City of Federal Way
- City of Issaquah
- City of Kirkland
- City of SeaTac
- City of Shoreline
- City of Spokane
- City of Spokane Valley
- City of Snohomish
- WSDOT

Expert Witness:

- Superior Court of Washington in and for King County

Financial Institution Clients:

- Bank of America
- Cathay Bank
- KeyBank
- Northwest Bank
- Seattle Bank
- Umpquah Bank
- US Bank
- Washington Trust Bank
- Washington Federal Bank
- Wells Fargo Bank

Attorney, CPA and Corporate Clients:

- 6H Partnerships
- American Pacific Fisheries
- Bancshares Mortgage
- Center Mortgage
- CH2M Hill
- CityFed Mortgage
- Coast Mortgage Exchange
- Columbia Valuation Group
- CWA Construction
- Diversified Apt. Realty Co.
- Fisher Properties
- Foster Pepper
- GNA (Division of Weyerhaeuser)
- Graham and Dunn
- Harmon & Associates, R.E.
- Indonesian Development Co.
- Lane Powell PC
- Lilak Construction
- Livengood Fitzgerald & Alskog
- Malapor Development Co.
- McConkey Dev. Co., Inc.
- McDonough's Law Office
- Money Store
- Pen-Mar Investment Services
- Preston Gates and Ellis
- Reed Smith LLP
- Witherspoon Kelley

STATE OF WASHINGTON

DEPARTMENT OF LICENSING – BUSINESS AND PROFESSIONS DIVISION

THIS CERTIFIES THAT THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

CERTIFIED GENERAL REAL ESTATE APPRAISER

JOHN W ARNEY
PO BOX 699
COEUR D ALENE ID 83816

1100473	12/11/1991	04/04/2019	Pat Kohler
License Number	Issued Date	Expiration Date	Pat Kohler, Director

PL-630-159 (R/3/16)

Bob Atchison, Senior Appraiser

Total Years of Experience: 24

Years with Firm: 1

Education: Bachelor of Science, Political Science, Oregon State University, Corvallis, OR

Registrations/Certifications:
Certified General Appraiser, Oregon, Certification #C000860

Certified General Appraiser, Washington, License #1102538

Bob Atchison is a Senior Appraiser based in Epic's Portland office. Prior to joining Epic, he worked for eight years as a Review Appraiser, Project Manager and Relocation and Condemnation Liaison managing right of way projects in the Portland area. Bob is currently appraising transportation right of way projects throughout the Northwest. He is a certified real estate appraiser for the State of Oregon and Washington. As a Review Appraiser and Project Manager he has worked closely with FHWA to maintain federal guidelines.

Relevant Project Experience

OR214, Woodburn, ODOT, Review Appraiser: The City of Woodburn had a project to widen Highway 214 (also overpass over I-5), installing sidewalks and streetscapes along with new traffic signals. This project had many complex files for ROW acquisition and as a Review Appraiser for ODOT, I had to follow federal guidelines for a federally funded project.

Coburg Road, Coburg, OR, Appraiser: As an employee of ODOT I appraised 4 properties for the Coburg Road project. The 4 files were on the east side of I-5 and had 3 different zoning types. This project will improve the northbound on-ramp and off-ramp as well as control access to Coburg Road which is a state Highway. All right of way work is being performed in accordance with the State and Federal Laws.

Appraiser Certification and Licensure Board
State Certified General Appraiser
28 hours of continuing education required

License No.: C000860
Issue Date: April 01, 2018
Expiration Date: July 31, 2019

ROBERT B ATCHISON
13141 SW 63RD PL
PORTLAND, OR 97219

Gae Lynne Cooper, Administrator

STATE OF WASHINGTON
DEPARTMENT OF LICENSING – BUSINESS AND PROFESSIONS DIVISION
THIS CERTIFIES THAT THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

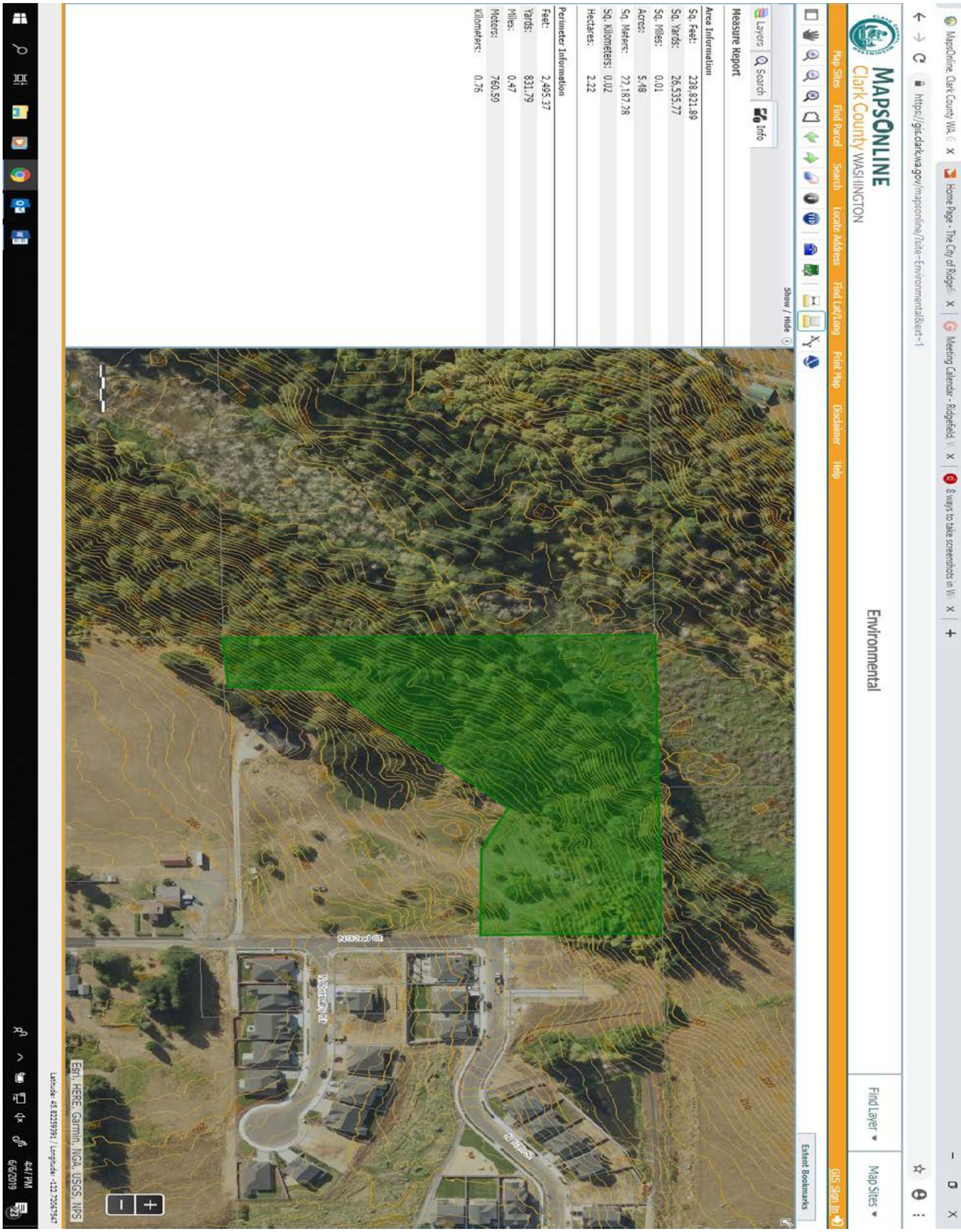
CERTIFIED GENERAL REAL ESTATE APPRAISER

ROBERT BRANDON ATCHISON
10300 SW GREENBURG RD #370
ATTN: EPIC LAND SOLUTIONS, IN
PORTLAND OR 97223

1102538	11/06/2018	07/10/2020	
License Number	Issued Date	Expiration Date	Teresa Berntsen, Director

PL-630-159 (R/3/16)

EXHIBIT B



Attachment: Boyse 7_25_19 Offer Letter (Purchase Agreement for 725 N 32Nd Court)

CITY OF RIDGEFIELD
REQUEST FOR COUNCIL ACTION

MEETING DATE: July 25, 2019

ITEM:

AGENDA ITEM TITLE: Motion - Approval of Code Enforcement Officer Designation

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GOVERNING LEGISLATION:

Chapter 18.395 (Code Enforcement Procedures) of Ridgefield Municipal Code

PREVIOUS COUNCIL ACTION TAKEN:

Various appointments.

SUMMARY/BACKGROUND:

RMC 18.395 provides specific guidance and procedures for code enforcement actions in the city. It is the policy of the City of Ridgefield to thoroughly and consistently enforce the rules and regulations of the municipal code, with primary emphasis on protection of the general health, safety and welfare. In addition, it is the policy of the city to strive for and achieve the highest level of voluntary compliance in all code enforcement actions with minimal use of punitive authority.

RMC 18.395.030 provides that "There shall be designated by the city council a 'code enforcement officer.' The code enforcement officer shall determine if a violation of the development code has occurred."

The code enforcement officer performs a variety of responsible and complex duties to assist the Community Development Department functions and programs including monitoring and enforcing City ordinances, codes, and regulations related to land use, building, housing, health and safety, and other matters of public concern. The City selected Dan Bush for this position. Dan Bush will be attending selected Association of Washington Cities conferences dedicated tc honing his dispute resolution and negotiation skills.

BUDGET/FINANCIAL IMPACTS:

Salary and benefits budgeted for this position.

RECOMMENDED ACTION OR MOTION:

Approve a motion designating Dan Bush as the code enforcement officer for the City of

Ridgefield. A recommended motion is:

“I move to designate Dan Bush as the code enforcement officer for the City of Ridgefield as presented.”

STAFF CONTACT: Louisa Garbo, Community Development Director

ATTACHMENTS: