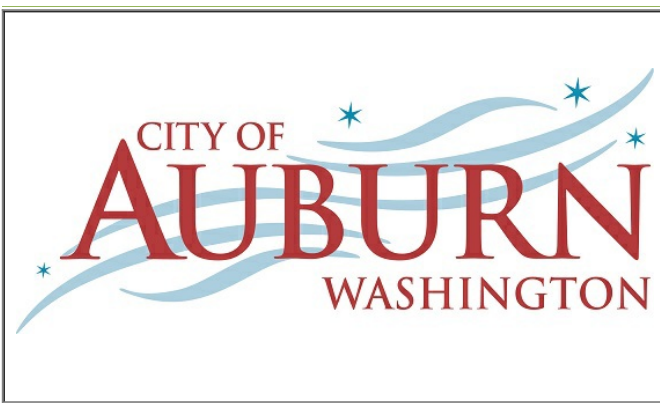


	City Council Study Session Community Wellness Special Focus Area June 13, 2022 - 5:30 PM City Hall Council Chambers and Virtual AGENDA Watch the meeting LIVE! Watch the meeting video Meeting videos are not available until 72 hours after the meeting has concluded.
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I. CALL TO ORDER

II. PUBLIC PARTICIPATION

A. Public Participation

The Auburn City Council Study Session Meeting scheduled for Monday, June 13, 2022 at 5:30 p.m. will be held in person and virtually.

Virtual Participation Link:

To view the meeting virtually please click the below link, or call into the meeting at the phone number listed below. The link to the Virtual Meeting is:

<https://www.youtube.com/user/watchauburn/live/?nomobile=1>

To listen to the meeting by phone or Zoom, please call the below number or click the link:

Telephone: 253 215 8782

Toll Free: 888 475 4499

Zoom: <https://us06web.zoom.us/j/81636662218>

B. Roll Call

III. ANNOUNCEMENTS REPORTS AND PRESENTATIONS

IV. AGENDA ITEMS FOR COUNCIL DISCUSSION

A. Ordinance No. 6854 (Gaub) (10 Minutes)

An Ordinance Vacating Right-of-Way of a portion of M Street NW, north of 15th Street NW, together with a portion of 29th Street NW, east of M Street NW

B. Ordinance No. 6862 (Gaub) (10 Minutes)

An Ordinance authorizing a payback agreement for half-street improvements between the City of Auburn and Inland Washington, LLC

C. Ordinance No. 6863 (Gaub) (10 Minutes)

An Ordinance authorizing a payback agreement for a traffic signal between the City of Auburn and Inland Washington, LLC

D. Ordinance No. 6860 (Thomas) (20 Minutes)

An Ordinance amending sections within Chapter 3.53 of the Auburn City Code, related to City Business and Occupation (B&O) Tax, clarifying definitions, taxpayer classifications, and tax exemptions

E. Ordinance No. 6861 (Thomas) (20 Minutes)

An Ordinance amending Chapter 3.54 of the Auburn City Code, related to City Business and Occupation (B&O) Tax Administration: (1) Amending certain sections to clarify terms, definitions, and the calculation of tax overpayment interest; and (2) Adding a new section related to administrative tax assessments and penalties for unregistered City businesses

F. Ordinance No. 6870 (Thomas) (10 Minutes)

An Ordinance amending Chapter 3.88 of the Auburn City Code, related to utility service tax administration, deductions and filing requirements, and adding a new section defining chapter terms

G. Ordinance No. 6872 (Thomas) (5 Minutes)

An Ordinance amending Chapter 3.41 of the Auburn City Code, related to Garbage Utility Tax and adding new sections defining chapter terms, tax filing frequencies, eligible deductions, and provisions for overpayment of tax

H. Ordinance No. 6873 (Thomas) (5 Minutes)

An Ordinance amending Chapter 3.42 of the Auburn City Code, related to cable television utility tax and adding a new section related to tax filing frequencies

I. Ordinance No. 6874 (Thomas) (5 Minutes)

An Ordinance amending Chapter 3.80 of the Auburn City Code, related to gambling activities, tax filing frequencies, and adding a new section defining chapter terms

J. Ordinance No. 6875 (Thomas) (5 Minutes)

An Ordinance amending Chapter 3.84 of the Auburn City Code, related to telephone business chapter terms, tax filing frequencies, and deductions from tax

V. COMMUNITY WELLNESS DISCUSSION ITEMS

A. Human Services Program Update and Panel Presentation (Tate) (50 Minutes)

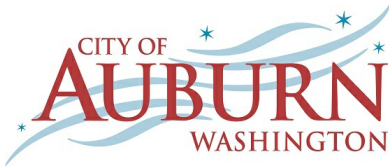
Staff will provide an overview of progress made towards 2022 Human Services program goals, followed by a panel presentation of staff representatives from currently funded programs serving Auburn residents

B. Human Services Funding Overview (Tate) (20 Minutes)

C. National Night Out Overview (Tate) (10 Minutes)

VI. ADJOURNMENT

Agendas and minutes are available to the public at the City Clerk's Office, on the City website (<http://www.auburnwa.gov>), and via e-mail. Complete agenda packets are available for review at the City Clerk's Office.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6854 (Gaub) (10 Minutes)

Date:

May 19, 2022

Department:

Public Works

Attachments:

[Draft Ordinance No. 6854](#)

[Exhibit A](#)

[Exhibit B](#)

[Staff Report](#)

[Vicinity Map](#)

Budget Impact:

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

Administrative Recommendation:

For discussion only.

Background for Motion:**Background Summary:**

The City of Auburn has determined that a portion of right-of-way of M Street NW, north of 15th Street NW and a portion of right-of-way of 29th Street NW, east of M Street NW (ROW Vacation Area) are no longer required to meet the needs of the City. In addition, the rights-of-way have been used for illegal parking, litter dumping and vandalism which the City is continually responsible for addressing.

On January 18, 2022, City Council adopted Ordinance No. 6847 that modified Chapter 10.28 of the Auburn City Code to restrict the proposed ROW Vacation Area to all vehicular and non-vehicular traffic except for the purpose of accessing utilities and properties by their owners and authorized guests in order to address illegal dumping issues. Subsequently, a locked gate was installed across M Street NW to limit access to the proposed ROW Vacation Area.

The proposed ROW Vacation Area of M Street NW became ROW when it was acquired by the State for the construction of SR-167 in 1969. This area was subsequently conveyed to the City of Auburn from the State through Governor's Deed in 1974. The north 30 feet of the proposed ROW Vacation area of 29th Street NW was dedicated as a public street by the Plat of Christopher Garden Tracts in 1919. The south 20 feet of the proposed ROW Vacation Area of 29th Street NW was acquired by King County as right-of-way sometime between 1889 and 1919.

City staff, utility providers, and abutting property owners who have an interest in this right-of-way have reviewed the proposed right-of-way vacation. Through this review, City staff has determined that the right-of-way is no longer necessary to meet the needs of the City and could be vacated with conditions outlined in draft Ordinance No. 6854.

A public hearing for Right-of-Way Vacation No. VAC21-0003 is set June 21, 2022.

Reviewed by Council Committees:

Councilmember: Stearns

Staff: Gaub

Meeting Date: June 13, 2022

Item Number:

ORDINANCE NO. 6854

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN WASHINGTON, VACATING RIGHT-OF-WAY OF A PORTION OF M STREET NW, NORTH OF 15TH STREET NW, TOGETHER WITH A PORTION OF 29TH STREET NW, EAST OF M STREET NW, WITHIN THE CITY OF AUBURN, WASHINGTON.

WHEREAS, the City of Auburn, Washington ("City"), has determined through an evaluation of its needs for streets and rights-of-ways located in the vicinity of a portion of M Street NW, north of 15th Street NW, together with a portion of 29th Street NW, east of M Street NW may no longer be needed to meet the needs of the City and that a public hearing should be set to determine if said right-of-way should be vacated; and,

WHEREAS, a request for vacation of said right-of-way was circulated to Puget Sound Energy, CenturyLink, Comcast, WSDOT, all adjacent property owners and City Departments and comments were received; and

WHEREAS, the City Council approved Resolution No. 5655 on May 2, 2022 calling for a public hearing; and

WHEREAS, as required by Chapter 12.48 of the Auburn City Code and RCW 35.79.020, a public hearing was held in connection with the possible vacation, with notice having been provided pursuant to statute; and,

WHEREAS, the City Council has considered all matters presented at the public hearing on the proposed vacation, held on the 21st day of June, 2022, at the Auburn City Council Chambers in Auburn, Washington.

Draft Ordinance No. 6854
ROW Vacation VAC21-0003
May 18, 2022
Page 1 of 6

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON DO ORDAIN as a non-codified ordinance as follows:

Section 1. Vacation. That the right of way located at a portion of M Street NW, north of 15th Street NW, together with a portion of 29th Street NW, east of M Street NW, located within the City of Auburn, Washington, legally described on Exhibit “A”, a copy of which is attached, and as shown on the survey marked Exhibit “B”, a copy of which is attached, is vacated and the property lying in the right-of-way described, shall inure and belong to those persons entitled to receive the property in accordance with RCW 35.79.040, conditioned upon the following:

A. Reservation in favor of the City of a perpetual Nonexclusive Easement under, over, through and across the vacated right-of-way as described above for the purpose of laying, maintaining, and installing future and existing water, sanitary sewer, storm water facilities, and street lights, including street light conduits and power cabinets, and including a reservation in favor of the City of the right to grant easements for utilities over, under and on all portions of the vacated right-of-way as described above.

The City shall have the absolute right, at times as may be necessary for immediate entry upon said Easement Area for the purpose of maintenance, inspection, construction, repair or reconstruction of the above improvements without incurring any legal obligation or liability.

The owners of the adjacent properties agree and shall not in any way block, restrict or impede access and egress to or from said Easement Area, and /or in any way block,

restrict or impede full use of the real property within the Easement Area by the City for the above described purposes. No building, wall, rockery, fence, trees, or structure of any kind shall be erected or planted, nor shall any fill material be placed within the boundaries of said Easement Area, without the express written consent of the City. Except as required or approved by the City, no excavation shall be made within three feet of said facilities. The surface level of the ground within the Easement Area shall be maintained at the elevation as currently existing.

This easement shall be a covenant running with the adjacent property parcels and burden said real estate, and shall be binding on the successors, heirs and assigns of all parties.

B. In accordance with RCW 35.79.030, the City grants a private utility easement to CenturyLink over, under and upon the vacated right-of-way as described above for the construction, operation, maintenance, repair, replacement, improvement and removal of wireline telecommunications facilities. The owners of the adjacent properties shall not erect any structures on the easement and shall not place trees or other obstructions on the easement that would interfere with the exercise of Grantee's rights.

This easement shall be a covenant running with the adjacent property parcels and burden said real estate, and shall be binding on the successors, heirs and assigns of all parties.

C. In accordance with RCW 35.79.030, the City grants a private utility

easement to Tacoma Water over, under and upon the vacated right-of-way as described above for the construction, operation, maintenance, repair, replacement, improvement and removal of cable facilities. The owners of the adjacent properties shall not erect any structures on the easement and shall not place trees or other obstructions on the easement that would interfere with the exercise of Grantee's rights.

This easement shall be a covenant running with the adjacent property parcels and burden said real estate, and shall be binding on the successors, heirs and assigns of all parties.

D. In accordance with RCW 35.79.030, the City hereby reserves in favor of Parcel Nos. 1580600090, 1580600091, 0121049034, 0121049014, 1221049005, and 1221049041 abutting the vacated right-of-way as described above a perpetual nonexclusive access easement under, over, through and across the vacated right-of-way as described above for the purposes of pedestrian, vehicular, individual adjacent parcel access, and adjacent private property access. The owners of the adjacent property agree not to erect any structures on said easement and shall not place trees or other obstructions on the easement that would interfere with the exercise of Grantee's rights herein.

This easement shall be a covenant running with the adjacent property parcels and burden said real estate, and shall be binding on the successors, heirs and assigns of all parties.

E. It is provided, however that such reserved or granted utility and access

easements as set out in Paragraphs A, B, C, and D above may be modified to accommodate a removal, relocation and sitting of the affected utility lines if the Utility and the property owners on whose property the utility lines are located agree to the removal relocations and sitting being paid by said property owners and with the removal relocation and sitting being done in conformity with applicable standards.

F. The existing roadway surface within the vacated right-of-way shall inure and be jointly owned and maintained by those persons entitled to receive the property lying within the vacated right-of-way in accordance with RCW 35.79.040.

Section 2. Constitutionality or Invalidity. If any portion of this Ordinance or its application to any person or circumstances is held invalid, the remainder of the Ordinance or the application of the provisions to other persons or circumstances shall not be affected.

Section 3. Implementation. The Mayor is authorized to implement such administrative procedures as may be necessary to carry out the directives of this location.

Section 4. Effective Date. This Ordinance shall take effect and be in force five (5) days from and after passage, approval, and publication as provided by law.

Section 5. Recordation.

The City Clerk is directed to record this Ordinance with the office of the King County Auditor, at which time the vacation pursuant to this Ordinance shall be effective under Auburn City Code 12.48.080.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Shawn Campbell, MMC, City Clerk

Kendra Comeau, City Attorney

PUBLISHED: _____

EXHIBIT A
RIGHT OF WAY VACATION LEGAL DESCRIPTION
FRONTAGE ROAD (M STREET NW) AND
29TH STREET NW

THAT PORTION OF FRONTAGE ROAD, ALSO KNOWN AS 'M' STREET NORTHWEST, ADJOINING STATE HIGHWAY SR-167 ON THE EAST AS CONVEYED TO THE CITY OF AUBURN ACCORDING TO GOVERNOR'S DEED RECORDED UNDER KING COUNTY RECORDING NUMBER 7402270280 SITUATED IN THE SOUTHWEST QUARTER OF SECTION 1 AND IN THE NORTHWEST QUARTER OF SECTION 12, TOWNSHIP 21 NORTH, RANGE 4 EAST, WILLAMETTE MERIDIAN, CITY OF AUBURN, KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF PARCEL 1, CITY OF AUBURN SHORT PLAT NUMBER SPL0015-90 RECORDED UNDER KING COUNTY RECORDING NUMBER 9111040979, ALSO BEING A POINT ON THE EAST RIGHT OF WAY MARGIN OF SAID FRONTAGE ROAD; THENCE SOUTH 85°55'51" WEST A DISTANCE OF 60.00 FEET TO THE WEST RIGHT OF WAY MARGIN OF SAID FRONTAGE ROAD;

THENCE ALONG SAID WEST MARGIN NORTH 04°04'09" WEST A DISTANCE OF 556.46 FEET;

THENCE CONTINUING ALONG SAID WEST MARGIN PARALLEL WITH THE CENTERLINE OF STATE HIGHWAY SR-167 NORTH 01°21'28" EAST A DISTANCE OF 3027.77 FEET TO THE NORTH RIGHT OF WAY MARGIN OF SAID FRONTAGE ROAD ALSO BEING THE SOUTHERLY RIGHT OF WAY LINE OF THE BONNEVILLE POWER ADMINISTRATION'S EXISTING 262.5-FOOT WIDE COVINGTON-TACOMA TRANSMISSION LINE EASEMENT AS CONVEYED IN INSTRUMENTS RECORDED UNDER KING COUNTY RECORDING NUMBERS 3137078, 3246546 AND 549805 AND AS SHOWN IN THAT RECORD OF SURVEY RECORDED UNDER KING COUNTY RECORDING NUMBER 8007099001;

THENCE ALONG SAID NORTH MARGIN NORTH 61°06'12" EAST A DISTANCE OF 69.46 FEET TO THE EAST RIGHT OF WAY MARGIN OF SAID FRONTAGE ROAD;

THENCE ALONG SAID EAST MARGIN PARALLEL WITH THE CENTERLINE OF STATE HIGHWAY SR-167 SOUTH 01°21'28" WEST A DISTANCE OF 612.31 FEET;

THENCE CONTINUING ALONG SAID EAST MARGIN THE FOLLOWING 3 COURSES:

SOUTH 86°28'00" EAST A DISTANCE OF 41.52 FEET;

SOUTH 03°32'00" WEST A DISTANCE OF 90.00 FEET;

NORTH 86°28'00" WEST A DISTANCE OF 38.10 FEET;

THENCE CONTINUING ALONG SAID EAST MARGIN PARALLEL WITH THE CENTERLINE OF STATE HIGHWAY SR-167 SOUTH 01°21'28" WEST A DISTANCE OF 2357.55 FEET

THENCE CONTINUING ALONG SAID EAST MARGIN SOUTH 04°04'09" EAST A DISTANCE OF 553.61 FEET TO THE POINT OF BEGINNING;

CONTAINING AN AREA OF 219,516 SQUARE FEET (5.04 ACRES), MORE OR LESS

TOGETHER WITH

THAT PORTION OF 29TH STREET NORTHWEST, BEING A RIGHT OF WAY 50.00 FEET IN WIDTH, SITUATED IN THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND IN THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 1, TOWNSHIP 21 NORTH, RANGE 4 EAST, WILLAMETTE MERIDIAN, KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT D, CITY OF AUBURN SHORT PLAT NUMBER SP-2-79 RECORDED UNDER KING COUNTY RECORDING NUMBER 7902141432 ALSO BEING A POINT ON THE SOUTH RIGHT OF WAY MARGIN OF 29TH STREET NORTHWEST BEING THE SOUTH LINE OF THE NORTH 20.00 FEET OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 1; THENCE ALONG SAID SOUTH MARGIN SOUTH 86°28'00" EAST A DISTANCE OF 40.50 FEET;

THENCE NORTH 03°32'00" EAST A DISTANCE OF 50.00 FEET TO THE NORTH RIGHT OF WAY MARGIN OF 29TH STREET NORTHWEST ACCORDING TO THE PLAT OF CHRISTOPHER GARDEN TRACTS, VOLUME 23 OF PLATS, PAGE 6, RECORDS OF KING COUNTY;

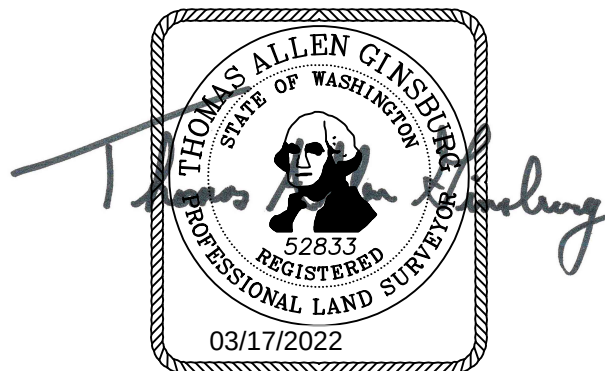
THENCE ALONG SAID NORTH MARGIN NORTH 86°28'00" WEST A DISTANCE OF 709.43 FEET TO THE EAST RIGHT OF WAY MARGIN OF FRONTAGE ROAD ACCORDING TO GOVERNOR'S DEED RECORDED UNDER RECORDING NUMBER 7402270280;

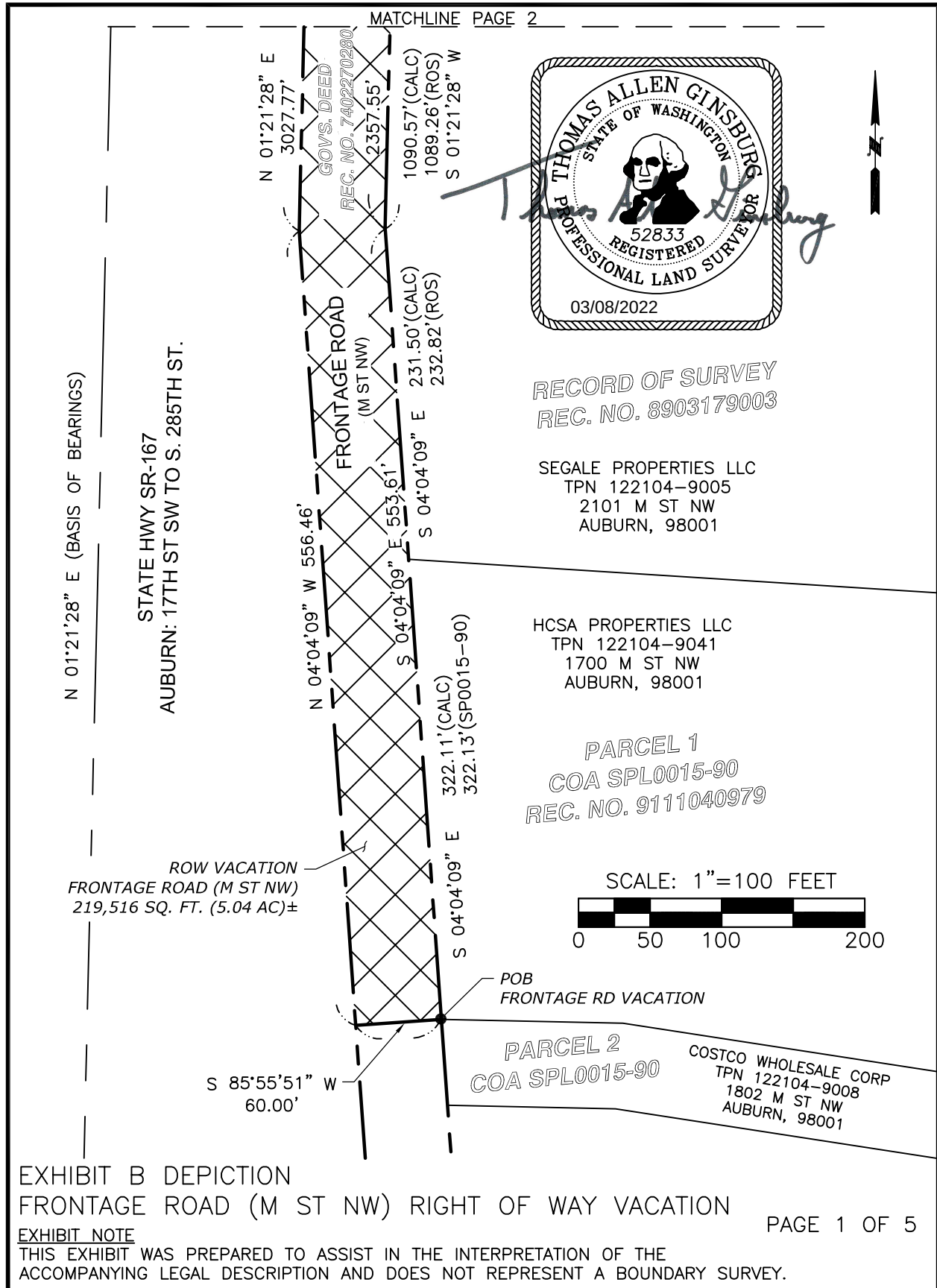
THENCE ALONG SAID EAST MARGIN OF FRONTAGE ROAD SOUTH 03°32'00" EAST A DISTANCE OF 50.00 FEET TO SAID SOUTH MARGIN OF 29TH STREET NORTHWEST;

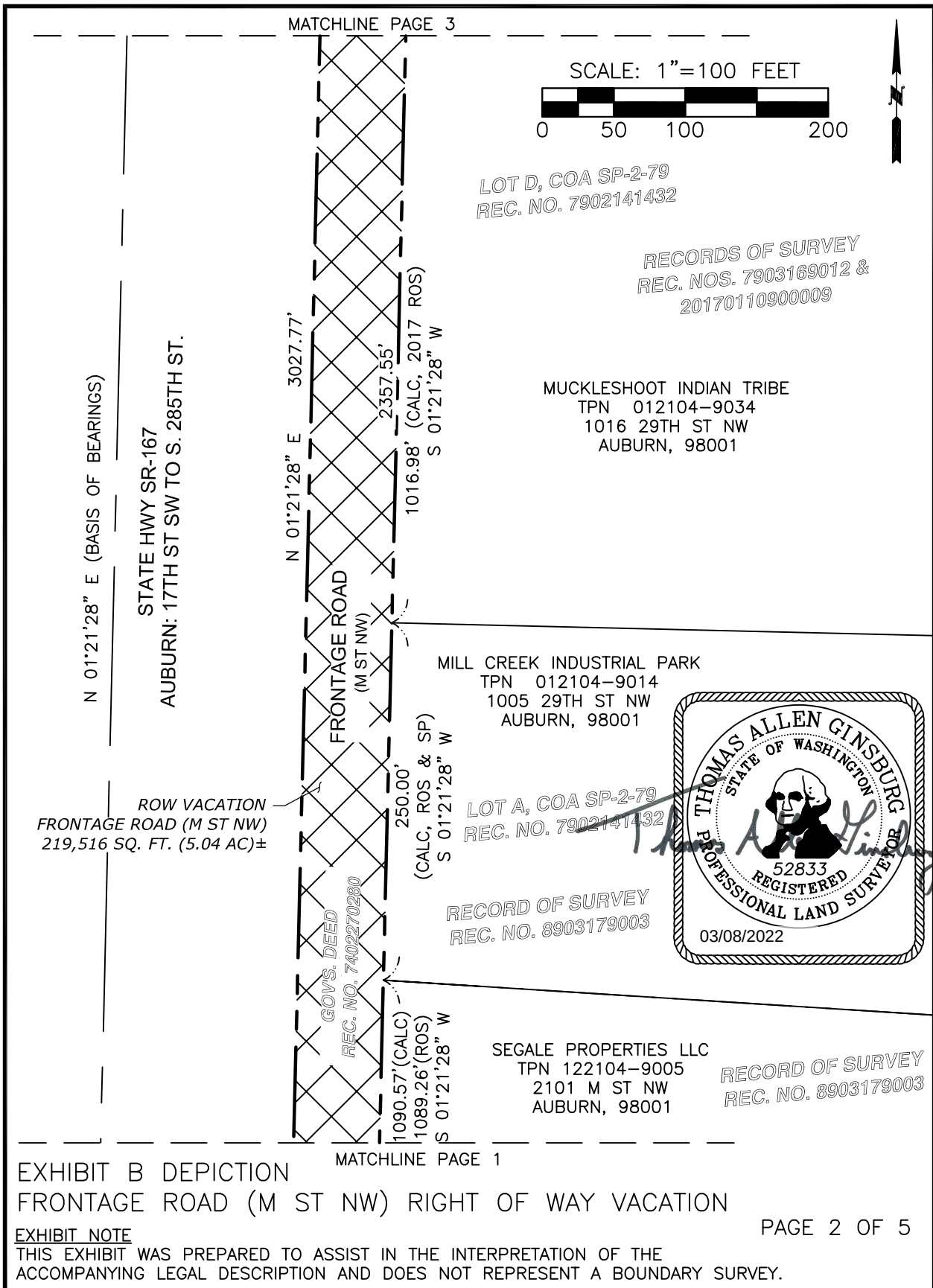
THENCE ALONG SAID SOUTH MARGIN SOUTH 86°28'00" EAST A DISTANCE OF 668.938 FEET TO THE POINT OF BEGINNING;

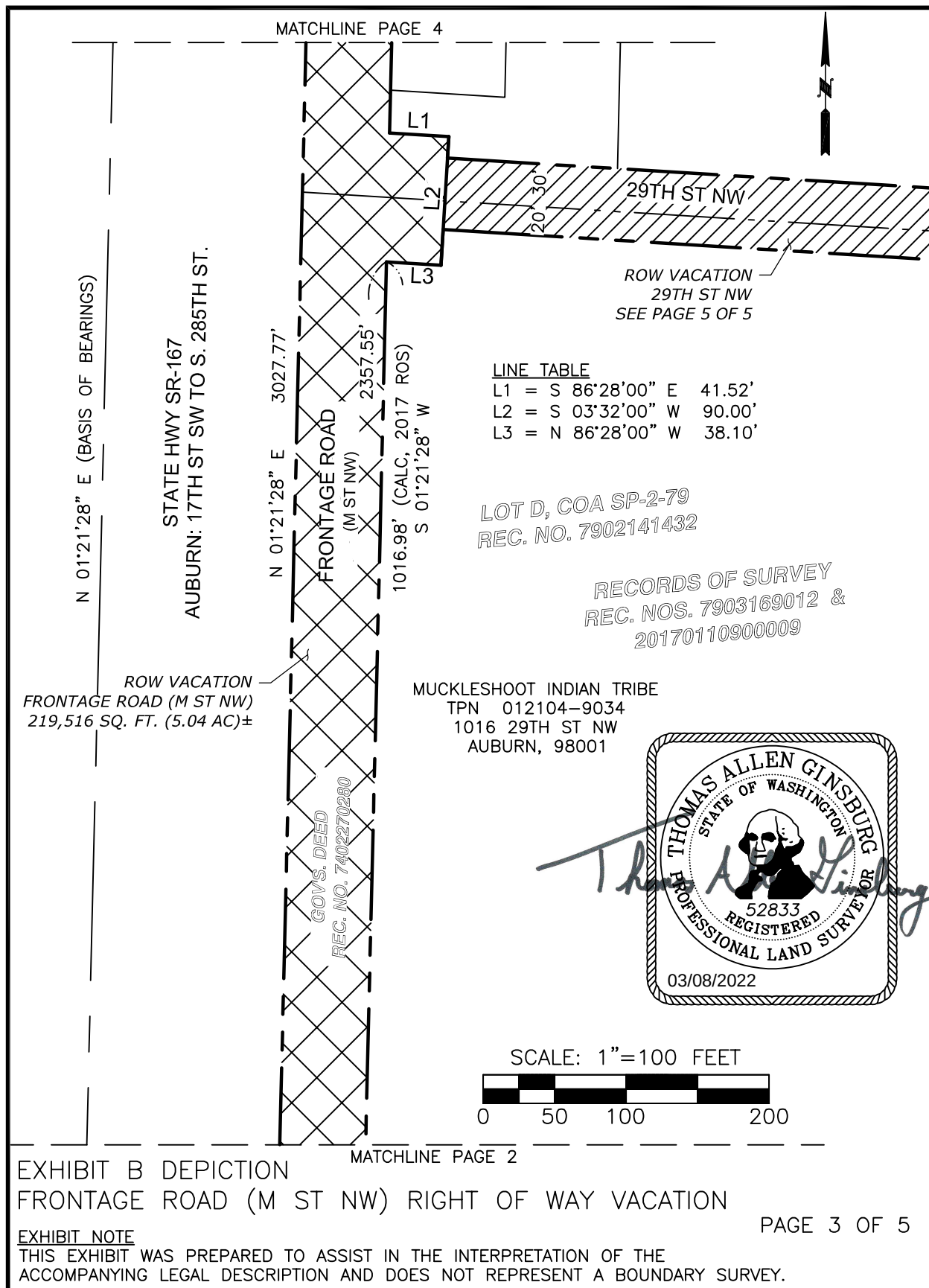
CONTAINING AN AREA OF 35,472 SQUARE FEET (0.81 ACRES), MORE OR LESS.

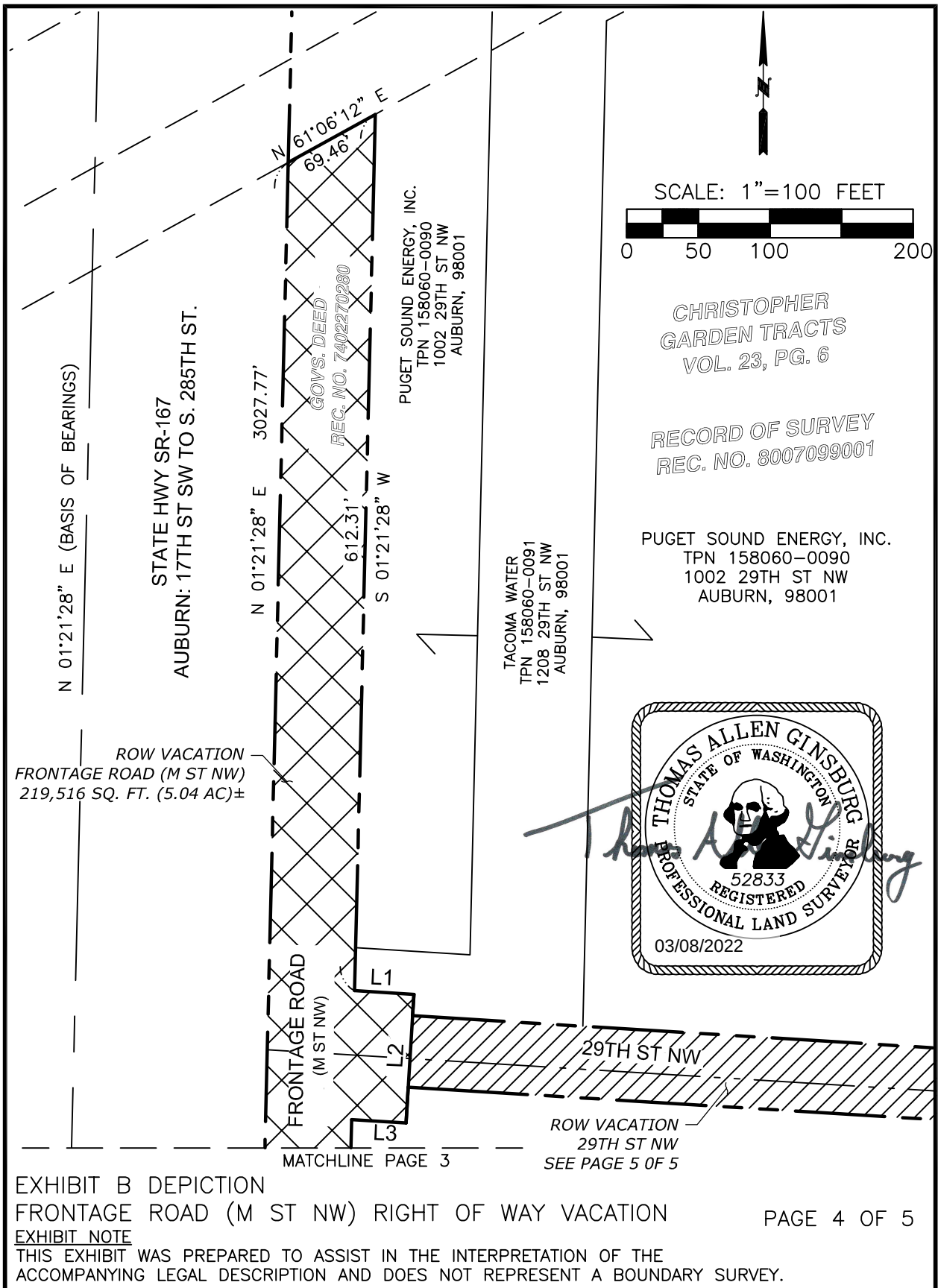
THE BASIS OF BEARINGS FOR THE ABOVE DESCRIPTIONS IS NORTH 01°21'28" EAST BEING THE CALCULATED CENTERLINE OF SR-167 AS DETERMINED FROM ENGINEER'S STATION 598+60.63 TO STATION 651+24.39 ACCORDING TO WSDOT PLANS SR-167 MP 13.66 to MP 17.42 AUBURN 17TH ST. SW TO S. 285TH ST. SHEETS 7 AND 8 OF 14.











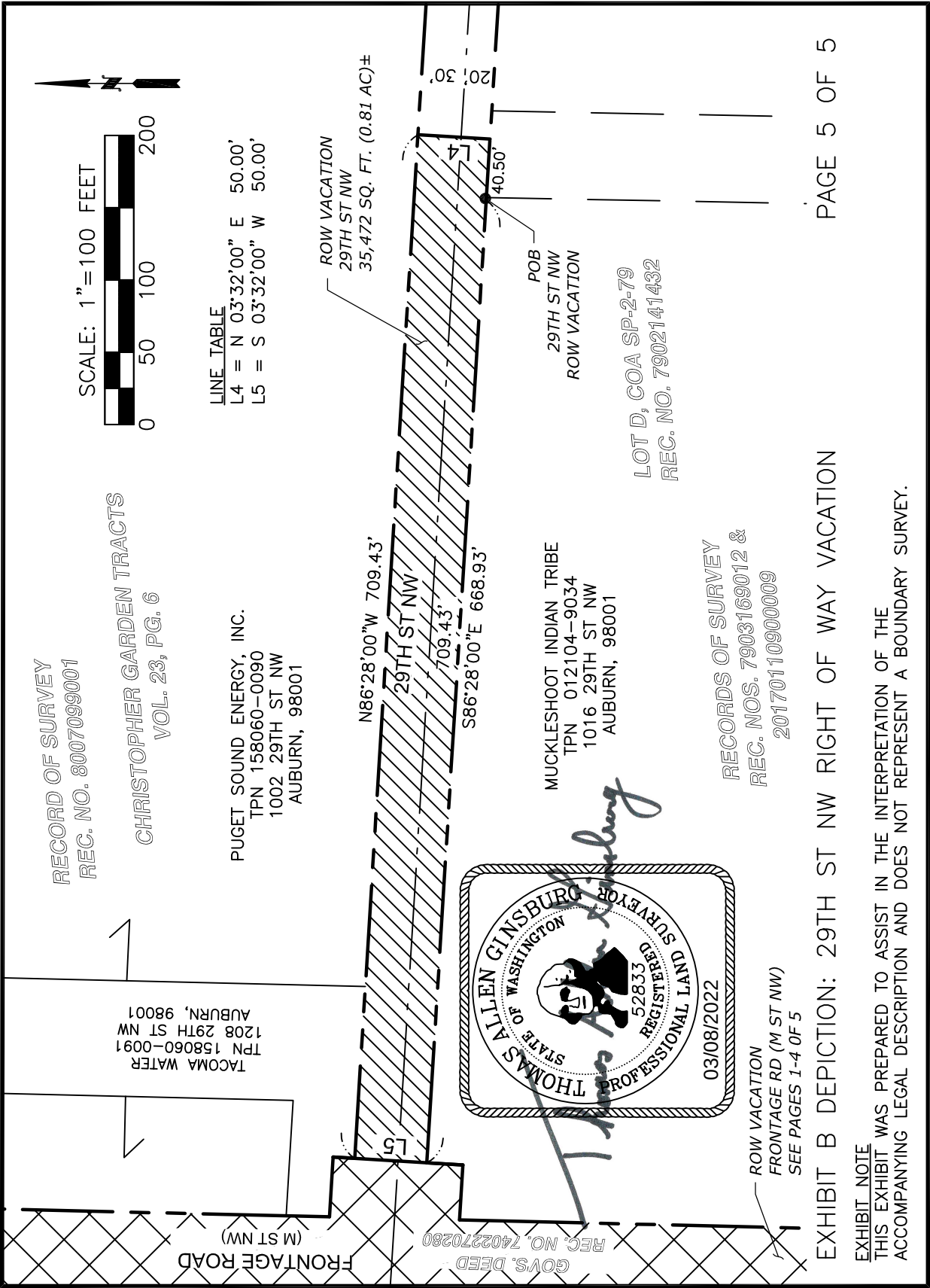
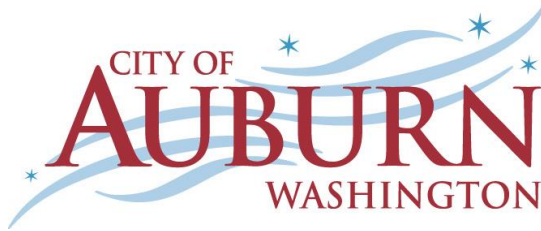


EXHIBIT NOTE
THIS EXHIBIT WAS PREPARED TO ASSIST IN THE INTERPRETATION OF THE
ACCOMPANYING LEGAL DESCRIPTION AND DOES NOT REPRESENT A BOUNDARY SURVEY.



RIGHT-OF-WAY VACATION STAFF REPORT

Right-of-Way (ROW) Vacation Number VAC21-0003

Applicant: City Initiated

Property Location: Right-of-Way located M Street NW and 29th St NW, north of 15th Street NW and east of SR-167.

Description of right-of-way:

This rights-of-way (ROW) proposed for vacation consists of M Street NW (Frontage Road) being 60 feet in width, north of 15th Street NW to the south line of the BPA Transmission Line easements, and 29th Street NW, being 50 feet in width, east of M St NW to the approximate west bank of Mill Creek.

The M Street NW ROW proposed for vacation is bound by SR-167 adjacent on the west side, Parcel No. 1580600090 adjacent on the north side, and Parcel Nos. 1580600090, 1580600091, 0121049034, 0121049014, 1221049005, and 1221049041 adjacent on the east side. The total proposed vacation area of the M Street NW ROW is approximately 219,516 square feet (5.04 acres).

The proposed vacation Area of M St NW became ROW when it was acquired by the State for the construction of SR-167 through King County Superior Cause Nos. 718093 and 718254 and as depicted on WSDOT SR-167 Plans MP 13.66 to MP 17.42 AUBURN 17TH ST. SW to S. 285TH ST, Sheets 7 and 8 of 14, dated January 28, 1971. This ROW area was subsequently conveyed to the City of Auburn from the State through Governor's Deed under King County Recording No. 7402270280, dated February 6, 1974.

The 29th Street NW ROW proposed for vacation is bound by M Street NW on the west, Parcel Nos. 1580600090 and 1580600091 on the north, Parcel No. 0121049034 on the south and the approximate west bank of Mill Creek on the east (15 feet west of the existing bridge joint). The total proposed vacation area of the 29th Street NW ROW is approximately 35,472 square feet (0.81 acres).

The north 30 feet of the proposed Vacation Area of 29th Street NW was dedicated for public street and for public highway purposes by the Plat of Christopher Garden Tracts

on April 9, 1919, recorded in Vol. 23 of Plats at Page 6, Records of King County, Washington.

The South 20 feet of the proposed Vacation Area of 29th Street NW appears to have been acquired by King County as right-of-way sometime between the November 13, 1889, establishment of D. Shanker Road, County Road No. 254 and the April 9, 1919, recording of the aforementioned Christopher Garden Tracts, which depicts the south 20 feet as existing ROW. Extensive Survey archival research and title company support have yet to locate or acquire a recorded conveyance document for the south 20 feet as ROW; however, in addition to the Christopher Garden Tracts plat, COA Short Plat 2-79 under KC Rec. No. 7902141432 and Records of Survey under KC Rec. Nos. 7903169012, 8007099001 and 20170110900009 depict the subject area as such. The full ROW area, 50 feet in width, was subsequently acquired by the City of Auburn through Annexation Ordinance 1913, passed June 6, 1966, and effective June 20, 1966.

See Exhibit "A" for legal description and survey.

Proposal:

The City is proposing that the ROW be vacated so that the road can be permanently closed. The ROW provides access to properties and utilities that do not currently require, or benefit from, general public access. Additionally, the ROW crossing Mill Creek at the east boundary of the proposed vacation of 29th St NW is closed due to its condition and provides no connectivity to the City street network for public access benefit. The proposed ROW vacation area has been used to illegally dump inoperable vehicles, trash and other waste material in, and adjacent to, the public right-of-way. The illegal dumping has presented an on-going potential threat to the sensitive environmental areas along the ROW as well as significant financial burden to the City and adjacent property owners.

On January 18, 2022, City Council adopted Ordinance No. 6847 that modified Chapter 10.28 of the Auburn City Code to restrict the ROW to all vehicular and non-vehicular traffic except for the purpose of accessing utilities and properties by their owners and authorized guests in order to address illegal dumping issues. Subsequently, a locked gate was installed across M Street NW to limit access to the ROW Vacation Area.

The proposed vacation of M St NW and 29th St NW, if approved, would turn the right-of-way back into private property and it would attach to those adjacent parcels that are entitled to receive it. This would allow property owners to better secure their properties from unwanted trespassing, illegal dumping, and vandalism. After vacation, the roadway surface within the vacated right of way area would be owned and maintained by the property owners.

Applicable Policies & Regulations:

- RCW's applicable to this situation - meets requirements of RCW 35.79.
- MUTCD standards - not affected by this proposal.
- City Code or Ordinances - meets requirements of ACC 12.48.
- Comprehensive Plan Policy - not affected.
- City Zoning Code - not affected.

Public Benefit:

- Adjacent property owners can secure their property from unwanted trespassing and vandalism.
- The street vacation decreases the right-of-way maintenance obligation of the City, including cleanup and removal of abandoned vehicles and litter.
- Vacated Right-of-Way areas typically have a financial benefit to the general public because the vacated areas are subject to property taxes

Discussion:

The City initiated vacation proposal was circulated to Puget Sound Energy (PSE), Tacoma Water, Comcast, CenturyLink, adjacent property owners, and City staff.

1. Puget Sound Energy (PSE) – Comments from PSE were received and PSE does not have any existing facilities in the proposed vacation area and does not require easements for such purposes. However, PSE does require an access easement to serve their adjacent property through the proposed vacation area for secondary emergency access to their substation.
2. Tacoma Water – Comments from Tacoma Water were received requesting an easement be reserved for facilities currently located in the proposed vacation area. Tacoma Water also requires an access easement to serve their adjacent property through the proposed vacation area.
3. Comcast – Comments from Comcast were received and Comcast has no cable system facilities in either the M St NW or the 29th St NW right-of-way vacation areas. Comcast does not need an easement within the vacation areas for future use.
4. CenturyLink – Comments from CenturyLink were received requesting an easement be reserved for facilities currently located in the right-of-way.
5. WSDOT – No comments from WSDOT were received.
6. Engineering – Engineering supports the proposed vacation as the vacation area provides no current or future connectivity to the City's transportation network and vacating the area may support protection of environmentally sensitive areas adjacent to the vacation area (Mill Creek).
7. Transportation – An easement will need to be retained across the proposed vacation area for two existing street lights, including street light conduits and power cabinet.

8. Planning – Planning has no comments and supports the proposed vacation.
9. Water – An easement will need to be retained across the proposed vacation area for existing water facilities.
10. Sewer – An easement will need to be retained across the proposed vacation area for existing sewer facilities.
11. Storm – An easement will need to be retained across the proposed vacation area for existing storm facilities.
12. Fire – No comments.
13. Solid Waste – Solid Waste has no comments and supports the proposed vacation.
14. Police – No comments.
15. Streets – No comments.
16. Construction – Construction has no comments and supports the proposed vacation.
17. Innovation and Technology – No comments

Assessed Value:

ACC 12.48 states: “The city council may require as a condition of the ordinance that the city be compensated for the vacated right-of-way in an amount which does not exceed one-half the value of the right-of-way so vacated, except in the event the subject property or portions thereof were acquired at public expense or have been part of a dedicated public right-of-way for 25 years or more, compensation may be required in an amount equal to the full value of the right-of-way being vacated. The city engineer shall estimate the value of the right-of-way to be vacated based on the assessed values of comparable properties in the vicinity. If the value of the right-of-way is determined by the city engineer to be greater than \$2,000, the applicant will be required to provide the city with an appraisal by an MAI appraiser approved by the city engineer, at the expense of the applicant. The city reserves the right to have a second appraisal performed at the city’s expense.”

RCW 35.79.030 states the vacation “shall not become effective until the owners of property abutting upon the street or alley, or part thereof so vacated, shall compensate such city or town in an amount which does not exceed one-half the appraised value of the area so vacated. If the street or alley has been part of a dedicated public right-of-way for twenty-five years or more, or if the subject property or portions thereof were acquired at public expense, the city or town may require the owners of the property abutting the street or alley to compensate the city or town in an amount that does not exceed the full appraised value of the area vacated.”

An appraisal of the proposed vacation area was not required as the ROW Vacation is City initiated.

Recommendation:

4 of 5
May 18, 2022
VAC21-0003 Staff Report

Staff recommends that the street vacation be granted subject to the following conditions:

1. An easement shall be reserved for City Water, Sewer, Stormwater and Street Lighting facilities, including street light conduits and power cabinets.
2. An easement shall be reserved for Tacoma Water facilities.
3. An easement shall be reserved for CenturyLink telecommunications facilities.
4. An access easement shall be reserved for all parcels abutting the right-of-way.
5. That the existing roadway surface in the vacated right-of-way area be jointly owned and maintained by those persons entitled to receive the property lying within the vacated right-of-way, in accordance with RCW 35.79.040.
6. That compensation for the right-of-way not be required as the City is initiating the vacation.



Boundaries of ROW Vacation Areas for M St NW and 29th St NW and black parcel lines shown on this Vicinity Map are approximate and for general location and review purposes. Please refer to the legal description in Exhibit A and the preliminary survey depiction in Exhibit B for specifics of the proposed ROW Vacation Area.



NAD_1983_StatePlane_Washington_North_FIPS_4601_Feet

1 in = 333.33 ft
1:4,000



Information shown is for general reference purposes only and does not necessarily represent exact geographic or cartographic data as mapped. The City of Auburn makes no warranty as to its accuracy.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6862 (Gaub) (10 Minutes)

Date:

June 8, 2022

Department:

Public Works

Attachments:

[Ordinance No. 6862](#)

[Exhibit A](#)

[Presentation Slides](#)

Budget Impact:

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

Administrative Recommendation:

For discussion only.

Background for Motion:**Background Summary:**

Ordinance No. 6862 authorizes the Mayor to execute a Street Payback Agreement for half-street improvements between the City of Auburn and Inland Washington, LLC. Inland Washington, LLC has constructed half-street improvements along D Street NE between 49th Street NE and Auburn Way N, which benefit three properties. The improvements include pavement, curb and gutter, sidewalk, street lighting, and storm drainage. If these properties were to undertake certain development activity, as defined by Auburn City Code 12.64A, they would trigger the requirement to construct these half-street improvements built by Inland Washington, LLC along their frontages.

Inland Washington, LLC has requested a Payback Agreement from the City. The Payback agreement would allow the developer to recover partial costs related to the design and construction of the half-street improvements if, and when, the benefited properties undertake development activity that would have triggered the requirement to construction half-street improvements. The proposed agreement will be reviewed by Council at the June 13, 2022 Council Study Session.

City staff has notified the owners of the benefited properties of the payback agreement and the public hearing on June 21, 2022.

Reviewed by Council Committees:

Councilmember: Stearns

Staff:

Gaub

Meeting Date: June 13, 2022

Item Number:

ORDINANCE NO. 6862

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE A PAYBACK AGREEMENT FOR HALF-STREET IMPROVEMENTS BETWEEN THE CITY OF AUBURN AND INLAND WASHINGTON, LLC

WHEREAS, Chapter 13.40 of the Auburn City Code (ACC) authorizes the City Engineer to develop, implement, and administer facility extension agreements for transportation improvements; and

WHEREAS, Chapter 3.25 of the ACC authorizes the City Engineer to review and approve applications for public street improvement payback agreements, subject to Council approval; and

WHEREAS, pursuant to ACC 13.40, the City received and approved plans from Inland Washington, LLC (Inland) for the construction of certain public street transportation improvements. Inland constructed the improvements and has agreed to deed them to the City; and

WHEREAS, Inland applied to the City for a payback agreement in connection with the constructed improvements. The City Engineer reviewed Inland's application and determined that Inland's constructed improvements are eligible for a payback agreement. A proposed payback agreement for the constructed improvements is attached as Exhibit A to this Ordinance; and

WHEREAS, among other terms and conditions, Exhibit A establishes the assessment reimbursement area, determines the amount of the reimbursement assessment to be charged to each lot, tract or parcel, and provides for the payment and collection of assessments; and

WHEREAS, following required notice to each owner of record within the proposed payback agreement's reimbursement area, the City Council conducted a public hearing to consider approving this ordinance and the payback agreement in Exhibit A; and

WHEREAS, the City Council finds that entering the payback agreement is in the best interest of the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as a non-codified ordinance as follows:

Section 1. The Mayor is authorized to execute a Payback Agreement with Inland Washington, LLC. The agreement shall substantially conform to Exhibit A.

Section 2. Implementation. The Mayor is authorized to implement those administrative procedures necessary to carry out the directives of this legislation.

Section 3. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of the application of it to any person or circumstance, will not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 4. **Effective date.** This Ordinance will take effect and be in force five days from and after its passage, approval, and publication as provided by law.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Shawn Campbell, MMC, City Clerk

Kendra Comeau, City Attorney

Published: _____

Exhibit A

Return Address:
City of Auburn
City Clerk
25 West Main
Auburn, WA 98001

Above this line reserved for recording information.

PAYBACK AGREEMENT FOR HALF STREET IMPROVEMENTS
PBK19-0001

Reference # (if applicable):	N/A	Additional on page:	_____
Grantor :	City of Auburn		
Grantee :	Inland Washington, LLC		
Legal Description / STR:	NW1/4 31-22-05, SW1/4 31-22-05	Additional on page:	_____
Assessor's Tax Parcel ID#:	9360600305		

This Agreement made and entered into this _____ day of _____, 2020 by and between the **City of Auburn**, a municipal corporation of King County, Washington ("the CITY") and **Inland Washington, LLC** ("the DEVELOPER"), whose address is 120 West Cataldo, Suite 100, Spokane, WA 99201.

WHEREAS, pursuant to Chapter 35.72 RCW and Chapter 3.25 ACC, the CITY has by Ordinance No. **6862** adopted by the City Council of the CITY on the ____ day of _____, 2022, approved the execution of this Payback Agreement with the DEVELOPER above and referring to the construction of certain facilities described in this Agreement; and

WHEREAS, the above-described DEVELOPER has offered and the CITY has agreed to accept the half-street improvements described in **Exhibit 1**, Bill of Sale, attached and incorporated into this Agreement, as part of the streets systems of the CITY;

The CITY will require payment of the latecomer's pro rata share at the time the CITY issues a building permit which would require half-street improvements on property fronting the improved street. No payback payments will be required unless a Benefited Property owner applies for or receives a CITY building permit within this agreement's effective period.

The CITY shall reimburse the DEVELOPER within sixty (60) days of the date the City receives payment from a person obtaining a building permit for a use which will trigger half-street improvement requirements.

V. AMOUNT OF REIMBURSEMENT

The DEVELOPER, its successors, heirs and assigns, agrees that the amounts which the DEVELOPER is reimbursed from the property owners as specified in Section III of this Agreement, represents a fair pro rata share reimbursement for the DEVELOPER's construction of the facilities described in Section II of this Agreement.

The amount of reimbursement for the street improvements of a benefitted property will be based on the linear frontage of each property, up to the amount listed in **Exhibit 6**, and in accordance with Chapter 35.72 RCW.

The total amount of reimbursement to the DEVELOPER for the facilities from all applicable charges shall not exceed **\$219,122**.

In the event that a benefitting property or properties is/are subdivided prior to development, the City may reallocate the reimbursement amount(s) in a manner consistent with the methodology described above. The City will notify both the DEVELOPER and the property owner of any revisions to the reimbursement amounts.

VI. NOTICE AND HEARING

Prior to passing the Ordinance authorizing this agreement, the CITY shall conduct a public hearing in accordance with ACC 3.25.080, including the notification requirements of that section.

VII. EFFECT OF AGREEMENT

The provisions of this Agreement shall not be effective as to any owner of real estate not a party to this Agreement unless this Agreement has been recorded in the King County Recorder's Office prior to the time such owner receives a building permit.

If for any reason, the CITY fails to secure a latecomer payment for Owner's fair pro rata share of the cost of the facilities before issuance of a building permit, the CITY is not liable for payment to the DEVELOPER.

Following approval of the Ordinance authorizing this agreement, the City will record the document at the appropriate County's Office. The DEVELOPER shall be responsible for correcting any portion of the document determined to not be recordable and any re-recording fees.

This agreement is subject to the provisions of Auburn City Code ("ACC") Chapter 3.25 and shall be void if the DEVELOPER is in violation of any term or condition of that Chapter as it exists on the date of execution of this agreement.

VIII. CURRENT ADDRESS & TELEPHONE NUMBER

The DEVELOPER will keep a current record of the Developer's address and telephone number on file with the City Engineer, and will within 30 days of any change of said address and/or telephone number, notify the City Engineer in writing. If the DEVELOPER fails to do so, the parties agree that the CITY may authorize building permit issuance and not incur any liability for the non-collection and/or non-reimbursement of charges to the DEVELOPER under this Agreement. Every two years from the effective date of this agreement, shown on page one, the DEVELOPER will notify the City Engineer of its current name, address, and telephone number. If the DEVELOPER fails to provide such information within sixty (60) days of each anniversary, the CITY may collect and retain any payback charges owed to the DEVELOPER under this contract.

The initial Contact Information and Address for Receipt of Reimbursement Funds is as follows:

Scott Morris

(Printed Name of Developer's Representative)

Inland Washington, LLC

(Company Name)

120 W. Cataldo Ave.

(Mailing Address)

Spokane, WA 99201

(City, State, Zip code)

509-891-5162

(Telephone/FAX)

IX. ADMINISTRATION

Any inquiries regarding the administration of this agreement shall be directed to the City Engineer.

X. COVENANT RUNNING WITH THE LAND

This Agreement is binding on the DEVELOPER, its successors, heirs and assigns and shall so be binding on the legal owners of all properties described within the benefit boundary of the area as shown in the attached **Exhibits 4, 5, and 6**, their successors, heirs and assigns.

XI. HOLD HARMLESS

- A. General Indemnification. The DEVELOPER will indemnify, defend, and hold the CITY and the CITY'S officials and agents harmless from all claims and costs of defense arising out of this agreement as a result of DEVELOPER actions, omissions, misconduct, or breach of contract, including but not limited to attorney's fees, expert witness fees, and the cost of the services of engineering and other personnel who's time is reasonably devoted to the preparation and attendance of depositions, hearings, arbitration proceedings, settlement conferences and trials growing out of the demands and/or actions of property owners incurred in the performance or completion of this Agreement. The DEVELOPER specifically holds the CITY and its officials and agents harmless and waives all claims related to the CITY's establishment and enforcement of the terms and conditions of this agreement, including the failure to locate a beneficiary, assigns, successor, trustee, or survivor of DEVELOPER.
- B. Indemnification Against Liens. The DEVELOPER further agrees to indemnify and defend the CITY from any loss on account of any lien against the facilities that arose on or prior to the date of CITY acceptance of the facilities. If the CITY incurs any expense in defense against any such lien or claim, or in taking any other action that is required of DEVELOPER under this Agreement, the CITY shall have a lien in the full amount thereof against any funds then or thereafter collected by the CITY pursuant to this Agreement.

XII. CONSTITUTIONALITY OR INVALIDITY

If any section, subsection, clause or phrase of this Agreement is for any reason held to be invalid or unconstitutional, such invalidity or unconstitutionality does not affect the validity or constitutionality of the remaining portions of this Agreement, as it being expressly declared that this Agreement and each section, subsection, sentence, clause and phrase would have been prepared, proposed, adopted and approved and ratified irrespective of the fact that any one or more section, subsection, sentence, clause or phrase be declared invalid or unconstitutional.

CITY OF AUBURN

Nancy Backus, Mayor

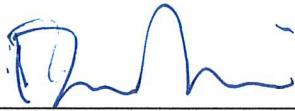
ATTEST:

APPROVED AS TO FORM:

Shawn Campbell, MMC, City Clerk

Kendra Comeau, City Attorney

DEVELOPER:



Signature

TITLE: Manager

Signature

TITLE: _____

STATE OF WASHINGTON)
) ss.
County of King)

I certify that I know or have satisfactory evidence that Nancy Backus and Shawn Campbell were the persons who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the **MAYOR** and **CITY CLERK** of the CITY OF AUBURN to be the free and voluntary act of such parties for the uses and purposes mentioned in this instrument.

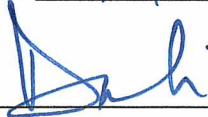
Dated _____

Notary Public in and for the State of Washington
My appointment expires _____

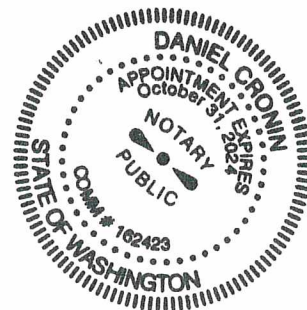
STATE OF WASHINGTON)
) ss
COUNTY OF SPOKANE)

I certify that I know or have satisfactory evidence that Dann Davidson and are 15
the persons who appeared before me, and said persons acknowledged that they signed this
instrument, on oath stated that he was Manager and
acknowledged it as the company of Inland Washington, L.L.C. a
limited liability corporation, to be the free and voluntary act of such parties for the uses and
purposes mentioned in this instrument.

Dated 5/5/22



Notary Public in and for the State of Washington
My appointment expires 10/31/24



Return Address:
City of Auburn
City Clerk
25 West Main
Auburn, WA 98001

Exhibit 1
Payback Agreement PBK19-0001

BILL OF SALE
FAC19-0016

Reference # (if applicable):	N/A
Grantor/Borrower:	COPPER GATE NORTH, LLC
Grantee/Assignee/Beneficiary:	CITY OF AUBURN
Legal Description/STR:	Section 31 – Township 22N – Range 5E
Assessor's Tax Parcel ID #:	000220-0001, 000220-0007, 9360600340, & 936060-0330

KNOW ALL MEN BY THESE PRESENTS that for and in consideration of the sum of TEN DOLLARS (\$10.00), and for the consideration of incorporating the Extension into the City system, and other good and sufficient consideration, receipt whereof is hereby acknowledged, the undersigned Grantor(s) Copper Gate North, LLC does by these presents hereby convey, setover, assign, transfer and warrant to the City of Auburn, a Municipal Corporation of the State of Washington, **39 LF of waterline, 58 LF of sanitary sewer, 2,343 LF of stormwater lines, 2,112 LF of street improvements, a roundabout at 49th St NE and I St NE, and a traffic signal at Auburn Way N and 49th St NE** and all appurtenances or any other associated public facility as shown on the public facility extension plans referred to as **FAC19-0016, the Copper Gate Apartments Offsite** development.

Situated within **49th AVE NE, Auburn Way N, D St NE, 45th St NE, and I St NE** and the following described real property, located in King County:

See EXHIBIT 'A' ATTACHED HERETO AND BY THIS REFERENCE MADE
A PART HEREOF.

and the said Grantor(s) hereby warrant(s) that they are the sole owner(s) of all the property above conveyed; that they have full power to convey the same and that they will defend the title of the said Grantee against any and all persons lawfully making claim thereto, and indemnify the City of Auburn for any costs, including Attorney fees in defending title.

Dated this 8th day of June, 2021



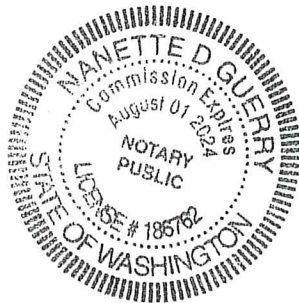
Grantor

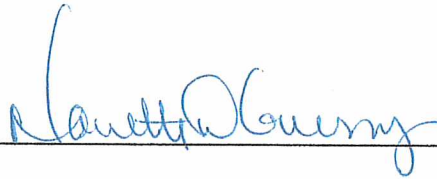
Grantor

STATE OF WASHINGTON)
COUNTY OF SPOKANE) ss

I certify that I know or have satisfactory evidence that Darin Davidson
and _____ (is/are the person(s) who appeared before me, and
said person(s) acknowledged that he/she/they signed this instrument and on oath stated that
he/she/they was/were authorized to execute the instrument as the Grantor
and _____ of **COPPER GATE NORTH, LLC,**
a limited liability company, and acknowledged it to be that party's free and voluntary act for the
uses and purposes mentioned in the instrument.

Dated 6-8-2021





Notary Public in and for the State of Washington
Residing at Spokane
My appointment expires 08/01/2024

EXHIBIT A
LEGAL DESCRIPTION OF REAL PROPERTY

LEGAL DESCRIPTION -- TPN 0002200007

THE SOUTH 200 FEET OF THE EAST 110 FEET OF THAT PORTION OF W.A. COX DONATION CLAIM NOS. 38 AND 43, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE WHITE RIVER VALLEY HOME TRACTS; THENCE SOUTH ALONG EAST LINE TO SOUTHEAST CORNER OF TRACT 32 OF SAID ADDITION; THENCE EASTERLY TO A POINT 258.2 FEET EAST OF EAST LINE OF SAID TRACT 32; THENCE NORTH 809.4 FEET TO NORTH LINE OF DONATION CLAIM; THENCE WEST 258.2 FEET TO BEGINNING;

EXCEPT STATE ROAD NO. 5;

AND EXCEPT ANY PORTION LYING WITHIN THE RIGHT OF WAY FOR 49th STREET NORTHEAST.

AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY RIGHT OF WAY DEDICATION DEED RECORDED MARCH 06, 2020, UNDER RECORDING NO. 20200306000968.

CONTAINS 20,445± SQUARE FEET (0.4694± ACRES)

LEGAL DESCRIPTION -- TPN 9360600330

THAT PORTION OF THE DONATION LAND CLAIM OF WILLIAM A. COX AND HIS WIFE, ELIZABETH COX, DESIGNATED AS CLAIM NO. 38, BEING A PART OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF SAID DONATION CLAIM, A DISTANCE OF 420.15 FEET WEST OF THE NORTHEAST CORNER THEREOF; THENCE SOUTH 839.74 FEET TO THE NORTH MARGIN OF SOUTH 280th STREET, AS ESTABLISHED BY DEEDS TO KING COUNTY, RECORDED UNDER RECORDING NUMBERS 544796 AND 5869551; THENCE WEST ALONG SAID NORTH MARGIN 259.26 FEET; THENCE NORTH 840.74 FEET TO A POINT ON THE NORTH LINE OF SAID DONATION CLAIM A DISTANCE OF 259.24 FEET WEST OF THE POINT OF BEGINNING; THENCE EAST ALONG SAID NORTH LINE TO THE POINT OF BEGINNING;

EXCEPT THE EAST 30 FEET; AND

EXCEPT THAT PORTION, IF ANY, LYING WITHIN SOUTH 277th STREET (52nd STREET NORTHEAST); AND

EXCEPT THAT PORTION THEREOF CONVEYED TO KING COUNTY FOR ROAD PURPOSES BY DEED RECORDED UNDER RECORDING NUMBER 7103110262; TOGETHER WITH THAT PORTION OF VACATED 49th STREET NORTHEAST (SOUTH 280th STREET) ADJOINING AS VACATED BY AUBURN ORDINANCE 3594 RECORDED UNDER RECORDING NUMBER 8102090641, AS WOULD ATTACH BY OPERATION OF LAW; EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001517, RECORDS OF KING COUNTY, WASHINGTON. (ALSO KNOWN AS A PORTION OF TRACT 42,

TOGETHER WITH VACATED STREETS ADJOINING, WHITE RIVER VALLEY HOME TRACTS 2nd ADDITION, ACCORDING TO THE UNRECORDED PLAT THEREOF);
EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY RIGHT OF WAY DEDICATION DEED RECORDED MARCH 06, 2020, UNDER RECORDING NO. 20200306000969.

AND

THAT PORTION OF THE DONATION LAND CLAIM OF WILLIAM A. COX AND HIS WIFE, ELIZABETH COX, DESIGNATED AS CLAIM NO. 38, BEING A PART OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTH LINE OF SAID DONATION CLAIM, AT A POINT 679.39 FEET WEST OF THE NORTHEAST CORNER THEREOF; THENCE SOUTH 89°10'30" WEST ALONG SAID NORTH LINE 258.94 FEET; THENCE SOUTH 0°49'30" WEST 841.71 FEET TO THE NORTH MARGIN OF SOUTH 280th STREET, AS ESTABLISHED BY DEEDS TO KING COUNTY, RECORDED UNDER RECORDING NUMBERS 544796 AND 5869551, SAID POINT BEING SOUTH 88°56'30" WEST 938.52 FEET FROM THE EAST LINE OF SAID DONATION CLAIM; THENCE NORTH 88°56'30" EAST ALONG SAID NORTH MARGIN 258.95 FEET; THENCE NORTH 840.70 FEET TO THE POINT OF BEGINNING;

EXCEPT THAT PORTION, IF ANY, LYING WITHIN SOUTH 277th STREET (52nd STREET NORTHEAST);

TOGETHER WITH THAT PORTION OF VACATED 49th STREET NORTHEAST (SOUTH 280th STREET) ADJOINING AS VACATED BY AUBURN ORDINANCE 3594 RECORDED UNDER RECORDING NUMBER 8102090641, AS WOULD ATTACH BY OPERATION OF LAW;

EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001517, RECORDS OF KING COUNTY, WASHINGTON, (ALSO KNOWN AS TRACT 43, TOGETHER WITH VACATED STREET ADJOINING, WHITE RIVER VALLEY HOME TRACTS 2nd ADDITION, ACCORDING TO THE UNRECORDED PLAT THEREOF);

EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY RIGHT OF WAY DEDICATION DEED RECORDED MARCH 06, 2020, UNDER RECORDING NO. 20200306000969.

CONTAINS 321,470± SQUARE FEET (7.3799± ACRES)

LEGAL DESCRIPTION – TPN 9360600340

THAT PORTION OF THE DONATION LAND CLAIM OF WILLIAM A. COX AND HIS WIFE, ELIZABETH COX, DESIGNATED AS CLAIM NO. 38, BEING A PART OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF SAID DONATION CLAIM, WHICH POINT IS 938.33 FEET SOUTH 89°10'30" WEST OF THE NORTHEAST CORNER OF SAID DONATION CLAIM; THENCE SOUTH 89°10'30" WEST ALONG THE NORTH LINE OF SAID DONATION CLAIM 258.64 FEET; THENCE SOUTH 0°49'30" WEST 842.68 FEET TO A POINT ON THE NORTH LINE OF THE COUNTY ROAD, AS ESTABLISHED BY DEEDS TO KING COUNTY RECORDED UNDER RECORDING NUMBERS 544796 AND 5869551, WHICH POINT IS 1,197.18 FEET SOUTH 88°56'30" WEST OF THE EAST LINE OF SAID DONATION CLAIM;

THENCE NORTH 88°56'30" EAST ALONG THE NORTH LINE OF SAID COUNTY ROAD 258.66 FEET; THENCE NORTH 0°49'30" EAST 841.71 FEET TO THE POINT OF BEGINNING; EXCEPT THAT PORTION, IF ANY, LYING WITHIN SOUTH 277th STREET (52nd STREET NORTHEAST); TOGETHER WITH THAT PORTION OF VACATED 49th STREET NORTHEAST (SOUTH 280th STREET) ADJOINING AS VACATED BY AUBURN ORDINANCE 3594 RECORDED UNDER RECORDING NUMBER 8102090641, AS WOULD ATTACH BY OPERATION OF LAW; EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001518, RECORDS OF KING COUNTY, WASHINGTON. (ALSO KNOWN AS TRACT 44, TOGETHER WITH VACATED STREET ADJOINING, WHITE RIVER VALLEY HOME TRACTS 2nd ADDITION, ACCORDING TO THE UNRECORDED PLAT THEREOF); EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY RIGHT OF WAY DEDICATION DEED RECORDED MARCH 06, 2020, UNDER RECORDING NO. 20200306000969.

AND

THAT PORTION OF THE DONATION LAND CLAIM OF WILLIAM A. COX AND HIS WIFE, ELIZABETH COX, DESIGNATED AS CLAIM NO. 38, BEING A PART OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:
BEGINNING ON THE NORTHERLY LINE OF SAID DONATION LAND CLAIM, AT A POINT WHICH IS SOUTH 89°10'30" WEST 1,196.97 FEET FROM THE NORTHEAST CORNER THEREOF; THENCE SOUTH 89°10'30" WEST ALONG SAID NORTHERLY LINE 258.34 FEET; THENCE SOUTH 1°03'30" WEST 843.64 FEET TO THE NORTHERLY LINE OF COUNTY ROAD, AS ESTABLISHED BY DEEDS TO KING COUNTY RECORDED UNDER RECORDING NUMBERS 544796 AND 5869551, AT A POINT WHICH IS SOUTH 88°56'30" WEST 1,455.53 FEET FROM THE EAST LINE OF SAID DONATION LAND CLAIM; THENCE NORTH 88°56'30" EAST 258.35 FEET; THENCE NORTH 0°49'30" EAST 842.68 FEET TO THE POINT OF BEGINNING; EXCEPT THE WESTERLY 30 FEET THEREOF FOR COUNTY ROAD; AND EXCEPT THAT PORTION, IF ANY, LYING WITHIN SOUTH 277th STREET (52nd STREET NORTHEAST); AND
EXCEPT THAT PORTION THEREOF CONVEYED TO KING COUNTY FOR ROAD PURPOSES BY DEED RECORDED UNDER RECORDING NUMBER 7103110262; TOGETHER WITH THAT PORTION OF VACATED 49th STREET NORTHEAST (SOUTH 280th STREET) ADJOINING AS VACATED BY AUBURN ORDINANCE 3594 RECORDED UNDER RECORDING NUMBER 8102090641, AS WOULD ATTACH BY OPERATION OF LAW; EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001518, RECORDS OF KING COUNTY, WASHINGTON. (ALSO KNOWN AS A PORTION OF TRACT 45, TOGETHER WITH VACATED STREET ADJOINING, WHITE RIVER VALLEY HOME TRACTS 2nd ADDITION, ACCORDING TO THE UNRECORDED PLAT THEREOF); EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY RIGHT OF WAY DEDICATION DEED RECORDED MARCH 06, 2020, UNDER RECORDING NO. 20200306000969.

CONTAINS 389,694± SQUARE FEET (8.9461± ACRES)

LEGAL DESCRIPTION – TPN 0002200001

THAT PORTION OF THE W.A. COX DONATION LAND CLAIM NOS. 38 AND 43, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF WHITE RIVER VALLEY HOME TRACTS, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 13 OF PLATS, PAGE 17, IN KING COUNTY, WASHINGTON; THENCE SOUTH ALONG EAST LINE TO SOUTHEAST CORNER OF TRACT 32 OF SAID ADDITION; THENCE EASTERLY TO A POINT 258.2 FEET EAST OF EAST LINE OF SAID TRACT 32; THENCE NORTH 809.4 FEET TO NORTH LINE OF DONATION CLAIM; THENCE WEST 258.2 FEET TO BEGINNING;

EXCEPT STATE ROAD NO. 5;

AND EXCEPT THE SOUTH 200 FEET OF THE EAST 110 FEET THEREOF;

AND EXCEPT ANY PORTION LYING WITHIN THE RIGHT OF WAY FOR 49th STREET NORTHEAST;

AND EXCEPT ALL THAT PORTION OF THE FOLLOWING DESCRIBED TRACT OF LAND LYING SOUTHWESTERLY OF A LINE DRAWN 15.2 FEET RADially FROM A POINT 52 FEET NORTHEASTERLY OF STATION 122+63 OF AUBURN WAY NORTH AND EXTENDING FROM THE NORTH LINE OF 49th STREET NORTHEAST TO A POINT OPPOSITE STATION 122+72 (AND AS CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 7911271078, RECORDS OF KING COUNTY, WASHINGTON);

AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY RIGHT OF WAY DEDICATION DEED RECORDED APRIL 11, 2016, UNDER RECORDING NO. 20160411001520 AND RECORDED MARCH 06, 2020, UNDER RECORDING NO. 20200306000968.

CONTAINS 187,831± SQUARE FEET (4.3120± ACRES)

Exhibit 2
Payback Agreement PBK19-0001

Legal Description of Developer's Property

Parcel Number: 9360600305

PARCEL A OF CITY OF AUBURN BOUNDARY LINE ADJUSTMENT NO. BLA 19-0008, RECORDED NOVEMBER 4, 2019 UNDER RECORDING NUMBER 20191104900007, IN KING COUNTY, WASHINGTON;

EXCEPT THAT PORTION THEREOF CONVEYED TO THE CITY OF AUBURN FOR RIGHT OF WAY BY DEED RECORDED UNDER RECORDING NUMBER 20200306000967.

Map of Developer's Property



Exhibit 3
Payback Agreement PBK19-0001

Facilities Constructed

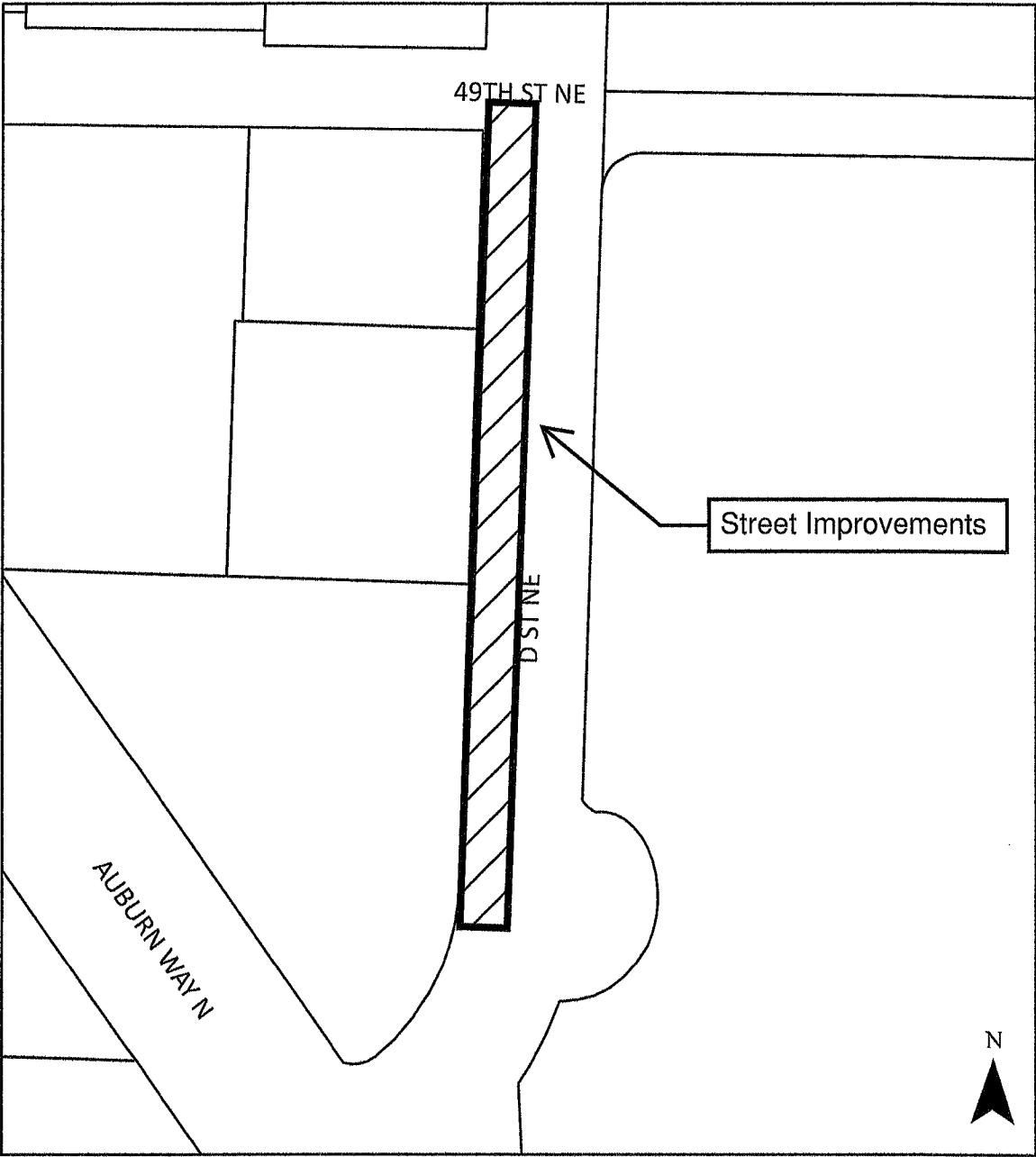


Exhibit 4
Payback Agreement PBK19-0001

Benefited Properties Legal Descriptions

9360600210

Owner: Eric M. Van Buren

Address: 4841 D Street NE, Auburn WA 98002

Legal Description:

THAT PORTION OF THE WILLIAM A. COX DONATION CLAIM IN SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE EAST HALF OF SAID DONATION CLAIM;
THENCE SOUTH 878.2 FEET TO THE SOUTH LINE OF COUNTY ROAD;
THENCE WEST ALONG SAID SOUTH LINE 1,485.53 FEET TO THE WEST LINE OF THE KENT-AUBURN ROAD;
THENCE SOUTH ALONG SAID WEST LINE 97.2 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION;
THENCE NORTH 89°47'30" WEST 120 FEET;
THENCE SOUTH 125 FEET, MORE OR LESS, TO THE NORTH LINE OF A TRACT OF LAND DEEDED TO THOMAS T. ISERI BY DEED RECORDED IN VOLUME 1,876 OF DEEDS, PAGE 29, UNDER RECORDING NUMBER 3078263;
THENCE EAST ALONG SAID NORTH LINE AND SAID NORTH LINE EXTENDED TO THE WEST LINE OF THE KENT-AUBURN ROAD;
THENCE NORTHERLY ALONG SAID WEST LINE TO THE TRUE POINT OF BEGINNING;

(BEING A PORTION OF TRACTS 29 AND 37 OF THE UNRECORDED PLAT OF WHITE RIVER VALLEY HOME TRACTS);

TOGETHER WITH THAT PORTION OF VACATED COUNTY ROAD NUMBER 76 ADJOINING.

9360600310

Owner: Sergy Kudrovskiy

Address: 4855 D Street NE, Auburn WA 98002

Legal Description:

THAT PORTION OF THE WILLIAM A. COX DONATION LAND CLAIM IN SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID DONATION CLAIM;
THENCE SOUTH 878.2 FEET TO THE SOUTH LINE OF COUNTY ROAD;
THENCE WEST ALONG SAID SOUTH LINE 1,485.53 FEET TO THE POINT OF INTERSECTION OF SAID SOUTH LINE OF THE COUNTY ROAD AND WEST LINE OF THE KENT-AUBURN ROAD, WHICH POINT IS THE TRUE POINT OF BEGINNING OF THE TRACT HEREIN DESCRIBED;
THENCE SOUTH ALONG SAID WEST LINE OF KENT AUBURN ROAD 97.2 FEET;
THENCE NORTH 89°47'30" WEST 116 FEET;
THENCE NORTH 95 FEET TO A POINT ON THE SOUTH LINE OF PRESENT COUNTY ROAD A DISTANCE OF 70 FEET EAST (MEASURED ALONG SAID SOUTH LINE OF PRESENT COUNTY ROAD), OF THE INTERSECTION OF SAID SOUTH LINE AND CENTER LINE OF VACATED COUNTY ROAD NO. 76;

THENCE EAST, ALONG SAID SOUTH LINE OF PRESENT COUNTY ROAD, 116 FEET TO THE TRUE POINT OF BEGINNING;

(ALSO KNOWN AS A PORTION OF TRACTS 29 AND 37 OF SECOND ADDITION TO WHITE RIVER VALLEY HOME TRACTS, AN UNRECORDED PLAT);

TOGETHER WITH A PORTION OF VACATED COUNTY ROAD NO. 76 ADJOINING.

9360600160

Owner: Fairvway Investment Group, LLC

Address: 4798 Auburn Way North, Auburn WA 98002

Legal Description:

THAT PORTION OF THE WILLIAM A. COX DONATION LAND CLAIM NO. 38 IN SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF SAID SECTION 31 WITH THE SOUTH LINE OF SAID DONATION CLAIM LAND;

THENCE EAST ALONG SAID CLAIM LINE 426.57 FEET TO THE EAST LINE OF THE COUNTY ROAD;

THENCE ALONG SAID ROAD LINE NORTH 2°03'30 EAST 1,426.24 FEET;

THENCE EAST 315.8 FEET, MORE OR LESS, TO THE WEST LINE OF KENT-AUBURN ROAD (86TH AVENUE SOUTH) AS ESTABLISHED BY DEED TO KING COUNTY RECORDED UNDER RECORDING NUMBER 761007;

THENCE NORTHERLY ALONG THE WESTERLY LINE OF SAID KENT-AUBURN ROAD TO A POINT 48 FEET NORTH OF THE LAST NAMED POINT AND THE TRUE POINT OF BEGINNING;

THENCE NORTHERLY, ALONG SAID WEST LINE 82 FEET, MORE OR LESS, TO A POINT ON THE SOUTH LINE OF THAT TRACT OF LAND DEEDED TO MARVIN KACK AND ETHEL KACK, HUSBAND AND WIFE, BY DEED RECORDED AUGUST 23, 1945, UNDER RECORDING NUMBER 3495426;

THENCE WEST 208 FEET 9 INCHES, MORE OR LESS, TO THE NORTHEASTERLY MARGIN OF AUBURN WAY NORTH (STATE ROAD NO. 5);

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY MARGIN 97 FEET 10 INCHES, MORE OR LESS, TO A POINT WHICH IS WEST OF THE TRUE POINT OF BEGINNING;

THENCE EAST 170 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20150807000618.

TOGETHER WITH

THAT PORTION OF THE WILLIAM A. COX DONATION LAND CLAIM NO. 38 IN SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF SAID SECTION 31 WITH THE SOUTH LINE OF SAID DONATION CLAIM LAND;

THENCE EAST ALONG SAID CLAIM LINE 426.57 FEET TO THE EAST LINE OF THE COUNTY ROAD;

THENCE ALONG SAID ROAD LINE NORTH 2°03'30 EAST 1,426.24 FEET;

THENCE EAST 325 FEET, MORE OR LESS, TO THE WEST LINE OF THE OLD PAVED HIGHWAY AND THE TRUE POINT OF BEGINNING;

THENCE NORTHERLY ALONG SAID HIGHWAY LINE AS NOW ESTABLISHED TO A POINT OF A LINE WHICH IS PARALLEL WITH AND 48 FEET NORTH OF AN EAST AND WEST LINE DRAWN THROUGH THE TRUE POINT OF BEGINNING;
THENCE WEST ON SAID PARALLEL LINE 170 FEET, MORE OR LESS, TO THE NORTHEASTERLY LINE OF STATE ROAD NO. 5;
THENCE ALONG SAID ROAD LINE SOUTH 37°03' EAST 300 FEET, MORE OR LESS, TO THE WESTERLY LINE OF THE OLD PAVED HIGHWAY;
THENCE NORTHEASTERLY ALONG SAID HIGHWAY LINE 190 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING;

EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN RECORDED UNDER RECORDING NUMBER 7206010435;

ALSO EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN RECORDED UNDER RECORDING NUMBER 8006130659;

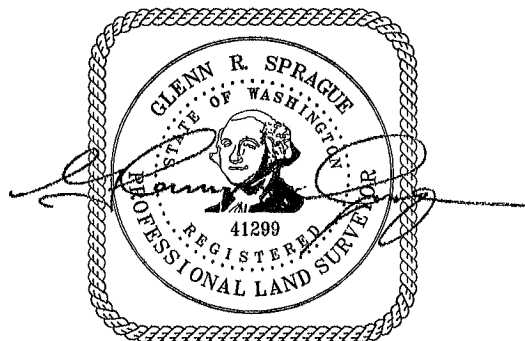
TOGETHER WITH THAT PORTION OF VACATED "D" STREET NORTHEAST (86TH AVENUE SOUTH) VACATED BY ORDINANCE NO. 2626 WHICH WOULD ATTACH BY OPERATION OF LAW;

EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20150807000618;

ALL SITUATE IN THE CITY OF AUBURN, COUNTY OF KING, STATE OF WASHINGTON.

Surveyor's Certification:

I, Glenn R. Sprague, PLS, hereby attest that the legal descriptions noted above represent the parcels of land described as associated with the Owners and Tax Accounts listed hereon, as made available from public record.



02/23/22

Exhibit 6
Payback Agreement PBK19-0001

Benefiting Properties Reimbursement Fees

Half-Street Improvement Total Cost: \$240,793

	Parcel Number	Parcel Frontage	% of Total Length	Assessment Amount
1	9360600160	155 ft	39%	\$93,909
2	9360600310	85 ft	21%	\$50,567
3	9360600210	125 ft	31%	\$74,646
		365 ft	91%	\$219,122

ENGINEERING SERVICES

**ORDINANCE #6862 & 6863
INLAND WASHINGTON PAYBACK
AGREEMENTS**

**CECILE MALIK
CITY COUNCIL STUDY SESSION
JUNE 13, 2022**

Public Works Department

Engineering Services • Airport Services • Maintenance & Operations Services

AUBURN
VALUES

S E R V I C E
E N V I R O N M E N T
E C O N O M Y
C H A R A C T E R
S U S T A I N A B I L I T Y
W E L L N E S S
C E L E B R A T I O N

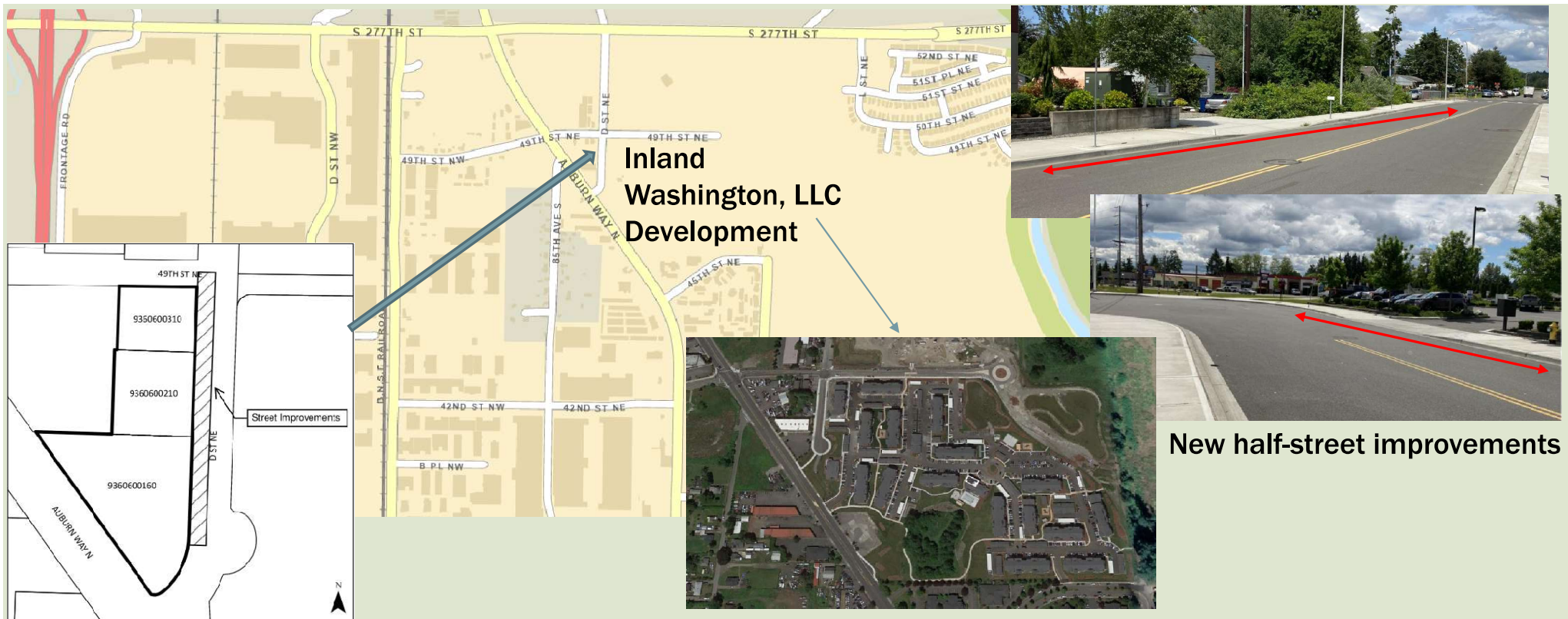
WHAT IS A PAYBACK AGREEMENT?

- Developer constructs public facilities (water, sewer, storm, and/or streets)
- Facilities benefit properties besides the development
- Payback Agreement - between City and Developer
- City collects pro-rata payments from Benefited Properties as they connect or benefit within the payback period (20-year for Water & Sewer, 15-year period for Streets)
- City forwards payments to Developer



SERVICE • ENVIRONMENT • ECONOMY • CHARACTER • SUSTAINABILITY • WELLNESS • CELEBRATION

STREET PUBLIC FACILITY EXTENSION BENEFITED PROPERTIES PAYBACK PBK19-0001 – ORDINANCE 6862



SERVICE • ENVIRONMENT • ECONOMY • CHARACTER • SUSTAINABILITY • WELLNESS • CELEBRATION

STREET PUBLIC FACILITY EXTENSION BENEFITED PROPERTIES PAYBACK PBK19-0002 – ORDINANCE 6863



PAYBACK PROCESS

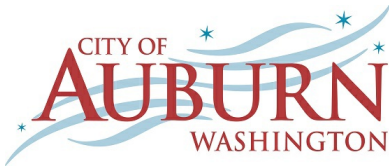
Developer	City	
Submit payback application	Develop payback methodology	✓
Complete construction	Accept facilities for operation	✓
Submit project costs	Review costs and determine apportioned costs	✓
Prepare agreement and public notice documents		✓
	Notify benefited properties	✓
	Hold public hearing	 June 21, 2022
	Council approve agreement by ordinance	
	Record agreement and incorporate into City permitting and mapping systems	
	Collect payments and forward to Developer	

SERVICE • ENVIRONMENT • ECONOMY • CHARACTER • SUSTAINABILITY • WELLNESS • CELEBRATION

QUESTIONS?



SERVICE • ENVIRONMENT • ECONOMY • CHARACTER • SUSTAINABILITY • WELLNESS • CELEBRATION



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6863 (Gaub) (10 Minutes)

Department:

Public Works

Attachments:

[Ordinance No. 6863](#)

[Exhibit A](#)

Date:

June 8, 2022

Budget Impact:

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

Administrative Recommendation:

For discussion only.

Background for Motion:**Background Summary:**

Ordinance No. 6863 authorizes the Mayor to execute a Street Payback Agreement for a Traffic Signal between the City of Auburn and Inland Washington, LLC.

Inland Washington, LLC has constructed a traffic signal at the intersection of 49th Street NE and Auburn Way N. This traffic signal improves access to other properties which, when developed or re-developed, will benefit from this improvement.

Inland Washington, LLC has requested a Payback Agreement from the City. The Payback agreement would allow the developer to recover partial costs related to the design and construction of the traffic signal when the benefited properties undertake development activity that generates vehicular traffic or "trips" at the traffic signal. The proposed agreement will be reviewed at the June 13, 2022 Council Study Session.

City staff has notified the owners of the benefited properties of the payback agreement and the public hearing on June 21, 2022.

See Ordinance No. 6862 to view the presentation file.

Reviewed by Council Committees:

Councilmember: Stearns

Staff:

Gaub

Meeting Date: June 13, 2022

Item Number:

ORDINANCE NO. 6863

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
AUBURN, WASHINGTON, AUTHORIZING THE MAYOR TO
EXECUTE A PAYBACK AGREEMENT FOR A TRAFFIC
SIGNAL BETWEEN THE CITY OF AUBURN AND INLAND
WASHINGTON, LLC

WHEREAS, Chapter 13.40 of the Auburn City Code (ACC) authorizes the City Engineer to develop, implement, and administer facility extension agreements for transportation improvements; and

WHEREAS, Chapter 3.25 of the ACC authorizes the City Engineer to review and approve applications for public street improvement payback agreements, subject to Council approval; and

WHEREAS, pursuant to ACC 13.40, the City received and approved plans from Inland Washington, LLC (Inland) for the construction of certain public street transportation improvements. Inland constructed the improvements and has agreed to deed them to the City; and

WHEREAS, Inland applied to the City for a payback agreement in connection with the constructed improvements. The City Engineer reviewed Inland's application and determined that Inland's constructed improvements are eligible for a payback agreement. A proposed payback agreement for the constructed improvements is attached as Exhibit A to this Ordinance; and

WHEREAS, among other terms and conditions, Exhibit A establishes the assessment reimbursement area, determines the amount of the reimbursement assessment to be charged to each lot, tract or parcel, and provides for the payment and collection of assessments; and

WHEREAS, following required notice to each owner of record within the proposed payback agreement's reimbursement area, the City Council conducted a public hearing to consider approving this ordinance and the payback agreement in Exhibit A; and

WHEREAS, the City Council finds that entering the payback agreement is in the best interest of the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as a non-codified ordinance as follows:

Section 1. The Mayor is authorized to execute a Payback Agreement with Inland Washington, LLC. The agreement shall substantially conform to Exhibit A.

Section 2. Implementation. The Mayor is authorized to implement those administrative procedures necessary to carry out the directives of this legislation.

Section 3. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of the application of it to any person or circumstance, will not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 4. **Effective date.** This Ordinance will take effect and be in force five days from and after its passage, approval, and publication as provided by law.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Shawn Campbell, MMC, City Clerk

Kendra Comeau, City Attorney

Published: _____

Exhibit A

Return Address:
City of Auburn
City Clerk
25 West Main
Auburn, WA 98001

Above this line reserved for recording information.

**PAYBACK AGREEMENT FOR TRAFFIC SIGNAL
PBK19-0002**

Reference # (if applicable):	N/A	Additional on page:	_____
Grantor :	City of Auburn		
Grantee :	Inland Washington, LLC		
Legal Description / STR:	NW1/4 31-22-05, SW1/4 31-22-05	Additional on page:	_____
Assessor's Tax Parcel ID#:	9360600305		

This Agreement made and entered into this _____ day of _____, 2020 by and between the **City of Auburn**, a municipal corporation of King County, Washington ("the CITY") and **Inland Washington, LLC** ("the DEVELOPER"), whose address is 120 West Cataldo, Suite 100, Spokane, WA 99201.

WHEREAS, pursuant to Chapter 35.72 RCW and Chapter 3.25 ACC, the CITY has by Ordinance No. **6863** adopted by the City Council of the CITY on the ____ day of _____, 2022, approved the execution of this Payback Agreement with the DEVELOPER above and referring to the construction of certain facilities described in this Agreement; and

WHEREAS, the above-described DEVELOPER has offered and the CITY has agreed to accept the traffic signal described in **Exhibit 1**, Bill of Sale, attached and incorporated into this Agreement, as part of the streets systems of the CITY;

NOW THEREFORE, IN CONSIDERATION OF THE CONDITIONS AND COVENANTS, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

I. DEVELOPER

At the time of construction, the DEVELOPER was the General Contractor of the OWNER of the real property legally described as shown on **Exhibit 2** submitted by the DEVELOPER.

“DEVELOPER” shall include successors, heirs, and assigns. The term “DEVELOPER” includes a bankruptcy estate and a receivership as long as the City receives notice of the bankruptcy or receivership as the law requires for notice to creditors, and the DEVELOPER provides the notice required by Section VIII of this agreement.

II. FACILITIES

The facilities which have been constructed by the DEVELOPER are as shown in the attached **Exhibit 3**, incorporated by this reference, and processed as a Developer Public Facility Extension, referenced as FAC19-0016. The original documents are on file at the office of the City Engineer. The facilities have been constructed in accordance with the ordinances and requirements of the CITY governing the construction specifications for these facilities and have been approved by the City Engineer.

III. AREA OF FACILITY SERVICE BENEFIT

The properties benefited by the traffic signal improvements (“Benefited Properties”) constructed by the DEVELOPER are legally described on **Exhibit 4** and are shown on **Exhibit 5**, which are by this reference incorporated in this Agreement. Any owner of real estate legally described within the benefit boundary as shown on the attached **Exhibits 4 and 5**, shall pay, when developing the properties with a development which increases the average PM peak vehicle trips, the amount as identified in Section V and **Exhibit 6**, because those properties adjacent to the improvements would benefit from the street improvements upon development. All property within the benefit boundary shall be subject to the fee as provided in this agreement as a condition of issuance of the building permit by the CITY.

IV. TERMS

For a period of **15 years** from the date of this agreement (the effective period), any owner of real estate legally described in Section III, **Exhibit 4**, or **Exhibit 5** that has not contributed to the original construction cost of the Facilities described in Section II and **Exhibit 3**, and that has not fully contributed their pro rata share to this original construction cost (a latecomer), shall pay to the CITY the amounts specified in Section

V and **Exhibit 6** of this agreement. Pursuant to ACC 3.25.100, the charge represents the fair pro rata share of the cost of construction of said traffic signal payable by the Benefited Properties. This agreement will expire on the _____ day of _____ 2037. This agreement may be extended only in accordance with RCW 35.72.020(2)(a) and/or ACC 3.25.050.B.6 (as now enacted or hereafter amended).

The CITY will require payment of the latecomer's pro rata share at the time the CITY issues a building permit for a development which will increase the average PM peak vehicle trips, as defined by the Trip Generation Manual by the Institute of Traffic Engineer (ITE), because those properties adjacent to the improvements would benefit from the street improvements upon development. No payback payments will be required unless a Benefited Property owner applies for or receives a CITY building permit within this agreement's effective period.

The CITY shall reimburse the DEVELOPER within sixty (60) days of the date the City receives payment from a person obtaining a building permit for a use which will increase PM peak vehicle trips from the original use of the property.

V. AMOUNT OF REIMBURSEMENT

The DEVELOPER, its successors, heirs and assigns, agrees that the amounts which the DEVELOPER is reimbursed from the property owners as specified in Section III of this Agreement, represents a fair pro rata share reimbursement for the DEVELOPER's construction of the facilities described in Section II of this Agreement.

The amount of reimbursement for the traffic signal improvement of a benefitted property will be \$1,358.15 per added average PM peak vehicle trip, as defined by the Trip Generation Manual by the Institute of Traffic Engineer (ITE), up to the amount listed in **Exhibit 6**, and in accordance with Chapter 35.72 RCW.

The total amount of reimbursement to the DEVELOPER for the facilities from all applicable charges shall not exceed **\$437,325.54**.

In the event that a benefitting property or properties is/are subdivided prior to connecting to the facilities, the City may reallocate the reimbursement amount(s) in a manner consistent with the methodology described above. The City will notify both the DEVELOPER and the property owner of any revisions to the reimbursement amounts.

VI. NOTICE AND HEARING

Prior to passing the Ordinance authorizing this agreement, the CITY shall conduct a public hearing in accordance with ACC 3.25.080, including the notification requirements of that section.

VII. EFFECT OF AGREEMENT

The provisions of this Agreement shall not be effective as to any owner of real estate not a party to this Agreement unless this Agreement has been recorded in the King County Recorder's Office prior to the time such owner receives a building permit.

If for any reason, the CITY fails to secure a latecomer payment for Owner's fair pro rata share of the cost of the facilities before issuance of a building permit, the CITY is not liable for payment to the DEVELOPER.

Following approval of the Ordinance authorizing this agreement, the City will record the document at the appropriate County's Office. The DEVELOPER shall be responsible for correcting any portion of the document determined to not be recordable and any re-recording fees.

This agreement is subject to the provisions of Auburn City Code ("ACC") Chapter 3.25 and shall be void if the DEVELOPER is in violation of any term or condition of that Chapter as it exists on the date of execution of this agreement.

VIII. CURRENT ADDRESS & TELEPHONE NUMBER

The DEVELOPER will keep a current record of the Developer's address and telephone number on file with the City Engineer, and will within 30 days of any change of said address and/or telephone number, notify the City Engineer in writing. If the DEVELOPER fails to do so, the parties agree that the CITY may authorize building permit issuance and not incur any liability for the non-collection and/or non-reimbursement of charges to the DEVELOPER under this Agreement. Every two years from the effective date of this agreement, shown on page one, the DEVELOPER will notify the City Engineer of its current name, address, and telephone number. If the DEVELOPER fails to provide such information within sixty (60) days of each anniversary, the CITY may collect and retain any payback charges owed to the DEVELOPER under this contract.

The initial Contact Information and Address for Receipt of Reimbursement Funds is as follows:

Scott Morris

(Printed Name of Developer's Representative)

Inland Washington, LLC

(Company Name)

120 W. Cataldo Ave.

(Mailing Address)

Spokane, WA 99201

(City, State, Zip code)

509-891-5162

(Telephone/FAX)

IX. ADMINISTRATION

Any inquiries regarding the administration of this agreement shall be directed to the City Engineer.

X. COVENANT RUNNING WITH THE LAND

This Agreement is binding on the DEVELOPER, its successors, heirs and assigns and shall so be binding on the legal owners of all properties described within the benefit boundary of the area as shown in the attached **Exhibits 4, 5, and 6**, their successors, heirs and assigns.

XI. HOLD HARMLESS

- A. General Indemnification. The DEVELOPER will indemnify, defend, and hold the CITY and the CITY'S officials and agents harmless from all claims and costs of defense arising out of this agreement as a result of DEVELOPER actions, omissions, misconduct, or breach of contract, including but not limited to attorney's fees, expert witness fees, and the cost of the services of engineering and other personnel who's time is reasonably devoted to the preparation and attendance of depositions, hearings, arbitration proceedings, settlement conferences and trials growing out of the demands and/or actions of property owners incurred in the performance or completion of this Agreement. The DEVELOPER specifically holds the CITY and its officials and agents harmless and waives all claims related to the CITY's establishment and enforcement of the terms and conditions of this agreement, including the failure to locate a beneficiary, assigns, successor, trustee, or survivor of DEVELOPER.
- B. Indemnification Against Liens. The DEVELOPER further agrees to indemnify and defend the CITY from any loss on account of any lien against the facilities that arose on or prior to the date of CITY acceptance of the facilities. If the CITY incurs any expense in defense against any such lien or claim, or in taking any other action that is required of DEVELOPER under this Agreement, the CITY shall have a lien in the full amount thereof against any funds then or thereafter collected by the CITY pursuant to this Agreement.

XII. CONSTITUTIONALITY OR INVALIDITY

If any section, subsection, clause or phrase of this Agreement is for any reason held to be invalid or unconstitutional, such invalidity or unconstitutionality does not affect the validity or constitutionality of the remaining portions of this Agreement, as it being expressly declared that this Agreement and each section, subsection, sentence, clause and phrase would have been prepared, proposed, adopted and approved and ratified irrespective of the fact that any one or more section, subsection, sentence, clause or phrase be declared invalid or unconstitutional.

Nancy Backus, Mayor

APPROVED AS TO FORM:

Kendra Comeau, City Attorney

Signature

TITLE:

I certify that I know or have satisfactory evidence that Nancy Backus and Shawn Campbell were the persons who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the **MAYOR** and **CITY CLERK** of the CITY OF AUBURN to be the free and voluntary act of such parties for the uses and purposes mentioned in this instrument.

Dated _____

STATE OF WASHINGTON)
COUNTY OF SPOKANE) ss

I certify that I know or have satisfactory evidence that

Darin Davidson

are 15

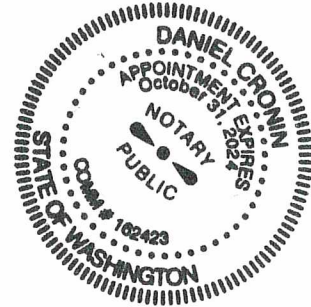
the persons who appeared before me, and said persons acknowledged that ^{he} they signed this instrument, on oath stated that ^{he was} they were authorized to execute the instrument and acknowledged it as the ^{company} of ^{Manager} Intel Washington, L.L.C. a ^{at} **limited liability corporation**, to be the free and voluntary act of such parties for the uses and purposes mentioned in this instrument.

Dated 5/5/22

[Signature]

Notary Public in and for the State of Washington

My appointment expires 10/31/24



Return Address:
City of Auburn
City Clerk
25 West Main
Auburn, WA 98001

Exhibit 1
Payback Agreement PBK19-0002

BILL OF SALE
FAC19-0016

Reference # (if applicable):	N/A
Grantor/Borrower:	COPPER GATE NORTH, LLC
Grantee/Assignee/Beneficiary:	CITY OF AUBURN
Legal Description/STR:	Section 31 – Township 22N – Range 5E
Assessor's Tax Parcel ID #:	000220-0001, 000220-0007, 9360600340, & 936060-0330

KNOW ALL MEN BY THESE PRESENTS that for and in consideration of the sum of TEN DOLLARS (\$10.00), and for the consideration of incorporating the Extension into the City system, and other good and sufficient consideration, receipt whereof is hereby acknowledged, the undersigned Grantor(s) Copper Gate North, LLC does by these presents hereby convey, setover, assign, transfer and warrant to the City of Auburn, a Municipal Corporation of the State of Washington, 39 LF of waterline, 58 LF of sanitary sewer, 2,343 LF of stormwater lines, 2,112 LF of street improvements, a roundabout at 49th St NE and I St NE, and a traffic signal at Auburn Way N and 49th St NE and all appurtenances or any other associated public facility as shown on the public facility extension plans referred to as FAC19-0016, the Copper Gate Apartments Offsite development.

Situated within 49th AVE NE, Auburn Way N, D St NE, 45th St NE, and I St NE and the following described real property, located in King County:

See EXHIBIT 'A' ATTACHED HERETO AND BY THIS REFERENCE MADE
A PART HEREOF.

and the said Grantor(s) hereby warrant(s) that they are the sole owner(s) of all the property above conveyed; that they have full power to convey the same and that they will defend the title of the said Grantee against any and all persons lawfully making claim thereto, and indemnify the City of Auburn for any costs, including Attorney fees in defending title.

Dated this 8th day of June, 2021



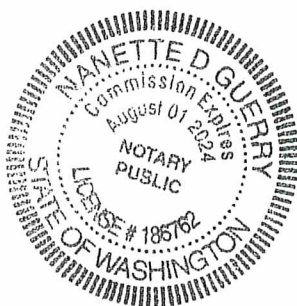
Grantor

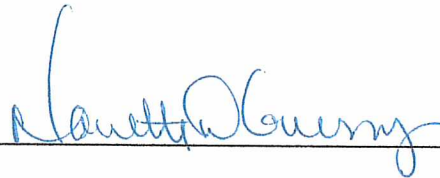
Grantor

STATE OF WASHINGTON)
COUNTY OF SPOKANE) ss

I certify that I know or have satisfactory evidence that Darin Davidson
and _____ (is/are the person(s) who appeared before me, and
said person(s) acknowledged that he/she/they signed this instrument and on oath stated that
he/she/they was/were authorized to execute the instrument as the Grantor
and _____ of **COPPER GATE NORTH, LLC,**
a limited liability company, and acknowledged it to be that party's free and voluntary act for the
uses and purposes mentioned in the instrument.

Dated 6-8-2021





Notary Public in and for the State of Washington
Residing at Spokane
My appointment expires 08/01/2024

EXHIBIT A
LEGAL DESCRIPTION OF REAL PROPERTY

LEGAL DESCRIPTION -- TPN 0002200007

THE SOUTH 200 FEET OF THE EAST 110 FEET OF THAT PORTION OF W.A. COX DONATION CLAIM NOS. 38 AND 43, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE WHITE RIVER VALLEY HOME TRACTS; THENCE SOUTH ALONG EAST LINE TO SOUTHEAST CORNER OF TRACT 32 OF SAID ADDITION; THENCE EASTERLY TO A POINT 258.2 FEET EAST OF EAST LINE OF SAID TRACT 32; THENCE NORTH 809.4 FEET TO NORTH LINE OF DONATION CLAIM; THENCE WEST 258.2 FEET TO BEGINNING;

EXCEPT STATE ROAD NO. 5;

AND EXCEPT ANY PORTION LYING WITHIN THE RIGHT OF WAY FOR 49th STREET NORTHEAST.

AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY RIGHT OF WAY DEDICATION DEED RECORDED MARCH 06, 2020, UNDER RECORDING NO. 20200306000968.

CONTAINS 20,445± SQUARE FEET (0.4694± ACRES)

LEGAL DESCRIPTION -- TPN 9360600330

THAT PORTION OF THE DONATION LAND CLAIM OF WILLIAM A. COX AND HIS WIFE, ELIZABETH COX, DESIGNATED AS CLAIM NO. 38, BEING A PART OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF SAID DONATION CLAIM, A DISTANCE OF 420.15 FEET WEST OF THE NORTHEAST CORNER THEREOF; THENCE SOUTH 839.74 FEET TO THE NORTH MARGIN OF SOUTH 280th STREET, AS ESTABLISHED BY DEEDS TO KING COUNTY, RECORDED UNDER RECORDING NUMBERS 544796 AND 5869551; THENCE WEST ALONG SAID NORTH MARGIN 259.26 FEET; THENCE NORTH 840.74 FEET TO A POINT ON THE NORTH LINE OF SAID DONATION CLAIM A DISTANCE OF 259.24 FEET WEST OF THE POINT OF BEGINNING; THENCE EAST ALONG SAID NORTH LINE TO THE POINT OF BEGINNING;

EXCEPT THE EAST 30 FEET; AND

EXCEPT THAT PORTION, IF ANY, LYING WITHIN SOUTH 277th STREET (52nd STREET NORTHEAST); AND

EXCEPT THAT PORTION THEREOF CONVEYED TO KING COUNTY FOR ROAD PURPOSES BY DEED RECORDED UNDER RECORDING NUMBER 7103110262; TOGETHER WITH THAT PORTION OF VACATED 49th STREET NORTHEAST (SOUTH 280th STREET) ADJOINING AS VACATED BY AUBURN ORDINANCE 3594 RECORDED UNDER RECORDING NUMBER 8102090641, AS WOULD ATTACH BY OPERATION OF LAW; EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001517, RECORDS OF KING COUNTY, WASHINGTON. (ALSO KNOWN AS A PORTION OF TRACT 42,

TOGETHER WITH VACATED STREETS ADJOINING, WHITE RIVER VALLEY HOME TRACTS 2nd ADDITION, ACCORDING TO THE UNRECORDED PLAT THEREOF);
EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY RIGHT OF WAY DEDICATION DEED RECORDED MARCH 06, 2020, UNDER RECORDING NO. 20200306000969.

AND

THAT PORTION OF THE DONATION LAND CLAIM OF WILLIAM A. COX AND HIS WIFE, ELIZABETH COX, DESIGNATED AS CLAIM NO. 38, BEING A PART OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTH LINE OF SAID DONATION CLAIM, AT A POINT 679.39 FEET WEST OF THE NORTHEAST CORNER THEREOF; THENCE SOUTH 89°10'30" WEST ALONG SAID NORTH LINE 258.94 FEET; THENCE SOUTH 0°49'30" WEST 841.71 FEET TO THE NORTH MARGIN OF SOUTH 280th STREET, AS ESTABLISHED BY DEEDS TO KING COUNTY, RECORDED UNDER RECORDING NUMBERS 544796 AND 5869551, SAID POINT BEING SOUTH 88°56'30" WEST 938.52 FEET FROM THE EAST LINE OF SAID DONATION CLAIM; THENCE NORTH 88°56'30" EAST ALONG SAID NORTH MARGIN 258.95 FEET; THENCE NORTH 840.70 FEET TO THE POINT OF BEGINNING;

EXCEPT THAT PORTION, IF ANY, LYING WITHIN SOUTH 277th STREET (52nd STREET NORTHEAST);

TOGETHER WITH THAT PORTION OF VACATED 49th STREET NORTHEAST (SOUTH 280th STREET) ADJOINING AS VACATED BY AUBURN ORDINANCE 3594 RECORDED UNDER RECORDING NUMBER 8102090641, AS WOULD ATTACH BY OPERATION OF LAW;

EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001517, RECORDS OF KING COUNTY, WASHINGTON. (ALSO KNOWN AS TRACT 43, TOGETHER WITH VACATED STREET ADJOINING, WHITE RIVER VALLEY HOME TRACTS 2nd ADDITION, ACCORDING TO THE UNRECORDED PLAT THEREOF);
EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY RIGHT OF WAY DEDICATION DEED RECORDED MARCH 06, 2020, UNDER RECORDING NO. 20200306000969.

CONTAINS 321,470± SQUARE FEET (7.3799± ACRES)

LEGAL DESCRIPTION – TPN 9360600340

THAT PORTION OF THE DONATION LAND CLAIM OF WILLIAM A. COX AND HIS WIFE, ELIZABETH COX, DESIGNATED AS CLAIM NO. 38, BEING A PART OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF SAID DONATION CLAIM, WHICH POINT IS 938.33 FEET SOUTH 89°10'30" WEST OF THE NORTHEAST CORNER OF SAID DONATION CLAIM; THENCE SOUTH 89°10'30" WEST ALONG THE NORTH LINE OF SAID DONATION CLAIM 258.64 FEET; THENCE SOUTH 0°49'30" WEST 842.68 FEET TO A POINT ON THE NORTH LINE OF THE COUNTY ROAD, AS ESTABLISHED BY DEEDS TO KING COUNTY RECORDED UNDER RECORDING NUMBERS 544796 AND 5869551, WHICH POINT IS 1,197.18 FEET SOUTH 88°56'30" WEST OF THE EAST LINE OF SAID DONATION CLAIM;

THENCE NORTH 88°56'30" EAST ALONG THE NORTH LINE OF SAID COUNTY ROAD 258.66 FEET; THENCE NORTH 0°49'30" EAST 841.71 FEET TO THE POINT OF BEGINNING; EXCEPT THAT PORTION, IF ANY, LYING WITHIN SOUTH 277th STREET (52nd STREET NORTHEAST); TOGETHER WITH THAT PORTION OF VACATED 49th STREET NORTHEAST (SOUTH 280th STREET) ADJOINING AS VACATED BY AUBURN ORDINANCE 3594 RECORDED UNDER RECORDING NUMBER 8102090641, AS WOULD ATTACH BY OPERATION OF LAW; EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001518, RECORDS OF KING COUNTY, WASHINGTON. (ALSO KNOWN AS TRACT 44, TOGETHER WITH VACATED STREET ADJOINING, WHITE RIVER VALLEY HOME TRACTS 2nd ADDITION, ACCORDING TO THE UNRECORDED PLAT THEREOF); EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY RIGHT OF WAY DEDICATION DEED RECORDED MARCH 06, 2020, UNDER RECORDING NO. 20200306000969.

AND

THAT PORTION OF THE DONATION LAND CLAIM OF WILLIAM A. COX AND HIS WIFE, ELIZABETH COX, DESIGNATED AS CLAIM NO. 38, BEING A PART OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: BEGINNING ON THE NORTHERLY LINE OF SAID DONATION LAND CLAIM, AT A POINT WHICH IS SOUTH 89°10'30" WEST 1,196.97 FEET FROM THE NORTHEAST CORNER THEREOF; THENCE SOUTH 89°10'30" WEST ALONG SAID NORTHERLY LINE 258.34 FEET; THENCE SOUTH 1°03'30" WEST 843.64 FEET TO THE NORTHERLY LINE OF COUNTY ROAD, AS ESTABLISHED BY DEEDS TO KING COUNTY RECORDED UNDER RECORDING NUMBERS 544796 AND 5869551, AT A POINT WHICH IS SOUTH 88°56'30" WEST 1,455.53 FEET FROM THE EAST LINE OF SAID DONATION LAND CLAIM; THENCE NORTH 88°56'30" EAST 258.35 FEET; THENCE NORTH 0°49'30" EAST 842.68 FEET TO THE POINT OF BEGINNING; EXCEPT THE WESTERLY 30 FEET THEREOF FOR COUNTY ROAD; AND EXCEPT THAT PORTION, IF ANY, LYING WITHIN SOUTH 277th STREET (52nd STREET NORTHEAST); AND EXCEPT THAT PORTION THEREOF CONVEYED TO KING COUNTY FOR ROAD PURPOSES BY DEED RECORDED UNDER RECORDING NUMBER 7103110262; TOGETHER WITH THAT PORTION OF VACATED 49th STREET NORTHEAST (SOUTH 280th STREET) ADJOINING AS VACATED BY AUBURN ORDINANCE 3594 RECORDED UNDER RECORDING NUMBER 8102090641, AS WOULD ATTACH BY OPERATION OF LAW; EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001518, RECORDS OF KING COUNTY, WASHINGTON. (ALSO KNOWN AS A PORTION OF TRACT 45, TOGETHER WITH VACATED STREET ADJOINING, WHITE RIVER VALLEY HOME TRACTS 2nd ADDITION, ACCORDING TO THE UNRECORDED PLAT THEREOF); EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY RIGHT OF WAY DEDICATION DEED RECORDED MARCH 06, 2020, UNDER RECORDING NO. 20200306000969.

CONTAINS 389,694± SQUARE FEET (8.9461± ACRES)

LEGAL DESCRIPTION -- TPN 0002200001

THAT PORTION OF THE W.A. COX DONATION LAND CLAIM NOS. 38 AND 43, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:
BEGINNING AT THE NORTHEAST CORNER OF WHITE RIVER VALLEY HOME TRACTS, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 13 OF PLATS, PAGE 17, IN KING COUNTY, WASHINGTON; THENCE SOUTH ALONG EAST LINE TO SOUTHEAST CORNER OF TRACT 32 OF SAID ADDITION; THENCE EASTERLY TO A POINT 258.2 FEET EAST OF EAST LINE OF SAID TRACT 32; THENCE NORTH 809.4 FEET TO NORTH LINE OF DONATION CLAIM; THENCE WEST 258.2 FEET TO BEGINNING;
EXCEPT STATE ROAD NO. 5;
AND EXCEPT THE SOUTH 200 FEET OF THE EAST 110 FEET THEREOF;
AND EXCEPT ANY PORTION LYING WITHIN THE RIGHT OF WAY FOR 49th STREET NORTHEAST;
AND EXCEPT ALL THAT PORTION OF THE FOLLOWING DESCRIBED TRACT OF LAND LYING SOUTHWESTERLY OF A LINE DRAWN 15.2 FEET RADially FROM A POINT 52 FEET NORTHEASTERLY OF STATION 122+63 OF AUBURN WAY NORTH AND EXTENDING FROM THE NORTH LINE OF 49th STREET NORTHEAST TO A POINT OPPOSITE STATION 122+72 (AND AS CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 7911271078, RECORDS OF KING COUNTY, WASHINGTON);
AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY RIGHT OF WAY DEDICATION DEED RECORDED APRIL 11, 2016, UNDER RECORDING NO. 20160411001520 AND RECORDED MARCH 06, 2020, UNDER RECORDING NO. 20200306000968.

CONTAINS 187,831± SQUARE FEET (4.3120± ACRES)

Exhibit 2
Payback Agreement PBK19-0002

Legal Description of Developer's Property

Parcel Number: 9360600305

PARCEL A OF CITY OF AUBURN BOUNDARY LINE ADJUSTMENT NO. BLA 19-0008, RECORDED NOVEMBER 4, 2019 UNDER RECORDING NUMBER 20191104900007, IN KING COUNTY, WASHINGTON;

EXCEPT THAT PORTION THEREOF CONVEYED TO THE CITY OF AUBURN FOR RIGHT OF WAY BY DEED RECORDED UNDER RECORDING NUMBER 20200306000967.

Map of Developer's Property



Exhibit 3
Payback Agreement PBK19-0002

Facilities Constructed



Exhibit 4
Payback Agreement PBK19-0002
Benefited Properties Legal Descriptions

9360600305

Parcel A, CITY OF AUBURN BOUNDARY LINE ADJUSTMENT NO. BLA 19-0008, RECORDED IN VOLUME 414 OF SURVEYS, PAGES 39 THROUGH 41, UNDER RECORDING NO. 20191104900007, RECORDS OF KING COUNTY, WASHINGTON.

EXCEPT THAT PORTION THEREOF CONVEYED TO THE CITY OF AUBURN FOR RIGHT OF WAY BY DEEDS RECORDED UNDER RECORDING NUMBERS 20200306000965 AND 20200306000967.

0002200007

Owner: Copper Gate North, LLC

Address: 120 West Cataldo #100, Spokane WA 99201

Legal Description:

THE SOUTH 200 FEET OF THE EAST 110 FEET OF THAT PORTION OF W.A. COX DONATION CLAIM NOS. 38 AND 43, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE WHITE RIVER VALLEY HOME TRACTS; THENCE SOUTH ALONG EAST LINE TO SOUTHEAST CORNER OF TRACT 32 OF SAID ADDITION;
THENCE EASTERLY TO A POINT 258.2 FEET EAST OF EAST LINE OF SAID TRACT 32;
THENCE NORTH 809.4 FEET TO NORTH LINE OF DONATION CLAIM;
THENCE WEST 258.2 FEET TO BEGINNING;

EXCEPT STATE ROAD NO. 5;

AND EXCEPT ANY PORTION LYING WITHIN THE RIGHT OF WAY FOR 49TH STREET NORTHEAST.

0002200001

Owner: Copper Gate North, LLC

Address: 120 West Cataldo #100, Spokane WA 99201

Legal Description:

THAT PORTION OF THE W.A. COX DONATION LAND CLAIM NOS. 38 AND 43, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:
BEGINNING AT THE NORTHEAST CORNER OF WHITE RIVER VALLEY HOME TRACTS, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 13 OF PLATS, PAGE 17, IN KING COUNTY, WASHINGTON;
THENCE SOUTH ALONG EAST LINE TO SOUTHEAST CORNER OF TRACT 32 OF SAID ADDITION;
THENCE EASTERLY TO A POINT 258.2 FEET EAST OF EAST LINE OF SAID TRACT 32; THENCE NORTH 809.4 FEET TO NORTH LINE OF DONATION CLAIM;
THENCE WEST 258.2 FEET TO BEGINNING;
EXCEPT STATE ROAD NO. 5;
AND EXCEPT THE SOUTH 200 FEET OF THE EAST 110 FEET THEREOF;
AND EXCEPT ANY PORTION LYING WITHIN THE RIGHT OF WAY FOR 49TH STREET NORTHEAST;
AND EXCEPT ALL THAT PORTION OF THE FOLLOWING DESCRIBED TRACT OF LAND LYING SOUTHWESTERLY OF A LINE DRAWN 15.2 FEET RADIALLY FROM A POINT 52 FEET NORTHEASTERLY OF STATION 122 + 63 OF AUBURN WAY NORTH AND EXTENDING FROM THE NORTH LINE OF 49TH STREET NORTHEAST TO A POINT OPPOSITE STATION 122 + 72 (AND AS CONVEYED TO THE CITY OF AUBURN BY

DEED RECORDED UNDER RECORDING NUMBER 7911271078, RECORDS OF KING COUNTY, WASHINGTON);
AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001520, RECORDS OF KING COUNTY, WASHINGTON,
AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20200306000968, RECORDS OF KING COUNTY, WASHINGTON.

9360000200

Owner: Copper Gate North, LLC

Address: 120 West Cataldo #100, Spokane WA 99201

Legal Description:

THAT PORTION OF LOT 32, WHITE RIVER VALLEY HOME TRACTS, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 13 OF PLATS AT PAGE 17, IN KING COUNTY, WASHINGTON, LYING NORTHEASTERLY OF PRIMARY STATE HIGHWAY NO. 5;
EXCEPT THAT PORTION CONVEYED TO THE STATE OF WASHINGTON BY DEED RECORDED AUGUST 18, 1964, UNDER RECORDING NO. 5775470;
AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY RIGHT OF WAY DEDICATION DEED RECORDED APRIL 11, 2016, UNDER RECORDING NO. 20160411001521.

9360600350

Owner: Copper Gate North, LLC

Address: 120 West Cataldo #100, Spokane WA 99201

Legal Description:

THAT PORTION OF THE EAST HALF OF THE W.A. COX DONATION LAND CLAIM IN SECTION 31 TOWNSHIP 22 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING 1,454.4 FEET WEST OF THE NORTHEAST CORNER OF SAID W.A. COX DONATION LAND CLAIM;
THENCE SOUTH 843.64 FEET;
THENCE WEST 258.06 FEET;
THENCE NORTH 844.6 FEET;
THENCE EAST 258.95 FEET TO THE POINT OF BEGINNING;

EXCEPT THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF THE ABOVE-DESCRIBED TRACT OF LAND, A DISTANCE OF 312 FEET NORTH OF THE SOUTHEAST CORNER THEREOF;
THENCE SOUTH ALONG SAID EAST LINE 312 FEET;
THENCE WEST ALONG THE SOUTH LINE OF SAID ABOVE-DESCRIBED TRACT 258.06 FEET;
THENCE NORTH ALONG THE WEST LINE OF SAID TRACT 312 FEET TO A POINT WEST OF THE POINT OF BEGINNING; THENCE EAST TO THE POINT OF BEGINNING;

ALSO EXCEPT THAT EAST 30 FEET CONDEMNED FOR ROAD PURPOSES IN KING COUNTY SUPERIOR COURT CAUSE NO 85322;
ALSO EXCEPT THAT PORTION, IF ANY, LYING WITHIN THAT CERTAIN TRACT OF LAND CONVEYED TO DAVE HILL AND BRIDGET HILL, HUSBAND AND WIFE, BY DEED RECORDED IN VOLUME 469 OF DEEDS VOLUME 605, RECORDS OF KING COUNTY;

ALSO EXCEPT THAT PORTION, IF ANY, LYING WITHIN SOUTH 277TH STREET (52ND STREET NORTHEAST); ALSO EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001519, RECORDS OF KING COUNTY, WASHINGTON.

(BEING KNOWN AS A PORTION OF TRACT 46, WHITE RIVER VALLEY HOME TRACTS NO. 2, ACCORDING TO THE UNRECORDED PLAY THEREOF).

9360600330

Owner: Copper Gate North, LLC

Address: 120 West Cataldo #100, Spokane WA 99201

Legal Description:

THAT PORTION OF THE DONATION LAND CLAIM OF WILLIAM A. COX AND HIS WIFE, ELIZABETH COX, DESIGNATED AS CLAIM NO. 38, BEING A PART OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE NORTH LINE OF SAID DONATION CLAIM, A DISTANCE OF 420.15 FEET WEST OF THE NORTHEAST CORNER THEREOF; THENCE SOUTH 839.74 FEET TO THE NORTH MARGIN OF SOUTH 280th STREET, AS ESTABLISHED BY DEEDS TO KING COUNTY, RECORDED UNDER RECORDING NUMBERS 544796 AND 5869551; THENCE WEST ALONG SAID NORTH MARGIN 259.26 FEET; THENCE NORTH 840.74 FEET TO A POINT ON THE NORTH LINE OF SAID DONATION CLAIM A DISTANCE OF 259.24 FEET WEST OF THE POINT OF BEGINNING; THENCE EAST ALONG SAID NORTH LINE TO THE POINT OF BEGINNING;

TOGETHER WITH THAT PORTION OF THE DONATION LAND CLAIM OF WILLIAM A. COX AND HIS WIFE, ELIZABETH COX, DESIGNATED AS CLAIM NO. 38, BEING A PART OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: BEGINNING ON THE NORTH LINE OF SAID DONATION CLAIM, AT A POINT 679.39 FEET WEST OF THE NORTHEAST CORNER THEREOF; THENCE SOUTH 89°10'30" WEST ALONG SAID NORTH LINE 258.94 FEET; THENCE SOUTH 0°49'30" WEST 841.71 FEET TO THE NORTH MARGIN OF SOUTH 280th STREET, AS ESTABLISHED BY DEEDS TO KING COUNTY, RECORDED UNDER RECORDING NUMBERS 544796 AND 5869551, SAID POINT BEING SOUTH 88°56'30" WEST 938.52 FEET FROM THE EAST LINE OF SAID DONATION CLAIM; THENCE NORTH 88°56'30" EAST ALONG SAID NORTH MARGIN 258.95 FEET; THENCE NORTH 840.70 FEET TO THE POINT OF BEGINNING;

EXCEPT THE EAST 30 FEET; AND

EXCEPT THAT PORTION, IF ANY, LYING WITHIN SOUTH 277th STREET (52nd STREET NORTHEAST); EXCEPT THAT PORTION THEREOF CONVEYED TO KING COUNTY FOR ROAD PURPOSES BY DEED RECORDED UNDER RECORDING NUMBER 7103110262; TOGETHER WITH THAT PORTION OF VACATED 49th STREET NORTHEAST (SOUTH 280th STREET) ADJOINING AS VACATED BY AUBURN ORDINANCE 3594 RECORDED UNDER RECORDING NUMBER 8102090641, AS WOULD ATTACH BY OPERATION OF LAW; EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001517, RECORDS OF KING COUNTY, WASHINGTON.

EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20200306000969, RECORDS OF KING COUNTY, WASHINGTON.

EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20210415002385, RECORDS OF KING COUNTY, WASHINGTON.

9360600340

Owner: Copper Gate North, LLC

Address: 120 West Cataldo #100, Spokane WA 99201

Legal Description:

THAT PORTION OF THE DONATION LAND CLAIM OF WILLIAM A. COX AND HIS WIFE, ELIZABETH COX, DESIGNATED AS CLAIM NO. 38, BEING A PART OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT ON THE NORTH LINE OF SAID DONATION CLAIM, WHICH POINT IS 938.33 FEET SOUTH 89°10'30" WEST OF THE NORTHEAST CORNER OF SAID DONATION CLAIM; THENCE SOUTH 89°10'30" WEST ALONG THE NORTH LINE OF SAID DONATION CLAIM 258.64 FEET; THENCE SOUTH 0°49'30" WEST 842.68 FEET TO A POINT ON THE NORTH LINE OF THE COUNTY ROAD, AS ESTABLISHED BY DEEDS TO KING COUNTY RECORDED UNDER RECORDING NUMBERS 544796 AND 5869551, WHICH POINT IS 1,197.18 FEET SOUTH 88°56'30" WEST OF THE EAST LINE OF SAID DONATION CLAIM; THENCE NORTH 88°56'30" EAST ALONG THE NORTH LINE OF SAID COUNTY ROAD 258.66 FEET; THENCE NORTH 0°49'30" EAST 841.71 FEET TO THE POINT OF BEGINNING;

TOGETHER WITH THAT PORTION OF THE DONATION LAND CLAIM OF WILLIAM A. COX AND HIS WIFE, ELIZABETH COX, DESIGNATED AS CLAIM NO. 38, BEING A PART OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:
BEGINNING ON THE NORTHERLY LINE OF SAID DONATION LAND CLAIM, AT A POINT WHICH IS SOUTH 89°10'30" WEST 1,196.97 FEET FROM THE NORTHEAST CORNER THEREOF; THENCE SOUTH 89°10'30" WEST ALONG SAID NORTHERLY LINE 258.34 FEET; THENCE SOUTH 1°03'30" WEST 843.64 FEET TO THE NORTHERLY LINE OF COUNTY ROAD, AS ESTABLISHED BY DEEDS TO KING COUNTY RECORDED UNDER RECORDING NUMBERS 544796 AND 5869551, AT A POINT WHICH IS SOUTH 88°56'30" WEST 1,455.53 FEET FROM THE EAST LINE OF SAID DONATION LAND CLAIM; THENCE NORTH 88°56'30" EAST 258.35 FEET; THENCE NORTH 0°49'30" EAST 842.68 FEET TO THE POINT OF BEGINNING;

EXCEPT THE WESTERLY 30 FEET THEREOF FOR COUNTY ROAD;
AND EXCEPT THAT PORTION, IF ANY, LYING WITHIN SOUTH 277th STREET (52nd STREET NORTHEAST);
TOGETHER WITH THAT PORTION OF VACATED 49th STREET NORTHEAST (SOUTH 280th STREET)
ADJOINING AS VACATED BY AUBURN ORDINANCE 3594 RECORDED UNDER RECORDING NUMBER 8102090641, AS WOULD ATTACH BY OPERATION OF LAW;
AND EXCEPT THAT PORTION THEREOF CONVEYED TO KING COUNTY FOR ROAD PURPOSES BY DEED RECORDED UNDER RECORDING NUMBER 7103110262;
AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001518, RECORDS OF KING COUNTY, WASHINGTON.
AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20200306000969, RECORDS OF KING COUNTY, WASHINGTON.

9360600323

Owner: Copper Gate North, LLC

Address: 120 West Cataldo #100, Spokane WA 99201

Legal Description:

THAT PORTION OF THE W.A. COX D.L.C., IN SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:
BEGINNING AT THE NORTHEAST CORNER OF SAID W.A. COX D.L.C.; THENCE WEST ALONG THE NORTH LINE THEREOF 210.15 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING WEST ALONG SAID NORTH LINE 210.0 FEET; THENCE SOUTH 839.74 FEET, MORE OR LESS, TO THE NORTH LINE OF SOUTH 280th STREET AT A POINT 420.31 FEET WEST FROM THE EAST LINE OF SAID COX D.L.C.; THENCE EAST ALONG SAID NORTH LINE 209.94 FEET; THENCE NORTH 839.0 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING;
EXCEPT THE SOUTH 414.56 FEET THEREOF;
AND EXCEPT THAT PORTION, IF ANY, LYING WITHIN 52nd STREET NORTHEAST;
AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001516, RECORDS OF KING COUNTY, WASHINGTON.
(ALSO KNOWN AS A PORTION OF TRACT 41, WHITE RIVER VALLEY HOME TRACTS 2nd ADDITION, ACCORDING TO THE UNRECORDED PLAT THEREOF).

9360600320

Owner: Copper Gate North, LLC

Address: 120 West Cataldo #100, Spokane WA 99201

Legal Description:

THAT PORTION OF THE W.A. COX D.L.C. IN SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:
BEGINNING AT THE NORTHEAST CORNER OF SAID W.A. COX D.L.C.; THENCE WEST ALONG THE NORTH LINE THEREOF 210.15 FEET; THENCE SOUTH 839 FEET, MORE OR LESS, TO THE NORTH LINE OF SOUTH 280th STREET AT A POINT 210.37 FEET WEST OF THE EAST LINE OF SAID D.L.C.; THENCE EAST ALONG SAID NORTH LINE 210.37 FEET TO THE EAST LINE OF SAID D.L.C.; THENCE NORTHERLY ALONG SAID EAST LINE 838.2 FEET TO THE POINT OF BEGINNING;
EXCEPT THE SOUTH 414.56 FEET THEREOF;
AND EXCEPT THAT PORTION, IF ANY, LYING WITHIN 52nd STREET NORTHEAST;
AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF AUBURN BY DEED RECORDED UNDER RECORDING NUMBER 20160411001515, RECORDS OF KING COUNTY, WASHINGTON.
(ALSO KNOWN AS A PORTION OF LOTS 40 AND 41, WHITE RIVER VALLEY HOME TRACTS 2nd ADDITION, ACCORDING TO THE UNRECORDED PLAT THEREOF).

9360600325

Owner: Copper Gate North, LLC

Address: 120 West Cataldo #100, Spokane WA 99201

Legal Description:

THE SOUTH 414.56 FEET OF THAT PORTION OF W.A. COX DONATION LAND CLAIM IN TOWNSHIP 22 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:
BEGINNING AT THE NORTHEAST CORNER OF SAID W.A. COX DONATION LAND CLAIM; THENCE WESTERLY ALONG THE NORTH LINE OF SAID DONATION LAND CLAIM 420.15 FEET; THENCE SOUTH 839.74 FEET, MORE OR LESS, TO THE NORTH LINE OF THE COUNTY ROAD "SOUTH 280th STREET" (49th ST NE) AT A POINT 420.31 FEET WEST FROM THE EAST LINE OF SAID DONATION LAND CLAIM; THENCE EAST ALONG SAID COUNTY ROAD 420.31 FEET TO THE EAST LINE OF SAID DONATION LAND CLAIM; THENCE NORTHERLY ALONG THE EAST LINE OF SAID DONATION LAND CLAIM 838.2 FEET TO THE PLACE OF BEGINNING;
TOGETHER WITH THAT PORTION OF VACATED 49th STREET N.E. ADJOINING AS VACATED BY CITY OF AUBURN ORDINANCE NUMBER 3614 UNDER RECORDING NUMBER 8104220744, AS WOULD ATTACH BY OPERATION OF LAW (BEING THE NORTH HALF OF THE 40 FOOT RIGHT OF WAY CONVEYED BY DEED RECORDED UNDER RECORDING NUMBER 544796).
(ALSO KNOWN AS THE SOUTH 414.56 FEET OF TRACTS 40 AND 41, SECOND ADDITION TO WHITE RIVER VALLEY HOME TRACTS, ACCORDING TO THE UNRECORDED PLAT THEREOF).

9360600005, 9360600010 & 9360600015

Owner: BLTK Hotel, LLC

Address: 11910 SE 277TH ST, Kent WA 98031

Legal Description:

TRACTS 1, 2 AND 3, SECOND ADDITION TO WHITE RIVER VALLEY HOME TRACTS, ACCORDING TO THE UNRECORDED PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE WEST LINE OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, W.M., AND THE SOUTH LINE OF THE W.A. COX DONATION CLAIM; AND RUNNING
THENCE NORTH 1406.46 FEET TO THE POINT OF BEGINNING OF THE LAND HEREIN DESCRIBED;
THENCE EAST 421.82 FEET;
THENCE NORTH 354.56 FEET TO COUNTY ROAD;
THENCE WESTERLY ALONG SAID COUNTY ROAD, 434.96 FEET;
THENCE SOUTH 247.48 TO THE POINT OF BEGINNING;
LESS COUNTY ROADS.

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

9360600025

Owner: BLTK Hotel, LLC

Address: 11910 SE 277TH ST, Kent WA 98031

Legal Description:

TRACT 4, SECOND ADDITION TO WHITE RIVER VALLEY HOME TRACTS, ACCORDING TO THE UNRECORDED PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE WEST LINE OF SECTION 31, TOWNSHIP 22 NORTH, RANGE 5 EAST, W.M., AND THE SOUTH LINE OF THE W.A. COX DONATION CLAIM; AND RUNNING THENCE NORTH 1302.12 FEET TO THE POINT OF BEGINNING OF THE LAND HEREIN DESCRIBED; THENCE EAST 416.30 FEET; THENCE NORTH 104.36; THENCE WEST 418.62 FEET; THENCE SOUTH 104.34 FEET TO THE POINT OF BEGINNING.

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

Surveyor's Certification:

I, Glenn R. Sprague, PLS, hereby attest that the legal descriptions noted above represent the parcels of land described as associated with the Owners and Tax Accounts listed hereon, as made available from public record.



Exhibit 5
Payback Agreement PBK19-0002

Assessment Reimbursement Area

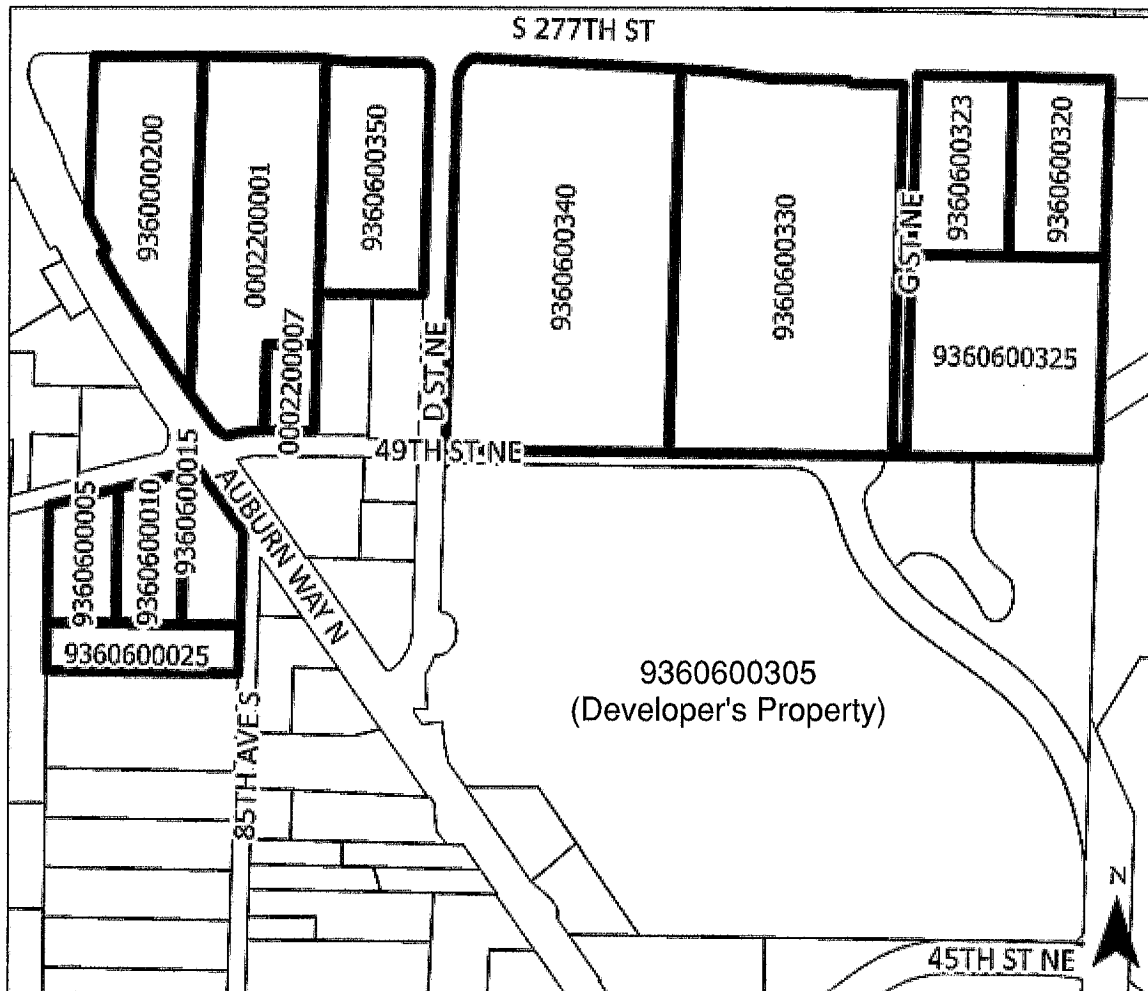


Exhibit 6
Payback Agreement PBK19-0001

Benefiting Properties Reimbursement Fees

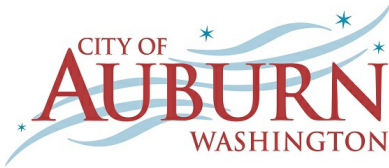
Signal Total Cost: \$494,368

Cost per added estimated New PM Peak Vehicle Trip: \$1,358.15

Area	Parcel Numbers	Land Use Assumptions	Anticipate d Added PM Peak Trips^{1,2,4}	Proposed Estimated Assessment (%)	Assessment Amount
A ⁵	9360600305	Multi-family – Mid Rise (LU 221)	42	12%	\$57,042.46
B	9360600340, 9360600330, 9360600323, 9360600320, 9360600325	Shopping Center (LU 820), Office (LU 710)	88	24%	\$119,517.54
C	9360000200, 0002200001, 9360600350, 0002200007	Shopping Center (LU 820), Office (LU 710)	36	10%	\$48,893.54
D ³	9360600005	Shopping Center (LU 710)	34	9%	\$46,177.23
E ³	9360600010	Gasoline/Service Station with Convenience Market (LU 945)	126	35%	\$171,127.38
F ³	9360600015	Gasoline/Service Station with Convenience Market (LU 945)	28	8%	\$38,028.31
G ³	9360600025	Gasoline/Service Station with Convenience Market (LU 945)	10	3%	\$13,581.54
Total			364	100%	\$494,368.00
Amount of reimbursement			322	88%	\$437,325.54

Notes:

1. Trips = Turning maneuvers accessing 49th Street NW (pass-by + primary)
2. Distribution follows approved commercial patterns from Copper Gate
3. Areas D, E, F, G are treated as a single project with Gasoline/Service Station with Convenience Market store and shared 15,000 square feet of retail. Circulation considers concurrent development of all four parcels.
4. PM peak hour trips for Areas A, B, and C are based on the approved August 2019 TIA.
5. These parcels are the Developer's Property.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6860 (Thomas) (20 Minutes)

Date:

June 8, 2022

Department:

Finance

Attachments:

[Ordinance No. 6860](#)

[Ordinance No. 6860 Exhibit](#)

Budget Impact:**Administrative Recommendation:**

For discussion only.

Background for Motion:**Background Summary:**

In May 2021 the Auburn City Council adopted ACC 3.53 Business and Occupation Tax, which first became effective in January 1, 2022. In the time between initial adoption, business community outreach, and the first tax returns which were due April 30, 2022, there have been several clarifying questions. This amendment provides clarity for several sections within ACC 3.53, including more definitions (such as "adult family homes", "consumer", "gross receipts", and "hospital" and "warehouse"); tax reporting guidelines for operations in multiple locations; clarity over tax due for gross receipts versus square footage; and clarifications on certain exemptions (hospitals, school districts, and fire district activities).

Reviewed by Council Committees:

Councilmember: Baggett

Staff:

Thomas

Meeting Date: June 13, 2022

Item Number:

ORDINANCE NO. 6860

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
AUBURN, WASHINGTON, AMENDING SECTIONS WITHIN
CHAPTER 3.53 RELATED TO CITY BUSINESS AND
OCCUPATION (B&O) TAX, CLARIFYING DEFINITIONS,
TAXPAYER CLASSIFICATIONS, AND TAX EXEMPTIONS

WHEREAS, in 2021 the City enacted its business and occupations (B&O) tax code
(ACC 3.53);

WHEREAS, prior to and since the enactment of ACC 3.53, the City has engaged in
outreach efforts with the business community and potential City business taxpayers in preparing
to implement the taxation requirements of ACC 3.53;

WHEREAS, the City has determined based on this outreach that certain sections within
ACC 3.53 should be amended in the following ways:

- To define additional terms in the code (such as “adult family homes,” “consumer,”
“gross receipts,” “hospital,” and “warehouse”) that will assist taxpayers in determining
and calculating their City B&O tax liability;
- To clarify the appropriate City B&O tax classifications for City businesses that
operate in multiple locations;
- To clarify when businesses will be subject to City B&O tax based on operating space
square footage instead of on gross receipts;
- To further specify organizations or activities that are exempt from the City’s B&O tax
(such as nonprofit hospitals, or certain school district or fire district activities);
- To address the City B&O tax liability of persons or businesses entering the City’s
jurisdiction through annexation; and
- To make additional needed technical revisions and corrections to the code;

WHEREAS, these revisions to ACC 3.53 will enable greater clarity and precision in the
administration and implementation of the City’s B&O tax code, and they are in the best interest
of the City, its business community and its B&O taxpayers.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON,
DO ORDAIN as follows:

Section 1. Amendment to City Code. Chapter 3.53 of the Auburn City Code is amended to read as set forth on Exhibit A to this Ordinance.

Section 2. Implementation. The Mayor is authorized to implement those administrative procedures necessary to carry out the directives of this legislation.

Section 3. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of the application of it to any person or circumstance, will not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 4. Effective date. This Ordinance will take effect and be in force five days from and after its passage, approval, and publication as provided by law.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Shawn Campbell, MMC, City Clerk

Kendra Comeau, City Attorney

Published: _____

EXHIBIT A – ORDINANCE NO. 6860

ACC 3.53.020 Definitions.

In construing the provisions of this chapter, the following definitions shall be applied. Words in the singular number shall include the plural, and the plural shall include the singular.

A. Adult Family Home.

“Adult family home” means a residential home licensed by the Washington State Department of Social and Health Services pursuant to RCW 70.128 in which a person or persons provides personal care, special care, room and board to more than 1 but not more than 6 adults who are not related by blood or marriage to the person or persons providing the services.

B. “Advance,” “reimbursement.”

1. “Advance” means money or credits a taxpayer receives from a customer or client for the purpose of paying costs or fees on behalf of the customer or client.

2. “Reimbursement” means money or credits a taxpayer receives from a customer or client to repay the taxpayer for money or credits expended by the taxpayer in payment of costs or fees of the customer or client.

C. Agricultural Product, Farmer.

1. “Agricultural product” means any product of plant cultivation or animal husbandry including, but not limited to: a product of horticulture, grain cultivation, vermiculture, viticulture, or aquaculture as defined in RCW 15.85.020; plantation Christmas trees; turf; or any animal including but not limited to an animal that is a private sector cultured aquatic product as defined in RCW 15.85.020, or a bird, or insect, or the substances obtained from such animal. “Agricultural product” does not include animals intended to be pets, marijuana, or marijuana-infused products as defined by RCW 69.50.101(y) and (ff).

2. “Farmer” means any person engaged in the business of growing or producing, upon the person’s own lands or upon lands in which the person has a present right of possession, any agricultural product whatsoever for sale. “Farmer” does not include a person using such products as ingredients in a manufacturing process, or a person growing or producing such products for the person’s own consumption. “Farmer” does not include a person selling any animal or substance obtained therefrom in connection with the person’s business of operating a stockyard or a slaughter or packing house. “Farmer” does not include any person in respect to the business of taking, cultivating, or

raising timber. "Farmer" does not include any person engaged in the business of growing, producing, processing, selling or distributing marijuana.

BD. *Artistic or Cultural Organization.*

1. The term "artistic or cultural organization" means an organization which is organized and operated exclusively for the purpose of providing artistic or cultural exhibitions, presentations, or performances or cultural or art education programs, as defined in ~~paragraph subsection~~ (BD)(10) of this subsection, for viewing or attendance by the general public.

2. The organization must be a not-for-profit corporation under Chapter 24.03 RCW.

3. The organization must be managed by a governing board of not less than eight individuals none of whom is a paid employee of the organization or by a corporation sole under Chapter 24.12 RCW.

4. No part of its income may be paid directly or indirectly to its members, stockholders, officers, directors, or trustees except in the form of services rendered by the corporation in accordance with its purposes and bylaws.

5. Salary or compensation paid to its officers and executives must be only for actual services rendered, and at levels comparable to the salary or compensation of like positions within the state.

6. Assets of the ~~organization corporation~~ must be irrevocably dedicated to the activities for which the exemption is granted and, on the liquidation, dissolution, or abandonment by the ~~organization corporation~~, may not inure directly or indirectly to the benefit of any member or individual except a nonprofit organization, association, or corporation which also would be entitled to the exemption.

7. The ~~organization corporation~~ must be duly licensed or certified when licensing or certification is required by law or regulation.

8. The amounts received that qualify for exemption must be used for the activities for which the exemption is granted.

9. Services must be available regardless of race, color, national origin, ancestry, religion, age, sex, marital status, Vietnam or disabled veteran status, sexual orientation, or the presence of any mental or physical disability.

10. The term "artistic or cultural exhibitions, presentations, or performances or cultural or art education programs" is limited to:

a. An exhibition or presentation of works of art or objects of cultural or historical significance, such as those commonly displayed in art or history museums;

b. A musical or dramatic performance or series of performances; or

c. An educational seminar or program, or series of such programs, offered by the organization to the general public on an artistic, cultural, or historical subject.

E. "Assisted living facility" means any home or other institution, however named, which is advertised, announced, or maintained for the express or implied purpose of providing housing, basic services, and assuming general responsibility for the safety and well-being of the residents, and may also provide domiciliary care. Assisted living facility" shall not include facilities certified as group training homes pursuant to RCW 71A.22.040, nor any home, institution or section thereof which is otherwise licensed and regulated under the provisions of state law providing specifically for the licensing and regulation of such home, institution or section thereof. Nor shall it include any independent senior housing, independent living units in continuing care retirement communities, or other similar living situations including those subsidized by the department of housing and urban development.

~~E~~. "Business" includes all activities engaged in with the object of gain, benefit, or advantage to the taxpayer or to another person or class, directly or indirectly.

~~D~~G. "Business and occupation tax" or "gross receipts tax" means a tax imposed on or measured by the value of products, the gross income of the business, or the gross proceeds of sales, as the case may be, and that is the legal liability of the business.

H. "City" means the City of Auburn, Washington.

~~E~~I. "Commercial or industrial use" means the following uses of products, including by-products, by the extractor or manufacturer thereof:

1. Any use as a consumer; and
2. The manufacturing of articles, substances or commodities.

J. "Competitive telephone service" means the providing by any person of telecommunications equipment or apparatus, or service related to that equipment or apparatus such as repair or maintenance service, if the equipment or apparatus is of a type which can be provided by persons that are not subject to regulation as telephone companies under Title 80 RCW and for which a separate charge is made.

K. "Consumer" means the following:

1. Any person who purchases, acquires, owns, holds, or uses any tangible or intangible personal property irrespective of the nature of the person's business. "Consumer" includes, among others and without limiting its scope, persons who install, repair, clean, alter, improve, construct, or decorate real or personal property of or for a consumer other than for the purpose of:
 - a. Resale as tangible or intangible personal property in the regular course of business;

b. Incorporating such property as an ingredient or component of real or personal property when installing, repairing, cleaning, altering, imprinting, improving, constructing, or decorating such real or personal property of or for consumers;

c. Incorporating such property as an ingredient or component of a new product or as a chemical used in processing a new product when the primary purpose of such chemical is to create a chemical reaction directly through contact with an ingredient of a new product; or

d. Consuming the property in producing ferrosilicon which is subsequently used in producing magnesium for sale, if the primary purpose of such property is to create a chemical reaction directly through contact with an ingredient of ferrosilicon;

2. Any person engaged in any business activity that is taxable under ACC 3.53.040;

3. Any person who purchases, acquires, or uses any competitive telephone service as herein defined, other than for resale in the regular course of business;

4. Any person who purchases, acquires, or uses any personal, business, or professional service defined as a retail sale or retail service in Section 3.53.020, other than for resale in the regular course of business;

5. Any person who is an end user of software;

6. Any person engaged in the business of "public road construction" with respect to tangible personal property when that person incorporates the tangible personal property as an ingredient or component of a publicly-owned street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle by installing, placing, or spreading the property in or upon the right-of-way of a publicly-owned street, place, road, highway, easement, bridge, tunnel, or trestle, or in or upon the site of a publicly-owned mass public transportation terminal or parking facility;

7. Any person who is an owner, lessee, or has the right of possession to or an easement in real property which is being constructed, repaired, decorated, improved, or otherwise altered by a person engaged in business;

8. Any person who is an owner, lessee, or has the right of possession to personal property which is being constructed, repaired, improved, cleaned, imprinted, or otherwise altered by a person engaged in business; or

9. Any person engaged in "government contracting." Any such person shall be a consumer within the meaning of this subsection with respect to tangible personal property incorporated into, installed in, or attached to such building or other structure by such person. Nothing contained in this or any other subsection of this section shall be construed to modify any other definition of "consumer."

FL. "Delivery" means the transfer of possession of tangible personal property between the seller and the buyer or the buyer's representative. Delivery to an employee of a

buyer is considered delivery to the buyer. Transfer of possession of tangible personal property occurs when the buyer or the buyer's representative first takes physical control of the property or exercises dominion and control over the property. "Dominion and control" means the buyer has the ability to put the property to the buyer's own purposes. It means the buyer or the buyer's representative has made the final decision to accept or reject the property, and the seller has no further right to possession of the property and the buyer has no right to return the property to the seller, other than under a warranty contract. A buyer does not exercise dominion and control over tangible personal property merely by arranging for shipment of the property from the seller to itself. A buyer's representative is a person, other than an employee of the buyer, who is authorized in writing by the buyer to receive tangible personal property and take dominion and control by making the final decision to accept or reject the property. Neither a shipping company nor a seller can serve as a buyer's representative. It is immaterial where the contract of sale is negotiated or where the buyer obtains title to the property. Delivery terms and other provisions of the Uniform Commercial Code (RCW Title 62A) do not determine when or where delivery of tangible personal property occurs for purposes of taxation.

GM. "Director" means the finance director of the city or any officer, agent or employee of the city designated to act on the director's behalf.

HN. "Digital automated service," "digital code" and "digital goods" have the same meaning as in RCW 82.04.192.

IQ. "Digital products" means digital goods, digital codes, digital automated services, and the services described in RCW 82.04.050(2)(q) and (6)(b).

JP. *Eligible Gross Receipts Tax.* The term "eligible gross receipts tax" means a tax which:

1. Is imposed on the act or privilege of engaging in business activities within section ACC 3.53.040; and
2. Is measured by the gross volume of business, in terms of gross receipts, and is not an income tax or value added tax; and
3. Is not, pursuant to law or custom, separately stated from the sales price; and
4. Is not a sales or use tax, business license fee, franchise fee, royalty or severance tax measured by volume or weight, or concession charge, or payment for the use and enjoyment of property, property right or a privilege; and
5. Is a tax imposed by a local jurisdiction, whether within or without the state of Washington, and not by a country, state, province, or any other nonlocal jurisdiction above the county level.

KQ. *Engaging in Business.*

1. The term “engaging in business” means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.

2. This subsection sets forth examples of activities that constitute engaging in business in the city, and establishes safe harbors for certain of those activities so that a person who meets the criteria may engage in de minimis business activities in the city without having to register and obtain a business license or pay city business and occupation taxes. The activities listed in this section are illustrative only and are not intended to narrow the definition of “engaging in business” in subsection (~~KQ~~)(1) of this section. If an activity is not listed, whether it constitutes engaging in business in the city shall be determined by considering all the facts and circumstances and applicable law.

3. Without being all inclusive, any one of the following activities conducted within the city by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf constitutes engaging in business and requires a person to register and obtain a business license:

a. Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the city.

b. Owning, renting, leasing, using, or maintaining an office, place of business, or other establishment in the city.

c. Soliciting sales.

d. Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.

e. Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.

f. Installing, constructing, or supervising installation or construction of, real or tangible personal property.

g. Soliciting, negotiating, or approving franchise, license, or other similar agreements.

h. Collecting current or delinquent accounts.

i. Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.

j. Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architectural services,

security system services, surveying, and real estate services including the listing of homes and managing real property.

k. Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.

l. Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.

m. Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on a job in the city, acting on its behalf, or for customers or potential customers.

n. Investigating, resolving, or otherwise assisting in resolving customer complaints.

o. In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.

p. Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another person acting on its behalf.

4. If a person, or ~~their~~ employee, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the city but the following, it need not register and obtain a business license and pay tax:

a. Meeting with suppliers of goods and services as a customer.

b. Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.

c. Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of directors member or attendee engaging in business such as a member of a board of directors who attends a board meeting.

d. Renting tangible or intangible property as a customer when the property is not used in the city.

e. Attending, but not participating in a "trade show" or "multiple vendor events." Persons participating at a trade show shall review Chapter 2.23 ACC, Special Event Permits.

f. Conducting advertising through the mail.

g. Soliciting sales by phone from a location outside the city.

5. A seller located outside the city merely delivering goods into the city by means of common carrier is not required to register and obtain a business license; provided, that it engages in no other business activities in the city. Such activities do not include those in subsection (~~KQ~~)(4) of this section.

6. The city expressly intends that engaging in business include any activity sufficient to establish nexus for purposes of applying the tax under the law and the constitutions of the United States and the state of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus-generating contact or subsequent contacts.

~~LR~~. "Extracting" is the activity engaged in by an extractor and is reportable under the extracting classification.

~~MS~~. "Extractor" means every person who from the person's own land or from the land of another under a right or license granted by lease or contract, either directly or by contracting with others for the necessary labor or mechanical services, for sale or for commercial or industrial use, mines, quarries, takes or produces coal, oil, natural gas, ore, stone, sand, gravel, clay, mineral or other natural resource product; or fells, cuts or takes timber, Christmas trees, other than plantation Christmas trees, or other natural products; or takes fish, shellfish, or other sea or inland water foods or products. "Extractor" does not include persons performing under contract the necessary labor or mechanical services for others; or persons meeting the definition of farmer.

~~NT~~. "Extractor for hire" means a person who performs under contract necessary labor or mechanical services for an extractor.

~~OU~~. "Gross income of the business" means the value proceeding or accruing by reason of the transaction of the business engaged in and includes gross proceeds of sales, compensation for the rendition of services, gains realized from trading in stocks, bonds, or other evidences of indebtedness, interest, discount, rents, royalties, fees, commissions, dividends, and other emoluments however designated, all without any deduction on account of the cost of tangible property sold, the cost of materials used, labor costs, interest, discount, delivery costs, taxes, or any other expense whatsoever paid or accrued and without any deduction on account of losses.

~~PV~~. "Gross proceeds of sales" means the value proceeding or accruing from the sale of tangible personal property, digital goods, digital codes, digital automated services or for other services rendered, without any deduction on account of the cost of property sold, the cost of materials used, labor costs, interest, discount paid, delivery costs, taxes, or any other expense whatsoever paid or accrued and without any deduction on account of losses.

~~W~~. "Gross receipts" has the same meaning as gross income.

~~X~~. "Hospital" means any institution, place, building, or agency which provides accommodations, facilities and services over a continuous period of 24 hours or more, for observation, diagnosis, or care, of two or more individuals not related to the operator

who are suffering from illness, injury, deformity, or abnormality, or from any other condition for which obstetrical, medical, or surgical services would be appropriate for care or diagnosis. "Hospital" as used in this chapter does not include hotels, or similar places furnishing only food and lodging, or simply domiciliary care; nor does it include clinics, or physician's offices where patients are not regularly kept as bed patients for twenty-four hours or more; nor does it include nursing homes, as defined and which come within the scope of chapter 18.51 RCW; nor does it include birthing centers, which come within the scope of chapter 18.46 RCW; nor does it include psychiatric hospitals, which come within the scope of chapter 71.12 RCW; nor any other hospital, or institution specifically intended for use in the diagnosis and care of those suffering from mental illness, intellectual disability, convulsive disorders, or other abnormal mental condition. Furthermore, nothing in this chapter or the rules adopted pursuant thereto shall be construed as authorizing the supervision, regulation, or control of the remedial care or treatment of residents or patients in any hospital conducted for those who rely primarily upon treatment by prayer or spiritual means in accordance with the creed or tenets of any well recognized church or religious denominations.

Y. "International Investment management services."

1. "International investment management services" includes investment research, investment consulting, fund administration, fund distribution, investment transactions, or related investment services provided to persons for or on behalf of a collective investment fund. A person is considered to be engaged in providing international investment management services if such person is providing investment management services and/or is a member of an affiliated group (as defined by RCW 82.04.293(2)(b)) primarily in the business of providing investment management services to collective investment funds, and at least 15% of the gross income of the person and/or affiliated group is derived from providing investment management services to any of the following:

- a. Persons or collective investment funds residing outside the United States; or
- b. Collective investment funds with at least 50% of their investment assets located or issued outside the United States.

2. For the purpose of this section, "collective investment fund" includes:

- a. A mutual fund or other regulated investment company as defined in 26 U.S.C. §851(a), as now enacted or hereafter amended;
- b. An investment company, as defined in 15 U.S.C. §80a-3 (as now enacted or hereafter amended), as well as any entity that would be an investment company for this purpose but for the exemptions contained in 15 U.S.C. §80a-3;
- c. An employee benefit plan, which includes any plan, trust, commingled employee benefit trust, or custodial arrangement that is subject to 29 U.S.C. §§1001 et. seq., or that is described in 26 U.S.C. §§125, 401, 403, 408, 457, 501(c)(9), and 501(17)-(23), or a similar plan maintained by a state or local government, or a plan trust, or

custodial arrangement established to self-insure benefits required by federal, state, or local law;

d. A fund maintained by a tax-exempt organization, as defined in 26 U.S.C. §501(c)(3) for operating, quasi-endowment, or endowment purposes;

e. Funds that are established for the benefit of such tax exempt organizations, such as charitable remainder trusts, charitable lead trusts, charitable annuity trusts, or other similar trusts; or

f. Collective investment funds similar to those described in paragraphs (2)(a)-(e) of this subsection created under the laws of a foreign jurisdiction.

Z. "Liquor" shall have the same meaning as RCW 66.04.010.

QAA. "Manufacturing" means the activity conducted by a manufacturer and is reported under the manufacturing classification.

RBB. *Manufacturer, To Manufacture.*

1. "Manufacturer" means every person who, either directly or by contracting with others for the necessary labor or mechanical services, manufactures for sale or for commercial or industrial use from the person's own materials or ingredients any products. When the owner of equipment or facilities furnishes, or sells to the customer prior to manufacture, materials or ingredients equal to less than ~~20% percent~~ of the total value of all materials or ingredients that become a part of the finished product, the owner of the equipment or facilities will be deemed to be a processor for hire, and not a manufacturer. A business not located in this city that is the owner of materials or ingredients processed for it in this city by a processor for hire shall be deemed to be engaged in business as a manufacturer in this city.

2. "To manufacture" means all activities of a commercial or industrial nature wherein labor or skill is applied, by hand or machinery, to materials or ingredients so that as a result thereof a new, different or useful product is produced for sale or commercial or industrial use, and shall include:

a. The production of special made or custom made articles;

b. The production of dental appliances, devices, restorations, substitutes, or other dental laboratory products by a dental laboratory or dental technician;

c. Crushing and/or blending of rock, sand, stone, gravel, or ore; and

d. The producing of articles for sale, or for commercial or industrial use from raw materials or prepared materials by giving such materials, articles, and substances of trade or commerce new forms, qualities, properties or combinations including, but not limited to, such activities as making, fabricating, processing, refining, mixing,

slaughtering, packing, aging, curing, mild curing, preserving, canning, and the preparing and freezing of fresh fruits and vegetables.

“To manufacture” shall not include the production of digital goods or the production of computer software if the computer software is delivered from the seller to the purchaser by means other than tangible storage media, including the delivery by use of a tangible storage media where the tangible storage media is not physically transferred to the purchaser.

CC. “Newspaper,” “magazine,” “periodical.”

1. “Newspaper” means a publication offered for sale regularly at stated intervals at least once per week and printed on newsprint in tabloid or broadsheet format folded loosely together without stapling, glue, or any other binding of any kind.

2. “Magazine” or “periodical” means any printed publication, other than a newspaper, issued and offered for sale regularly at stated intervals at least once every three months, including any supplement or special edition of the publication. Any publication meeting this definition qualifies regardless of its content.

DD. “Office” or “place of business” means a fixed location or permanent facility where the regular business of the person is conducted and which is either owned by the person or over which the person exercises legal dominion and control. The regular business of the person is presumed conducted at a location:

1. Whose address the person uses as their business mailing address; and

2. Where the place of primary use is shown on a telephone billing or a location containing a telephone line, listed in a public telephone directory or other similar publication, under the business name; and

3. Where the person holds themselves out to the general public as conducting regular business through signage or other means; and

4. Where the person is required to obtain any appropriate state and local business license or registration unless the person is exempted by law from such requirement.

A vehicle such as a pick-up, van, truck, boat or other motor vehicle is not an office or place of business. A post office box is not an office or place of business.

If a person has an office or place of business, the person’s home is not an office or place of business unless it meets the criteria for office or place of business above. If a person has no office or place of business, the person’s home or apartment within the City will be deemed the place of business.

EE. “Option to purchase” shall mean a continuing offer or contract by which owner stipulates with another that the latter shall have the right to buy property at a fixed dollar price within a certain time. An agreement is only an option when no obligation rests on the potential buyer to make any payment except such as may be agreed upon by the

parties as consideration to support the option until the potential buyer has made up their mind within a time specified to complete the purchase. The use of the term “fair market value” or any other like term shall not be substituted for a fixed dollar price in determining if an “option to purchase” exists.

~~SFF~~. “Person” means any individual, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, co-partnership, joint venture, club, company, joint stock company, business trust, municipal corporation, political subdivision of the state of Washington, corporation, limited liability company, association, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise and the United States or any instrumentality thereof.

~~FGG~~. “Processing for hire” means the performance of labor and mechanical services upon materials or ingredients belonging to others so that as a result a new, different or useful product is produced for sale, or commercial or industrial use. A processor for hire is any person who would be a manufacturer if that person were performing the labor and mechanical services upon that person’s own materials or ingredients. If a person furnishes, or sells to the customer prior to manufacture, materials or ingredients equal to ~~20% percent~~ or more of the total value of all materials or ingredients that become a part of the finished product the person will be deemed to be a manufacturer and not a processor for hire.

~~UHH~~. “Product” means tangible personal property, including articles, substances, or commodities created, brought forth, extracted, or manufactured by human or mechanical effort. “By-product” means any additional product, other than the principal or intended product, which results from extracting or manufacturing activities and which has a market value, without regard to whether or not such additional product was an expected or intended result of the extracting or manufacturing activities.

~~VII~~. “Retailing” means the activity of engaging in making sales at retail and is reported under the retailing classification.

~~JJW~~. “Retail service” shall include the sale of or charge made for personal, business, or professional services including amounts designated as interest, rents, fees, admission, and other service emoluments however designated, received by persons engaging in the following business activities:

1. Amusement and recreation services including but not limited to golf, pool, billiards, skating, bowling, swimming, bungee jumping, ski lifts and tows, basketball, racquet ball, handball, squash, tennis, batting cages, day trips for sightseeing purposes, and others, when provided to consumers. “Amusement and recreation services” also include the provision of related facilities such as basketball courts, tennis courts, handball courts, swimming pools, and charges made for providing the opportunity to dance. The term “amusement and recreation services” does not include instructional lessons to learn a particular activity such as tennis lessons, swimming lessons, or archery lessons.

2. Abstract, title insurance, and escrow services;

3. Credit bureau services;
4. Automobile parking and storage garage services;
5. Landscape maintenance and horticultural services but excluding (a) horticultural services provided to farmers and (b) pruning, trimming, repairing, removing, and clearing of trees and brush near electric transmission or distribution lines or equipment, if performed by or at the direction of an electric utility;
6. Service charges associated with tickets to professional sporting events; and
7. The following personal services: physical fitness services, tanning salon services, tattoo parlor services, steam bath services, Turkish bath services, escort services, and dating services.
8. The term shall also include the renting or leasing of tangible personal property to consumers and the rental of equipment with an operator.

KK. "Royalties" means compensation for the use of intangible property, such as copyrights, patents, licenses, franchises, trademarks, trade names, and similar items.

XL. Sale, Casual or Isolated Sale.

1. "Sale" means any transfer of the ownership of, title to, or possession of, property for a valuable consideration and includes any activity classified as a "sale at retail," "retail sale," or "retail service." It includes renting or leasing, conditional sale contracts, leases with option to purchase, and any contract under which possession of the property is given to the purchaser but title is retained by the vendor as security for the payment of the purchase price. It also includes the furnishing of food, drink, or meals for compensation whether consumed upon the premises or not.
2. "Casual or isolated sale" means a sale made by a person who is not engaged in the business of selling the type of property involved on a routine or continuous basis.

YMM. Sale at Retail, Retail Sale.

1. "Sale at retail" or "retail sale" means every sale of tangible personal property (including articles produced, fabricated, or imprinted) to all persons irrespective of the nature of their business and including, among others, without limiting the scope hereof, persons who install, repair, clean, alter, improve, construct, or decorate real or personal property of or for consumers, other than a sale to a person who presents a resale certificate under RCW 82.04.470, and who:
 - a. Purchases for the purpose of resale as tangible personal property in the regular course of business without intervening use by such person; or
 - b. Installs, repairs, cleans, alters, imprints, improves, constructs, or decorates real or personal property of or for consumers, if such tangible personal property becomes an

ingredient or component of such real or personal property without intervening use by such person; or

c. Purchases for the purpose of consuming the property purchased in producing for sale a new article of tangible personal property or substance, of which such property becomes an ingredient or component or is a chemical used in processing, when the primary purpose of such chemical is to create a chemical reaction directly through contact with an ingredient of a new article being produced for sale; or

d. Purchases for the purpose of consuming the property purchased in producing ferrosilicon which is subsequently used in producing magnesium for sale, if the primary purpose of such property is to create a chemical reaction directly through contact with an ingredient of ferrosilicon; or

e. Purchases for the purpose of providing the property to consumers as part of competitive telephone service, as defined in RCW 82.04.065. The term shall include every sale of tangible personal property which is used or consumed or to be used or consumed in the performance of any activity classified as a "sale at retail" or "retail sale" even though such property is resold or utilized as provided in subsections (~~MMY~~)(1)(a) through (e) of this section following such use.

f. Purchases for the purpose of satisfying the person's obligations under an extended warranty as defined in subsection (~~MMY~~)(7) of this section, if such tangible personal property replaces or becomes an ingredient or component of property covered by the extended warranty without intervening use by such person.

2. "Sale at retail" or "retail sale" also means every sale of tangible personal property to persons engaged in any business activity which is taxable under ACC 3.53.040(A)(7).

3. "Sale at retail" or "retail sale" shall include the sale of or charge made for tangible personal property consumed and/or for labor and services rendered in respect to the following:

a. The installing, repairing, cleaning, altering, imprinting, or improving of tangible personal property of or for consumers, including charges made for the mere use of facilities in respect thereto, but excluding charges made for the use of coin-operated laundry facilities when such facilities are situated in an apartment house, rooming house, or mobile home park for the exclusive use of tenants thereof, and also excluding sales of laundry service to nonprofit health care facilities, and excluding services rendered in respect to live animals, birds and insects;

b. The constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon, or above real property of or for consumers, including the installing or attaching of any article of tangible personal property therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation, and shall also include the sale of services or charges made for the clearing of land and the moving of earth excepting the mere leveling of land used in commercial farming or agriculture;

c. The charge for labor and services rendered in respect to constructing, repairing, or improving any structure upon, above, or under any real property owned by an owner who conveys the property by title, possession, or any other means to the person performing such construction, repair, or improvement for the purpose of performing such construction, repair, or improvement and the property is then reconveyed by title, possession, or any other means to the original owner;

d. The sale of or charge made for labor and services rendered in respect to the cleaning, fumigating, razing or moving of existing buildings or structures, but shall not include the charge made for janitorial services; and for purposes of this section the term “janitorial services” shall mean those cleaning and caretaking services ordinarily performed by commercial janitor service businesses including, but not limited to, wall and window washing, floor cleaning and waxing, and the cleaning in place of rugs, drapes and upholstery. The term “janitorial services” does not include painting, papering, repairing, furnace or septic tank cleaning, snow removal or sandblasting;

e. The sale of or charge made for labor and services rendered in respect to automobile towing and similar automotive transportation services, but not in respect to those required to report and pay taxes under Chapter 82.16 RCW;

f. The sale of and charge made for the furnishing of lodging and all other services, except telephone business and cable service, by a hotel, rooming house, tourist court, motel, trailer camp, and the granting of any similar license to use real property, as distinguished from the renting or leasing of real property, and it shall be presumed that the occupancy of real property for a continuous period of one month or more constitutes a rental or lease of real property and not a mere license to use or enjoy the same. For the purposes of this subsection, it shall be presumed that the sale of and charge made for the furnishing of lodging for a continuous period of one month or more to a person is a rental or lease of real property and not a mere license to enjoy the same;

g. The installing, repairing, altering, or improving of digital goods for consumers;

h. The sale of or charge made for tangible personal property, labor and services to persons taxable under subsections (MMY)(3)(a) through (g) of this section when such sales or charges are for property, labor and services which are used or consumed in whole or in part by such persons in the performance of any activity defined as a “sale at retail” or “retail sale” even though such property, labor and services may be resold after such use or consumption. Nothing contained in this subsection shall be construed to modify subsection (MMY)(1) of this section and nothing contained in subsection (MMY)(1) of this section shall be construed to modify this subsection.

4. “Sale at retail” or “retail sale” shall also include the providing of competitive telephone service to consumers.

5. *Sale at Retail or Retail Sale.*

a. “Sale at retail” or “retail sale” shall also include the sale of prewritten software other than a sale to a person who presents a resale certificate under RCW 82.04.470,

regardless of the method of delivery to the end user. For purposes of this subsection (MMY)(5), a the sale of prewritten computer software includes the sale of or charge made for a key or an enabling or activation code, where the key or code is required to activate prewritten computer software and put the software into use. There is no separate sale of the key or code from the prewritten computer software, regardless of how the sale may be characterized by the vendor or by the purchaser. The term “sale at retail” or “retail sale” does not include the sale of or charge made for:

i. Custom software; or

ii. The customization of prewritten software.

b. The term also includes the charge made to consumers for the right to access and use prewritten computer software, where possession of the software is maintained by the seller or a third party, regardless of whether the charge for the service is on a per use, per user, per license, subscription, or some other basis.

i. The service described in this subsection (MMY)(5)(b) includes the right to access and use prewritten software to perform data processing.

ii. For purposes of subsection (MMY)(5)(b)(i) of this section “data processing” means the systematic performance of operations on data to extract the required information in an appropriate form or to convert the data to usable information. Data processing includes check processing, image processing, form processing, survey processing, payroll processing, claim processing, and similar activities.

6. “Sale at retail” or “retail sale” shall also include the sale of or charge made for labor and services rendered in respect to the building, repairing, or improving of any street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle which is owned by a municipal corporation or political subdivision of the state, the state of Washington, or by the United States and which is used or to be used primarily for foot or vehicular traffic including mass transportation vehicles of any kind (public road construction).

7. “Sale at retail” or “retail sale” shall also include the sale of or charge made for an extended warranty to a consumer. For purposes of this subsection, “extended warranty” means an agreement for a specified duration to perform the replacement or repair of tangible personal property at no additional charge or a reduced charge for tangible personal property, labor, or both, or to provide indemnification for the replacement or repair of tangible personal property, based on the occurrence of specified events. The term “extended warranty” does not include an agreement, otherwise meeting the definition of extended warranty in this subsection, if no separate charge is made for the agreement and the value of the agreement is included in the sales price of the tangible personal property covered by the agreement.

8. “Sale at retail” or “retail sale” shall also include the sale of or charge made for labor and services rendered in respect to the constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon, or above real property of or

for the United States, any instrumentality thereof, or a county or city housing authority created pursuant to Chapter 35.82 RCW, including the installing, or attaching of any article of tangible personal property therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation (government contracting).

9. "Sale at retail" or "retail sale" shall not include the sale of services or charges made for the clearing of land and the moving of earth of or for the United States, any instrumentality thereof, or a county or city housing authority. Nor shall the term include the sale of services or charges made for cleaning up for the United States, or its instrumentalities, radioactive waste and other by-products of weapons production and nuclear research and development. (This should be reported under the service and other classification as defined under ACC 3.53.040(A)(7)-).

10. "Sale at retail" or "retail sale" shall not include the sale of or charge made for labor and services rendered for environmental remedial action. (This should be reported under the service and other classification as defined under ACC 3.53.040(A)(7)-).

11. "Sale at retail" or "retail sale" shall also include the following sales to consumers of digital goods, digital codes, and digital automated services:

- a. Sales in which the seller has granted the purchaser the right of permanent use;
- b. Sales in which the seller has granted the purchaser a right of use that is less than permanent;
- c. Sales in which the purchaser is not obligated to make continued payment as a condition of the sale; and
- d. Sales in which the purchaser is obligated to make continued payment as a condition of the sale.

A retail sale of digital goods, digital codes, or digital automated services under this subsection (~~MMY~~)(11) includes any services provided by the seller exclusively in connection with the digital goods, digital codes, or digital automated services, whether or not a separate charge is made for such services.

For purposes of this subsection, "permanent" means perpetual or for an indefinite or unspecified length of time. A right of permanent use is presumed to have been granted unless the agreement between the seller and the purchaser specifies or the circumstances surrounding the transaction suggest or indicate that the right to use terminates on the occurrence of a condition subsequent.

12. "Sale at retail" or "retail sale" shall also include the installing, repairing, altering, or improving of digital goods for consumers.

~~NNZ~~. "Sale at wholesale" or "wholesale sale" means any sale of tangible personal property, digital goods, digital codes, digital automated services, prewritten computer software, or services described in subsection (~~MMY~~)(5)(b) of this section, which is not a

retail sale, and any charge made for labor and services rendered for persons who are not consumers, in respect to real or personal property and retail services, if such charge is expressly defined as a retail sale or retail service when rendered to or for consumers. Sale at wholesale also includes the sale of telephone business to another telecommunications company as defined in RCW 80.04.010 for the purpose of resale, as contemplated by RCW 35.21.715.

OOAA. “Service” means any sale or charge made for personal, business or professional service, including amounts designated as rents, fees, or admissions, not otherwise included within any other tax classification defined herein; provided, that the term “service” excludes retail or wholesale services.

PPBB. *Software, Prewritten Software, Custom Software, Customization of Canned Software, Master Copies, Retained Rights.*

1. “Prewritten software” or “canned software” means computer software, including prewritten upgrades, that is not designed and developed by the author or other creator to the specifications of a specific purchaser. The combining of two or more prewritten computer software programs or prewritten portions thereof does not cause the combination to be other than prewritten computer software. Prewritten computer software includes software designed and developed by the author or other creator to the specifications of a specific purchaser when it is sold to a person other than such purchaser. Where a person modifies or enhances computer software of which such person is not the author or creator, the person shall be deemed to be the author or creator only of the person’s modifications or enhancements. Prewritten computer software or a prewritten portion thereof that is modified or enhanced to any degree, where such modification or enhancement is designed and developed to the specifications of a specific purchaser, remains prewritten computer software; however, where there is a reasonable, separately stated charge or an invoice or other statement of the price given to the purchaser for the modification or enhancement, the modification or enhancement shall not constitute prewritten computer software.

2. “Custom software” means software created for a single person.

3. “Customization of canned software” means any alteration, modification, or development of applications using or incorporating canned software to specific individualized requirements of a single person. Customization of canned software includes individualized configuration of software to work with other software and computer hardware but does not include routine installation. Customization of canned software does not change the underlying character or taxability of the original canned software.

4. “Master copies” of software means copies of software from which a software developer, author, inventor, publisher, licensor, sublicensee, or distributor makes copies for sale or license. The software encoded on a master copy and the media upon which the software resides are both ingredients of the master copy.

5. “Retained rights” means any and all rights, including intellectual property rights such as those rights arising from copyrights, patents, and trade secret laws, that are owned or are held under contract or license by a software developer, author, inventor, publisher, licensor, sublicensor, or distributor.

6. “Software” means any information, program, or routine, or any set of one or more programs, routines, or collections of information, used, or intended for use, to convey information that causes one or more computers or pieces of computer-related peripheral equipment, or any combination thereof, to perform a task or set of tasks. “Software” includes the associated documentation, materials, or ingredients, regardless of the media upon which that documentation is provided, that describe the code and its use, operation, and maintenance and that typically are delivered with the code to the consumer. All software is classified as either canned or custom.

~~QQCC~~. “Taxpayer” means any “person,” as herein defined, required to have a business license under this chapter or liable for the collection of any tax or fee under this chapter, or who engages in any business or who performs any act for which a tax or fee is imposed by this chapter.

~~RRDD~~. “Tuition fee” includes library, laboratory, health service, and other special fees, and amounts charged for room and board by an educational institution when the property or service for which such charges are made is furnished exclusively to the students or faculty of such institution. “Educational institution,” as used in this section, means only those institutions created or generally accredited as such by the state and includes educational programs that such educational institution cosponsors with a nonprofit organization, as defined by the ~~26 U.S.C. §Internal Revenue Code~~ ~~Section~~ 501(c)(3), as hereafter amended, if such educational institution grants college credit for coursework successfully completed through the educational program, or an approved branch campus of a foreign degree-granting institution in compliance with Chapter 28B.90 RCW, and in accordance with RCW 82.04.4332 or defined as a degree-granting institution under RCW 28B.85.010(3) and accredited by an accrediting association recognized by the United States Secretary of Education, and offering to students an educational program of a general academic nature or those institutions which are not operated for profit and which are privately endowed under a deed of trust to offer instruction in trade, industry, and agriculture, but not including specialty schools, business colleges, other trade schools, or similar institutions.

~~SSEE~~. “Value proceeding or accruing” means the consideration, whether money, credits, rights, or other property expressed in terms of money, a person is entitled to receive or which is actually received or accrued. The term shall be applied, in each case, on a cash receipts or accrual basis according to which method of accounting is regularly employed in keeping the books of the taxpayer.

~~TIFF~~. *Value of Products.*

1. The value of products, including by-products, extracted or manufactured, shall be determined by the gross proceeds derived from the sale thereof whether such sale is at

wholesale or at retail, to which shall be added all subsidies and bonuses received from the purchaser or from any other person with respect to the extraction, manufacture, or sale of such products or by-products by the seller.

2. Where such products, including by-products, are extracted or manufactured for commercial or industrial use; and where such products, including by-products, are shipped, transported or transferred out of the city, or to another person, without prior sale or are sold under circumstances such that the gross proceeds from the sale are not indicative of the true value of the subject matter of the sale; the value shall correspond as nearly as possible to the gross proceeds from sales in this state of similar products of like quality and character, and in similar quantities by other taxpayers, plus the amount of subsidies or bonuses ordinarily payable by the purchaser or by any third person with respect to the extraction, manufacture, or sale of such products. In the absence of sales of similar products as a guide to value, such value may be determined upon a cost basis. In such cases, there shall be included every item of cost attributable to the particular article or article extracted or manufactured, including direct and indirect overhead costs. The director may prescribe rules for the purpose of ascertaining such values.

3. Notwithstanding subsection (~~TIFF~~)(2) of this section, the value of a product manufactured or produced for purposes of serving as a prototype for the development of a new or improved product shall correspond to (a) the retail selling price of such new or improved product when first offered for sale; or (b) the value of materials incorporated into the prototype in cases in which the new or improved product is not offered for sale.

~~UUU~~. Warehouse" means every structure wherein facilities are offered for the storage of tangible personal property. It includes the following:

"Storage warehouse" means a building or structure, or any part thereof, in which goods, wares, or merchandise are received for storage for compensation, except field warehouses, fruit warehouses, fruit packing plants, unroasted coffee bean warehouses, warehouses licensed under chapter 22.09 RCW (which are agricultural commodities warehouses), public garages storing automobiles, railroad freight sheds, docks and wharves, and "self-storage" or "mini-storage" facilities whereby customers have direct access to individual storage areas by separate access.

"Cold storage warehouse" means a storage warehouse used to store fresh and/or frozen perishable fruits or vegetables, meat, seafood, dairy products, or fowl, or any combination thereof, at a desired temperature to maintain the quality of the product for orderly marketing. This term does not include freezer space or frozen food lockers.

"Automobile storage garage" means any off-street building, structure, or area where vehicles are parked or stored, for any period of time, for a charge.

~~VUU~~. "Warehouse outdoor" means an area that is outdoors and is primarily used for the storage of merchandise, goods, inventory, materials or equipment or other items,

which are not intended for immediate sale, whether or not for compensation, in furtherance of engaging in business.

~~WWWTTGG~~. “Wholesaling” means engaging in the activity of making sales at wholesale, and is reported under the wholesaling classification.

ACC 3.53.040 Imposition of the tax – Tax or fee levied.

Except as provided in subsection C of this section, effective January 1, 2022, at 12:01 a.m. there is hereby levied upon and shall be collected from every person a tax for the act or privilege of engaging in business activities within the city of Auburn, whether the person’s office or place of business be within or without the city. The tax shall be in amounts to be determined by application of rates against gross proceeds of sale, gross income of business, or value of products, including by-products, as the case may be, as follows:

A. Gross Receipts Tax.

1. Upon every person engaging within the city in business as an extractor; as to such persons, the amount of the tax with respect to such business shall be equal to the value of the products, including by-products, extracted within the city for sale or for commercial or industrial use, multiplied by the rate of 0.100 of ~~1% one percent~~ (0.001). The measure of the tax is the value of the products, including by-products, so extracted, regardless of the place of sale or the fact that deliveries may be made to points outside the city.
2. Upon every person engaging within the city in business as a manufacturer; as to such persons, the amount of the tax with respect to such business shall be equal to the value of the products, including by-products, manufactured within the city, multiplied by the rate of 0.100 of ~~1% one percent~~ (0.001). The measure of the tax is the value of the products, including by-products, so manufactured, regardless of the place of sale or the fact that deliveries may be made to points outside the city.
3. Upon every person engaging within the city in the business of making sales at wholesale; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of such sales of the business ~~without regard to the place of delivery of articles, commodities or merchandise sold,~~ multiplied by the rate of 0.180 of ~~1% one percent~~ (0.0018).
4. Upon every person engaging within the city in the business of making sales at retail; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of such sales of the business, ~~without regard to the place of delivery~~

~~of articles, commodities or merchandise sold,~~ multiplied by the rate of 0.050 of 1% one percent (0.0005).

5. Upon every person engaging within the city in the business of (a) printing, (b) both printing and publishing newspapers, magazines, periodicals, books, music, and other printed items, (c) publishing newspapers, magazines and periodicals, (d) extracting for hire, and (e) processing for hire; as to such persons, the amount of tax on such business shall be equal to the gross income of the business multiplied by the rate of 0.100 of 1% one percent (0.001).

6. Upon every person engaging within the city in the business of making sales of retail services; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of sales multiplied by the rate of 0.150 of 1% one percent (0.0015).

7. Upon every other person engaging within the city in any business activity other than or in addition to those enumerated in the above subsections; ~~as to ss~~ such persons shall report gross receipts under the “service and other tax” classification, and, the amount of tax on account of such activities shall be equal to the gross income of the business multiplied by the rate of 0.100 of 1% one percent (0.001). This classification subsection includes ~~;~~ (among others, ~~and~~ without limiting its the scope, ~~hereof (and~~ whether or not title to material used in the performance of such business passes to another by accession, merger or other than by outright sale); persons engaged in the business of developing, or producing custom software or of customizing canned software, persons producing royalties or commissions, and persons engaged in the business of rendering any type of service which does not constitute a sale at retail, a sale at wholesale, or a retail service.

8. Persons otherwise subject to the “service and other tax” classification who engage in business in multiple jurisdictions shall report their service income under the “service and other apportionment” tax classification, and shall allocate their gross receipts in accordance with ACC 3.53.080 by using the city’s Service Income Apportionment Supplemental form.

B. *Square Footage Tax.*

1. Upon every person who leases, owns, occupies, or otherwise maintains a warehouse or outdoor warehouse within the city for purposes of engaging in business activities in the city there shall be a tax measured by the number of square feet of business warehouse floor space or outdoor warehouse space. The amount of the tax shall be equal to \$0.10 for each quarterly period of a calendar year for each square foot of warehouse or outdoor warehouse floor space that is leased, owned, occupied, or otherwise maintained within the city during the reporting period, calculated to the nearest square foot.

2. For purposes of this section, “warehouse” means every structure wherein facilities are offered for the storage of tangible personal property. It includes “storage

warehouses”, “cold storage warehouses” and “automobile storage garage” as defined in ACC 3.53.020 subsection UU.

~~a building or structure, or any part thereof, in which goods, wares, merchandise, or commodities are received or stored, whether or not for compensation, in furtherance of engaging in business.~~

3. For purposes of this section, “outdoor warehouse” means an area that is outdoors and is primarily used for the storage of merchandise , goods, inventory, materials or equipment or other items, which are not intended for immediate sale, whether or not for compensation, in furtherance of engaging in business.

4. For purposes of this section, the square footage of a business warehouse shall be computed by measuring to the inside finish of permanent outer building walls and shall include space used by columns and projections necessary to the building. Square footage shall not include stairs, elevator shafts, flues, pipe shafts, vertical ducts, heating or ventilation shafts, janitor closets, and electrical or utility closets. Outdoor warehouse space is measured based on the entire space used for outdoor warehousing and is not measured solely based on the size of the goods, wares, merchandise, or commodities that are being stored.

5. For purposes of this section, the square footage of an outdoor warehouse shall only include those areas used for the receipt or storage of goods, wares, merchandise, or commodities that are being received and temporarily stored ~~for transloading~~, whether or not for compensation, in furtherance of engaging in business. ~~Such areas will typically include those areas where goods, wares, merchandise, and commodities, in transit to their ultimate destination, are parked, packaged, or stored after transloading, waylaying, or crossdocking.~~ Square footage shall not include areas used only for employee, customer, or visitor parking, dock high loading areas used primarily for a business warehouse, buildings, areas used only for direct sales or rentals to consumers, landscaped areas, storm water facilities, maneuvering areas and drive aisles, areas used only for garbage or recycling pickup, rights-of-way, or other areas clearly not used for the temporary storage of goods, wares, merchandise, and commodities in transit. Outdoor areas used for storage of agricultural products or for ancillary storage of materials utilized in, or products resulting from, onsite manufacturing operations are not considered outdoor warehouses.

6. Persons with more than one business warehouse or outdoor warehouse within the city must include all business warehouse floor space and outdoor warehouse space for all locations within the city. When a person rents space to another person, the person occupying the rental space is responsible for the square footage business tax on that rental space only if the renter has exclusive right of possession in the space as against the landlord. Space rented for the storage of goods in a warehouse or outdoor warehouse where no walls or other barriers separate the goods, and where the exclusive right of possession in the space is not held by the person to whom the space is rented, shall be included in the business warehouse floor space of the person that operates the business warehouse, and not by the person renting the warehouse space.

7. If the square footage tax imposed in this subsection B is equal to or less than ~~or equal to~~ the gross receipts tax imposed in subsection A of this section, no square footage tax will be due; ~~if~~ if the square footage tax imposed in this subsection B exceeds the gross receipts tax imposed in subsection A of this section, the square footage tax will be due, but no gross receipts tax will be due. ~~†The taxpayer shall also remit the tax due on the higher of the two categories, but not both, excess over the gross receipts tax payable under subsection A and B of this section.~~

C. Gross Receipt and Square Footage Tax Thresholds.

1. *Gross Receipts Threshold.* The gross receipts tax imposed in this section shall not apply to any person whose companywide gross proceeds of sales, gross income of the business, and value of products, including by-products, as the case may be, from all activities ~~conducted within the city~~ during any calendar year is equal to or less than \$500,000, ~~or is equal to or less than \$125,000 during any quarter if on a quarterly reporting basis.~~ nor shall it apply to any person who does not maintain a place of business in the City whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000. ~~-city.~~

2. *Square Footage Threshold.* The square footage tax imposed in subsection B of this section shall not apply to any person unless that person's total area of business space within the city exceeds one of the following thresholds:

- a. Four thousand (4,000) taxable square feet of business warehouse space; or
- b. Two hundred sixty-one thousand three hundred sixty (261,360) taxable square feet (six acres) of outdoor warehouse space;

If the square footage tax applies, it applies to all business space leased, owned, occupied, or otherwise maintained by the taxpayer during the applicable reporting period.

[New Section] ACC 3.53.075 Ancillary activities of motor carriers and freight brokers.

A. "Ancillary activities of motor carriers" includes, but is not limited to stevedoring, separately billed charges for loading, unloading, sorting, storage, consolidation charges, and other charges not representing an actual transportation charge. Charges for ancillary activities shall be recorded separately from transportation charges and reported as activity subject to ACC 3.53.040.A.7.

B. Freight brokers shall report brokering activity revenue as activity subject to ACC 3.53.040.A.7.

C. Gross receipts from the activities contained in subsections 3.53.082.A and 3.53.082.B are subject to the apportionment provisions contained in (Subsection 3.53.080).

ACC 3.53.100 Exemptions.

This section applies only to the gross receipts tax imposed in ACC 3.53.040.A.

A. *Adult Family Homes.* This chapter does not apply to adult family homes as defined in ACC 3.53.020.A that ~~which~~ are licensed or as such, or which are specifically exempt from licensing, under DSHS ~~rules of the Washington State Department of Social and Health Services.~~

B. *Daycare Provided by Churches.* This chapter shall not apply to amounts derived by a church that is exempt from property tax under RCW 84.36.020 from the provision of care for children for periods of less than 24 hours.

C. *Child Care Resource and Referral Services by Nonprofit Organizations.* This chapter does not apply to nonprofit organizations in respect to amounts derived from the provision of child care resource and referral services.

D. *Nonprofit Organizations That Are Guarantee Agencies, Issue Debt, or Provide Guarantees for Student Loans.* This chapter does not apply to gross income received by nonprofit organizations exempt from federal income tax under 26 U.S.C. §Internal Revenue Code Section 501(c)(3), as hereafter amended, that:

1. Are guarantee agencies under the federal guaranteed student loan program or that issue debt to provide or acquire student loans; or
2. Provide guarantees for student loans made through programs other than the federal guaranteed student loan program.

E. *Nonprofit Organizations – Credit and Debt Services.* This chapter does not apply to nonprofit organizations in respect to amounts derived from provision of the following services:

1. Presenting individual and community credit education programs including credit and debt counseling;
2. Obtaining creditor cooperation allowing a debtor to repay debt in an orderly manner;
3. Establishing and administering negotiated repayment programs for debtors; or
4. Providing advice or assistance to a debtor with regard to subsection (E)(1), (2), or (3) of this subsection.

F. *Certain Fraternal and Beneficiary Organizations.* This chapter shall not apply to fraternal benefit societies or fraternal fire insurance associations, as described in RCW Title 48; nor to beneficiary corporations or societies organized under and existing by virtue of RCW Title 24, if such beneficiary corporations or societies provide in their bylaws for the payment of death benefits. This exemption is limited, however, to gross income from premiums, fees, assessments, dues or other charges directly attributable to the insurance or death benefits provided by such societies, associations, or corporations.

G. *Certain Corporations Furnishing Aid and Relief.* This chapter shall not apply to the gross sales or the gross income received by corporations which have been incorporated under any act of the Congress of the United States and whose principal purposes are to furnish volunteer aid to members of the armed forces of the United States and also to carry on a system of national and international relief and to apply the same in mitigating the sufferings caused by pestilence, famine, fire, floods, and other national calamities and to devise and carry on measures for preventing the same.

H. ~~*Operation of Sheltered Workshops.*~~ *Community services provided by DSHS.* This chapter shall not apply to income received from the ~~DSHS Department of Social and Health Services~~ for the cost of care, maintenance, support and training of persons with developmental disabilities at nonprofit group training homes as defined by Chapter 71A.22 RCW or to the business activities of nonprofit organizations from the operation of ~~sheltered workshops~~community services up to first \$1,000,000 of the companywide gross receipts from all activities. For the purposes of this subsection, “the operation of ~~sheltered workshops~~community services” means performance of business activities of any kind on or off the premises of such nonprofit organizations which are performed for the primary purpose of:

1. Providing gainful employment or rehabilitation services to the handicapped as an interim step in the rehabilitation process for those who cannot be readily absorbed in the competitive labor market or during such time as employment opportunities for them in the competitive labor market do not exist; or
2. Providing evaluation and work adjustment services for handicapped individuals.

I. *Investments – Dividends from Subsidiary Corporations.* This chapter shall not apply to amounts derived by persons, other than those engaging in banking, loan, security or other financial businesses, from investments or the use of money as such, and also amounts derived as dividends by a parent from its subsidiary corporations.

J. The city of Auburn is exempt from the tax levied by this chapter.

K. *Gross Receipts Taxed under Other Auburn City Code (ACC) Sections.* This chapter shall not apply to:

1. Any person in respect to a business activity with respect to which tax liability is specifically imposed under the provisions of Chapter 3.88 ACC (Utility Tax); or

2. Any person in respect to a business activity with respect to which tax liability is specifically imposed under the provisions of Chapter 3.80 ACC (Gambling Tax).

L. *Credit Unions*. This chapter shall not apply to the gross income of credit unions organized under the laws of this state, any other state, or the United States.

M. *International Banking Facilities*. This chapter shall not apply to the gross receipts of an international banking facility. As used in this subsection, an “international banking facility” means:

1. a facility represented by a set of asset and liability accounts segregated on the books and records of a commercial bank ~~whose the principal office of which~~ is located in this state, and which is incorporated and doing business under the laws of the United States or of this state;

2. a United States branch or agency of a foreign bank;

3. an Edge corporation organized under ~~Section 25(A) of the Federal Reserve Act~~, 12 U.S.C. ~~§§611 through 631~~; or

4. an Agreement corporation having an agreement or undertaking with the Board of Governors of the Federal Reserve System under ~~Section 25 of the Federal Reserve Act~~, 12 U.S.C. ~~§§601 through 604a~~, that includes only international banking facility time deposits ~~(as defined in 12 C.F.R. §204.8(a)(2) subsection (a)(2) of Section 204.8 of Regulation D (12 CFR Part 204), as promulgated by the Board of Governors of the Federal Reserve System)~~, and international banking facility extensions of credit ~~(as defined in 12 C.F.R. §204.8 subsection (a)(3) of Section 204.8 of Regulation D)~~.

N. *Insurance Business*. This chapter shall not apply to amounts received by any person who is an insurer or their appointed insurance producer upon which a tax based on gross premiums is paid to the state pursuant to RCW 48.14.020; and provided further, that the provisions of this subsection shall not exempt any bonding company from tax with respect to gross income derived from the completion of any contract as to which it is a surety, or as to any liability as successor to the liability of the defaulting contractor.

O. *Farmers – Agriculture*. This chapter shall not apply to any farmer in respect to amounts received from selling fruits, vegetables, berries, butter, eggs, fish, milk, poultry, meats or any other agricultural product that is raised, caught, produced or manufactured by such persons.

P. *Athletic Exhibitions*. This chapter shall not apply to any person in respect to the business of conducting boxing contests and sparring or wrestling matches and exhibitions for the conduct of which a license must be secured from the State Boxing Commission.

Q. *Racing*. This chapter shall not apply to any person in respect to the business of conducting race meets for the conduct of which a license must be secured from the Washington State Horse Racing Commission.

R. *Ride Sharing*. This chapter does not apply to any funds received in the course of commuter ride sharing or ride sharing for persons with special transportation needs in accordance with RCW 46.74.010.

S. *Employees*. This chapter shall not apply to any person in respect to the person's employment in the capacity as an employee or servant as distinguished from that of an independent contractor. For the purposes of this subsection, the definition of employee shall include those persons ~~that are defined~~ as employees in 26 U.S.C. §3121(d), the Internal Revenue Code, as now enacted or hereafter amended. A booth renter as defined in RCW 82.04.360(3) is an independent contractor for purposes of this chapter.

T. *Amounts Derived from Sale of Real Estate*. This chapter shall not apply to gross proceeds derived from the sale of real estate. This, however, shall not be construed to allow an exemption of amounts received as commissions from the sale of real estate, nor as fees, handling charges, discounts, interest or similar financial charges resulting from, or relating to, real estate transactions. This chapter shall also not apply to amounts received for the rental of real estate if the rental income is derived from a contract to rent for a continuous period of 30 days or longer.

U. *Mortgage Brokers' Third-Party Provider Services Trust Accounts*. This chapter shall not apply to amounts received from trust accounts to mortgage brokers for the payment of third-party costs if the accounts are operated in a manner consistent with RCW 19.146.050 and any rules adopted by the Director of Financial Institutions.

V. *Amounts Derived from Manufacturing, Selling or Distributing Motor Vehicle Fuel*. This chapter shall not apply to the manufacturing, selling or distributing motor vehicle fuel, as the term "motor vehicle fuel" is defined in RCW 82.38.020 and exempt under RCW 82.38.280; provided, that any fuel not subjected to the state fuel excise tax, or any other applicable deduction or exemption, will be taxable under this chapter.

W. *Amounts Derived from Liquor, and the Sale or Distribution of Liquor*. This chapter shall not apply to liquor as defined in RCW 66.04.010 and exempt in RCW 66.08.120.

X. *Casual and Isolated Sales*. This chapter shall not apply to the gross proceeds derived from casual or isolated sales.

Y. *Accommodation Sales*. This chapter shall not apply to sales for resale by persons regularly engaged in the business of making retail sales of the type of property so sold to other persons similarly engaged in the business of selling such property where:

1. The amount paid by the buyer does not exceed the amount paid by the seller to the vendor in the acquisition of the article; and

2. The sale is made as an accommodation to the buyer to enable the buyer to fill a bona fide existing order of a customer or is made within 14 days to reimburse in kind a previous accommodation sale by the buyer to the seller.

Z. *Real Estate Brokers and Associated Brokers, Agents, or Salesmen.* This chapter does not apply to that portion of a real estate commission assigned to another brokerage office pursuant to the division of revenue between the originating brokerage office and a cooperating brokerage office on a particular transaction. Each brokerage office shall pay the tax upon its respective revenue share of the transaction. Furthermore, where a brokerage office has paid the business and occupation tax on the gross commission earned by that brokerage office, associate brokers, salesmen or agents within the same office shall not be required to pay the tax upon their share of the commission from the same transaction.

AA. *Taxes Collected as Trust Funds.* This chapter shall not apply to amounts collected by the taxpayer from third parties to satisfy third party obligations to pay taxes such as the retail sales tax, use tax, and admission tax.

BB. *Health Maintenance Organization, Health Care Service Contractor, Certified Health Plan.* This chapter does not apply to any health maintenance organization, health care service contractor, or certified health plan with respect to premiums or prepayments that are taxable under RCW 48.14.0201. However, per RCW 48.14.0201(7), this exemption is not intended to, and shall not, impair the city's ability to impose a tax hereunder upon the health care services directly delivered by the employees of a health maintenance organization under Chapter 48.46 RCW.

CC. *Nonprofit ~~Health Care Organization Fees~~Hospital.*

1. This chapter shall not apply to nonprofit hospitals, as defined in ACC 3.53.020(X), provided that a nonprofit hospital's annual net operating income is less than \$10,000,000.

~~1. This chapter shall not apply to amounts that a nonprofit health care organization derives from charges or fees for medical, nursing, ambulance, hospital, or outpatient care services for the benefit of subscribers, where none of the derived amounts inure to the benefit of the organization or any of its employees.~~

~~2. The exemption in this subsection CC shall not apply if the nonprofit health care organization's annual net operating income exceeds \$10,000,000.00 for the reporting period in which the exemption is claimed.~~ For purposes of this subsection, "net operating income" shall mean income in an amount equal to:

- a. the organization's aggregate gross revenue generated from operating activities and services, less—
- b. uncollectable debts and uncompensated services, and less—
- c. total expenses related to operating activities.

Capital expenditures, debt service and non-cash charges, such as depreciation of assets or amortization of financing costs, shall not be included in the calculation of net operating income.

2.3. Nonprofit ~~health care organizations~~ hospitals exceeding \$10,000,000.00 in gross income in a reporting period may take the deductions allowed in ACC 3.53.110(S). net operating income are not subject to the exemptions within this subsection.

DD. County, city, town, school district, or fire district activity. This chapter shall not apply to any county, city, town, school district, or fire district activity, regardless of how financed, other than a utility or enterprise activity as defined by the state auditor pursuant to RCW 35.33.111 and RCW 36.40.220 and upon which the tax imposed pursuant to this chapter had previously applied. Nothing contained in this section shall limit the authority of the City to authorize the imposition of such tax prospectively upon such activities as the City shall specifically designate.

EE. This chapter shall not apply to the gross income received by the United States or any instrumentality thereof, or by the state of Washington or any municipal subdivision thereof; provided, however, that the exemption contained in this subsection shall only apply to gross income which the City is prohibited from taxing pursuant to the terms of any federal or state law.

FF. This chapter shall not apply to any person conducting business in an area that becomes a part of the City by annexation in accordance with RCW 35.10 or RCW 35.13 after the chapter's effective date. The exemption provided in this subsection shall expire at the end of the calendar quarter 3 years after the date of such annexation.

ACC 3.53.110 Deductions.

This section applies only to the gross receipt tax imposed by ACC 3.53.040.A: In computing the gross receipts B&O tax, there ~~In computing the license fee or tax, there~~ may be deducted from the measure of tax the following items:

A. Membership Fees and Certain Service Fees by Nonprofit Youth Organization. For purposes of this subsection, "nonprofit youth organization" means a nonprofit organization engaged in character building of youth which is exempt from property tax under RCW 84.36.030. In computing tax due under this chapter, there may be deducted from the measure of tax all amounts received by a nonprofit youth organization:

1. As membership fees or dues, irrespective of the fact that the payment of the membership fees or dues to the organization may entitle its members, in addition to other rights or privileges, to receive services from the organization or to use the organization's facilities; or
2. From members of the organization for camping and recreational services provided by the organization or for the use of the organization's camping and recreational facilities.

B. Fees, Dues, and Charges Received by Nonprofit Organizations or Nonprofit Corporations. In computing tax, a nonprofit organization may deduct from the measure of tax amounts derived from bona fide:

1. Initiation fees;
2. Dues;
3. Contributions;
4. Donations;
5. Tuition fees;
6. Charges made for operation of privately operated kindergartens;
7. Charges made by a nonprofit trade or professional organization for attending or occupying space at a trade show, convention, or educational seminar sponsored by the nonprofit trade or professional organization, which trade show, convention, or educational seminar is not open to the general public; and
8. Endowment funds.

C. Artistic and Cultural Organizations – Income from Business Activities. In computing tax, there may be deducted from the measure of tax those amounts received by artistic or cultural organizations, as defined in this chapter, which represent:

1. Income derived from business activities conducted by the organization; provided, that this deduction does not apply to retail sales made by artistic and cultural organizations;
2. Amounts received from the United States or any instrumentality thereof or from the state of Washington or any municipal corporation or subdivision thereof as compensation for; or to support, artistic or cultural exhibitions, performances, or programs provided by an artistic or cultural organization for attendance or viewing by the general public; or
3. Amounts received as tuition charges collected for the privilege of attending artistic or cultural education programs.

D. Artistic or Cultural Organization – Deduction for Tax under the Manufacturing Classification – Value of Articles for Use In Displaying Art Objects or Presenting Artistic or Cultural Exhibitions, Performances, or Programs. In computing tax, there may be deducted from the measure of tax by persons subject to payment of the tax under the manufacturing classification, the value of articles to the extent manufacturing activities are undertaken by an artistic or cultural organization, as defined in this chapter, solely for the purpose of manufacturing articles for use by the organization in displaying art

objects or presenting artistic or cultural exhibitions, performances, or programs for attendance or viewing by the general public.

E. *Amounts representing rental of real estate for assisted living facilities.* In computing tax, there may be deducted from the measure of tax amounts representing the value of the rental of real estate for “assisted living facilities.” To qualify for the deduction, the facility must meet the definition in RCW 18.20 for “assisted living facility” and be licensed by the state of Washington as required in RCW 18.20. The deduction shall be in the amount of 26 percent of the gross monthly billing when the resident has resided within the facility for longer than 30 days.

EF. *Daycare Activities.* In computing tax, there may be deducted from the measure of tax amounts derived from daycare activities by any organization organized and operated for charitable, educational, or other purposes which is exempt from taxation pursuant to 26 U.S.C. §~~Internal Revenue Code Section~~ 501(c)(3), as now enacted or hereafter amended; provided, however, that amounts derived from selling, altering or repairing tangible personal property shall not be deductible.

FG. *Compensation from Public Entities for Health or Social Welfare Services – Exception.* In computing tax, there may be deducted from the measure of tax amounts received from the United States or any instrumentality thereof or from the state of Washington or any municipal corporation or political subdivision thereof as compensation for, or to support, health or social welfare services rendered by a health or social welfare organization (as defined in RCW 82.04.431) or by a municipal corporation or political subdivision, except deductions are not allowed under this subsection for amounts that are received under an employee benefit plan. For purposes of this subsection, “employee benefit plan” includes the military benefits program authorized in 10 U.S.C. §-1071 et seq., as amended, or amounts payable pursuant thereto.

GH. *Interest on Investments or Loans Secured by Mortgages or Deeds of Trust.* In computing tax, to the extent permitted by Chapter 82.14A RCW, there may be deducted from the measure of tax by those engaged in banking, loan, security or other financial businesses, amounts derived from interest received on investments or loans primarily secured by first mortgages or trust deeds on nontransient residential properties.

HI. *Interest on Obligations of the State, Its Political Subdivisions, and Municipal Corporations.* In computing tax, there may be deducted from the measure of tax by those engaged in banking, loan, security or other financial businesses, amounts derived from interest paid on all obligations of the state of Washington, its political subdivisions, and municipal corporations organized pursuant to the laws thereof.

IJ. *Interest on Loans to Farmers and Ranchers, Producers or Harvesters of Aquatic Products, or Their Cooperatives.* In computing tax, there may be deducted from the measure of tax amounts derived as interest on loans to bona fide farmers and ranchers, producers or harvesters of aquatic products, or their cooperatives by a lending institution which is owned exclusively by its borrowers or members and which is

engaged solely in the business of making loans and providing finance-related services to bona fide farmers and ranchers, producers or harvesters of aquatic products, their cooperatives, rural residents for housing, or persons engaged in furnishing farm-related or aquatic related services to these individuals or entities.

K. “Interstate Trucking”. The tax imposed on motor carriers under subsection 3.53.040 shall not apply to gross income from freight picked up in the City and transported by the taxpayer to a location outside the State of Washington. A motor carrier that does not transport freight across the state boundary is not entitled to a deduction, even though the freight is destined for and is ultimately transported to a location outside Washington.

~~JLK~~. Receipts from *the Sales of Tangible Personal Property Delivered Outside the State*. In computing tax, there may be deducted from the measure of tax under retailing or wholesaling amounts derived from the sale of tangible personal property that is delivered by the seller to the buyer or the buyer’s representative at a location outside the state of Washington.

~~KML~~. *Cash Discount Taken by Purchaser*. In computing tax, there may be deducted from the measure of tax the cash discount amounts actually taken by the purchaser. This deduction is not allowed in arriving at the taxable amount under the extracting or manufacturing classifications with respect to articles produced or manufactured, the reported values of which, for the purposes of this tax, have been computed according to the “value of product” provisions.

~~LN~~. *Credit Losses of Accrual Basis Taxpayers*. In computing tax, there may be deducted from the measure of tax the amount of credit losses actually sustained by taxpayers whose regular books of account are kept upon an accrual basis.

~~MON~~. *Repair, Maintenance, Replacement, Etc., of Residential Structures and Commonly Held Property – Eligible Organizations*.

1. In computing tax, there may be deducted from the measure of tax amounts used solely for repair, maintenance, replacement, management, or improvement of the residential structures and commonly held property, but excluding property where fees or charges are made for use by the public who are not guests accompanied by a member, which are derived by:

a. A cooperative housing association, corporation, or partnership from a person who resides in a structure owned by the cooperative housing association, corporation, or partnership;

b. An association of owners of property as defined in RCW 64.32.010, as now or hereafter amended, from a person who is an apartment owner as defined in RCW 64.32.010; or

c. An association of owners of residential property from a person who is a member of the association. “Association of owners of residential property” means any organization

of all the owners of residential property in a defined area who all hold the same property in common within the area.

2. For the purposes of this subsection “commonly held property” includes areas required for common access such as reception areas, halls, stairways, parking, etc., and may include recreation rooms, swimming pools and small parks or recreation areas; but is not intended to include more grounds than are normally required in a residential area, or to include such extensive areas as required for golf courses, campgrounds, hiking and riding areas, boating areas, etc.

3. To qualify for the deductions under this subsection:

a. The salary or compensation paid to officers, managers, or employees must be only for actual services rendered and at levels comparable to the salary or compensation of like positions within the county wherein the property is located;

b. Dues, fees, or assessments in excess of amounts needed for the purposes for which the deduction is allowed must be rebated to the members of the association;

c. Assets of the association or organization must be distributable to all members and must not inure to the benefit of any single member or group of members.

NPE. *Radio and Television Broadcasting – Advertising Agency Fees – National, Regional, and Network Advertising – Interstate Allocations.* In computing tax, there may be deducted from the measure of tax by radio and television broadcasters amounts representing the following:

1. Advertising agencies’ fees when such fees or allowances are shown as a discount or price reduction in the billing or that the billing is on a net basis, i.e., less the discount;

2. Actual gross receipts from national network, and regional advertising or a “standard deduction” as provided by RCW 82.04.280; and

3. Local advertising revenue that represent advertising which is intended to reach potential customers of the advertiser who are located outside the state of Washington. The director may issue a rule that provides detailed guidance as to how these deductions are to be calculated.

Q. “Sales at Wholesale or Retail of Precious Metal Bullion and Monetized Bullion” In computing tax, there may be deducted from the measure of the tax amounts derived from the sale at wholesale or retail of precious metal bullion and monetized bullion. However, no deduction is allowed of amounts received as commissions upon transactions for the accounts of customers over and above the amount paid to other dealers associated in such transactions, and no deduction or offset is allowed against such commissions on account of salaries or commissions paid to salesmen or other employees.

OR.P. *Constitutional Prohibitions.* In computing tax, there may be deducted from the measure of the tax amounts derived from business which the city is prohibited from taxing under the Constitution of the state of Washington or the Constitution of the United States.

PSQ. *Receipts from the Sale of Tangible Personal Property and Retail Services Delivered Outside the City but Within Washington.* Effective January 1, 2008, amounts included in the gross receipts reported on the tax return derived from the sale of tangible personal property delivered to the buyer or the buyer's representative outside the city but within the state of Washington may be deducted from the measure of tax under the retailing, retail services, or wholesaling classification.

QTR. *Professional Employer Services.* In computing the tax, a professional employer organization may deduct from the calculation of gross income the gross income of the business derived from performing professional employer services that is equal to the portion of the fee charged to a client that represents the actual cost of wages and salaries, benefits, workers' compensation, payroll taxes, withholding, or other assessments paid to or on behalf of a covered employee by the professional employer organization under a professional employer agreement.

RUS. *Amounts Derived from the Sale or Lease of Clean Alternative Fuel and Plug-In Hybrid Vehicle Sales.* The deduction applies as follows:

1. This chapter shall not include the proceeds collected on the sale or lease of new or used passenger cars, light duty trucks, or medium duty passenger vehicles that are either exclusively powered by clean alternative fuel; or is a plug-in hybrid vehicle that can travel at least 30 miles on battery power alone.
2. Up to \$45,000 per new vehicle or up to \$30,000 per used vehicle may be deducted from taxable revenue.
3. The sale of accessories purchased as part of the qualifying vehicle may be included in the deduction, provided the total deduction does not exceed the total amounts listed in subsection (**RS**)(2) of this section.
4. Extended warranties and maintenance agreements cannot be included in the amount to be deducted.
5. This deduction is available ~~eligible~~ beginning January 1, 2022, and will expire December 31, 2025.

~~**S.** *Nonprofit Health Care Organization Fees.* In computing the tax, nonprofit health care organizations may deduct up to \$30,000,000 in revenue derived from medical, nursing, ambulance, hospital, and other appropriate outpatient care as charges and service fees by the nonprofit health care organization.~~



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6861 (Thomas) (20 Minutes)

Date:

June 8, 2022

Department:

Finance

Attachments:

[Ordinance No. 6861](#)

[Ordinance No. 6861 Exhibit](#)

Budget Impact:**Administrative Recommendation:**

For discussion only.

Background for Motion:**Background Summary:**

In May 2021 the Auburn City Council adopted ACC 3.54 Business and Occupation Tax Administrative Provisions. The Administrative Provisions outlines all of the administrative details for B&O tax filing due dates, late payments, overpayments, appeals, etc. for the tax that first became effective in January 1, 2022. In the time between initial adoption, business community outreach, and the first tax returns which were due April 30, 2022, there have been several clarifying questions. This amendment provides clarity for several sections within ACC 3.54, including more definitions (such as "cash basis", "generally accepted accounting principals", and "records"); clarify how interest on overpayments is calculated, and replace terminology for ease of understanding and clarity.

Reviewed by Council Committees:

Councilmember: Baggett

Staff:

Thomas

Meeting Date: June 13, 2022

Item Number:

ORDINANCE NO. 6861

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AMENDING CHAPTER 3.54 RELATED TO CITY BUSINESS AND OCCUPATION (B&O) TAX ADMINISTRATION: (1) AMENDING CERTAIN SECTIONS TO CLARIFY TERMS, DEFINITIONS AND THE CALCULATION OF TAX OVERPAYMENT INTEREST; AND (2) ADDING A NEW SECTION RELATED TO ADMINISTRATIVE TAX ASSESSMENTS AND PENALTIES FOR UNREGISTERED CITY BUSINESSES

WHEREAS, in 2021 the City enacted its business and occupations (B&O) tax administrative code (ACC 3.54);

WHEREAS, prior to and since the enactment of ACC 3.54, the City has engaged in outreach efforts with the business community and potential City business taxpayers in preparing to implement the taxation administrative requirements of ACC 3.54;

WHEREAS, the City has determined based on this outreach that certain sections within ACC 3.54 should be amended in the following ways:

- To define additional terms in the administrative code (such as “cash basis,” “generally accepted accounting principles,” and “records”) that will assist taxpayers and the City in determining and calculating City B&O tax liability;
- To clarify how the City will calculate interest on City B&O tax overpayments;
- To replace certain terms within the administrative code to those more familiar to the City’s business community and B&O taxpayers; and
- To make additional needed technical revisions and corrections to the code;

WHEREAS, the City has also determined that a new section should be added to ACC 3.54 to address how the City will assess unpaid taxes and penalties for unregistered City businesses subject to the City’s B&O tax that voluntarily register for City taxation before receiving City contact about the issue; and

WHEREAS, these revisions and new section within ACC 3.54 will enable greater clarity and precision in the administration and implementation of the City's B&O tax code, and they are in the best interest of the City, its business community and its B&O taxpayers.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as follows:

Section 1. Amendment to City Code. Chapter 3.54 of the Auburn City Code is amended to read as set forth on Exhibit A attached to this Ordinance.

Section 2. New Section added to City Code. A new section ACC 3.54.155 entitled "Voluntary registration prior to Director contact" is added to ACC 3.54, to read as set forth in Exhibit A to this Ordinance.

Section 3. Implementation. The Mayor is authorized to implement those administrative procedures necessary to carry out the directives of this legislation.

Section 4. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of the application of it to any person or circumstance, will not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 5. **Effective date.** This Ordinance will take effect and be in force five days from and after its passage, approval, and publication as provided by law.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Shawn Campbell, MMC, City Clerk

Kendra Comeau, City Attorney

Published: _____

EXHIBIT A – ORDINANCE NO. 6861

ACC 3.54.030 Definitions.

For purposes of this chapter:

The definitions contained in Chapter 3.53 ACC shall apply equally to the provisions of this chapter unless the term is defined otherwise in this chapter. In addition, the following definitions will apply:

A. “Cash basis” means a basis of accounting which recognizes revenues and expenses as occurring in the reporting period when they were actually either received or paid.

B. “Generally accepted accounting principles” means those national accounting standards promulgated by the Financial Accounting Standards Board for businesses and nonprofit associations or by the Governmental Accounting Standards Board for state agencies or local governments.

C. “Records” means the books of accounts and other business-related records of a taxpayer subject to the City’s Tax Code or License Code. Such records include ledgers, subsidiary ledgers, invoices, receipts, registration and incorporation documents, federal, state and local tax returns, and any other records necessary to establish the amounts due under the provisions of the City’s Code.

D. “Reporting period” means:

1. A one-month period beginning the first day of each calendar month (monthly); or
2. A three-month period beginning the first day of January, April, July or October of each year (quarterly); or
3. A twelve-month period beginning the first day of January of each year (annual).

BE. “Return” means any document a person is required by the city to file to satisfy or establish a tax or fee obligation that is administered or collected by the city and that has a statutorily defined due date.

CE. “Successor” means any person to whom a taxpayer quitting, selling out, exchanging, or disposing of a business sells or otherwise conveys, directly or indirectly, in bulk and not in the ordinary course of the taxpayer’s business, any part of the materials, supplies, merchandise, inventory, fixtures, or equipment of the taxpayer. Any person obligated to fulfill the terms of a contract shall be deemed a successor to any contractor defaulting in the performance of any contract as to which such person is a surety or guarantor.

G. "Tax" means the amount, usually based upon gross income, assessed upon a person doing business under the provisions of Chapter 3.53 ACC.

DH. "Tax year" or "taxable year" means the calendar year.

ACC 3.54.060 When due and payable – Reporting periods – Monthly, quarterly, and annual returns – Threshold provisions or relief from filing requirements – Computing time periods – Failure to file returns.

A. Other than any annual license fee or registration fee assessed under this chapter, the tax imposed by this chapter shall be due and payable in quarterly installments. At the director's discretion, businesses may be assigned to a monthly or annual reporting period depending on the tax amount owing or type of tax. Until December 31, 2020, tax payments are due on or before the last day of the next month following the end of the assigned reporting period covered by the return. Effective January 1, 2021, tax payments are due on or before the time as provided in RCW 82.32.045(1), (2) and (3).

B. Taxes shall be paid as provided in this chapter and accompanied by a return on forms as prescribed by the director. The return shall be signed by the taxpayer personally or by a responsible officer or agent of the taxpayer. The individual signing the return shall swear or affirm that the information in the return is complete and true.

C. Tax returns must be filed and returned by the due date whether or not any tax is owed.

D. For purposes of the tax imposed by Chapter 3.53 ACC, any person whose value of products, gross proceeds of sales, or gross income of the business, ~~subject to tax after all allowable deductions,~~ is equal to or less than \$500,000 in the current calendar year, and/or whose combined taxable business warehouse square footage within the city is 4,000 square feet or less, shall file a return, ~~declare~~ ing no tax due ~~on their return,~~ and submit the return to the director. The gross receipts and deduction amounts shall be entered on the tax return even though no tax may be due.

E. A taxpayer that commences to engage in business activity shall file a return and pay the tax or fee for the portion of the reporting period during which the taxpayer is engaged in business activity.

F. Except as otherwise specifically provided by any other provision of this chapter, in computing any period of days prescribed by this chapter the day of the act or event from which the designated period of time runs shall not be included. The last day of the period shall be included unless it is a Saturday, Sunday, or city or federal legal holiday, in which case the last day of such period shall be the next succeeding day which is neither a Saturday, Sunday, or city or federal legal holiday.

G. [Unless otherwise provided in this chapter,](#) if any taxpayer fails, neglects or refuses to make a return as and when required in this chapter, the director is authorized to determine the amount of the tax or fees payable by obtaining facts and information upon which to base the director's estimate of the tax or fees due. Such assessment shall be deemed prima facie correct and shall be the amount of tax owed to the city by the taxpayer. The director shall notify the taxpayer by mail of the amount of tax so determined, together with any penalty, interest, and fees due; the total of such amounts shall thereupon become immediately due and payable.

ACC 3.54.130 Overpayment of tax, penalty or interest - Credit or refund – Interest rate – Statute of limitations.

A. If, upon receipt of an application for a refund, or during an audit or examination of the taxpayer's records and tax returns, the director determines that the amount of tax, penalty, or interest paid is in excess of that properly due, the excess amount shall be credited to the taxpayer's account or shall be refunded to the taxpayer. Except as provided in subsection B of this section, no refund or credit shall be made for taxes, penalties, or interest paid more than four years prior to the beginning of the calendar year in which the refund application is made or examination of records is completed.

B. The execution of a written waiver shall extend the time for applying for, or making a refund or credit of any taxes paid during, or attributable to, the years covered by the waiver if, prior to the expiration of the waiver period, an application for refund of such taxes is made by the taxpayer or the director discovers that a refund or credit is due.

C. Refunds shall be made by means of vouchers approved by the director and by the issuance of a city check or warrants drawn upon and payable from such funds as the city may provide.

D. Any final judgment for which a recovery is granted by any court of competent jurisdiction for tax, penalties, interest, or costs paid by any person shall be paid in the same manner, as provided in subsection C of this section, upon the filing with the director a certified copy of the order or judgment of the court.

[E. Interest on overpayments of taxes for reporting periods beginning on or after January 1, 2005, shall be computed in accordance with RCW 82.32.060, as now enacted or hereafter amended.](#)

[\[NEW SECTION\] ACC 3.54.155 Voluntary registration prior to Director contact.](#)

If an unregistered taxpayer doing business in the City voluntarily registers with the Director pursuant to ACC 3.54.050 prior to being contacted by the Director:

1. The Director's assessment of taxes and/or interest pursuant to ACC 3.54.060.G shall be limited to 4 calendar years before the year of registration; and

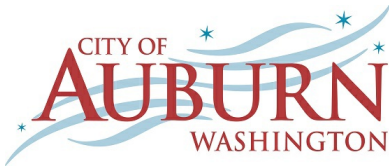
2. The taxpayer's payments for the registration year and prior assessed years shall not be subject to the late penalty in ACC 3.54.130.

ACC 3.54.270 **Closing Settlement agreement provisions.**

The director may enter into an agreement in writing with any person relating to the liability of such person in respect of any tax imposed by any of the chapters within this title and administered by this chapter for any taxable period(s). Upon approval of such agreement, evidenced by execution thereof by the director and the person so agreeing, the agreement shall be final and conclusive as to the tax liability or tax immunity covered thereby, and, except upon a showing of fraud or malfeasance, or misrepresentation of a material fact:

A. The case shall not be reopened as to the matters agreed upon, or the agreement modified, by the director or the taxpayer; and

B. In any suit, action or proceeding, such agreement, or any determination, assessment, collection, payment, abatement, refund, or credit made in accordance therewith, shall not be annulled, modified, set aside, or disregarded.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6870 (Thomas) (10 Minutes)

Date:

June 8, 2022

Department:

Finance

Attachments:

[Ordinance No. 6870](#)

[Ordinance No. 6870 Exhibit](#)

Budget Impact:**Administrative Recommendation:**

For discussion only.

Background for Motion:**Background Summary:**

In May 2021 the Auburn City Council adopted ACC 3.53 Business and Occupation Tax, which first became effective in January 1, 2022. In this time the City has been working to consolidate processes and tax forms that businesses use for reporting all taxes to the City. Amendments to ACC 3.88 will ensure tax definitions and reporting requirements are consistent and harmonious with the Business and Occupation Tax ACC 3.53.

Specifically amendments to this section will: add definitions for clarity ("electricity business" and "gross income"); clarify the Finance Director as the "Director" responsible for utility tax administration and regulation, add allowable deductions from taxable income; and specify the reporting and filing frequencies for utility tax payers earning different levels of gross income.

Reviewed by Council Committees:

Councilmember: Baggett

Staff:

Thomas

Meeting Date: June 13, 2022

Item Number:

ORDINANCE NO. 6870

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AMENDING CHAPTER 3.88 OF THE AUBURN CITY CODE RELATED TO UTILITY SERVICE TAX ADMINISTRATION, DEDUCTIONS AND FILING REQUIREMENTS, AND ADDING A NEW SECTION DEFINING CHAPTER TERMS

WHEREAS, in 2021 the City enacted a B&O tax and corresponding administrative provisions in Auburn City Code (ACC) Chapters 3.53 and 3.54; and

WHEREAS, with the B&O tax enactment, ACC Chapter 3.88 pertaining to City taxation of utility services should be revised and updated to ensure its consistency and harmony with ACC 3.53 and 3.54 in the following ways:

- The City's Finance Director should be designated as the Chapter enforcement officer, as the Director is in the best position to determine appropriate City utility tax administration and regulation;
- State sales and use taxes collected by utilities and certain natural gas utility derived income should be added as a deduction from utility City taxes;
- City utility tax return filing frequencies and payment requirements should be specified for utility taxpayers earning different levels of gross income; and

WHEREAS, certain terms used within ACC 3.88 should be defined for clarity and precision, and a new section containing those applicable definitions should also be added to the chapter for this purpose; and

WHEREAS, these revisions and additions to ACC 3.88 will enable greater clarity and precision in the administration and implementation of City taxation, and they are in the best interest of the City, its business community and its taxpayers.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as follows:

Section 1. Amendment to City Code. Chapter 3.88 of the Auburn City Code is amended to read as set forth in Exhibit A to this Ordinance.

Section 2. **New section to City Code.** A new section ACC 3.88.035 defining applicable terms within ACC 3.88 is added to the chapter, to read as set forth in Exhibit A to this Ordinance.

Section 3. **Implementation.** The Mayor is authorized to implement those administrative procedures necessary to carry out the directives of this legislation.

Section 4. **Severability.** The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of the application of it to any person or circumstance, will not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 5. **Effective date.** This Ordinance will take effect and be in force five days from and after its passage, approval, and publication as provided by law.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Shawn Campbell, MMC, City Clerk

Kendra Comeau, City Attorney

Published: _____

EXHIBIT A—ORD. 6870

ACC 3.88.020 Administration rules and regulations.

The ~~e~~City Finance Director ~~clerk~~ is authorized to adopt, publish and enforce, from time to time, rules and regulations for the proper administration of this chapter, and it is unlawful to violate or to fail to comply with any such rule or regulation lawfully promulgated under this section.

[New Section] ACC 3.88.035 Definitions.

In construing the provisions of this chapter, except when otherwise plainly declared or clearly apparent from the context, the following definitions shall be applied:

“Electricity business” means the business of producing, transmitting, distributing, or selling electricity; provided, however, a division or department of the City that is subject to the City’s Utilities Gross Earnings Tax as provided in Chapter 6A.100 is not included in this definition or chapter.

“Gross income” means the value proceeding or accruing from the sale of tangible property or service, and receipts (including all sums earned or charged, whether received or not) by reason of the investment of capital in the business engaged in, including rentals, royalties, fees, or other emoluments, however designated (excluding receipts or proceeds from the use or sale of real property or any interest therein, and proceeds from the sale of notes, bonds, mortgages, or other evidences of indebtedness, or stocks and the like) and without any deduction on account of the cost of the property sold, the cost of materials used, labor costs, interest or discount paid, or any expense whatsoever, and without any deduction on account of losses.

ACC 3.88.050 Tax Deductible – ~~Exempt~~ revenues.

In computing the annual tax there shall be deducted from the gross revenues the following items:

A. The amount of credit losses and uncollectibles actually sustained by the taxpayer;

B. Amounts derived from transactions in interstate or foreign commerce or from any business which the city is prohibited from taxing under the Constitution of the United States or the state.

C. Any retail sales or use taxes collected by the taxpayer from consumers to be remitted to the Washington State Department of Revenue.

D. Income derived from the activities of selling tangible personal property or providing services of a type that can be sold or provided by persons not in the business of transmitting, distributing, or selling natural gas for which a separate charge is made; provided, that income derived from activity incidental to transmitting, distributing, or selling natural gas may not be deducted from gross income subject to the tax under this chapter.

ACC 3.88.060**Tax Return Filing and —Payment Requirements—Returns.**

Taxpayers subject to the tax imposed by this chapter shall record and report tax due on a City tax return form, and shall file the return and pay the corresponding tax due to the City finance director, as follows:

A. Taxpayers with gross income of less than \$2,000 per calendar year that do not maintain a permanent operating location within the City are exempt from the tax and return requirements imposed by this chapter.

B. Taxpayers with gross income of \$20,000 per month or less: unless subsection A of this section applies, the taxes imposed by this chapter shall be reported annually, and paid on or before January 31st of the year following the year in which the income was received.

C. Taxpayers with gross income between \$20,000 per month and \$100,000 per month: the taxes imposed by this chapter shall be reported quarterly, and paid on or before the 30th day of the month after the end of the quarterly period in which the income was received.

Such quarterly periods are as follows:

1st quarter – January, February, March

2nd quarter – April, May, June

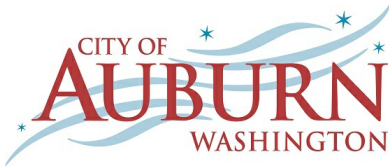
3rd quarter – July, August, September

4th quarter – October, November, December

D. Taxpayers with gross income exceeding \$100,000 per month: the taxes imposed by this chapter shall be reported monthly, and paid on or before the 30th day of the month after the month in which the income was received.

E. Finance director reservation of rights. The City Finance Director reserves the right to assign individual taxpayer tax return filing frequency on a case by case basis.

~~The tax imposed by ACC 3.88.040 shall be due and payable quarterly on or before the last day of the month following the end of each quarterly period in each year, with the first quarterly payment payable on the last day in October, 1976. On or before the due date the taxpayer shall file with the city clerk a written return, upon such form and setting forth such information as the clerk shall reasonably require, together with the payment of the amount of the tax.~~



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6872 (Thomas) (5 Minutes)

Date:

June 8, 2022

Department:

Finance

Attachments:

[Ordinance No. 6872](#)

[Ordinance No. 6872 Exhibit](#)

Budget Impact:**Administrative Recommendation:**

For discussion only.

Background for Motion:**Background Summary:**

In May 2021 the Auburn City Council adopted ACC 3.53 Business and Occupation Tax, which first became effective in January 1, 2022. In this time the City has been working to consolidate processes and tax forms that businesses use for reporting all taxes to the City. Amendments to ACC 3.41 will ensure tax definitions and reporting requirements are consistent and harmonious with the Business and Occupation Tax ACC 3.53. Specifically, amendments to ACC 3.41 Garbage Utility Tax will: add definitions for clarity ("gross income", "solid waste" and "solid waste collection services"); identify allowable deductions from taxable income; identify method for refunding overpayments; and and specify the reporting and filing frequencies for solid waste garbage utility tax payers earning different levels of gross income.

Reviewed by Council Committees:

Councilmember: Baggett

Staff:

Thomas

Meeting Date: June 13, 2022

Item Number:

ORDINANCE NO. 6872

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AMENDING CHAPTER 3.41 OF THE AUBURN CITY CODE RELATED TO GARBAGE UTILITY TAX AND ADDING NEW SECTIONS DEFINING CHAPTER TERMS, TAX FILING FREQUENCIES, ELIGIBLE DEDCUTIONS, AND PROVISIONS FOR OVERPAYMENT OF TAX

WHEREAS, in 2021 the City enacted a B&O tax and corresponding administrative provisions in Auburn City Code (ACC) Chapters 3.53 and 3.54; and

WHEREAS, with the B&O tax enactment, ACC Chapter 3.41 pertaining to City taxation of garbage services should be revised and updated to ensure its consistency and harmony with ACC 3.53 and 3.54 in the following ways:

- To define terms in the code (such as “gross income”, “solid waste”, and “solid waste collection service”);
- State sales and use taxes collected by a solid waste collection business directly from customers and remitted to the State, should be added as a deduction from taxable income;
- Outline the method for refunding overpayment of solid waste garbage utility taxes;
- City solid waste garbage tax return filing frequencies and payment requirements should be specified for taxpayers earning different levels of gross income; and

WHEREAS, certain terms used within ACC 3.41 should be defined for clarity and precision, and a new section containing those applicable definitions should also be added to the chapter for this purpose; and

WHEREAS, these revisions and additions to ACC 3.41 will enable greater clarity and precision in the administration and implementation of City taxation, and they are in the best interest of the City, its business community and its taxpayers.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as follows:

Section 1. Amendment to City Code. Chapter 3.41 of the Auburn City Code is amended to read as set forth in Exhibit A to this Ordinance.

Section 2. New section to City Code. A new section ACC 3.41.011 defining applicable terms, a new section ACC 3.41.012 defining tax return filing frequencies, a new section ACC 3.41.013 defining qualifying deductions, and new section ACC 3.41.014 outlining the method for refunding tax overpayments, within ACC 3.41 is added to the chapter, to read as set forth in Exhibit A to this Ordinance.

Section 3. Implementation. The Mayor is authorized to implement those administrative procedures necessary to carry out the directives of this legislation.

Section 4. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of the application of it to any person or circumstance, will not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 5. **Effective date.** This Ordinance will take effect and be in force five days from and after its passage, approval, and publication as provided by law.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Shawn Campbell, MMC, City Clerk

Kendra Comeau, City Attorney

Published: _____

EXHIBIT A – ORD. 6872

Chapter 3.41

SOLID WASTE GARBAGE UTILITY TAX

ACC 3.41.010 Tax created.

A. There is created a ~~10% percent~~ tax to be levied on and after January 1, 2021, against and upon the gross receipts and total annual revenues of:

1. The city's garbage fund; and
2. All solid waste utilities and every business enterprise or other entity engaged in handling solid waste.

~~B. For the purposes of this section "solid waste" means garbage, recyclables and yard debris.~~

~~C.B.~~ The finance director is directed to collect this tax and to pay the collected funds into the city's general expense fund, subject to subsection ~~C.D.~~ of this section.

~~D.C.~~ On and after January 1, 2021, the finance director shall allocate ~~1% one percent~~ of the tax revenue received under this section to the city's arterial street preservation fund.

~~E.D.~~ The tax rate in subsection A of this section shall automatically revert to ~~9% nine percent~~ if the state of Washington provides the city's arterial street preservation fund with a long-term sustainable funding source that is sufficient to maintain the city's arterial street system's pavement condition index (PCI) at an average of 70 PCI out of a score of 100 PCI for the foreseeable future.

~~F.E.~~ Pursuant to RCW 35.68.560, nothing in this section shall be intended or construed to impose a tax on any county owned or operated solid waste facility.

[New Section] ACC 3.41.011 Definitions.

A. "Gross income" means the value proceeding or accruing from the sale of tangible property or service, and receipts (including all sums earned or charged, whether received or not) by reason of the investment of capital in the business engaged in, including rentals, royalties, fees, or other emoluments, however designated (excluding receipts or proceeds from the use or sale of real property or any interest therein, and proceeds from the sale of notes, bonds, mortgages, or other evidences of indebtedness, or stocks and the like) and without any deduction on account of the cost of the property sold, the cost of materials used, labor costs, interest or discount paid, or any expense whatsoever, and without any deduction on account of losses.

B. "Solid waste" means garbage, trash, rubbish, or other material discarded as worthless or not economically viable for further use, infectious, hazardous, or toxic wastes, and recyclable or reusable materials collected, in whole or part, for recycling or salvage.

C. "Solid waste collection service" means receiving solid waste for transfer, processing, treatment, storage, or disposal including, but not limited to, all collection services, public or private dumps, transfer stations, and similar operations.

[New Section] ACC 3.41.012 Tax – Payment – Returns.

A. Exemption from tax and return requirement. Taxpayers with gross income of less than \$2,000 per calendar year that do not maintain a permanent operating location within the City are exempt from the tax and return requirements imposed by this chapter.

B. Tax return filing and payment requirements. Taxpayers subject to the tax imposed by this chapter shall record and report tax due on a City tax return form, and shall file the return and pay the corresponding tax due to the City finance director, as follows:

1. Taxpayers with gross income exceeding \$20,000 per month: the taxes imposed by this chapter shall be due in quarterly installments, and paid on or before the 30th day of the month after the end of the quarterly period in which the income was received.

Such quarterly periods are as follows:

1st quarter – January, February, March

2nd quarter – April, May, June

3rd quarter – July, August, September

4th quarter – October, November, December

2. Taxpayers with gross income of \$20,000 per month or less: unless subsection A of this section applies, the taxes imposed by this chapter shall be due annually, and paid on or before January 31st of the year following the year in which the income was received.

3. Finance director reservation of rights. The Finance Director reserves the right ~~to~~ gross review and reassign tax filing frequency on a case by case basis, as warranted by administrative requirements.

[New Section] ACC 3.41.013 Deductions.

A. There may be deducted from the total gross income upon which the tax is computed revenues derived from business which the City is prohibited from taxing under the constitution or laws of the state of Washington or the United States or the Charter of the City.

B. There may be deducted from the total gross income upon which the tax is computed the amount of state excise taxes, pursuant to RCW 82.18, imposed directly upon persons using the service of a solid waste collection business and collected for payment to the state by the solid waste collection business.

[New Section] ACC 3.41.014 Overpayment of tax.

A. If a taxpayer refund request or an audit or examination of the taxpayer's records reveals that the taxpayer has paid tax exceeding that properly due within the 2 years immediately preceding the request, audit or examination, the City shall (at the taxpayer's option) credit the excess amount paid to the taxpayer's account or refund the excess amount to the taxpayer.

B. No refund or credit will be allowed for any payment made more than 2 years before the date that such request, audit or examination is commenced.

C. Where a refund or credit is disallowed by the lapse of the 2 year period in this section, the Director may use the credit or refund amount otherwise allowable to offset any tax deficiency determined by the Director to be due for the tax assessment period preceding the 2 year period.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6873 (Thomas) (5 Minutes)

Date:

June 8, 2022

Department:

Finance

Attachments:

[Ordinance No. 6873](#)

[Ordinance No. 6873 Exhibit](#)

Budget Impact:**Administrative Recommendation:**

For discussion only.

Background for Motion:**Background Summary:**

In May 2021 the Auburn City Council adopted ACC 3.53 Business and Occupation Tax, which first became effective in January 1, 2022. During this time the City has been working to consolidate and improve the tax forms and processes businesses use to report and file utility tax to the City. This amendment provides clarity for tax filing and reporting frequencies for businesses paying and reporting cable television utility tax.

Reviewed by Council Committees:

Councilmember: Baggett

Staff:

Thomas

Meeting Date: June 13, 2022

Item Number:

ORDINANCE NO. 6873

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AMENDING CHAPTER 3.42 OF THE AUBURN CITY CODE RELATED TO CABLE TELEVISION UTILITY TAX ADDING A NEW SECTION RELATED TO TAX FILING FREQUENCIES.

WHEREAS, in 2021 the City enacted a B&O tax and corresponding administrative provisions in Auburn City Code (ACC) Chapters 3.53 and 3.54; and

WHEREAS, with the B&O tax enactment, ACC Chapter 3.42 pertaining to City taxation of cable television services should be revised and updated to ensure its consistency and harmony with ACC 3.53 and 3.54 in the following ways:

- City cable television utility tax return filing frequencies and payment requirements should be specified for taxpayers earning different levels of gross income; and

WHEREAS, these additions to ACC 3.42 will enable greater clarity and precision in the administration and implementation of City taxation, and they are in the best interest of the City, its business community and its taxpayers.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as follows:

Section 1. New section to City Code. A new section ACC 3.42.030 defining tax return filing frequencies, within ACC 3.42 is added to the chapter, to read as set forth in Exhibit A to this Ordinance.

Section 2. Implementation. The Mayor is authorized to implement those administrative procedures necessary to carry out the directives of this legislation.

Section 3. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision,

section, or portion of this ordinance, or the invalidity of the application of it to any person or circumstance, will not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 4. **Effective date.** This Ordinance will take effect and be in force five days from and after its passage, approval, and publication as provided by law.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Shawn Campbell, MMC, City Clerk

Kendra Comeau, City Attorney

Published: _____

EXHIBIT A – ORD. 6873

[New Section] ACC 3.42.030 Tax – Payment – Returns.

A. Exemption from tax and return requirement. Taxpayers with gross income of less than \$2,000 per calendar year that do not maintain a permanent operating location within the City are exempt from the tax and return requirements imposed by this chapter.

B. Tax return filing and payment requirements. Taxpayers subject to the tax imposed by this chapter shall record and report tax due on a City tax return form, and shall file the return and pay the corresponding tax due to the City finance director, as follows:

1. Taxpayers with gross income exceeding \$20,000 per month: the taxes imposed by this chapter shall be due in quarterly installments, and paid on or before the 30th day of the month after the end of the quarterly period in which the income was received.

Such quarterly periods are as follows:

1st quarter – January, February, March

2nd quarter – April, May, June

3rd quarter – July, August, September

4th quarter – October, November, December

2. Taxpayers with gross income of \$20,000 per month or less: unless subsection A of this section applies, the taxes imposed by this chapter shall be due annually, and paid on or before January 31st of the year following the year in which the income was received.

3. Finance director reservation of rights. The City Finance Director reserves the right to **review and reassign** tax return filing frequency on a case by case basis, as warranted by administrative requirements.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6874 (Thomas) (5 Minutes)

Date:

June 8, 2022

Department:

Finance

Attachments:

[Ordinance No. 6874](#)

[Ordinance No. 6874 Exhibit](#)

Budget Impact:**Administrative Recommendation:**

For discussion only.

Background for Motion:**Background Summary:**

In May 2021 the Auburn City Council adopted ACC 3.53 Business and Occupation Tax, which first became effective in January 1, 2022. During this time the City has been working to consolidate and improve the tax forms and processes businesses use to report and file utility tax to the City. This amendment defines additional terms ("amusement games", "bingo", "bona fide charitable or nonprofit organization", "pull-tabs", "public card room", "punchboard", and "raffle"); and provides clarity for tax filing and reporting frequencies for businesses paying and reporting gambling activity taxes.

Reviewed by Council Committees:

Councilmember: Baggett

Staff:

Thomas

Meeting Date: June 13, 2022

Item Number:

ORDINANCE NO. 6874

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AMENDING CHAPTER 3.80 OF THE AUBURN CITY CODE RELATED TO GAMBLING ACTIVITIES TAX FILING FREQUENCIES AND ADDING A NEW SECTION DEFINING CHAPTER TERMS

WHEREAS, in 2021 the City enacted a B&O tax and corresponding administrative provisions in Auburn City Code (ACC) Chapters 3.53 and 3.54; and

WHEREAS, with the B&O tax enactment, ACC Chapter 3.80 pertaining to City taxation of gambling activities should be revised and updated to ensure its consistency and harmony with ACC 3.53 and 3.54 in the following ways:

- To define additional terms in the code (such as “amusement games”, “bingo”, “bona fide charitable or nonprofit organization”, “pull-tabs”, “public card room”, “punchboard”, and “raffle”);
- City gambling activity tax return filing frequencies and payment requirements should be specified for taxpayers earning different levels of gross income; and

WHEREAS, certain terms used within ACC 3.80 should be defined for clarity and precision, and a new section containing those applicable definitions should also be added to the chapter for this purpose; and

WHEREAS, these revisions and additions to ACC 3.80 will enable greater clarity and precision in the administration and implementation of City taxation, and they are in the best interest of the City, its business community and its taxpayers.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as follows:

Section 1. Amendment to City Code. Chapter 3.80 of the Auburn City Code is amended to read as set forth in Exhibit A to this Ordinance.

Section 2. New section to City Code. A new section ACC 3.80.015 defining applicable terms within ACC 3.80 is added to the chapter, to read as set forth in Exhibit A to this Ordinance.

Section 3. Implementation. The Mayor is authorized to implement those administrative procedures necessary to carry out the directives of this legislation.

Section 4. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of the application of it to any person or circumstance, will not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 5. Effective date. This Ordinance will take effect and be in force five days from and after its passage, approval, and publication as provided by law.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Shawn Campbell, MMC, City Clerk

Kendra Comeau, City Attorney

Published: _____

EXHIBIT A—ORD. 6874

[NEW SECTION] ACC 3.80.015 – Definitions.

For purposes of this chapter, the following definitions shall be applied:

A. “Amusement game” means a game played for entertainment in which the contestant actively participates, the outcome depends in a material degree upon the skill of the contestant or which meets the requirements of RCW 9.46.0201, as now enacted or hereafter amended.

B. “Bingo” means a game in which prizes are awarded on the basis of designated numbers or symbols on a card conforming to numbers or symbols selected at random or which meets the requirements of RCW 9.46.0205, as now enacted or hereafter amended.

C. “Bona fide charitable or nonprofit organization” shall have the meaning set forth in RCW 9.46.0209, as now enacted or hereafter amended.

D. “Pull-tabs” means a game in which the participant, on payment of a nominal sum, receives a paper tab from a dispenser which is pulled apart to reveal a designated prize or meets the requirements of RCW 9.46.0273, as now enacted or hereafter amended.

E. “Public card room” means that area of the business being commercially stimulated set aside for the playing of card games.

F. “Punchboard” means a board with many holes filled with rolled-up printed slips to be punched out on payment of a nominal sum in an effort to obtain a slip that entitles the player to a designated prize or that meets the requirements of RCW 9.46.0273, as now enacted or hereafter amended.

G. “Raffle” means a game in which tickets bearing an individual number are sold for not more than \$25 each and in which a prize or prizes are awarded on the basis of a drawing from the tickets sold or which meets the requirements of RCW 9.46.0277, as now enacted or hereafter amended.

ACC 3.80.070

Tax – Exemption - Payment – Returnsports.

A. Exemption from tax and return requirement. Taxpayers with gross income of less than \$2,000 per calendar year that do not maintain a permanent operating location within the City are exempt from the tax and return requirements imposed by this chapter.

B. Payment of tax upon filing Washington State Gambling Commission report. ~~The taxes called for as set forth in ACC 3.80.040 and 3.80.060 shall be paid to the city finance director u~~Upon the filing of any report to the Washington State Gambling Commission of gambling moneys received, a taxpayer shall pay the taxes imposed by this chapter and file ~~by a license holder to the Washington State Gambling Commission, and~~ a duplicate copy of any such reports ~~shall be filed simultaneously with the city finance director along with the tax payment of the tax thereon.~~

C. Tax return filing and payment requirements. Taxpayers subject to the tax imposed by this chapter shall record and report tax due on a City tax return form, and shall file the return and pay the corresponding tax due to the City finance director, as follows:

1. Taxpayers with gross income exceeding \$20,000 per month: the taxes imposed by this chapter shall be due in quarterly installments, and paid on or before the 30th day of the month after the end of the quarterly period in which the income was received.

Such quarterly periods are as follows:

1st quarter – January, February, March

2nd quarter – April, May, June

3rd quarter – July, August, September

4th quarter – October, November, December

2. Taxpayers with gross income of \$20,000 per month or less: unless subsection A of this section applies, the taxes imposed by this chapter shall be due annually, and paid on or before January 31st of the year following the year in which the income was received.

3. Finance director reservation of rights. The City Finance Director reserves the right to review and reassign tax return filing frequency on a case by case basis, as warranted by administrative requirements.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6875 (Thomas) (5 Minutes)

Date:

June 8, 2022

Department:

Finance

Attachments:

[Ordinance No. 6875](#)

[Ordinance No. 6875 Exhibit](#)

Budget Impact:**Administrative Recommendation:**

For discussion only.

Background for Motion:**Background Summary:**

In May 2021 the Auburn City Council adopted ACC 3.53 Business and Occupation Tax, which first became effective in January 1, 2022. During this time the City has been working to consolidate and improve the tax forms and processes businesses use to report and file utility tax to the City. This amendment defines additional terms ("competitive telephone service", "gross income", "network telephone service", "pager service", and "place of primary use"); and provides clarity for tax filing and reporting frequencies for businesses paying and reporting telephone taxes.

Reviewed by Council Committees:

Councilmember: Baggett

Staff:

Thomas

Meeting Date: June 13, 2022

Item Number:

ORDINANCE NO. 6875

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AMENDING CHAPTER 3.84 OF THE AUBURN CITY CODE RELATED TO TELEPHONE BUSINESS CHAPTER TERMS, TAX FILING FREQUENCIES, AND DEDCUTIONS FROM TAX.

WHEREAS, in 2021 the City enacted a B&O tax and corresponding administrative provisions in Auburn City Code (ACC) Chapters 3.53 and 3.54; and

WHEREAS, with the B&O tax enactment, ACC Chapter 3.84 pertaining to City taxation of telephone businesses should be revised and updated to ensure its consistency and harmony with ACC 3.53 and 3.54 in the following ways:

- To define additional terms in the code (such as “competitive telephone service”, “gross income”, “network telephone service”, “pager service”, and “place of primary use”);
- To clarify income earned directly from the City of Auburn, shall be deducted from taxable income;
- Tax return filing frequencies and payment requirements should be specified for telephone businesses earning different levels of gross income; and

WHEREAS, certain terms used within ACC 3.84 should be defined for clarity and precision; and

WHEREAS, these revisions and additions to ACC 3.84 will enable greater clarity and precision in the administration and implementation of City taxation, and they are in the best interest of the City, its business community and its taxpayers.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as follows:

Section 1. Amendment to City Code. Chapter 3.84 of the Auburn City Code is amended to read as set forth in Exhibit A to this Ordinance.

Section 2. Implementation. The Mayor is authorized to implement those administrative procedures necessary to carry out the directives of this legislation.

Section 3. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of the application of it to any person or circumstance, will not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 4. Effective date. This Ordinance will take effect and be in force five days from and after its passage, approval, and publication as provided by law.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Shawn Campbell, MMC, City Clerk

Kendra Comeau, City Attorney

Published: _____

EXHIBIT A—ORD. 6875

ACC 3.84.010

Definitionsed.

A. “Telephone business” means the business of providing access to a local telephone network, local telephone network switching service, toll service, cellular telephone service, or coin telephone services, or providing telephonic, video, data, or similar communication or transmission for hire, via a local telephone network, toll line or channel, or similar communication or transmission system, and as more fully defined in RCW 82.04.065. It includes cooperative or farmer line telephone companies or associations operating an exchange. “Telephone business” does not include the providing of competitive telephone service, nor the providing of cable television service, nor the providing of broadcast services by radio or television stations.

B. “Cellular telephone service” is a two-way voice and data telephone/telecommunications system based in whole or substantially in part on wireless radio communications and which is not subject to regulation by the Washington Utilities and Transportation Commission (WUTC). This includes cellular mobile service. The definition of cellular mobile service includes other wireless radio communications services such as specialized mobile radio (SMR), personal communications services (PCS), and any other evolving wireless radio communications technology which accomplishes a purpose similar to cellular mobile service.

C. “Competitive telephone service” means the providing by any person of telecommunications equipment, apparatus, or service related to that equipment or apparatus, such as repair or maintenance services, if the equipment or apparatus is of a type which can be provided by persons that are not subject to regulation as telephone companies under RCW Title 80, and for which a separate charge is made. Transmission of communication through cellular telephones is defined as a “telephone business” in subsection A of this section rather than as a “competitive telephone service.”

D. “Gross income” means the value proceeding or accruing from the sale of tangible property or service, and receipts (including all sums earned or charged, whether received or not) by reason of the investment of capital in the business engaged in, including rentals, royalties, fees, or other emoluments, however designated (excluding receipts or proceeds from the use or sale of real property or any interest therein, and proceeds from the sale of notes, bonds, mortgages, or other evidences of indebtedness, or stocks and the like) and without any deduction on account of the cost of the property sold, the cost of materials used, labor costs, interest or discount paid, or any expense whatsoever, and without any deduction on account of losses.

E. “Network telephone service” means the providing by any person of access to a telephone network, telephone network switching service, toll service, or coin telephone service, or providing of telephonic, video, voice, data, or similar communication or

transmission for hire, via a telephone network, toll line or channel, cable, microwave, or similar communication or transmission system. Network telephone service includes the provision of electronic transmitting to and from the site of an internet service provider via a telephone network, toll line or channel, cable, microwave, or similar communication or transmitting system, without regard to whether such service is referred to as voice over internet protocol services. It also encompasses interstate service, including toll service, originating from or received on telecommunications equipment or apparatus in this state if the charge for the service is billed to a person in this state. Network telephone service does not include the providing of competitive telephone service, the providing of cable television service, or the providing of broadcast services by radio or television stations, nor the provision of internet service as defined in RCW 82.04.297, including the reception of dial-in connection provided at the site of the internet service provider.

F. "Pager service" means service provided by means of an electronic device which has the ability to send or receive voice or digital messages transmitted through the local telephone network via satellite or any other form of voice or data transmission.

G. "Place of primary use" means the residential street address or the primary business street address of the customer and in both cases must be located within the licensed service area of the home service provider.

ACC 3.84.020 ——— Competitive telephone service defined.

~~"Competitive telephone service" means the providing by any person of telecommunications equipment, apparatus, or service related to that equipment or apparatus, such as repair or maintenance services, if the equipment or apparatus is of a type which can be provided by persons that are not subject to regulation as telephone companies under RCW Title 80, and for which a separate charge is made. Transmission of communication through cellular telephones is classified as "telephone business" in ACC 3.84.010 rather than "competitive telephone service."~~

ACC 3.84.050 Tax – Payment – Return~~sschedule~~.

A. Exemption from tax and return requirement. Taxpayers with gross income of less than \$2,000 per calendar year that do not maintain a permanent operating location within the City are exempt from the tax and return requirements imposed by this chapter.

B. Tax return filing and payment requirements. Taxpayers subject to the tax imposed by this chapter shall record and report tax due on a City tax return form, and shall file the return and pay the corresponding tax due to the City finance director, as follows:

1. Taxpayers with gross income exceeding \$20,000 per month: the taxes imposed by this chapter shall be due in quarterly installments, and paid on or before the 30th day of the month after the end of the quarterly period in which the income was received.

Such quarterly periods are as follows:

1st First quarter – January, February, March

2nd Second quarter – April, May, June

3rd Third quarter – July, August, September

4th Fourth quarter – October, November, December

2. Taxpayers with gross income of \$20,000 per month or less: unless subsection A of this section applies, the taxes imposed by this chapter shall be due annually, and paid on or before January 31st of the year following the year in which the income was received.

3. Finance director reservation of rights. The City Finance Director reserves the right to review and reassign tax return filing frequency on a case by case basis, as warranted by administrative requirements. The tax imposed by this chapter shall be due and payable in quarterly installments and remittance shall be made on or before the thirtieth day of the month next succeeding the end of the quarterly period in which the tax accrued. Such quarterly periods are as follows:

First quarter – January, February, March

Second quarter – April, May, June

Third quarter – July, August, September

Fourth quarter – October, November, December

D. The first payment made hereunder shall be made by April 30, 1982, for the three-month period ending March 31, 1982. ~~On or before the due date the taxpayer shall file with the city clerk a written return, upon such form and setting forth such information as the clerk shall reasonably require, together with the payment of the amount of the tax.~~

ACC 3.84.060

Tax – Deductions.

In computing the tax there shall be deducted from the gross revenues the following items:

- A. The amount of credit losses and uncollectibles actually sustained by the taxpayer;
- B. A deduction from gross revenues shall be allowed, only to cellular telephone service companies which keep their regular books of account on an accrual basis, for the total amount of cash discounts and credit losses actually sustained by a taxpayer as a result of cellular telephone service business;
- C. Amounts derived from transactions in interstate or foreign commerce or from any business which the city of Auburn, Washington, is prohibited from taxing under the Constitution of the United States or the state of Washington;
- D. Amounts that the City pays to ~~derived by~~ the taxpayer ~~from the city of Auburn, Washington;~~
- E. That portion of the gross revenues derived from charges to another telecommunications company, as defined in RCW 80.04.010, for connecting fees, switching charges, or carrier access charges relating to intrastate toll telephone services, or for access to, or charges for, interstate services;
- F. Charges by a taxpayer engaging in a telephone business to a telecommunications company, as defined in RCW 80.04.010, for telephone service that the purchaser buys for the purpose of resale.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Human Services Program Update and Panel Presentation
(Tate) (50 Minutes)

Date:

June 6, 2022

Department:

Community Development

Attachments:

[Human Services Program Update Powerpoint](#)

[St. Stephens Housing Association Powerpoint](#)

Budget Impact:

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

Administrative Recommendation:

For information only.

Background for Motion:**Background Summary:**

Every two years, the City Council allocates General Fund dollars to make competitive funding available for nonprofit agencies providing services to Auburn residents. In the Fall of 2019, Cloudburst Consulting completed a Community Needs Assessment for Auburn to help guide Human Services funding priorities over the following five years. This Needs Assessment included recommendations for both priority funding areas and proportionate allocation to each one based on a targeted increase in Human Services funding, based on the community data they compiled.

These priority areas are:

Basic Needs

Homelessness Interventions

Housing and Associated Services

Housing Related Supportive Services

Job Training and Education

The total allocation of Human Services grant funding awarded in the 2021-2022 budget is \$680,000. This is a \$190,000 increase from the prior year funding, and represents 0.92% of the 2019 General Fund expenditures. With this funding, 39 programs across 32 agencies are contracted with the Human Services program, providing services to thousands of Auburn residents.

During this presentation, staff will provide an overview of 2022 YTD Human Services Program accomplishment data. Following the presentation, agencies representing each of Auburn's funded priority areas will provide a short presentation on their program, followed by an opportunity for questions and answers. Agencies represented on the panel are:

Aerospace Joint Apprenticeship Committee, African Community Housing and Development, St. Stephen Housing Association, and Ukrainian Community Center of Washington

Reviewed by Council Committees:

Councilmember: Mulenga

Staff: Tate

Meeting Date: June 13, 2022

Item Number:

CITY COUNCIL STUDY SESSION

HUMAN SERVICES PROGRAM UPDATE

**PRESENTED BY DEPARTMENT OF
COMMUNITY DEVELOPMENT
JUNE 13, 2022**

Department of Community Development

Planning • Building • Development Engineering • Permit Center • Economic Development • Community Services • Code Enforcement

AUBURN
VALUES

S E R V I C E
E N V I R O N M E N T
E C O N O M Y
C H A R A C T E R
S U S T A I N A B I L I T Y
W E L L N E S S
C E L E B R A T I O N

CITY OF AUBURN HUMAN SERVICES PROGRAM

- Allocates funding through a competitive application process to nonprofit agencies to provide direct services to community members.
- Currently manages contracts for 43 programs (General Fund and CDBG)
 - Contract management includes:
 - Oversight of agency reports and invoicing
 - Regular monitoring of contracted agencies
 - Support for agencies to identify and overcome barriers to service provision

HUMAN SERVICES ELIGIBILITY

- In order to be considered for funding, agencies must:
 - Meet one or more of the City of Auburn's funding priorities
 - Have 501(c)(3) status, or have a 501(c)(3) fiscal sponsor in place by the time the application period closes
 - Have a nondiscrimination policy in place
 - Meet minimum insurance requirements
 - Be willing and able to accept reimbursement for funds based on service unit completion
 - If funded, regularly track and submit required reports regarding services and demographics, and undergo regular monitoring

GENERAL FUND VS CDBG



■ General Fund Human Services dollars

- \$680,000
- Competitive funding for direct service nonprofit agencies
- Guided by Human Services Funding Priorities set by Council
- Approved by City Council every other year during budget process

■ CDBG dollars

- \$598,383*
- Funds support city's Housing Repair program, public facility ADA improvements, public services (limited)
- Guided by Consolidated Plan and Annual Action Plans
- Approved by City Council every year

CITY OF AUBURN HUMAN SERVICES PROGRAM

- Supports coordination, collaboration, and capacity building for nonprofit agencies
 - Facilitates monthly SKC Forum on Homelessness meeting
 - Facilitates monthly rental assistance providers roundtable
- Staff work closely with regional partners to better assess need and advocate for the Auburn and South King County community
- Auburn participates in Share1App, a common Human Services application process shared by 16 King County cities
- Agencies have the opportunity to submit funding applications every two years for programs that meet the City's priority service areas.

SERVICE • ENVIRONMENT • ECONOMY • CHARACTER • SUSTAINABILITY • WELLNESS • CELEBRATION

2021-2022 PRIORITY AREAS

1. Housing and Associated Services

Programs that provide ongoing housing or rental assistance and supportive services for individuals and families experiencing homelessness utilizing the Progressive Engagement model. Programs are characterized by ongoing case management and wraparound services as needed in addition to rental or other housing supports.

2. Homelessness Interventions

Programs that engage individuals and families experiencing homelessness in housing problem solving, including shorter-term, “light touch” models such as diversion and rapid exit from shelter.

3. Housing-related Supportive Services

Programs that meet housing related basic needs, including eviction prevention, utility assistance, shelter, storage, laundry, showers, and other homelessness prevention supports.

4. Basic Needs

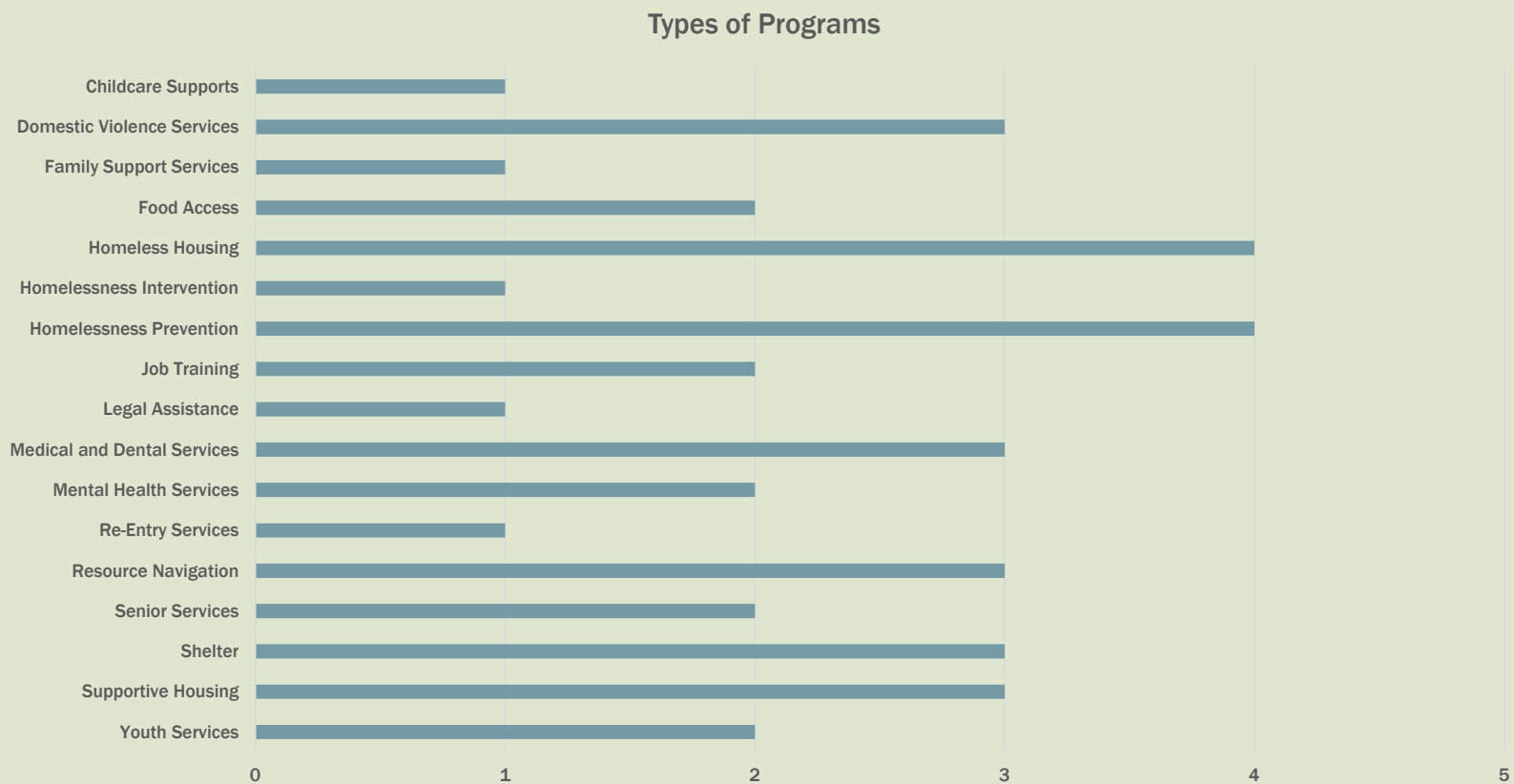
Programs that meet a diverse array of non-housing related basic needs, including food access, youth programming, domestic violence advocacy, physical and behavioral health, childcare resources, immigration supports, legal assistance, etc.

5. Job Training and Education

Programs that provide education, job training and placement, or apprenticeship opportunities with the aim of increasing economic opportunities for participants.

2022 PROGRAM SNAPSHOT

2021 – 2022 EXPENDITURES BY PROGRAM TYPE

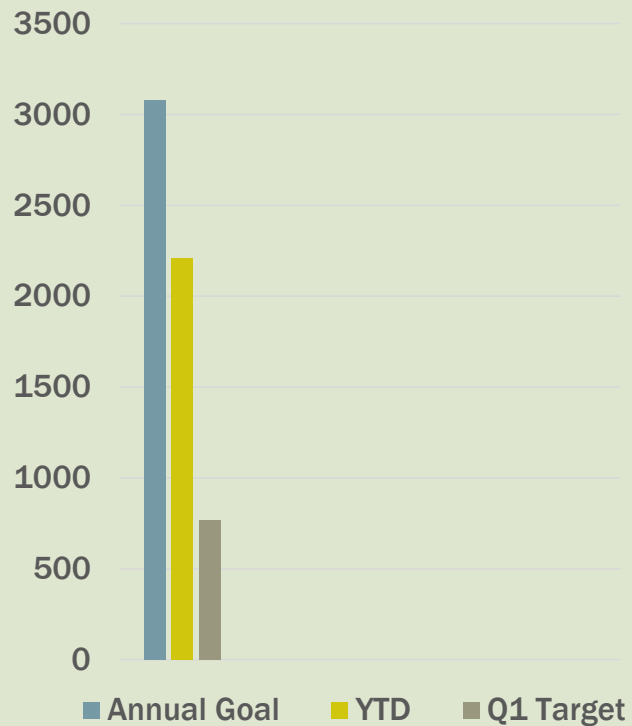


JANUARY – MARCH, 2022

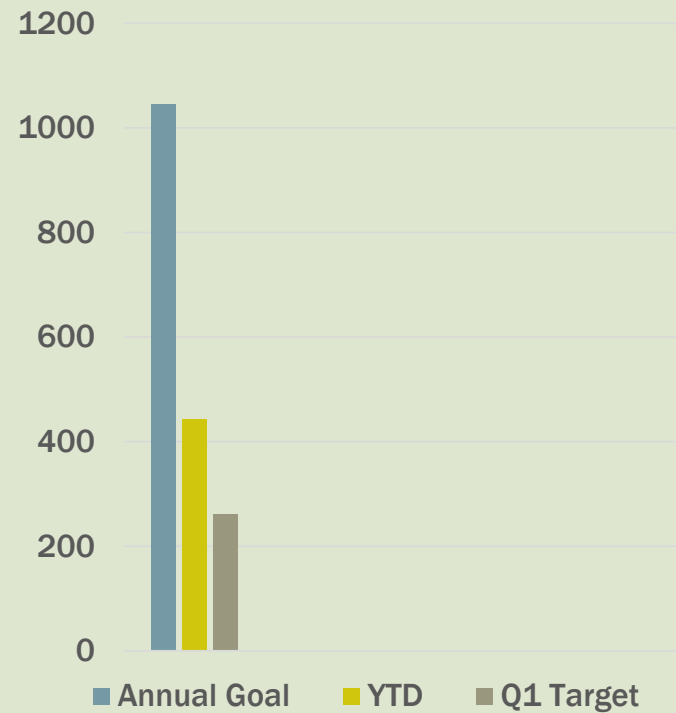
- **39 Programs Funded through General Funds**
 - **7383 Auburn Residents served across all programs**
 - **2211 Bed nights provided**
 - **443 Case management sessions**
 - **247 Auburn Residents received eviction prevention financial resources**
 - **22 Auburn Residents enrolled in job training services**

JANUARY – MARCH 2022

Number of Bed Nights

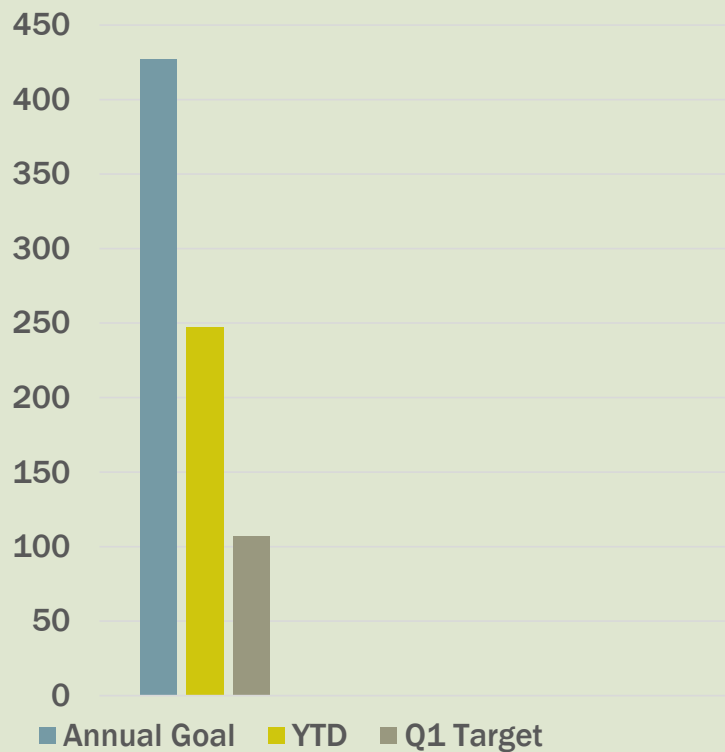


Case Management Sessions



JANUARY – MARCH 2022

Ind. Receiving Rental Assistance



Ind. Enrolled in Job Training



AGENCY PANEL PRESENTATION

UKRAINIAN COMMUNITY CENTER OF WASHINGTON: REFUGEE ASSISTANCE PROGRAM

Priority Area:
Basic Needs

AFRICAN COMMUNITY HOUSING & DEVELOPMENT: SOCIAL SERVICES PROGRAM

Priority Area:
Housing and
Associated
Services

ST. STEPHEN HOUSING ASSOCIATION: TRANSITIONAL HOUSING

Priority Area:
Housing and
Associated
Services

AEROSPACE JOINT APPRENTICESHIP COMMITTEE: ADVANCED MANUFACTURING PREP (APM) TRAINING CENTER

**Priority Area:
Job Training
and Education**

QUESTIONS?



ST. STEPHEN HOUSING ASSOCIATION



Rising to the Challenge

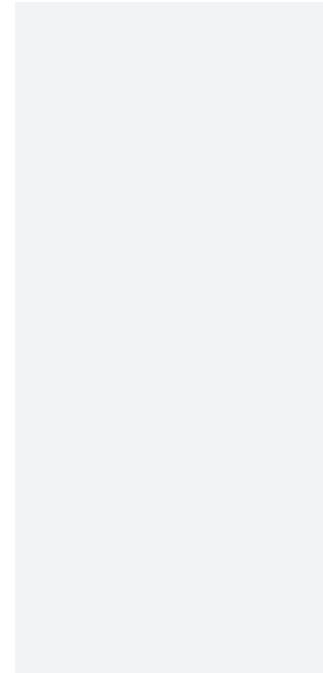
OUR FAMILIES

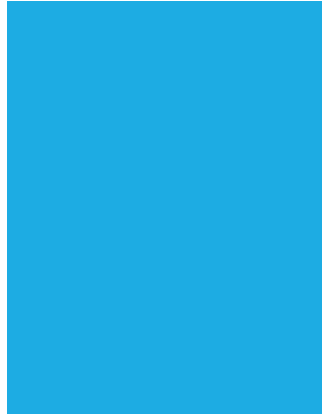
This is why we do what we do. We are honored to be a part of these families' lives. Despite the challenges of the last year, 10 families exited to stable housing in 2021. Those families made great strides in their lives, paying off debts, saving money, staying clean and sober, sending kids to school, finding work and ultimately moving to permanent housing.



BEING IN COMMUNITY

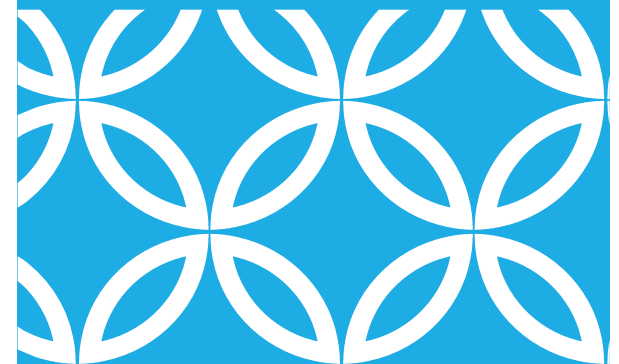
Taking time to be
together in
community and
celebration helps
families heal from
trauma.





VOLUNTEERS AT WORK

We couldn't do what we do without our volunteers. From Day of Caring, to MLK Day of Service, to coat and supply drives, to fundraisers, generous volunteers bring our mission alive.



KING COUNTY EVICTION PREVENTION AND RENTAL ASSISTANCE

St. Stephen Housing partnered with King County to help provide rental assistance to the thousands of households facing eviction due to economic struggles caused by the pandemic. Since 2021 we have distributed **over \$8.5 million in rental assistance to 660 households.**

NEED HELP WITH RENT?

King County Eviction Prevention and Rental Assistance Program

Do you meet the following criteria?

- Income is at or below 50% of Area Median Income
- Owe ANY past due rent since March 2020—present
- Renting in King County
- Experiencing a financial hardship due to the COVID-19 outbreak



Phone line staffed by
St. Stephen Housing
Association

For more info or to apply for rental assistance,

CALL 253-677- 4159

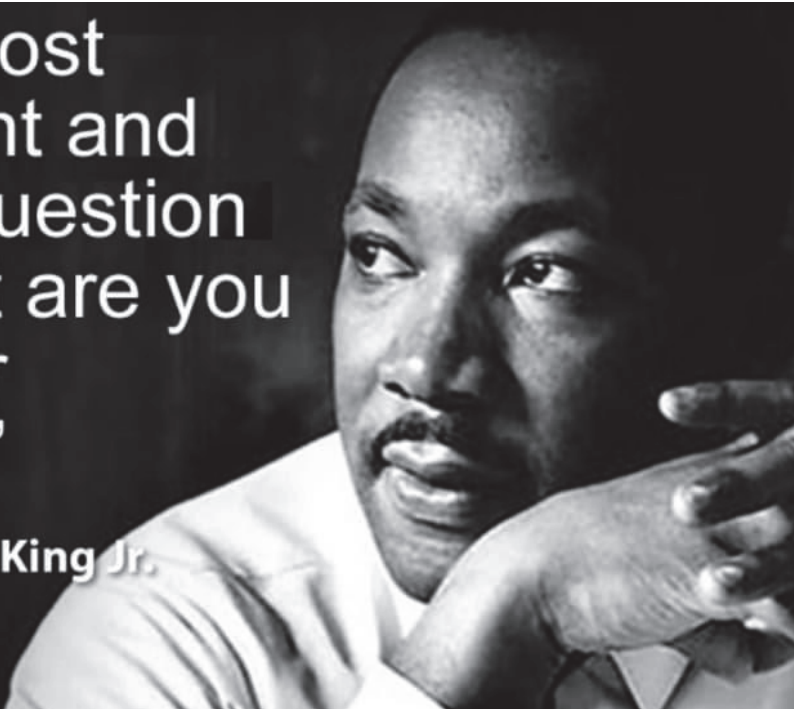
8am to 8pm, 7 days a week

Or email renthelpinfo@gmail.com

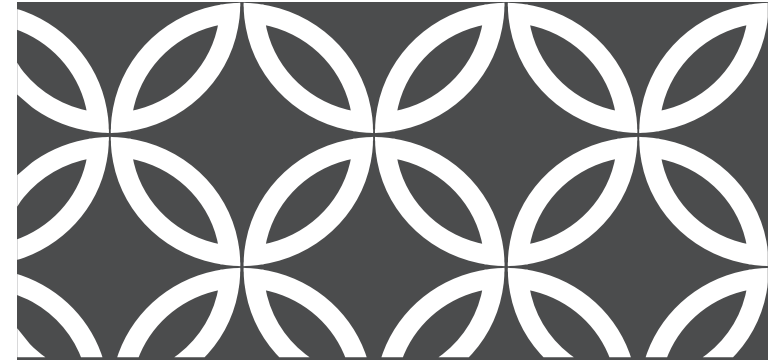


“Life’s most persistent and urgent question is, ‘What are you doing for others?’”

Martin Luther King Jr.



LOOKING AHEAD



Looking ahead in 2022

- The Department of Commerce Housing Preservation Program awarded SSHA \$175,000 for renovations to the City Park Facility.
- Continuation of rental assistance program through a partnership with the United Way.
- Working on grant funding and with a local realtor to purchase additional units to house families experiencing homelessness.

INTERESTED IN VOLUNTEERING OR WANT
TO KNOW MORE?
CONTACT US AT
253-638-9798
aallen@ststephenhousing.org

How can you help?

- *Become a Board Member
- *Landscaping/yard work
- *Unit turn over and repair
- *Furniture moving
- *House welcoming set up
- *Social media volunteer
- *Special events

www.ststepenhousing.org





AGENDA BILL APPROVAL FORM

Agenda Subject:

Human Services Funding Overview (Tate) (20 Minutes)

Date:

June 6, 2022

Department:

Community Development

Attachments:

[Human Services Funding Overview Powerpoint](#)

Budget Impact:

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

Administrative Recommendation:

For information only.

Background for Motion:**Background Summary:**

Community Services staff will share an update on the 2023-2024 Human Services Grant application cycle, including initial data about applications received and the timeline for Human Services Committee review and recommendations

In the Spring of every even year, the City of Auburn in partnership with 15 other cities in the Human Services Funders Collaborative accept requests for Human Services funding using one common application. The application process for the 2023-2024 funding cycle opened on March 14, 2022 and closed on April 29, 2022. This competitive funding process is open to nonprofit agencies providing services to Auburn residents.

Staff will provide an overview of the application cycle, including outreach, technical assistance, initial data on applications received, feedback from applicant agencies, and planned timeline for Human Services Committee review and recommendation.

Reviewed by Council Committees:

Councilmember: Mulenga

Staff:

Tate

Meeting Date: June 13, 2022

Item Number:

CITY COUNCIL STUDY SESSION

**2023-2024
HUMAN SERVICES
FUNDING CYCLE UPDATE**

**PRESENTED BY DEPARTMENT OF
COMMUNITY DEVELOPMENT
JUNE 13, 2022**

Department of Community Development

Planning • Building • Development Engineering • Permit Center • Economic Development • Community Services • Code Enforcement

AUBURN
VALUES

S E R V I C E
E N V I R O N M E N T
E C O N O M Y
C H A R A C T E R
S U S T A I N A B I L I T Y
W E L L N E S S
C E L E B R A T I O N

GENERAL FUND VS CDBG



- **General Fund Human Services dollars**
 - \$600,000
 - Competitive funding for direct service nonprofit agencies
 - Guided by Human Services Funding Priorities set by Council
 - Approved by City Council every other year during budget process

- **ARPA Funds for Human Services**
 - \$500,000
 - Competitive funding for direct service nonprofit agencies
 - Guided by Human Services Funding Priorities, Council-directed use, and Federal guidelines for allowable use
 - One time inflow for 2023-2024

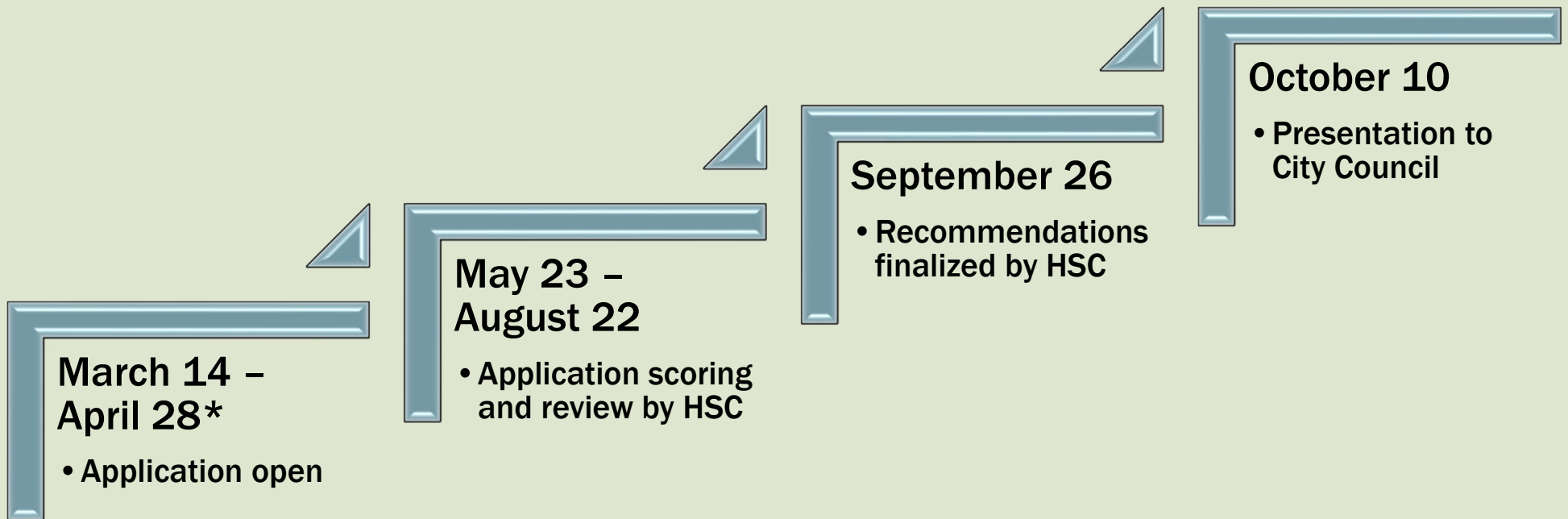
- **CDBG dollars**
 - \$598,383*
 - The City can allocate up to **15%** of the annual funding award to public services
 - Guided by Consolidated Plan and Annual Action Plans
 - Approved by City Council every year
 - The City attempts to allocate the maximum to public services each year

APPLICATION BASICS

- Auburn participates in Share1App, a common Human Services application process shared by 16 King County cities
- In order to be considered for funding, agencies must:
 - Meet one or more of the City of Auburn's funding priorities
 - Complete and upload the City's supplemental questionnaire
 - Have 501(c)(3) status, or have a 501(c)(3) fiscal sponsor in place by the time the application period closes
 - Have a nondiscrimination policy in place
 - Meet minimum insurance requirements
 - Be willing and able to accept reimbursement for funds based on service unit completion
 - If funded, regularly track and submit required reports regarding services and demographics, and undergo regular monitoring
- Applications are reviewed and scored by the Human Services Committee, with funding recommendations finalized in the fall

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2021-2022 APPLICATION REVIEW TIMELINE



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OUTREACH

- **Email outreach to all prior applicants, interested agency lists, and community groups**
 - December 2021 – April 2022
 - February 2022: Auburn supplemental information for applicant agencies emailed out and posted on the application website, detailing info on Technical Assistance, scoring, Auburn-specific priorities and requirements, and contact info for city staff
 - Weekly outreach and reminders once application opened
- **Information on City website**
- **Presentations and outreach to community groups**
 - South King County Forum on Homelessness
 - Auburn Community Roundtable
 - South King County Mobility Coalition

REGIONAL TECHNICAL ASSISTANCE AND SUPPORT

- Consortium-wide application workshops with a question-by-question walkthrough
 - March 14th – 150 Attendees
 - March 15th – 50 Attendees
 - Recording available on application website
 - All questions asked posted with answers on the application website
- Help guides and FAQ documents
 - How to complete each section
 - Video going through the full application
 - Short videos on the most commonly asked application questions
- “Help Desk” email account staffed 5 days per week by rotating City staff

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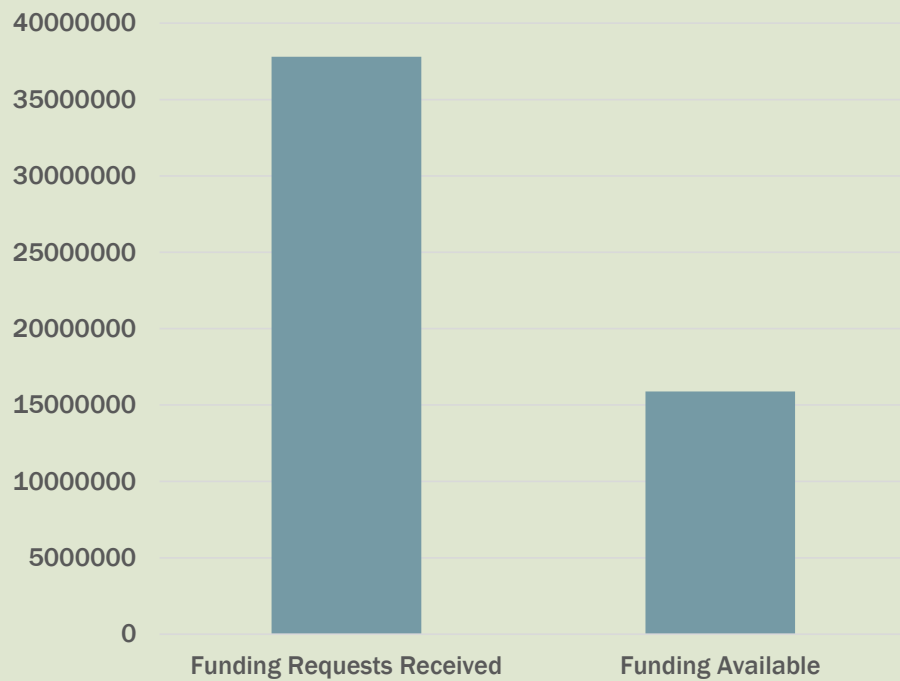
TECHNICAL ASSISTANCE AND SUPPORT

- Auburn virtual TA sessions:
 - March 17, Basic Needs: 11 attendees
 - March 18, Job Training and Education: 2 attendees
 - March 21, Homelessness Interventions: 6 attendees
 - March 22, Housing Stability: 9 attendees
 - March 28, CDBG: 19 attendees
 - April 5, General: 2 attendees
 - April 7, General: 0 attendees
 - April 13, General: 5 attendees
- One-on-one TA provided over phone and email as needed, through 5pm on April 26 (32 unduplicated agencies)
- Full guide to navigating the application on City website
- Answers to any TA questions updated on Auburn website
- Our advice: **If in doubt, please reach out!**

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INITIAL DATA

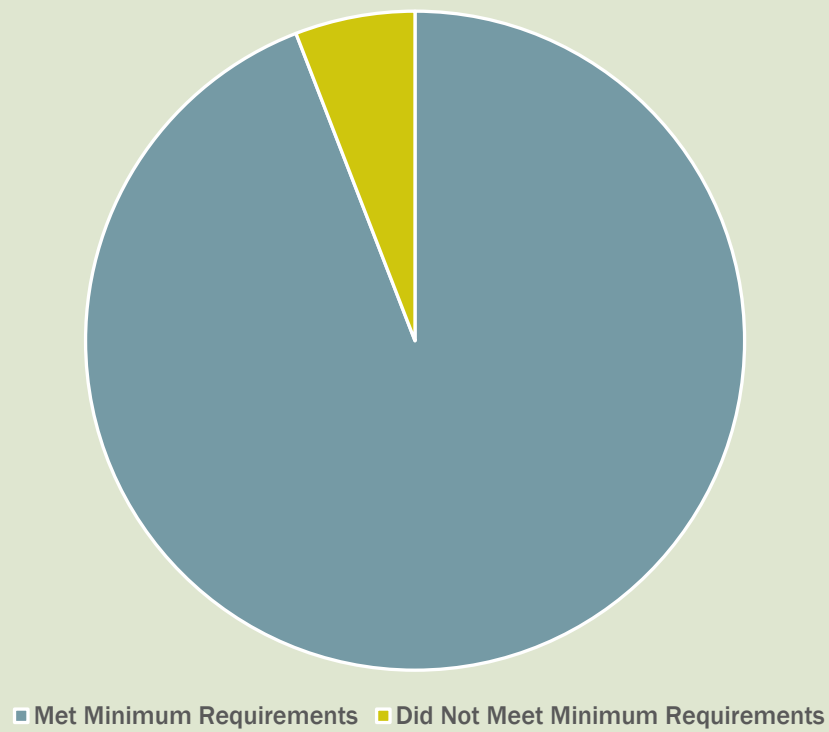
Human Services Funders Collaborative



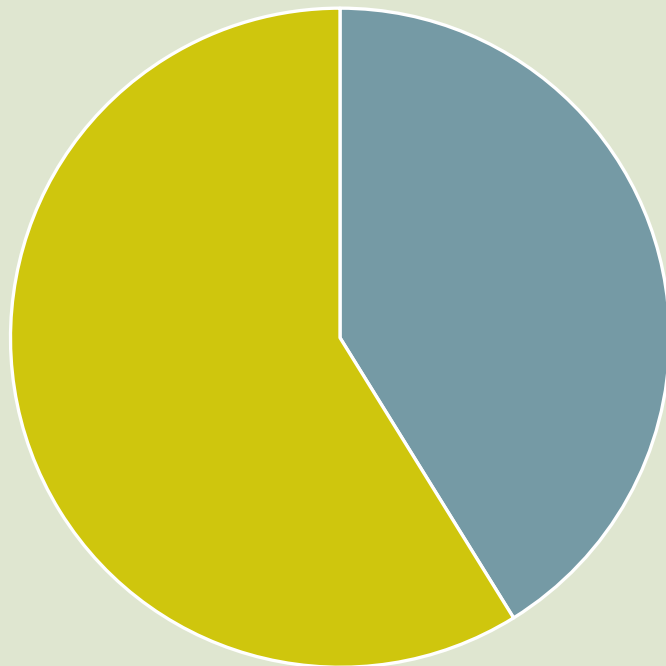
Auburn Proportionate Data



INITIAL DATA - APPLICATIONS RECEIVED



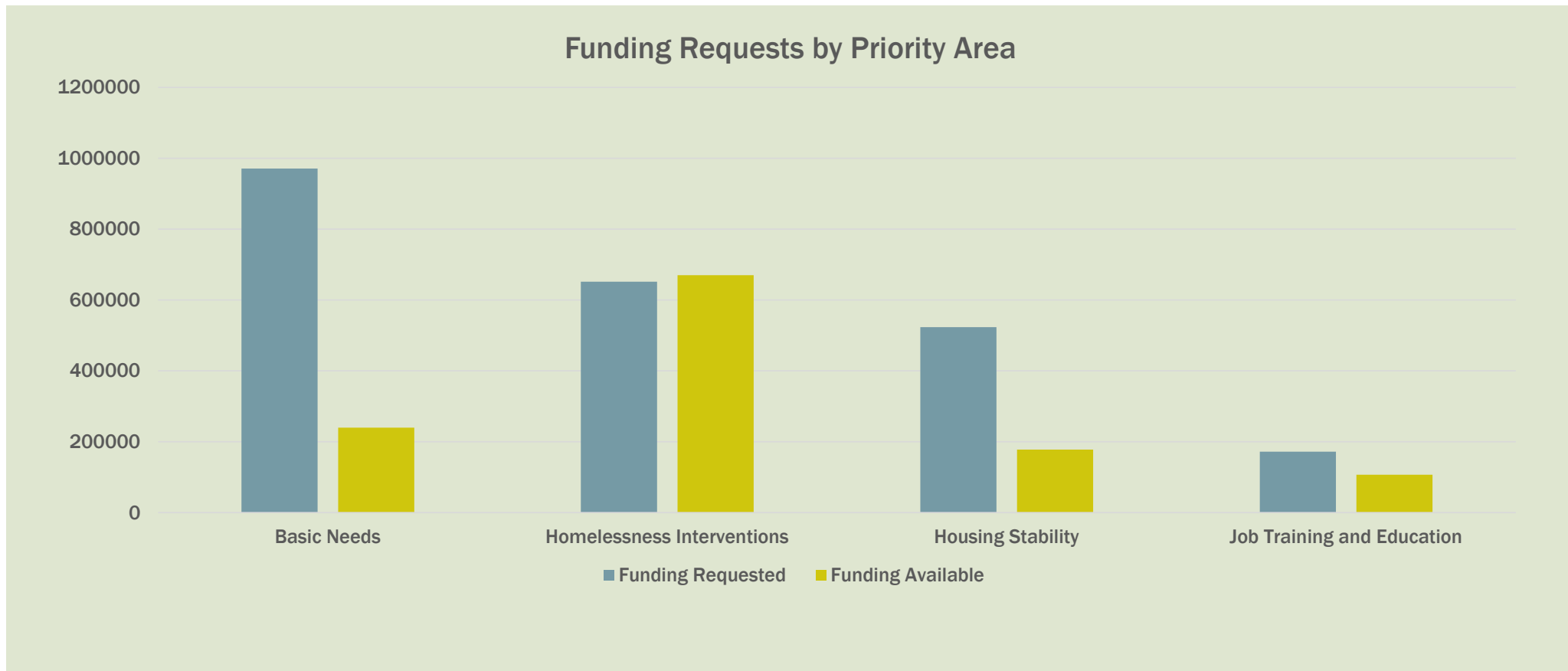
INITIAL DATA



■ Currently Funded Programs ■ Not Currently Funded Programs

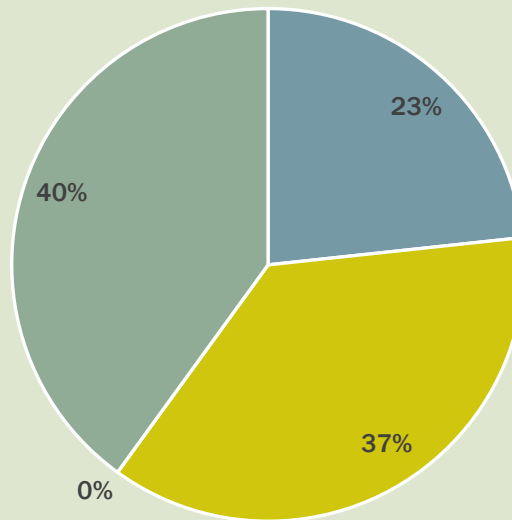
- **Agency Trends:**
 - Increase of new applicants
 - Culturally-specific programs
 - Agency budget increases
 - Staffing cost increases

INITIAL DATA



FEEDBACK FROM AGENCIES

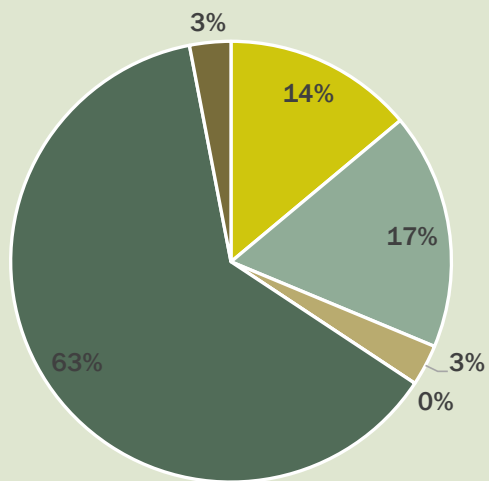
How did this cycle's process compare to last cycle?



■ Better ■ About the same ■ Worse ■ This was my first time applying

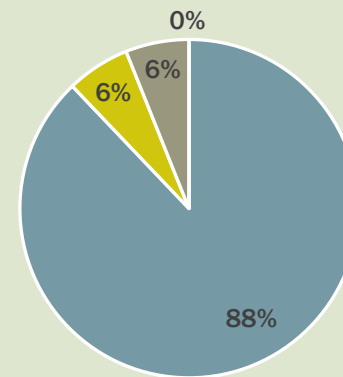
FEEDBACK FROM AGENCIES

The training videos were



- Very helpful
- Not very helpful
- I didn't watch the training videos
- Somewhat helpful
- Really confusing
- What training videos?

I was able to find what I needed to complete my application with the resources and information available on the website



- Yes
- No
- I didn't need any other resources and information
- There were resources and information available on the website?

FEEDBACK FROM AGENCIES

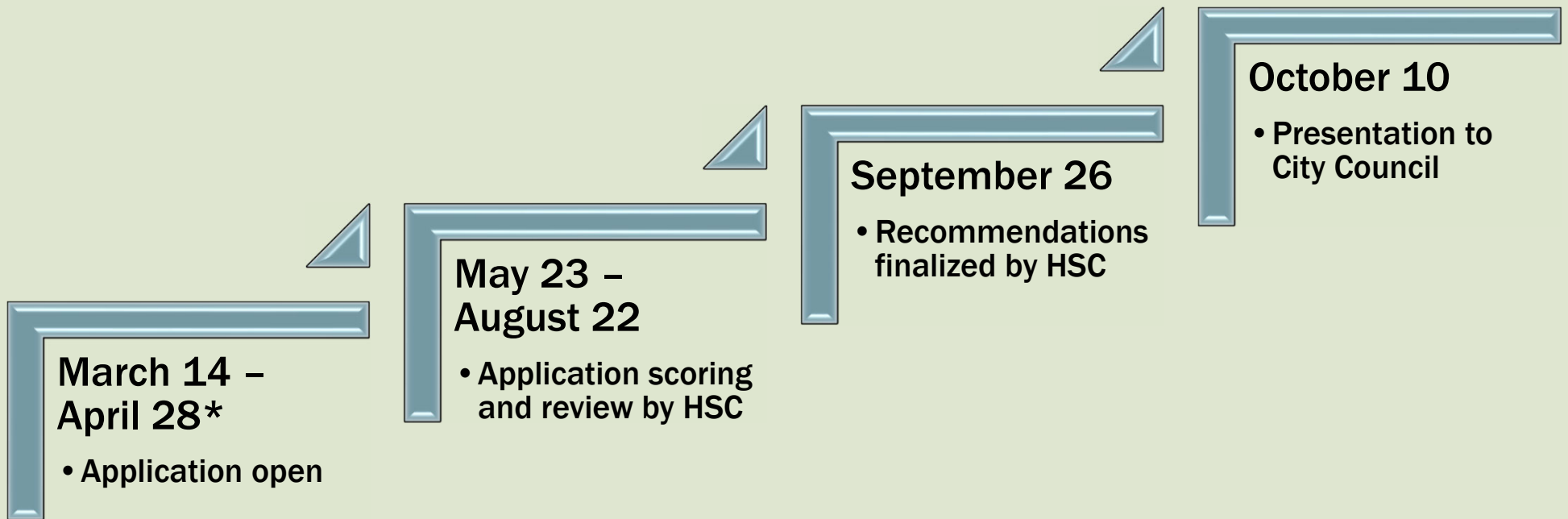
WHAT'S GOING WELL

- “Like that we can reopen a request till deadline. Came in handy when received some last minute info.”
- “Pretty straight forward”
- “Very simple to complete”
- “Better questions this time with examples”
- “I appreciate the thoughtfulness that has gone into this process. I feel organizations were allowed enough time to create thorough applications and gather any documents while also being supported. There were clear avenues to ask questions and get assistance as needed.”
- “I like that you can work offline and then cut and paste into the document”
- “It's hard to anticipate what questions you will have until you start filling it out. So I appreciated that there was rapid response support available right up until the application deadline.”
- “At times throughout the application process I was able to go back to previously recorded videos to get my questions quickly answered.”
- “Website was laid out very efficiently with additional information provided in a way that was easy to access and understand.”

FEEDBACK FROM AGENCIES OPPORTUNITIES TO IMPROVE

- “I ended up needing the help of your help desk. I think it is essential to continue providing this service because it doesn't seem possible to cover everything in print and video. There is always something that someone misses or that isn't apparent to everyone no matter how hard you have worked to make it clear.”
- “Converting a school year budget to a Jan-Dec budget was actually more difficult than we thought. Service unit names and measurements were difficult for us to align with. Hopefully our budget worksheet makes sense.”
- “I felt this years questions didn't leave enough room to explain our program as much as other years did.”
- “The resources and information are not very intuitive. At least they weren't for me. So I still had questions.”
- “It would be helpful to know the character limits for each narrative question.”
- “I emailed and asked many questions. Thank you for making time to answer them!”

2021-2022 APPLICATION REVIEW TIMELINE



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THANK YOU!



AGENDA BILL APPROVAL FORM

Agenda Subject:

National Night Out Overview (Tate) (10 Minutes)

Date:

June 6, 2022

Department:

Community Development

Attachments:

[National Night Out Overview Powerpoint](#)

Budget Impact:

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

Administrative Recommendation:

For information only.

Background for Motion:**Background Summary:**

National Night Out is an annual community-building campaign that promotes City-community partnerships and neighborhood camaraderie to make our neighborhoods a safer, better place to live. Neighborhood Programs staff will share an update on this year's National Night Out event and how to get involved.

National Night Out (NNO) is a unique crime/drug prevention event sponsored by the National Association of Town Watch (NATW). On the first Tuesday of August, residents in neighborhoods throughout the city of Auburn and across the nation are asked to turn on their outside lights, lock their doors, and spend the evening outside with their neighbors.

Over 38 million people in more than 17,000 communities around the country are expected to participate in NNO this year. Auburn's 2019 NNO had 52 registered events coordinated by residents within the City limits, including events in single-family neighborhoods, apartment complexes, condos, faith communities, supported housing and mobile home parks. Over 60 staff members representing City of Auburn, Auburn Police Department, and Valley Regional Fire Authority participated by visiting the events.

After an extended break due to COVID, the City of Auburn is excited to once again support National Night Out in person this year. Neighborhood Programs staff will share an update on this year's National Night Out event and how to get involved.

Reviewed by Council Committees:

Councilmember: Mulenga

Staff:

Tate

Meeting Date: June 13, 2022

Item Number:

COMMUNITY SERVICES DIVISION

NATIONAL NIGHT OUT OVERVIEW

JUNE 13, 2022
CITY COUNCIL STUDY SESSION

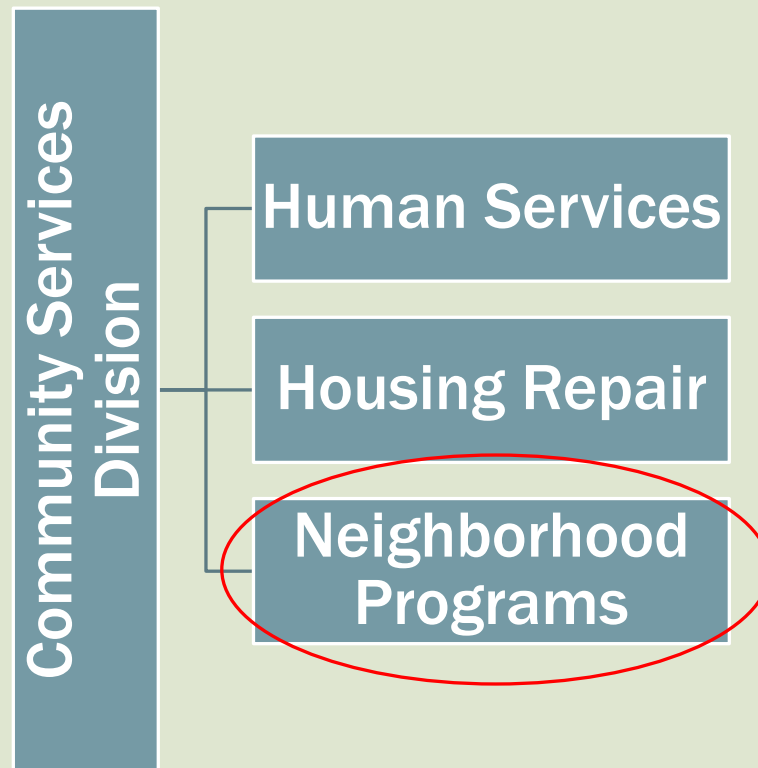
Department of Community Development

Planning • Building • Development Engineering • Permit Center • Economic Development • Community Services • Code Enforcement

AUBURN
VALUES

S E R V I C E
E N V I R O N M E N T
E C O N O M Y
C H A R A C T E R
S U S T A I N A B I L I T Y
W E L L N E S S
C E L E B R A T I O N

COMMUNITY SERVICES DIVISION



NEIGHBORHOOD PROGRAMS

The City of Auburn's Neighborhood Program is about residents, neighborhoods, community connections, and development.

- **National Night Out**
- Civics Academy
- Community Matching Grants
- Community Fund
- Community Outreach
- Future Programming?



WHAT DOES NEIGHBORHOOD PROGRAMS (NP) DO?

- Vision: Auburn is a healthy, inclusive and engaged community where all residents have a love of place, a sense of belonging, and an ability to influence the future of the community.
- Mission: NP will build community by providing investments and programming that promote inclusive engagement, increase accessibility of local gov't, and enhance community wellness.
- 3-pronged approach focused on connecting:
 - Community <-> Community (NNO)
 - Community <-> City (Civics Academy, Community Outreach)
 - City <-> Community (Matching Grant, Community Fund, Community Outreach)

2019 RECAP

- 52 registered events
- 68 staff attended (divided into 15 teams)
- Valley Regional Fire Authority (VRFA) and Puget Sound Energy (PSE) also participated
- Sparky (VRFA) and McGruff (APD) mascots attended and connected with kids



auburnwa.gov/nno

2022 PLANS FOR NNO

- Tuesday Aug. 2nd
- First time in-person since 2019
- Registration opened on June 6th and closes July 25th
- Greater emphasis on community gathering spaces
 - Places of worship
 - Nonprofits
 - Businesses
 - Auburn Library



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2022 PLANS FOR NNO (CONT'D)

- **Partner Agency Visitors**
 - Valley Regional Fire Authority
 - Puget Sound Energy
 - King County Metro
 - Sound Transit (downtown area)
 - Waste Management



auburnwa.gov/nno

2022 PLANS FOR NNO (CONT'D)

■ Event coordinators will receive:

- Clorox wipes
- Hand sanitizer
- Event T-Shirt
- Name tags
- Paper Towels
- Reusable Bags
- Sharpies
- Water



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2022 PLANS FOR NNO (CONT'D)

- How can I be involved?
 - Invite your neighbors to host an event
 - Advertise through your personal networks



auburnwa.gov/nno

THANK YOU & QUESTIONS

Chris Lovings

Neighborhood Programs Coordinator

auburnwa.gov/neighborhoods

clovings@auburnwa.gov

253-876-1988

Community Services Line: 253-288-3168

Language interpretation available

