



Agenda Item No. _____

Date: 4/14/2021

Subject: Purchase and Sale Agreement:
Reed Street Property

FROM: Doug Merriman, PhD, City Supervisor

RECOMMENDED ACTION:

A motion to authorize the Mayor to sign a purchase and sale agreement for the purchase of the parcel of property located at 121 N. Reed Street for the amount of \$102,500.00.

The property location is as follows:

That portion of Lot 3, Block 2, Rosedale Garden Tracts of Sedro Woolley, according to the plat thereof recorded in Volume 3 of Plats, Page 52, records of Skagit County, Washington.

This property is also known as 121 N. Reed Street.

ISSUE:

In the fall of 2020, City Council discussed the opportunity to purchase the above listed parcel as an additional feature to the currently owned park property on Reed Street. In addition, the Seller expressed interest in selling the property to the City.

On the subject of purchase price, the City is required to obtain an appraisal prior to acquiring a parcel of property. Because different appraisals have different valuation methodologies that may result in differing valuation amounts, a common practice is for both parties to obtain an appraisal with the final offering price being the average of the two valuations. Accordingly, as part of the negotiations over the price, the City and the Sellers each obtained a licensed appraisal on the property. The Sellers appraisal came in at \$110,000 – the City's appraisal came in at \$95,000. The Purchase and Sales Agreement contains a provision which states that the purchase price will be the average of the two appraisals - \$102,500.00. In discussions with the Sellers, this price would be acceptable to them.

FISCAL IMPACT, IF APPROPRIATE:

PURCHASE PRICE: The purchase price has been determined by two appraisals of the subject property performed by a licensed Appraisers selected by the Purchaser and the Seller. Each party has paid for their own appraisal. Through negotiations with Sellers, the agreed upon purchase price is \$102,500 – the average of the two appraisals. The funding source for the acquisition will be Fund #115 City Council Strategic Reserve.

ATTACHMENTS:

1. Purchase and Sales Agreement.
2. City Appraisal: Valbridge Property Advisors
3. Seller Appraisal: Thomas Appraisals and Associates

REAL ESTATE PURCHASE AND SALE CONTRACT
(With Earnest Money Provision)

DATE: April 12, 2021

The undersigned Purchaser, THE CITY OF SEDRO-WOOLLEY, a Washington Municipal Corporation, agrees to buy, and the undersigned Seller, SKAGIT HOME ALONE, LLC, a Washington Limited Liability Company, agrees to sell, on the following terms, the property legally described as:

That portion of Lot 3, Block 2, Rosedale Garden Tracts of Sedro Woolley, according to the plat thereof recorded in Volume 3 of Plats, Page 52, records of Skagit County, Washington, more particularly described as follows:

That portion of the said Lot 3 described as follows:

Beginning at the Southeast corner of the West 10 feet of the said Lot 3;
Thence North 02° 05' 28" West along the East line of the said West 10 feet, a distance of 86.38 feet to the point of curvature of a curve to the right having a radius of 25.00 feet;
Thence Northeasterly and Easterly along said curve through a central angle of 89° 59' 57" and an arc distance of 39.27 feet;
Thence North 87° 54' 29" East, a distance of 46.95 feet;
Thence South 02° 05' 31" East, a distance of 111.37 feet to the South line of the said Lot 3;
Thence South 87° 54' 19" West along the said South line, a distance of 71.96 feet to the point of beginning of this description.

Skagit County Assessor's Parcel Number P76887 / 4169-002-004-019

Situate in Skagit County, Washington.

(Purchaser and Seller authorize Closing Agent to insert, over their signatures, the legal description of the property and/or to correct the legal description entered.)

1. **PURCHASE PRICE:** The purchase price will be determined by an appraisal of the subject property to be performed by a licensed Appraiser selected by the Purchaser. The cost of the appraisal will be paid by the Purchaser. Upon receipt of the appraisal, the Purchaser shall provide a copy to the Seller. If the Sellers disagree with the valuation determined by the appraisal, the Sellers may elect to commission their own appraisal, in which event the purchase price shall be the average of the valuations determined by the two appraisals.

2. **EARNEST MONEY RECEIPT:** Upon mutual acceptance of this agreement, Purchaser shall deposit the sum of ONE THOUSAND DOLLARS AND NO/100THS DOLLARS (\$1,000.00) in the trust account of Closing Agent as earnest money. For the purposes of this contract "mutual acceptance" means that all parties have signed this contract, and "the date of mutual acceptance" is the signature date of the last party to sign this agreement.

3. **METHOD OF PAYMENT:** All cash at time of closing. The earnest money deposit shall be credited against the purchase price.

4. **CONDITION OF TITLE:** Title to the property is to be free of all encumbrances or defects, including city, county or local improvement district assessments. Encumbrances to be discharged by Seller shall be paid from the purchase money at the date of closing. Indemnification of the title company to induce it to insure over any otherwise unpermitted exceptions to title shall not be allowed except with the prior written consent of Purchaser in its sole subjective discretion after full disclosure of the nature and substance of such exception and indemnity.

5. **UTILITIES:** Seller warrants that the property is connected to and/or receives the following utility services:

- (1) Public water main;
- (2) Public sewer main;
- (3) Electric utility;
- (4) Garbage utility.

PAYMENT OF UNPAID UTILITY CHARGES: Purchaser and Seller **waive** the services of the Closing Agent in disbursing closing funds necessary to satisfy unpaid utility charges affecting the Property pursuant to RCW 60.80. The Purchaser and Seller agree that utility charges which constitute unrecorded liens will be paid through the date of closing by the Seller outside of closing.

6. **DISCLOSURE UNDER RCW 64.06:** Pursuant to RCW 64.06.020, Seller shall provide Purchaser with a Real Property Transfer Disclosure Statement concerning the subject vacant property within three (3) days after mutual acceptance of this agreement. Purchaser shall have five (5) business days after receipt of said disclosure statement to accept or reject the property based upon the disclosures made by Seller. If Purchaser rejects the property, Purchaser shall give written notice to Seller of the termination of this transaction, in which event this agreement shall be null, void and unenforceable, and the earnest money deposit shall promptly be refunded to Purchaser.

7. **TITLE INSURANCE:** Seller shall furnish to Purchaser an ALTA standard form policy of title insurance and, as soon as practical prior to closing, a preliminary commitment therefor issued by GUARDIAN TITLE INSURANCE COMPANY, and Seller authorizes Closing Agent to apply as soon as practical for such title insurance. Seller shall assume any cancellation fee for such commitment or policy. The title policy to be issued shall contain no

exceptions other than those provided in said standard form, plus encumbrances or defects noted in paragraph 4 above. If title is not so insurable as above provided and cannot be made so insurable by termination date set forth herein, the earnest money shall be refunded and all rights of Purchaser terminated; PROVIDED, however, that Purchaser may waive defects and elect to purchase.

EXTENDED TITLE INSURANCE: At closing Purchaser shall have the option of purchasing extended coverage title insurance. This option does not change Sellers responsibility to pay for an ALTA standard form policy.

8. TITLE CONVEYANCE: Seller shall convey title to Purchaser by Statutory Warranty Deed at closing, subject only to the exceptions noted in paragraph 4 and subject to any liens or encumbrances created by Purchaser.

9. CLOSING OF SALE: This sale shall be closed at the office of GUARDIAN TITLE INSURANCE COMPANY, Closing Agent, or at such licensed and bonded escrow company as Purchaser selects, within 90 days after delivery of this Agreement to Closing Agent and in no event shall closing be later than **May 14, 2021**, (hereinafter the "closing deadline"). Purchaser and Seller will, immediately on demand, deposit with Closing Agent all instruments and monies required to complete the purchase in accordance with this agreement.

The date of closing shall be the date upon which all appropriate documents are recorded and the proceeds of the sale are available for disbursement to Seller.

If this sale has not closed by the closing deadline, this transaction shall automatically terminate, and this agreement shall be null, void and unenforceable.

10. CLOSING COSTS AND PRORATES: Seller and Purchaser shall each pay one-half of escrow fee if an escrow is used. Seller and Purchaser acknowledge that the firm of WEED, GRAAFSTRA & ASSOCIATES, INC., P.S. represents the Purchaser in this transaction. Seller shall pay the owner's title insurance premium and real estate excise tax. Purchaser shall pay extended and lender's title insurance premium and recording fees. Any special assessments, assessments for utilities or other assessments upon the property shall be paid by Seller at closing.

11. FIRPTA - TAX WITHHOLDING AT CLOSING. The Closing Agent is instructed to prepare a certification (PSMLA Form 22E, or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act. Seller agrees to sign this certification. If Seller is a foreign person, and this transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service.

12. POSSESSION: Purchaser shall be entitled to possession on Closing.

13. RISK OF LOSS: Should the improvements on the property be materially damaged by fire or other cause prior to date of closing, this agreement shall be voidable at the option of Purchaser.

14. DEFAULT: In the event the Purchaser fails, without legal excuse, to complete the purchase of the property, the earnest money deposit made by the Purchasers shall be forfeited to the Seller as the sole and exclusive remedy available to the Seller for such failure.

Seller initials:

Purchaser initials:

Any refund or forfeiture of earnest money shall be in compliance with RCW 64.04.220.

In the event that either Purchaser or Seller shall institute suit to enforce any rights hereunder, the successful party shall be entitled to court costs and a reasonable attorney's fee.

15. NOTICE: If notice is given pursuant to this agreement, it shall be given to the parties by personal service, by facsimile transmission, or by certified mail, postage prepaid, return receipt requested at the following addresses:

Seller's name and address:

Skagit Home Alone, LLC
ATTN:
P.O. Box 743
Mount Vernon, WA 98273

Email: _____

Telephone No. _____

Purchaser's name and address:

The City of Sedro-Woolley
ATTN: Doug Merriman, City Supervisor
325 Metcalf Street
Sedro Woolley, WA 98284

Email: dmerriman@ci.sedro-woolley.wa.us

Telephone No. 360-855-1661

or at such other address as either party designates by written notice to the other party and to the Closing Agent. All notices shall be deemed given on the day such notice is personally served, or on the business day following the date of facsimile transmission, or on the third day following

the day such notice is mailed in accordance with this paragraph. Email addresses and telephone numbers are for contact purposes only and may not be used for notice.

16. OFAC: Purchaser represents and warrants to Seller that Purchaser is not and shall not become a person or entity with whom Seller is restricted from doing business under any current or future regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons list) or under any current or future statute, executive order (including, but not limited to, the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and shall not engage in any dealings or transaction or be otherwise associated with such persons or entities.

0. ENTIRE AGREEMENT; TIME; BINDING AGREEMENT; ASSIGNMENT: This agreement, with the attachments incorporated herein by reference, constitutes the entire agreement between the parties and there are no verbal agreements, nor will there be any verbal agreements, which modify or amend this agreement. Time is of the essence in this agreement. If any deadline or the time for performance hereunder falls on a Saturday, Sunday or a day that is recognized as a holiday by the State of Washington, then such time shall be deemed extended to the next day that is not a Saturday, Sunday or holiday. This agreement is binding on the parties, their personal representatives and heirs. Purchaser shall not assign this agreement without the prior written consent of Seller.

17. BROKERS AND FINDERS: Neither party has had any contact or dealings regarding the property, or any communication in connection with the subject matter of this transaction, through any real estate broker or other person who can claim a right to a commission or finder's fee in connection with the sale contemplated herein. In the event that any other broker or finder perfects a claim for a commission or finder's fee based upon any such contract, dealings or communication, the party through whom the broker or finder makes its claim shall be responsible for said commission or fee and all costs and expenses (including reasonable attorney's fees) incurred by the other party in defending against the same. The provisions of this paragraph shall survive the closing, or, if closing does not occur pursuant to this agreement, the provisions of this paragraph shall survive any termination of this agreement.

18. NO MERGER: The terms, representations, warranties and attorney's fee provisions of this contract shall not merge in the deed or other conveyance instrument transferring the property to Purchaser at closing. The terms, representations, warranties and attorney's fee provisions of this contract shall survive closing.

19. FACSIMILE / ELECTRONIC TRANSMISSION: Facsimile transmission or electronic (email) transmission of any signed original document, and retransmission of any signed facsimile or electronic transmission, shall be the same as delivery of an original. The parties acknowledge that a signature in electronic form has the same legal effect and validity as a handwritten signature. At the request of either party, or the closing agent, the parties will confirm facsimile or electronically transmitted signatures by signing an original document.

21. COUNTERPARTS: This agreement or any other instrument for this transaction may be executed in identical counterparts with like effect as if all signatures appeared on a single copy.

22. RESERVATION OF POLICE POWER: Notwithstanding anything to the contrary set forth herein, Purchaser understands and acknowledges that the Seller's authority to exercise its police (regulatory) powers in accordance with applicable law shall not be deemed limited by the provisions of this agreement.

23. CITY COUNCIL APPROVAL: The Purchaser acknowledges that this agreement does not bind the Seller until the City Council approves this Real Estate Purchase and Sale Agreement and the Mayor executes the agreement.

24. DEADLINE: This agreement is void unless executed by both parties by 5:00 p.m. on May 15, 2021.

DATED this 12th day of April, 2021.

THE CITY OF SEDRO-WOOLLEY, Purchaser

By: Julia Johnson

Title: Mayor

DATED this _____ day of _____, 2021.

SKAGIT HOME ALONE, LLC, Seller

By:

Title:



Valbridge
PROPERTY ADVISORS

Appraisal Report

121 N. Reed Street
Sedro-Woolley, Skagit County, Washington 98284
48.511799, -122.233687

Report Date: February 26, 2020



FOR:

WEED, GRAAFSTRA & ASSOCIATES, INC., P.S
Ms. Sarah Crow
Real Estate Paralegal
110 Cedar Avenue, Suite 102
Snohomish, WA 98290

**Valbridge Property Advisors |
Inland Pacific Northwest**

324 N. Mullan Road
Spokane Valley, WA 99206
509-747-0999 phone
509-747-3559 fax
valbridge.com

Valbridge File Number:
WA06-21-0002-000



324 N. Mullan Road
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February 26, 2020

Ian E. Templeton
509-747-0999
itempleton@valbridge.com

Ms. Sarah Crow
Real Estate Paralegal
WEED, GRAAFSTRA & ASSOCIATES, INC., P.S
110 Cedar Avenue, Suite 102
Snohomish, WA 98290

RE: Appraisal Report
121 N. Reed Street
Sedro-Woolley, Skagit County, Washington 98284
48.511799, -122.233687

Dear Ms. Crow:

At your request, we have appraised the above-referenced property to form an opinion of the Market Value of the Fee Simple Interest as of February 16, 2021. We inspected the property that is the subject of this appraisal and report on February 16, 2021. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions. This letter of transmittal is not valid if separated from the appraisal report.

The subject property, as referenced above, is located on the east side of Reed Street approximately 390 feet north of Moore Street and is further identified as Assessor's Parcel Number (APN) P76887. The subject site is a 0.18-acre, or 7,841-sf, parcel. The site consists of one parcel of vacant residential land.

We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of our client as we understand them.

The client for this assignment is WEED, GRAAFSTRA & ASSOCIATES, INC., P.S. The intended users of this report are Weed, Graafstra, & Associates, Inc., P.S. and the City of Sedro-Woolley and no others. The sole intended use is to assist in acquiring the subject real estate.

Assumptions and Conditions of the Appraisal

The value opinions reported herein are subject to the definitions, assumptions, limiting conditions, and certifications contained in this report. The findings and conclusions are further contingent upon the following appraisal conditions, extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results:

Impact of COVID-19 on Real Estate Markets

In March 2020, the World Health Organization (WHO) officially declared the global outbreak of COVID-19 a pandemic. Federal, state, and local governments have responded in various ways. In Washington State, Governor Inslee ordered the closure of schools, universities, restaurants, bars/taverns, entertainment venues, targeted businesses, and many places of public accommodation for varying periods of time. Owners of multi-family properties were prohibited from evicting tenants.

Unemployment surged to unprecedented levels as economic activity slowed. In June 2020, the National Bureau of Economic Research declared that the U.S. Economy was in recession. Beginning in the summer of 2020, most businesses and schools were allowed to reopen, albeit on varying and limited levels. Short term economic activity surged.

Following a period of declines, in the autumn of 2020, infection levels rose to the highest rates since the pandemic was declared. Several states, including Washington, Idaho, and Oregon, imposed stricter rules on businesses and gatherings. In Washington, athletic facilities and similar places were ordered to close, and restaurants were required to limit service to takeout or outside dining. In Idaho, the size of gatherings was limited to 10 or less, and patrons at bars, restaurants, and night clubs must remain seated with adherence to social distancing and sanitation requirements.

In mid-December 2020, the FDA granted emergency approval of Pfizer's and Moderna's COVID-19 vaccines. Initial distribution is very limited; broader distribution is likely by early spring 2021.

In the short term, industrial, self-storage, medical service, and net-leased investment properties have performed well despite the economic decline. Retail, hospitality, and office properties have suffered higher vacancies and reduced income. In multi-family properties, lost rent has placed pressure on landlords. The long-term impact of these events on the national, state, and local economies is not yet known; hence, the long-term impact on commercial real estate is uncertain.

The impact of current events on the market value of the property incorporated into the appraisal analysis and expressed in the report is an opinion developed from national and regional publications, surveys of market participants, and the appraiser's judgement. The appraiser makes no representation about the impact that these events, or events that happen subsequent to the effective date of the appraisal, will have on the market where the property is located or on the value of the subject property. The reader is cautioned and reminded that the conclusions presented in the appraisal report will apply only as of the effective date(s) indicated.

Extraordinary Assumptions

- None pertaining to this assignment.

Hypothetical Conditions

- None pertaining to this assignment.

Based on the analysis contained in the following report, our value conclusions are summarized as follows:

Value Conclusion

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	February 16, 2021
Value Conclusion	\$95,000
	\$95,000 per lot

Respectfully submitted,
Valbridge Property Advisors | Inland Pacific Northwest



Ian E. Templeton
Appraiser Trainee
State Registered Real Estate Appraiser Trainee
Washington State License #20105888
itempleton@valbridge.com



Bruce C. Jolicoeur, MAI
Senior Managing Director
Certified General Real Estate Appraiser
Washington State License #1100633
bjolicoeur@valbridge.com

APPRAISAL OF



Land Appraisal

LOCATED AT:

121 N Reed St
Sedro Woolley, WA 98284

FOR:

Marinus & Jill Rouw
PO Box 1545
Mount Vernon, WA, 98273

BORROWER:

N/A

AS OF:

November 9, 2020

BY:

Mark Thomas
WA State Certified Appraiser

11/09/2020

No AMC
Marinus & Jill Rouw
PO Box 1545
Mount Vernon, WA, 98273

File Number: 9366MT

In accordance with your request, I have appraised the real property at:

121 N Reed St
Sedro Woolley, WA 98284

The purpose of this appraisal is to develop an opinion of the market value of the subject property, as improved.
The property rights appraised are the fee simple interest in the site and improvements.

In my opinion, the market value of the property as of November 9, 2020 is:

\$110,000
One Hundred Ten Thousand Dollars

The attached report contains the description, analysis and supportive data for the conclusions,
final opinion of value, descriptive photographs, limiting conditions and appropriate certifications.

Respectfully,



Mark Thomas
WA State Certified Appraiser
27011 1100485



Agenda Item No. _____

Date: April 14, 2021

Subject: Grant Match Approval:
SCED – SR9/Township-JLR Intersection

Late Materials

FROM: Mark A. Freiburger, PE, Director of Public Works

RECOMMENDED ACTION:

1. Approve commitment of \$324,000 in local funding for match for a Skagit County Economic Development Grant for the SR9/Township & John Liner/McGarigle Intersection Project.
2. Authorize Mayor Johnson to sign and submit the Skagit County Economic Development Grant application for the SR9/Township & John Liner/McGarigle Intersection Project.

ISSUE:

Shall council authorize Mayor Johnson to sign and submit a Skagit County Economic Development Grant application due April 16, 2021 for the SR9/Township & John Liner /McGarigle Rd Intersection Improvements Project, including a commitment of \$324,000 in local funds from a combination of GMA Impact Fee and REET funding as local match?

BACKGROUND / SUMMARY INFORMATION:

Skagit County has issued a call for applications for the Economic Development Grant program due on April 16, 2021. Staff proposes to apply for \$500,000 in ED funding (maximum available per grant is \$500,000). The combination of ED and city funds will act as a 25% local match for a planned Transportation Improvement Board grant application for the SR9/Township & John Liner / McGarigle Road Intersection Improvements Project. TIB applications will be due in August 2020.

The subject of this grant request is Corridor Project S17 SR9/Township & John Liner/McGarigle Rd. Intersection Improvements. The Project is a major component of the Jones/John Liner/Trail Road Corridor as recommended by the recently completed Scoping Study. This project is identified in the city's Transportation Improvement Program as the top priority project for the 2021-2026 period. This project will upgrade the existing two-way stop controlled intersection at SR9/Township St & John Liner Road to a signalized conventional 4-leg intersection with left turn storage provided on each leg. Crosswalks are provided across each leg of the intersection with a preferred two ramp configuration meeting the requirements of an Accessible Pedestrian Signal (APS). Some right of way acquisition will be required on each corner.

The 2020 SCED application proposed \$50,000 local match from GMA Impact Fee. The August 2020 TIB Urban Arterial Program application increased the local match amount to \$373,847, split between REET and GMA Impact Fees. This was approved at council on August 12, 2020.

Below is an analysis of proposed funding and estimated cost for this project.

FISCAL IMPACT, IF APPROPRIATE:

Funding Proposed

TIB Urban Arterial Program Grant (due August 2020)	\$1,668,000
Skagit County Economic Development Grant	\$ 500,000
City match from GMA Impact Fee, TBD and REET	\$ 324,000
TOTAL	\$2,492,000

Expenditures Expected

Design (2021/2022)	\$ 268,000
Right of Way (2022)	\$ 166,000
Construction Engineering (2023)	\$ 269,000
Construction (2023)	\$1,789,000
TOTAL	\$2,492,000

Local Funding – Account 314 GMA Impact Fee Fund

See the attached “Arterial Projects Listing” for cash flow 2021-2023.

The attached Arterial Projects Listing includes all planned roadway and facilities projects that will utilize Fund 104 Ending Fund Balance, REET, Transportation Benefit District and GMA Impact Fees. The spreadsheet shows 2021 Beginning Fund Balances, anticipated revenues for each fund for the period 2021-2023, and planned projects by year. The projections are considered to be conservative. With the present building pace, REET and GMA Impact Fees may end up substantially higher than the projections. For instance, GMA Impact Fees deposited to date in 2021 total \$104,659 representing 37.6 units to date, against a 2021 budget of \$60,000 representing 21.5 units. Building & Planning estimates that as many as 257 units may be permitted in 2021. This would equate to approximately \$430,000 in traffic impact fees. 2022 is likely to be lower, although the Duke’s Hill development and two additional small apartment complexes are in the works.

ATTACHMENTS:

1. Arterial Project Listing, 4/12/2021
2. Economic Development Public Facility Project Application
3. Vicinity Map

Arterial Projects Listing

For years 2020-2023

Update 4/12/2021

329,698 REET 1
859,843 REET 2 GMA 104/314

Revenues	Fund 104	REET 301/302	TBD 304	Impact Fees	Total
Beginning Balance - 1/1/2021	361,060	1,189,541	261,966	209,477	2,022,044
2021 Projected Revenues	-	390,000	215,000	104,659	709,659
2022 Projected Revenues	-	400,000	220,000	62,000	682,000
2023 Projected Revenues	-	400,000	220,000	62,000	682,000
2020-2023 Projected Revenues	-	1,190,000	655,000	228,659	2,073,659
Total 2021-2023 Reserves and Revenues Available	361,060	2,379,541	916,966	438,136	4,095,703

2021 Projects

SR20/Cascade Trail West Ext Ph 2A (PE/RW Phase - GMA)				12,494	12,494
SR20/SR9-Township Intersection Impr (CN - GMA)				40,000	40,000
John Liner Road Bicycle & Ped Safety Impr (CN 2023 GMA)				-	-
SR20/Reed Street Intersection Improvements				-	-
SR9 & John Liner/McGarigle Int (PE/RW 2021, CN 2022 - GMA)				-	-
Wicker Road Overlay (PE/CN - REET)	28,810				28,810
Township/State ADA Ramp Upgrade (PE/CN - REET)			50,000		50,000
Jones/John Liner BNSF Undercrossing (NEW)				25,000	25,000
Jones/John Liner/Trail Road Corridor Preliminary Engr/Env (NEW)				50,000	50,000
Jones/John Liner/Trail Road Corridor Advance Acquisition P39157 (NEW)		400,000			400,000
2021 Arterial Maintenance Projects (REET) \$100,000; Roundabout Landscaping \$13,000 (REET)			88,000		88,000
2021 Local Access Maintenance Projects (REET) \$150,000		150,000			150,000
2021 Local Access - Sidewalk Repair & Maint (REET)		-			-
REET I & II Transfers to General Fund 001 (Fire Station 1.5)		250,000			250,000
2021 REET I & II Transfers to Parks (2021 Budget \$50,000 Ea 1 & 2)		100,000			100,000
Total 2021 Projects	28,810	900,000	138,000	127,494	1,194,304
Ending Balance 12/31/2021	332,250	679,541	338,966	186,642	1,537,399

Potential 2022 Projects

SR20/Cascade Trail West Ext Ph 2A (PE/RW Phase - GMA)				156	156
SR20/SR9-Township Intersection Impr (CN - GMA)		200,000		95,175	295,175
SR9 & John Liner/McGarigle Int (PE/RW 2022, CN 2023 - GMA)		100,000	100,000	68,000	268,000
John Liner Road Bicycle & Ped Safety Impr (PE 2022 GMA)				9,180	9,180
SR20/Reed Street Intersection Improvements			50,000	-	50,000
Patrick Street Arterial Extension (PE 2022; CN 2023 - GMA)				-	-
Jones/John Liner RR Undercrossing (PE)				-	-
Trail Road Overlay (PE/CN)	42,300				42,300
2022 Arterial Maintenance Projects (REET)			100,000		100,000
2022 Local Access - Sidewalk Repair & Maint (REET)		25,000			25,000
2022 Local Access Maintenance Projects (REET)		150,000			150,000
2022 REET I & II Transfers to Parks		100,000			140,000
	42,300	575,000	250,000	172,511	1,079,811
Ending Balance 12/31/2022	289,950	504,541	308,966	76,131	1,139,588
Total Project Costs 2021-2022	71,110	1,475,000	388,000	300,005	2,274,115
Ending Balances 12/31/2022	289,950	504,541	308,966	76,131	1,139,588

Potential 2023 Projects

SR20/Cascade Trail West Ext Ph 2A (CN Phase - GMA)				103,133	103,133
SR9 & John Liner/McGarigle Intersection (CN 2023 - GMA)		-	-	56,000	56,000
John Liner Road Bicycle & Ped Safety Impr (CN 2023 GMA)				68,985	68,985
Patrick Street Arterial Extension (PE 2022; CN 2023 - GMA)				-	-
Jones/John Liner RR Undercrossing (RW)				-	-
Sapp Road Overlay (PE/CN)	-	37,050			37,050
2023 Arterial Maintenance Projects (REET)		100,000			100,000
2023 Local Access - Sidewalk Repair & Maint (REET)		25,000			25,000
2023 Local Access Maintenance Projects (REET)		150,000			150,000
2023 REET I & II Transfers to Parks		100,000			140,000
	-	412,050	-	228,118	680,168
Ending Balance 12/31/2023	289,950	492,491	528,966	(89,987)	1,141,420
Total Project Costs 2021-2023	71,110	1,887,050	388,000	528,123	2,954,283
Ending Balances 12/31/2023	289,950	492,491	528,966	(89,987)	1,141,420

Total 2021-2023 SR20/SR9-Township Intersection	-	200,000	-	135,175	335,175
Total 2021-2023 SR9/Township & JLR-McGarigle Intersection	-	100,000	100,000	124,000	324,000



Economic Development Public Facility Project Application

Board of County Commissioners · 1800 Continental Place · Mount Vernon WA 98273

voice 360-416-1300 · fax 360-336-9307 · www.skagitcounty.net

Part 1	Applicant Information				
Organization	City of Sedro-Woolley				
Address	325 Metcalf Street	State	WA	Zip	98284
Primary Contact	Mark Freiburger	Phone	360-855-9933		
E-mail Address	mfreiburger@ci.sedro-woolley.wa.us				

Part 2	Project Information		
RCW 82.14.370 (3) defines "public facilities" as bridges, roads, domestic and industrial water facilities, sanitary sewer facilities, earth stabilization, storm sewer facilities, railroad, electricity, natural gas, buildings, structures, telecommunications infrastructure, transportation infrastructure, commercial infrastructure, and port facilities in the state of Washington.			
Project Name	SR9/Township St. & John Liner/McGarigle Rd. Intersection Project	Location	SR9/Township St. & John Liner/McGarigle Rd. Intersection
Project Type	Signalized Intersection Improvement	Start Date	12/1/2021
Description	Intersection Improvements, including chanelization, signalization and pedestrian improvements.		
Use of funds	Describe the specifics of what funds will be spent on (e.g., labor, equipment, material, etc.): The ED funds, along with city funds, will provide matching funds for construction phase improvements for the SR9/Township St. & John Liner/McGarigle Rd. Intersection Improvements expected to be funded by a Transportation Improvement Board grant.		

Part 3	Required Resources	
Provide a budget that shows a breakdown of project costs. Please also provide a breakdown of current and proposed funding that clearly illustrates the total funding required for the project listed by individual funding source, including any money from the Public Facilities fund. Specify any conditions attached to any funding sources.		
Budget	Total funding requested from Distressed/Rural County Sales and Use Tax to fund public facilities projects in Skagit County (not to exceed \$500,000)	\$ 500,000
	Amount primary sponsor/organization is contributing to the project	\$ 324,000
	Other Funding Source: Transportation Improvement Board (August 2021 appl.)	\$ 1,668,000
	Other Funding Source: Click here to enter text.	\$ text
	Other Funding Source: Click here to enter text.	\$ text
	Other Funding Source: Click here to enter text.	\$ text
	Other Funding Source: Click here to enter text.	\$ text
	Total Project Cost	\$ 2,492,000
Comments	Describe impact to project if not fully funded: If not fully funded by this application and the 2021 TIB application due in August 2021, the city intends to utilize local funds to complete the design phase in 2022 and reapply for TIB funds in 2022 for consturction in 2023. The city is also pursuing federal funding programs that also require matching funds. Current growth within the city, planned improvements on the rest of the Jones/John Liner/Trail Road Corridor, and the expected start of Sedron construction in 2022 will continue to drive congestion and delay at the SR9/Township & John Liner Rd intersection, and necessitate improvements by the end of 2023 to accomodate this growth.	

Part 4	Growth Management		
Planning	<p>Per RCW 82.14.370(3)(a), the project must be listed as an item in the County's adopted overall economic development plan, or the economic development section of the County's comprehensive plan, or your city or town's comprehensive plan. Under which plan is the proposed project contained? (Please attach a resolution or ordinance documenting that the appropriate authority has included the project in one of the above plans.)</p> <p>The City of Sedro-Woolley is proposing to construct a system of roadway and rail transportation improvements called the Jones/John Liner/Trail Road Corridor to stimulate economic development around the State Route (SR) 20 corridor and support the transition from a timber-based past to a modern technology based future. The Corridor includes eight distinct project elements, which collectively represent the critical transportation infrastructure improvements necessary to strengthen the local transportation network and relieve congestion on SR20, while building on significant SR20 corridor improvements completed over the past 10 years. The estimated cost of the overall Corridor is \$33.2 million.</p> <p>The Corridor projects are included in the City's 2016 Comprehensive Plan as a key program to allow for growth and development of the City for the next 20 years. The Corridor projects are also included individually in the City's 2021-2026 Six Year Transportation Improvement Program (TIP). Finally, the key elements of the Corridor are noted in the the 2016 Environmental Impact Statement prepared for the Sedro-Woolley Innovation for Tomorrow (SWIFT) Center as necessary systemwide transportation improvements to support redevelopment of the former Northern State Hospital campus as a high technology educational and manufacturing facility.</p> <p>The subject of this grant request is Corridor Project S17 - SR9/Township St.& John Liner/McGarigle Rd. Interscetion Improvements Project, estimated at \$2,492,000. This project is identified in the 2021-2026 TIP as Priority 4 with design scheduled for 2021 and construction in 2022. The 2022-2027 TIP will update the schedule to design in 2022 and construction in 2023.</p>		
Project location	Incorporated Area	Zoning:	Mixed Commercial

Part 5		Value Proposition												
Business	<p>Is this project supportive of a specific business? If so, how many? Please provide names of businesses if known.</p> <p>Yes. Traffic improvements included in the Jones/John Liner/Trail Road Corridor Project, of which this project is a key part, are identified in the Sedro-Woolley Innovation for Tomorrow (SWIFT) Center EIS as required roadway improvements to mitigate for traffic impacts created by redevelopment of the former Northern States (renamed SWIFT Center) Campus. The Corridor projects will complete roadway and intersection improvements identified in the EIS as necessary improvements to support growth generated by the redevelopment of the Center. This will promote development of a portion of the site for a research and development operation specifically to support Sedron Technologies, an innovative local company developing a unique wastewater treatment process targeting the underdeveloped portions of the world. The vision of the local Partners, which includes Sedron Technologies, the Port of Skagit, the City of Sedro-Woolley and Skagit County, is to redevelop the 225-acre site into a high-tech research and development center with education facilities, and retail and hospitality uses. Sedron Technologies plans to, through a lease with the Port of Skagit, utilize the campus or portions thereof, for a global headquarters for Sedron Technologies and the development of its innovative Omni and Varcor Processors. Sedron's goal is to begin design for their facility in August 2021 and break ground at the Center in early 2022. The project is expected to support up to 1,000 new high technology jobs within ten years, with an estimated additional 96 jobs to be added per year in following years. The Port of Skagit has separately secured a federal EDA grant for \$2.2 million to extend utilities and roadway improvements to the Sedron site.</p>													
Jobs	<p>Describe, in specific detail, how this project will create jobs and/or allow for the retention of current jobs.</p> <p>The Center's EIS includes an Economic Impact Study, which looks at moderate and high intensity development potential for the site. The Moderate Development alternative anticipates redevelopment of 400,000 square feet of existing building space and the addition of 200,000 square feet of new space, generating 98 new jobs per year and 1,950 new jobs over 20 years. The high Intensity level anticipates redevelopment of 400,000 square feet of existing building space and 330,000 square feet of new building space, generating 143 jobs per year and 2,855 jobs over 20 years. The EIS anticipated that compatible existing uses and those associated jobs will remain at the site during and after the redevelopment of the Center. It is also anticipated that incompatible existing uses and those associated jobs will be transitioned off the campus to other locations (Skagit County and the City have partnered to fund and construct a new Behavioral Stabilization Campus to complete in 2021 located within the City to relocate some of these incompatible uses, retaining 37 existing jobs and adding 73 new jobs within the county and city). Location of the Sedron Technologies facility at the site will accelerate new job creation at the site with the addition of 1,000 new high-technology jobs within ten years, with an estimated 96 jobs to be added per year in following years. The Job Detail information provided in the section below is based on the Moderate Development Alternative of the EIS. Not included in the data are the short term construction jobs associated with the project.</p>													
Job Detail	<p>Provide information on the following: (a) the average wage, including benefits, and the number of new jobs/FTEs; and (b) the average wage, including benefits, as the result of the project. Please be specific as possible. <i>Generic information may not be scored. Do not include any construction-related jobs.</i></p> <table border="1"> <thead> <tr> <th></th> <th>Jobs/FTEs Retained</th> <th>Jobs/FTEs Created 1-3 Years</th> <th>Jobs/FTEs Created 4 Years</th> </tr> </thead> <tbody> <tr> <td>Number of Jobs/FTEs</td> <td>250</td> <td>292.5</td> <td>390</td> </tr> <tr> <td>Average Wage/FTE</td> <td>\$42,629</td> <td>\$81,551</td> <td>\$81,551</td> </tr> </tbody> </table>			Jobs/FTEs Retained	Jobs/FTEs Created 1-3 Years	Jobs/FTEs Created 4 Years	Number of Jobs/FTEs	250	292.5	390	Average Wage/FTE	\$42,629	\$81,551	\$81,551
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Number of Jobs/FTEs	250	292.5	390											
Average Wage/FTE	\$42,629	\$81,551	\$81,551											
Infrastructure	<p>How will this project improve local infrastructure capacity? How much additional capacity will be provided for future development? Please be specific in your answer.</p>													

The overall Corridor Project provides a east-west corridor relieving traffic congestion on SR20 between SR9 South and SR9N-Township Street by diverting 5,200 vehicles per day (about 20%) which would otherwise use SR20. Corridor Project S17, the SR9/Township & John Liner/McGarigle Rd Intersection Improvements Project is a key element of the Corridor and will provide the eastern terminus of the new Corridor at SR9, which will continue east via the existing McGarigle Road arterial to Fruitdale Road and the SWIFT Center. This project will upgrade the existing two-way stop controlled intersection at SR9/Township St. and John Liner/McGarigle Road to a signalized conventional 4-leg intersection with left turn storage provided at each leg. Crosswalks are provided across each leg of the intersection with a preferred two ramp configuration, meeting the requirements of an Accessible Pedestrian Signal (APS). Minor right of way acquisition will be required on each corner.

The Jones/John Liner/Trail Road Scoping Study Report includes a Traffic Analysis (TA) for the SR9/Township & John Liner/McGarigle Road intersection. The TA determined an existing Level of Service (LOS) C for the intersection, above the minimum standard LOS D. Traffic revisions related to growth and completion of the Corridor projects will degrade intersection LOS to F (below minimum standard LOS D). The TA determined that completion of the proposed signalized improvements at the intersection will result in LOS A.

Part 6	Project Timeline
Timeline	<p>Provide a timeline for the project. Please include specific deadlines for segments or phases of the project, including total project begin date and completion date.</p> <p>Assuming TIB funding award in November 2021, consultant selection would start in December 2021, with the design phase to start in February 2022. Design and right of way acquisition will be complete by the end of November 2022, with construction to start in May 2023 and to complete by December 2023.</p>
Phasing	<p>If this is a phased project, for which phase are you applying for funding?</p> <p>Funding under this grant would be utilized for the construction phase of the project scheduled for 2023.</p>
Completion	<p>By what date will the project (or this phase) be complete? Funds will lapse and may not be spent after this date.</p> <p>Construction phase of the project is scheduled to start in May 2023, to be completed by December 2023. Close out will take place in early 2024.</p>
Efforts So Far	<p>Summarize efforts taken to date regarding the project. What planning has taken place? Have engineering reports and feasibility studies been prepared? If so, describe them.</p> <p>The SR9/Township St. & John Liner/McGarigle Intersection Improvements Project was included in the \$225,000 Jones/John Liner/Trail Road Corridor Scoping Study that was completed in January 2020. The Corridor Study include a traffic analysis to support the project, preliminary geotechnical work, topographic survey for the Township (SR9) & John Liner / McGarigle Road intersection, preliminary layout of the signalization improvements, right of way needs and a detailed preliminary cost estimate. A comparison of roundabout vs signal improvements was also included. The signal option was found to be more cost effective, less intrusive on neighboring properties and better suited to pedestrian requirements related to the nearby schools.</p> <p>Funding totaling \$850,000 was secured during the 2020 Washington State Legislative session for constuction of the critical Jones/John Liner BNSF Railway Undercrossing that will connect Jones and John Liner Roads, and make the overall Corridor possible. BNSF has completed design for the undercrossing, and construction is scheduled to start May 1, 2021, and complete by June 30, 2021</p> <p>The overall Corridor is included in the Washington State Senate version of the \$18 billion Forward Washington transportation package both in 2018 and 2019. The Corridor is currently included in the 2021 Senate version of the transportation package at \$15 million, and in the House version at \$10 million, both of which are under considertion in the current session. The City has an ongoing effort underway to keep the Corridor a priority in Olympia, and has the support of our local legislative delegation.</p> <p>The City also has secured \$500,835 in federal funding for construction of bicycle and pedestrian improvements on John Liner Road between Reed Street and the SR9 & John Liner/McGarigle Intersection that will continue existing improvements on McGarigle east of the intersection and tie into the proposed pedestrian facilities to be constructed with the intersection improvements. These improvements are also included in the Corridor plan. Design work is scheduled for early 2022, with construction to be coordinated with the 2023 construction of the signalization improvements. The city has committed \$78,165 in matching funds for this total \$579,000 project.</p> <p>The Garden Meadows Development currently under construction has provided right of way and construction of Project C9B, Trail Road - Garden of Eden Road Estension, valued at \$1.1 million. This section of Trail Road will open to traffic in mid-2021.</p> <p>Current development plans north of Cook Road will result in dedication of a portion of the right of way required for Project C9A Trail Road Arterial Extension, valued at \$183,000.</p> <p>The city has also committed \$350,000 for purchase of property at Cook Road for the intersection at Cook and Trail Road. Appriasal work is in progress.</p>

Part 7**Action Plan**

What quantifiable measures are you going to track to measure the success of the project?

Completion of a new signal, with annual traffic counts, turning motion studies and crash data review to verify success of the improvements. In addition, job creation at the SWIFT Center over the next ten years related to the development of the planned Sedron Technologies research and manufacturing center.

Part 8**Miscellaneous**

Include information related to the project, if any, that would assist the Economic Development Advisory Committee and the Board of County Commissioners in evaluating the funding request, such as emergency declarations, bird-in-hand industry, volunteer efforts, links to other priority projects, etc.

The SR9/Township & John Liner/McGarigle Intersection Improvements Project is a key element of the Jones/John Liner/Trail Road Corridor as identified in the City's Comprehensive Plan, Transportation Improvements Program and the SWIFT Center EIS. Completion of the intersection improvements will provide the eastern terminus of the Corridor, and provide a vital element of the Corridor plan. With the commitment of funding for the Jones/John Liner BNSF Undercrossing, the time for this project has come. By providing a critical intersection improvement identified in the SWIFT Center EIS, this project will support the redevelopment of the SWIFT Center and the planned Sedron Technologies facility, creating jobs and developing technologies of global significance.

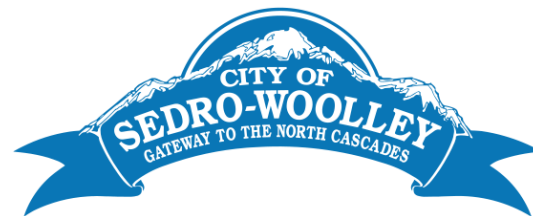
Part 9**Applicant Certification**

The applicant here certifies and affirms (1) that it does not now, nor will it during the performance of any contract arising from this application, unlawfully discriminate against any employee, applicant for employment, client, customer, or other person who might benefit from said contract, by reason of age, race, color, ethnicity, sex, religion, creed, place of birth, or degree of handicap; (2) that it will abide by all relevant local, state and federal laws and regulations; and (3) that it has read and understood the provisions and restrictions in each part above and will comply with all provisions thereof.

Signature		Date	
Printed Name	Julia Johnson	Title	

CITY OF SEDRO-WOOLLEY

JONES/JOHN LINER/TRAIL ROAD CORRIDOR PROJECTS



PROJECT DESCRIPTION

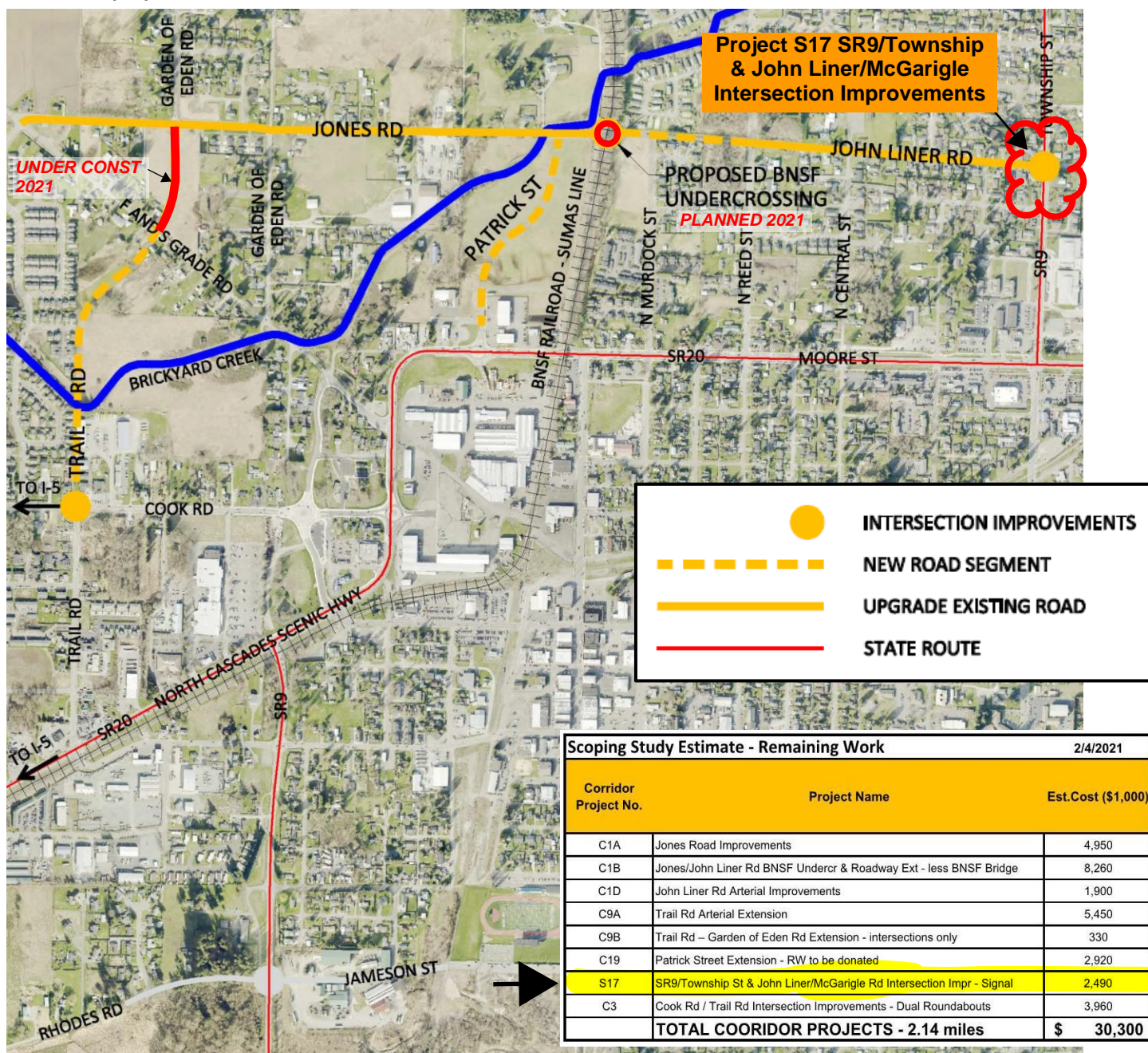
The City of Sedro-Woolley is proposing to construct a system of roadway and rail transportation improvements to stimulate economic development around the State Route (SR) 20 corridor and support the transition from the timber-based past to a modern technology based future. This corridor includes eight distinct project elements, which collectively represent the critical transportation infrastructure improvements necessary to strengthen the local transportation network and relieve congestion on SR 20, while building on significant SR20 corridor improvements completed over the past 10 years. **Total estimated project cost: \$33.2 million with \$2.9 million committed.**

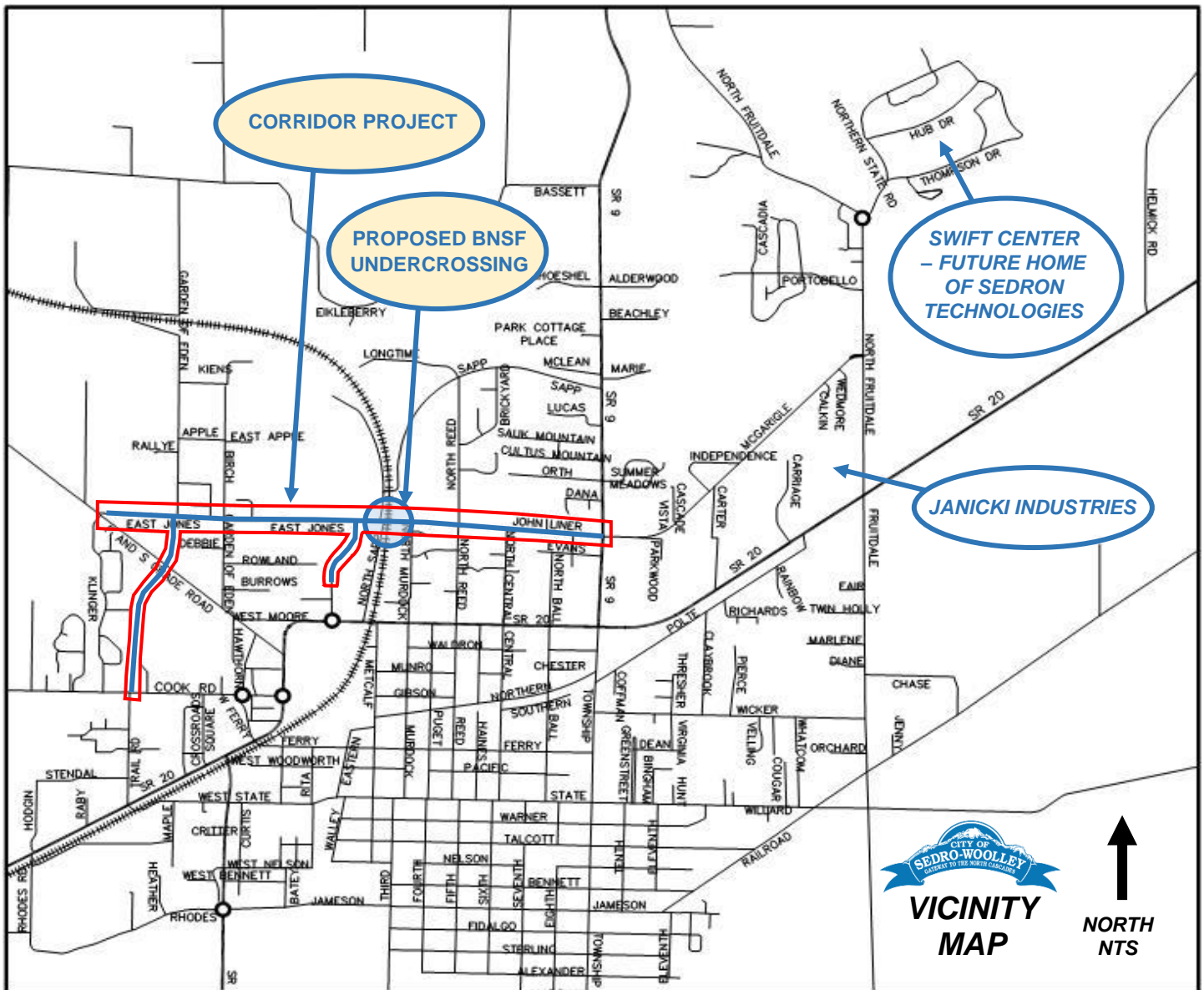
PROJECT STATUS

- Scoping Study is complete.

FUNDING STATUS

- \$850,000 BNSF Bridge awarded – planned 2021.
- \$1,100,000 – Project C9B completed by others.
- \$970,000 RW by others
- Seeking funding for final design, RW and constr.





SUMMARY OF BENEFITS

- Identified in the Sedro-Woolley Innovation for Tomorrow (SWIFT) Center EIS as required roadway improvements to mitigate for traffic impacts created by redevelopment of the former Northern States Campus. Sedron Technologies is estimating 600 to 1,000 new hi-tech jobs within the next 10 years and 96 jobs per year in following years.
- Provides key east-west corridor relieving traffic congestion on SR20 between SR9 South and SR9N-Township Street by diverting 5,200 vehicles per day (about 20%) which would otherwise use SR20.
- Identified in City's 2016 Comprehensive Plan as key program to allow for growth and development of the City for next 20 years. City growth is anticipated to occur primarily north of SR20 during this period.
- Provides needed pedestrian and non-motorized facilities to connect neighborhoods east and west of the BNSF Railroad grade.
- Adds new access and alternate routes for improved emergency response times and improved Transit and School Bus routing.
- Replaces narrow and hazardous roadway at current Sapp Road BNSF Railroad Crossing. BNSF is partnering with the city on this effort.

FOR MORE INFORMATION, CONTACT:

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(360) 855-3160

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(360) 855-9921

Mark A. Freiberger, PE
Director of Public Works
(360) 855-0771

