



October 26, 2011

Ms. Brenda Martinez, City Clerk
City of Black Diamond
24301 Roberts Drive
PO Box 599
Black Diamond, WA 98010

Re: Extra Record Objections Brought by the Applicants for the Villages and Lawson Hills Development Agreements

Dear Ms. Martinez:

Pursuant to amended Exhibit A of Black Diamond Resolution No. 11-766 dated September 29, 2011, please find the Applicants' objections to various matters discussed at the October 25, 2011 Council deliberations. We have reviewed the Hearing Examiner's record against answers provided to Council questions yesterday from City Staff Consultants, Randy Young and Dan Ervin. Matters that appear to be outside the record include the following discussion topics. These discussions should be stricken from the Council proceedings and not relied upon in the Council deliberations.

- Randy Young: Mr. Young's experience in other cities and comparison of his experiences in other cities to Black Diamond.
- Randy Young: Itemization of past fiscal studies conducted by Mr. Young.
- Randy Young: Discussion of prior drafts of the Fiscal Section of the Development Agreements.
- Randy Young: Discussion about source of initial general government fee amount.
- Randy Young: Discussion of how other municipalities address fee-in-lieu procedures.
- Randy Young: Opinions regarding this fiscal analysis process as most "rigorous" Mr. Young has seen. However, Ex. 217, Paragraph 25 does disclose Mr. Young's opinion that Section 13.6 will produce a "robust and objective" analysis that "serves the best interest" of the City.

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Dan Ervin: Discussion of length of time phosphorus testing lab analysis
can take.

Dan Ervin: Discussion of Horseshoe Lake and potential interjurisdictional
coordination.

Thank you for your attention to these matters.

Very truly yours,



Megan Elson
Director of Legal Affairs

cc: Nancy Bainbridge Rogers, Legal Counsel to YarrowBay
