

## Synergy Resource, LLC

9210 NE 62<sup>nd</sup> Ave  
Vancouver, WA 98665

July 9<sup>th</sup>, 2015

City of Kalama, WA  
320 N. First Street  
Kalama, WA 98625

**RE:** Stone Forest Subdivision Request for Extension of Preliminary Plat Approval.

Dear Honorable Mayor and City Council,

Synergy Resources, LLC is requesting the City of Kalama grant an extension to the Plat Approval for the Stone Forest Subdivision for a period of 7 years. Currently, the plat is set to expire in February 2016. We request this extension based on the following criteria:

- 1) There has been considerable investment into the project toward the goal of final plat approval such as extensive consulting costs including civil engineering, geotechnical, wetland studies, etc. Additionally, significant excavation and grading expenses have been recognized including drilling and blasting solid rock. All these expenses are necessary costs expended toward reaching final plat.
- 2) Since acquiring the property in 2012, Synergy Resources, LLC has been maintaining the vacant phase 2 property including noxious weed control. In late 2014 we re-engaged the civil engineers to finalize the engineering plans necessary for construction approval. To date, this process is nearly ready to submit to the City for final approval.
- 3) As we are all aware, the Great Recession took a significant toll on the new home sales rate and as such the already platted lots in Phase 1 were slow to sell and made development of Phase 2 cost prohibitive due to an already over-adequate inventory of lots. The construction and build out of Phase 2 was forced to be put on hold until the sales caught up with the lot inventory.
- 4) We feel that the City would be well served by granting the above requested extension to promote a healthy population growth and further the tax base within the City. A denial would ultimately delay, if not outright kill the project. Such a delay could mean getting back to this stage just before the next economic downturn, thereby further delaying any community benefit and vibrance.

If granted the extension, our plan is to construct Phase 2 in three separate sub-phases to more closely match the home sales rate. To date we've been selling on average 12 lots a year. The Phase 2 lot count is designed at 82 lots which would take nearly 7 years to completely sell

out. We plan on beginning construction in spring of 2016 and recording Phase 2A in late summer/fall 2016 and construct the subsequent sub-phases thereafter in lock-step with demand.

Thank you for your consideration of this extension request. Please don't hesitate to contact me should you have any questions or concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Cornell Rotschy', with a stylized, cursive script.

Cornell Rotschy

President

Synergy Resources, LLC