City of Bothell

BOTHELL CITY COUNCIL

*****VIRTUAL MEETING*****

AGENDA

September 1, 2020

6:00 PM

BOTHELL CITY HALL

18415 101st AVE NE

BOTHELL, WA 98011

Public Notice: Pursuant to Governor Inslee's Stay Home, Stay Healthy Proclamation 20-25 extension and the extension of Proclamation 20-28 regarding open public meetings to 11:59 PM on September 1, 2020, and in an effort to curtail the spread of the COVID-19 virus, this City Council meeting will be conducted remotely. We encourage members of the public to attend and participate in the meeting remotely, as described in more detail below.

To attend the meeting:

- Watch the meeting LIVE online on the City of Bothell YouTube Channel.
- Watch the meeting live on BCTV Cable Access Channels 21/26 (must have Frontier/Comcast Cable)
- Listen to the meeting live by phone: +1-510-338-9438 USA Toll / Access code: 126-291-0576
- Council meetings are also recorded and available the next day on the City of Bothell YouTube Channel.

To provide written or verbal comments:

- Sign-up HERE to give your comment (submissions must be received by 3:00 PM, day of meeting).

MEMBERS OF THE CITY COUNCIL

Mayor Liam Olsen

Deputy Mayor Jeanne Zornes
Councilmember Davina Duerr
Councilmember James McNeal
Councilmember Tom Agnew
Councilmember Rosemary McAuliffe
Councilmember Mason Thompson

REGULAR SESSION

Call to Order & Roll Call

1. **Meeting Agenda Approval**
   During this item, the City Council may identify agenda items to be continued, withdrawn, or added.

2. **Presentations, Reports, & Briefings**

   A. Public Engagement Opportunities

Pgs. 5-6

B. Proclamations
- Puget Sound Starts Here

C. Special Presentations
- Snohomish County Health District Update - Ragina Gray, Environmental Health Director

D. Staff Briefings
- None at this time.

E. City Manager Reports
- None at this time.

F. Council Committee Reports

3. Visitor Comment

If you wish to comment (either in writing or verbally) please submit a form HERE prior to 3PM (day of meeting). Verbal comments will be allowed 3 minutes to speak via phone. All comments will be made part of the record.

4. Consent Agenda

All items under this section will be passed with a single motion and vote. These items are of a routine nature. Prior to approval, City Council may request items be withdrawn from the consent agenda for separate discussion. Approval of the consent agenda authorizes the City Manager to implement each item in accordance with the staff recommendation.

Pgs. 7-28

A. Approval of June 2020 Meeting Minutes
Recommended Action: Approve the Meeting Minutes of June 2, 9, 16, 23, 24, and 25, 2020 as presented.

Pgs. 29-30

B. AB # 20-101 - Approval of June 2020 Payroll and Benefit Transactions
Recommended Action: Approve payroll and benefit transactions for June 1-30, 2020

Pgs. 31-32

C. AB # 20-102 – Approval of July 2020 Payroll and Benefit Transactions
Recommended Action: Approve payroll and benefit transactions for July 1-31, 2020

Pgs. 33-40

D. AB # 20-103- Approval of an Ordinance Extending Ziply Fiber's Cable Television Franchise Agreement until September 2022.
Recommended Action: No action is requested at this time. Instead, this item is currently scheduled for Council action on the September 8, 2020 consent agenda.

Pgs. 41-44

E. AB # 20-104 – Approve and Authorize the City Manager to Execute an Interlocal Agreement with the City of Lynnwood to Allow Cooperative Purchasing
Recommended Action: Authorize the City Manager to execute an Interlocal Agreement between the City of Lynnwood and the City of Bothell for cooperative purchasing.

Pgs. 45-48

F. AB # 20-105 – Approval of an Interlocal Cooperative Purchasing Agreement with the Marysville Fire District for the Aid Car Purchase funded by the Safe and Secure Levy
Recommended Action: Authorize the City Manager to enter into an Interlocal Purchasing Agreement with Marysville Fire District for the purchase of one levy funded aid car.

5-minute break

5. Public Hearings

- None at this time.

6. Ordinances & Resolutions

- None at this time.

7. Contracts and Agreements

Pgs. 49-120 A. AB # 20-106 – Consideration of Lot D Disposition
Recommended Action: Authorize the City Manager to execute the Purchase & Sale Agreement with Maple Multi-family Land TX, LP, for the purchase of property known as Lot D in the amount of $12,750,000.

Pgs. 121-132 B. AB# 20-107 – Consider Approving a Subordination Agreement related to Refinance of Riverside Landing Apartments (affordable housing)
Recommended Action: Authorize City Manager to execute attached subordination agreement.

5-minute break

8. Other Items

Pgs. 133-134 A. AB # 20-108 – Direction regarding Use of Public Streets and Rights of Way in Downtown Bothell
Recommended Action: Provide direction to the City Manager regarding whether to continue use or discontinue use of public streets and rights of way in the downtown at now cost to businesses until October 26, 2020.

Pgs. 135-160 B. AB # 20-109 – Consideration of Allocating the Remaining $402,500 of State-Shared CARES Act Funding for COVID-19 Related Expenses and Community Assistance
Recommended Action: Direct staff to proportion the remaining $402,500 of state-shared CARES Act funds allocating an additional $90,000 for Business Assistance, an additional $200,500 for Resident Assistance, and the remaining $112,000 to City cost recovery or Community Response.

9. Study Session/Update/Discussion Items

- None at this time.

10. Council Conversations

During this item, Council members have the opportunity to informally discuss topics of city interest.

11. Executive Session/Closed Session

- None at this time.

12. Adjourn

CERTIFICATE

I hereby certify that the above agenda was posted on August 27, 2020 by 6:00 P.M., on the official website and bulletin board at Bothell City Hall, 18415 101st Avenue NE, Bothell, WA, 98011, in accordance with

RCW 42.30.077, at least 24 hours in advance of the published start time of the meeting.
Laura Hathaway, City Clerk

SPECIAL ACCOMODATIONS: The City of Bothell strives to provide accessible meetings for people with disabilities. If special accommodations are required, please contact the ADA Coordinator at (425) 806-6151 at least one day prior to the meeting.

Copies of agenda bills and attachments listed in this agenda may be obtained from the City Clerk's Office the Friday before the meeting.

Bothell City Council meetings are aired live on Bothell Community Television (BCTV) Channel 21/26 (Comcast/Frontier) (available to Comcast and Frontier Cable customers within Bothell City limits). Meetings are generally replayed according to the following schedule (subject to change): Wednesday following the meeting at 10 a.m.; Friday, Saturday and Sunday following the meeting at 10 a.m. and 7 p.m. City Council and Planning Commission meetings and the BCTV schedule are viewable online at www.bothellwa.gov

PROCLAMATION

City of Bothell™

Puget Sound Starts Here Month

WHEREAS, Puget Sound and the waterways that connect our mountains to the shore contribute in numerous ways to Bothell's economic infrastructure, quality of life, and our natural resources; and

WHEREAS, the City Council's Environment Goal is to protect the natural environment through integrated natural resource management; and

WHEREAS, water quality is a priority for the health and welfare of Bothell citizens; and

WHEREAS, millions of pounds of toxic pollutants enter Puget Sound every year, most of which result from rain washing over hard surfaces contaminated with yard chemicals, pet waste, oil, soaps, and other toxins that then enter storm drains, streams, and ultimately Puget Sound; and

WHEREAS, state agencies and more than 750 local organizations, governments, and tribes, including Bothell, have joined together to engage residents in protecting and improving local and regional water quality; and

WHEREAS, "Puget Sound Starts Here Month" is an opportunity to provide educational opportunities for the public to learn how they can help clean up Puget Sound and our local waterways.

NOW, THEREFORE, **I**, Liam Olsen, Mayor of Bothell, do hereby proclaim the month September 2020 as "Puget Sound Starts Here" month in the City of Bothell, Washington, and call upon all citizens to protect natural resources by reducing and eliminating sources of pollution.

Signed this 1st Day of September, 2020

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Liam Olsen, Mayor

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BOTHELL CITY COUNCIL

*****VIRTUAL MEETING*****

Minutes

June 2, 2020

6:00 PM

BOTHELL CITY HALL

18415 101st AVE NE

BOTHELL, WA 98011

MEMBERS OF THE CITY COUNCIL

Mayor Liam Olsen

Deputy Mayor Jeanne Zornes

Councilmember Davina Duerr

Councilmember James McNeal

Councilmember Tom Agnew

Councilmember Rosemary McAuliffe

Councilmember Mason Thompson

REGULAR SESSION

Call to Order, Roll Call and Pledge of Allegiance

Mayor Olsen called the meeting to order at 6:00 PM and read the meeting guidelines into the record.

City Clerk Laura Hathaway called roll – All Councilmembers present.

Mayor Olsen asked for a Point of Personal Privilege; He called for a moment of silence in honor of George Floyd.

Chief Seuberlich addressed this event that has created a national outcry including here in Bothell, and entertained Council questions.

1. **Meeting Agenda Approval**
   There were no changes to the agenda.

2. **Presentations, Reports, & Briefings**

   A. Public Engagement Opportunities
      - None at this time.

   B. Proclamations
      - None at this time.
      -

   C. Special Presentations
      - None at this time.

   D. Staff Briefings
      - None at this time.

E. City Manager Reports
- Update of City's COVID-19 Response

City Manager Jennifer Phillips updated the Council on the City's Covid-19 response to date.

F. Council Committee Reports

None.

3. Visitor Comment

1. Sarah Armitage – wrote regarding the lack of service and support from the unemployment office
2. Cherelle Ashby of Bothell Chiropractic– wrote regarding getting critical information to local businesses
3. Kyle Emerson – wrote regarding AB 20-070 – in favor of open streets
4. Leigh Henderson – wrote regarding AB 20-070 – allowing all businesses to benefit from open streets
5. Bonnie Plottner - wrote regarding AB 20-070 – in favor of open streets
6. Sarah Gustafson - wrote regarding AB 20-070 – pilot program for open streets
7. Tyson Kemper - wrote regarding AB 20-070 – in favor of open streets
8. Julie Westerbeck - wrote regarding AB 20-070 in favor of open streets
9. Donna Bardsley - wrote regarding AB 20-070 – in favor of open streets
10. Kevin Kiernan - wrote regarding AB 20-070 – in favor of open streets
11. Ayumi Shinjo - wrote regarding AB 20-070 – in favor of open streets
12. Coby Zeifman - wrote regarding AB 20-070 – in favor of open streets
13. Logan Hamel - wrote regarding AB 20-070 – in favor of open streets
14. Krissy Cates - wrote regarding AB 20-070 – in favor of open streets
15. Kat Franks - wrote regarding AB 20-070 – in favor of open streets
16. Carol LeBeck - wrote regarding AB 20-070 – in favor of open streets
17. Jen & Nick Barber - wrote regarding AB 20-070 – in favor of open streets
18. Lisa Rathbun – wrote regarding AB 20-070 – NOT in favor of open streets
19. Troy Kasper - wrote regarding AB 20-070 – in favor of open streets
20. Rosa Wampler – wrote regarding AB 20-070 – NOT in favor of open streets
21. SaraJane Hamel - wrote regarding AB 20-070 – in favor of open streets
22. Nerelys Ortiz - wrote regarding AB 20-070 – in favor of open streets
23. Laura Borner – - wrote regarding AB 20-070 – in favor of open streets and thank you to police for attending the local protests
24. Joe Schindler - wrote regarding AB 20-070 – in favor of open streets
25. Kelly Forbes Marshall - wrote regarding AB 20-070 – in favor of open streets
26. Guada Protacio-Karaszi - wrote regarding AB 20-070 – in favor of open streets
27. Jessica Campbell - wrote regarding AB 20-070 – in favor of open streets
28. Stephanie Adam - wrote regarding AB 20-070 – in favor of open streets

3, Consent Agenda

A. AB # 20-058 – Approve April 2020 Payroll and Benefit Transactions
Recommended Action: Approve payroll and benefit transactions for April 1 – 30, 2020.

B. AB # 20-059 – Approval of Adopting the King County Regional Hazard Mitigation Plan Update and the City of Bothell Hazard Mitigation Plan Annex
Recommended Action: Adopt the King County Regional Hazard Mitigation Plan Update and the City of Bothell Hazard Mitigation Plan Annex.

C. AB # 20-060 – Approval of Supplemental Agreement No. 6 with Jacob Engineering for the Non-Motorized Bridge at the Park at Bothell Landing
Recommended Action: Approve Contract Supplement No. 6, in substantially the same form as presented, with Jacobs Engineering, Inc. in the amount of $24,268 for construction engineering services for the Non-Motorized Bridge at the Park at Bothell Landing project.

D. AB # 20-061 – Approve an Ordinance Regarding a Wireline and Small Wireless Facility Franchise Agreement with Crown Castle Fiber LLC, c/o Crown Castle
Recommended Action: Adopt the proposed Ordinance granting a Small Wireless Facility Franchise to Crown Castle Fiber, LLC.

E. AB # 20-062 – Approve an Ordinance Extending Comcast's Cable Television Franchise Agreement until May 2025
Recommended Action: No action is requested at this time; however, this item is currently scheduled for Council action on the June 16, 2020 consent agenda.

MOTION: Councilmember moved approval of the Consent Agenda as presented. Councilmember Agnew second. The motion carried 6-0-1 (Deputy Mayor Zornes had technical difficulties and did not vote.)

4. Public Hearings

A. AB # 20-063 – Public Hearing and Consideration of an Ordinance Amending the Bothell Municipal Code to Comply with Federal Emergency Management Administration Requirements for Special Flood Hazard Areas
Recommended Action: Approve the proposed Ordinance (Attachment 1), Amending Sections of Bothell Municipal Code Chapter 14.04, Critical Areas Regulations, pertaining to flood management.

Mayor Olsen opened the Public Hearing at 6:30 PM.

Senior Planner David Boyd presented and entertained Council questions.

One written comment was received from Ann Aagaard regarding the courtesy notice received on the item. This comment will be made part of the record.

MOTION: Councilmember Duerr moved approval of the recommended action. Councilmember Agnew second. The motion passed 6-0-1 (Councilmember Thompson was not on the meeting the time of the vote.)

B. AB # 20-064 – Public Hearing and Consideration of an Ordinance Amending the Bothell Municipal Code to Align with State Exceptions for Annual Comprehensive Plan Amendments and to Clarify Procedures for Providing State Environmental Policy Act (SEPA) Documentation to Advisory Bodies
Recommended Action: Staff recommends that the Council adopt the attached Ordinance

amending BMC 11.18.060 and 14.02.220.

Mayor Olsen opened the Public Hearing at 6:43 PM.

Senior Planner Bruce Blackburn presented and entertained Council questions.

No public comments were received.

MOTION: Councilmember Duerr moved approval of the recommended action. Deputy Mayor Zornes second. The motion passed unanimously 7-0.

C. AB # 20-065 – Public Hearing on Retaining Interim Ordinance Temporarily Suspending Development Application and Permit Timelines
Recommended Action: Staff recommends that the Council take no action at this time. The Interim Ordinance will remain in effect until October 7, 2020.

Mayor Olsen opened the Public Hearing at 6:50 PM.

Community Development Director Michael Kattermann presented and entertained Council questions.

No public comments were received.

No action was taken. The Interim Ordinance will remain in effect until October 7, 2020.

5. Ordinances & Resolutions

A. AB # 20-066 - Consideration of an Ordinance Initiating Condemnation of Property Needed for the North Creek Trail Section 4 Project
Recommended Action: Approve an ordinance initiating condemnation of property for the North Creek Trail Section 4 project, and authorize the City Manager to acquire the necessary right-of-way for the project, subject to future Council approval of deeds and easements documenting the acquisitions.

Public Works Director Erin Leonhart and Engineer Ryan Roberts presented and entertained Council questions.

MOTION: Councilmember Duerr moved approval of the recommended action. Councilmember Agnew second. The motion passed unanimously 7-0.

B. AB # 20-067 - Consideration of a Resolution Temporarily Suspending the Capital Facilities Plan Update Process and Adopting an Abbreviated Process that Satisfies the Requirements of the Growth Management Act
Recommended Action: Approve the Resolution temporarily suspending the Capital Facilities Plan Update process and adopting an abbreviated process that satisfies the requirements of the Growth Management Act.

Finance Director Chris Bothwell presented and entertained Council questions.

MOTION: Councilmember McNeal moved approval of the recommended action. Councilmember Agnew second.

Councilmember McNeal spoke to his motion.

VOTE: The motion passed 6-0-1 (Councilmember McAuliffe out of the meeting).

6. Contracts and Agreements

A. AB # 20-068 - Consideration of an Interlocal Agreement for a North King County Mobile Integrated Healthcare Program
Recommended Action: Authorize the City Manager to execute an Interlocal Agreement for a Mobile Integrated Healthcare Program with the City of Bothell, Northshore Fire Department, Woodinville Fire & Rescue, and the Shoreline Fire Department in substantially the same form as presented.

Fire Chief Bruce Kroon presented and entertained Council questions.

MOTION: Councilmember Duerr moved approval of the recommended action. Councilmember Agnew second. The motion passed 6-0-1 (Councilmember McAuliffe away from the meeting.)

7. Other Items

A. AB # 20-069 - Consideration of Dedicating State-Shared CARES Act Funding to the City for COVID-19 Related Expenses and to the Community for COVID-19 Related Assistance
Recommended Action: Direct staff to proportion potential reimbursements to City cost recovery ($500,000) and Community response efforts ($500,000), and to bring the remaining funds ($400,000) back to Council by August 4, 2020 for allocation.

Assistant City Manager Kellye Mazzoli presented and entertained Council questions. She stated the City of Bothell's allocation is $1.4 million and entertained Council questions.

MOTION: Councilmember Duerr moved approval of the recommended action. Councilmember Agnew second. The motion carried 7-0.

B. AB # 20-070 – Consideration of options for public street and private property uses in response to COVID-19
Recommended Action: Provide direction to the City Manager to:
1. Either, close Main Street or implement flex zones between 101st and 102nd Avenues NE at no cost to businesses. To open all flex zones without cost to businesses, Council will need to pass a motion to waive the 2020 flexible zone permit fees and monthly charge;
2. Return on June 9 with an interim ordinance to amend the Bothell Municipal Code allowing restaurants to use private property/parking lots for outdoor dining;
3. Return by mid-July with information and cost estimates to close residential streets to support outdoor activities and safe social distancing.

City Manager Jennifer Phillips review each of the 3 items she is seeking policy direction from Council on and entertained Council questions.

Discussion ensued.

MOTION: Councilmember Duerr moved approval of Option 2. Councilmember McAuliffe second.

Amendment: Councilmember Thompson moved that no permit would be needed. Councilmember Duerr second for discussion.

Discussion ensued.

Amendment withdrawn by maker and second.

VOTE on MAIN MOTION: The motion carried 7-0.

ITEM # 1 – Consensus was to waive the 2020 to waive the flexible zone permit fees.

ITEM # 3 - Come back in mid-July with information and costs to close residential streets to support outdoor activities and safe social distancing.

Discussion ensued.

MOTION: Councilmember Thompson moved to have staff study this and bring it back for Council consideration. Councilmember Duerr second.

Councilmember Thompson spoke to his motion.

The motion failed 5-2: Councilmembers Agnew, McNeal, McAuliffe, Deputy Mayor Zornes and Mayor Olsen voted no. Councilmembers Thompson and Duerr yes.

C. AB # 20-071 -Consideration of the King County Council's Economic Development Relief Funds for Phase 2 Reopening Kits
Recommended Action: Provide direction to Staff regarding the expenditure of King County Council's 2020 Emergency Fund for Businesses Impacted by COVID-19.

Economic Development Manager Jeanie Ashe presented and entertained Council questions.

Council consensus was to ask businesses what they need.

8. Study Session/Update/Discussion Items

- None at this time.

9. Council Conversations

The conversation focused on recent events in the country in the wake of the George Floyd incident and how the City of Bothell has responded to the community.

Councilmember McNeal thanked Chief Seuberlich for his letter to the community.

10. Executive Session/Closed Session

- None at this time

12. Adjourn

Mayor Olsen adjourned the meeting at 9:45 PM

Submitted for approval on 9/1/2020

BOTHELL CITY COUNCIL

*****VIRTUAL MEETING*****

Minutes

June 9, 2020

6:00 PM

BOTHELL CITY HALL

18415 101st AVE NE

BOTHELL, WA 98011

MEMBERS OF THE CITY COUNCIL

Mayor Liam Olsen

Deputy Mayor Jeanne Zornes
Councilmember Davina Duerr
Councilmember James McNeal
Councilmember Tom Agnew
Councilmember Rosemary McAuliffe
Councilmember Mason Thompson

REGULAR SESSION

Mayor Olsen called the meeting to order at 6:00 PM and read the meeting guidelines into the record.

City Clerk Laura Hathaway called roll – all Councilmembers present.

1. **Meeting Agenda Approval**
   There were no changes to the agenda.

2. **Presentations, Reports, & Briefings**

   A. Public Engagement Opportunities
      - None at this time.

   B. Proclamations
      - None at this time.

   C. Special Presentations
      - King County Solid Waste Rate Proposal

Sustainability Coordinator Emily Warnock & King County Representatives Pat McLaughlin and John Walsh provided an update to the King County Solid Waste rate proposal and entertained Council questions.

Councilmember McNeal stated he needed Council direction on this item to bring back to the Sound Cities Association (SCA) Public Issues Committee.

Council consensus is to support the proposal.

   D. Staff Briefings
      - None at this time.

E. City Manager Reports
- Update of City's COVID-19 Response

City Manager Jennifer Phillips provided an update on the City's Covid-19 response to date and entertained Council questions. She asked for and received consensus to waive right-of-way fees for the whole downtown.

City Manager Phillips also stated the pop-up dog park will reopen at the end of June with social distancing protocols in place.

- Civil Protests Update

City Manager Jennifer Phillips addressed the Council and the community in the wake of the George Floyd death and the protests that have followed.

Police Chief Ken Seuberlich also commented on the death of George Floyd and updated the Council on the civil protests that have taken place in Bothell and entertained Council questions. Council thanked the Chief for his leadership during this trying time.

F. Council Committee Reports

None.

3. Visitor Comment

Laura Escude – Library Boardmember – thanked the City Council for their service and provided an update on King County Library services.

4. Consent Agenda

- None at this time.

Council recessed at 7:30 and reconvened at 7:40 PM.

5. Public Hearings

- None at this time.

6. Ordinances & Resolutions

A. AB # 20-072 - Consideration of an Interim Ordinance Allowing Temporary Reduced Parking for Outdoor Dining
Recommended Action: Provide direction to staff on whether to charge a fee and approve the proposed Interim Ordinance.

Community Development Director Michael Kattermann presented and entertained Council questions. He stated that Council will need to hold a public hearing within 60 days of adoption

MOTION: Councilmember Duerr moved approval of the recommended action. Councilmember McNeal second. The motion carried 7-0.

7. Contracts and Agreements

- None at this time.

8. Other Items

A. AB # 20-073 -Consideration of the Redeployment of Lime Scooters in Bothell
Recommended Action: Provide Staff with direction regarding the redeployment of electric scooters in the City of Bothell.

Economic Development Manager Jeanie Ashe presented and entertained Council questions.

MOTION: Councilmember Duerr moved approval to redeploy electric scooters in Bothell. Councilmember Thompson second. The motion carried 7-0.

Council recessed at 8:02 PM and reconvened at 8:17 PM.

9. Study Session/Update/Discussion Items

A. AB # 20-074 – Study Session on the Status of the Canyon Park Subarea Plan Update
Recommended Action: No action is requested this evening.

Senior Planner Bruce Blackburn presented an update on the Canyon Park Subarea Plan and entertained Council questions. Update only; no action taken.

10. Council Conversations

Council conversations centered on how Council and staff could show support for the community during the Covid-19 pandemic.

Council agreed on issuing a proclamation or resolution.

11. Executive Session/Closed Session

- None at this time

12. Adjourn

Mayor Olsen adjourned the meeting at 9:34 PM.

Submitted for approval on 9/1/2020

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BOTHELL CITY COUNCIL

*****VIRTUAL MEETING*****

MINUTES

June 16, 2020

6:00 PM

BOTHELL CITY HALL

18415 101st AVE NE

BOTHELL, WA 98011

MEMBERS OF THE CITY COUNCIL

Mayor Liam Olsen

Deputy Mayor Jeanne Zornes

Councilmember Davina Duerr

Councilmember James McNeal

Councilmember Tom Agnew

Councilmember Rosemary McAuliffe

Councilmember Mason Thompson

REGULAR SESSION

Mayor Olsen called the meeting to order at 6:08 PM.

All Councilmembers were present with the exception of Councilmember Duerr who was absent and excused.

1. Meeting Agenda Approval

There were no changes to the meeting agenda.

2. Presentations, Reports, & Briefings

A. Public Engagement Opportunities
- None at this time.

B. Proclamations
- Pride Month
- Juneteenth

Mayor Olsen read both proclamations into the record. Councilmember McNeal thanked the Mayor and staff for bringing both of these proclamations forward.

C. Special Presentations
- None at this time.

D. Staff Briefings
- Chief of Police Ken Seuberlich updated the Council on social demands for police reform and entertained Council questions.

E. City Manager Reports
- None at this time

F. Council Committee Reports

Councilmember McNeal reported that the majority of SCA cities do not support the solid waste increase. Deputy Mayor Zornes provided an Lodging Tax Committee update as well as an update on the Chamber luncheon.

3. Visitor Comment

Sarah Gustafson called in and spoke regarding the public comment process.

Written comment was received by the following:

1. Pat Pierce – wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
2. Tonya Rimbey - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
3. Andrea Dusenberry - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
4. Brian Mitchell - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell in 2020
5. Julienne Rasor - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
6. Kate Lew - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
7. Jack Bartman - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
8. Joy Adiletta - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
9. Angie Lipe - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
10. Colin Tracy - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
11. Melissa Houston - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
12. Elizabeth Byrne - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
13. Tom Green - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
14. Jill Green - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
15. Melissa Glynn - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
16. Kristina DeLeo - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell

17. Ketra Mendez - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell
18. Kristin Joyner - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
19. Christine Salazar - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
20. LaDrene Coyne - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
21. Jennifer Snyder - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
22. Asia Comeau - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
23. Christine Greig - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell
24. Kim McKaig - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
25. Ray Shafer - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
26. Jamien Murphy - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
27. John Murphy - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
28. Tim Coyne – wrote regarding AB 20-080, in support of police task enforcement of the law and fines for the use of fireworks not deemed safe and sane.
29. Megan Bilder - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
30. Kevin Hackney - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell
31. Bill Moritz – wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
32. Marla Ostrowski - wrote regarding AB 20-080, expressed concerns regarding the fireworks and had questions about the ban.
33. Debra Shelton - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
34. Robert & Judith Fisher - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
35. Joel Schleppi - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell
36. Apollo Fuhriman - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell and made alternative suggestions to banning
37. Crystal Pierce - wrote regarding AB 20-080, in support for prohibiting the sale and use of fireworks in Bothell
38. Robert Fuhriman - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell

39. Maria Andrews - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell
40. Jennifer Spanton - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell
41. Karin Potter - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell
42. Clifford Orr - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell
43. Michael Potter - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell
44. Maddy (no last name) - wrote regarding AB 20-080, against prohibiting the sale and use of fireworks in Bothell

4. Consent Agenda

A. AB # 20-075 - Approval of May 2020 Vouchers
Recommended Action: Approve vouchers for May 2020 totaling $3,570,529.06

B. AB # 20-076 - Approval of an Ordinance Extending Comcast's Cable Television Franchise Agreement until May 2025
Recommended Action: Adopt the proposed Ordinance Extending Comcast's Cable Television Franchise Agreement until May 2025.

C. AB # 20-077 - Approval of an Interlocal Agreement for Fire Marshal Services with King County Fire Protection District No. 16 (Northshore Fire Department)
Recommended Action: Authorize the City Manager to execute the Interlocal Agreement for Fire Marshal Services between King County Fire Protection District No. 16 and the City of Bothell in substantially the same form as presented.

MOTION: Deputy Mayor Zornes moved approval of the Consent Agenda as presented. Councilmember Thompson second. The motion carried 6-0; Councilmember Duerr absent and excused.

5. Public Hearings

A. AB # 20-078 - Public Hearing to Consider Adoption of a Resolution Approving the 2021-2026 Six-Year Transportation Improvement Program (TIP)
Recommended Action: Adopt the proposed resolution approving the 2021-2026 Six-Year Transportation Improvement Program.

Mayor Olsen opened the Public Hearing at 7:19 PM.

Transportation Planner Sherman Goong presented and entertained Council questions.

Written comments were received by:

1. Bill Moritz – urging Council NOT to accept the ERT from 102nd Ave NE to the eastern City Limits on NE Woodinville Drive be deleted.
2. Patrick Ewing – urging Council to keep the East Riverside Trail Project on the TIP.

MOTION: Deputy Mayor Zornes moved approval of the recommended action. Councilmember McAuliffe second. The motion carried 6-0; Councilmember Duerr absent and excused.

Council recessed at 7:34 PM and reconvened at 7:40 PM.

6. Ordinances & Resolutions

A. AB # 20-079 - Consideration of an Ordinance adopting the State Sales Tax Credit and Direct Revenues Received to the A Regional Coalition for Housing (ARCH) Trust Fund
Recommended Action: Approve the Ordinance adopting the sales tax credit and direct staff to use the revenue received to fund a the annual ARCH trust fund contribution to ARCH for amounts received in 2020 and subsequent periods, unless a different qualifying use is identified in subsequent adopted budgets.

Finance Director Chris Bothwell presented and entertained Council questions.

MOTION: Councilmember Thompson moved approval of the recommended action. Councilmember Agnew second. The motion carried 6-0; Councilmember Duerr absent and excused.

B. AB #20-080 – Consideration of Ordinance Prohibiting the Sale and Use of Fireworks in Bothell
Recommended Action: Approve or deny the attached ordinance prohibiting the sale and use of fireworks within City limits.

City Manager Jennifer Phillips presented and entertained Council questions. She stated there was no staff recommendation on this item; but staff felt, based on comments received by the public and discussions with Councilmembers, that it was time to revisit this issue.

Fire Chief Kroon, Fire Marshall Noble and City Attorney Byrne also entertained Council questions.

Discussion ensued.

MOTION: Councilmember Agnew moved adopt an ordinance prohibiting the sale and use of fireworks in the City of Bothell. Councilmember Thompson second.

AMENDING MOTION: Deputy Mayor Zornes moved to add exemptions for sale and use of certain fireworks. Councilmember McNeal second.

Discussion ensued.

VOTE ON AMENDING MOTION: The Amending Motion failed 3-3: Councilmember McAuliffe, Agnew and McNeal no. Councilmember Thomspon, Deputy Mayor Zornes and Mayor Olsen yes. Councilmember Duerr absent and excused.

VOTE ON MAIN MOTION: The Main Motion failed 3-3: Councilmembers McNeal, McAuliffe and Deputy Mayor Zornes no. Councilmembers Thompson, Agnew and Mayor Olsen yes. Councilmember Duerr absent and excused.

Council recessed at 8:45 and reconvened at 8:50.

7. Contracts and Agreements

A. AB # 20-081 – Consideration of the Snohomish County Public Works Assistance Fund Loan Agreement for Sewer Lift Station 4 (Camden Crest) Replacement
Recommended Action: Authorize the City Manager to enter into a Snohomish County Public Works Assistance Fund Loan Agreement for Sewer Lift Station 4 replacement.

Utility and Development Services Manager Boyd Benson presented and entertained Council questions.

MOTION: Councilmember Thompson moved approval of the recommended action. Deputy Mayor Zornes second. The motion carried 6-0; Councilmember Duerr absent and excused.

8. Other Items

A. AB # 20-082 – Update on Progress towards Council's 2019-2020 Biennium Goals
Recommended Action: No action is requested at this time.

City Manager Jennifer Phillips presented and entertained Council questions. She stated that many questions will be answered at the June 23-25 Budget Meetings.

B. AB # 20-083 – First Quarter 2020 Financial Report and Fourth Quarter 2019 Financial Report
Recommended Action: Presentation only.

Finance Director Chris Bothwell presented and entertained Council questions.

9. Study Session/Update/Discussion Items

- None at this time.

10. Council Conversations

Council conversed on several topics including parks and the bridge at Bothell Landing.

11. Executive Session/Closed Session

- None at this time.

12. Adjourn

Mayor Olsen adjourned the meeting at 9:27 PM.

Submitted for approval 9/1/2020

BOTHELL CITY COUNCIL
SPECIAL BUDGET WORKSHOP MEETINGS
*****VIRTUAL MEETINGS*****

MINUTES

June 23, 2020
6:00 PM - 9:00 PM

MEMBERS OF THE CITY COUNCIL
Mayor Liam Olsen

Deputy Mayor Jeanne Zornes
Councilmember Davina Duerr
Councilmember James McNeal
Councilmember Tom Agnew
Councilmember Rosemary McAuliffe
Councilmember Mason Thompson

REGULAR SESSION
Mayor Olson called the meeting to order at 6:05 PM and reviewed the meeting guidelines.

City Clerk Laura Hathaway call roll – All present with the exception of Councilmember Duerr who was having technical difficulties. She joined the meeting at 6:08 PM.

1. Meeting Agenda Approval

Councilmember McNeal asked to add an item to the June 25th Special Meeting Agenda – Main Street/101st Avenue NE Street Closure.

Council has also been asked to appoint a member to the North King County Shelter Task Force. This item will also be added to the June 25th Agenda for approval/appointment.

Mayor Olsen asked for a Moment of Personal Privilege to address community policing, "Ordinance No.1" regarding Apes on Main Street, and the Mural on 101st Avenue. He stated that while talking about race and racism may be an uncomfortable topic for many, not talking about it allows it to continue.

2. Visitor Comment

Hannah Mendro (written comment) spoke regarding police, arts and housing.
Benjamin Mahnkey – (call-in) spoke regarding budget projections.

3. Other Items

A. 2021-2022 Budget Workshop and Department Presentations

City Manager Jennifer Phillips stated this discussion is intended to be a high-level policy discussion focusing on the General Fund and that there will be more detailed discussion in the fall.

- Financial Overview

Finance Director Chris Bothwell presented the financial forecast and the revenue forecast and entertained Council questions. He also presented council manic opportunities, debt analysis, and the fund balance.

Council recessed at 7:15 PM and reconvened at 7:25 PM.

- Council Goals

City Manager Jennifer Phillips let the discussion on Council Goals. She stated she consolidated the 10 goals into 5 goal categories.

Discussion ensued.

Council recessed at 8:28 PM and reconvened at 8:41 PM.

- Department Budget Presentations

  - Executive Office

City Manager Jennifer Phillips presented the Executive Division budget overview which includes Legislative, City Clerk, Emergency Management, Tourism, Community Relations, and Economic Development and entertained Council questions.

  - Finance

Director Chris Bothwell presented the finance department budget overview and entertained Council questions.

  - Human Resources

Director Mathew Pruitt presented the Human Resources department budget overview and entertained Council questions.

  - Information Services

Director Joe Sherman presented the Information Services department budget overview and entertained Council questions.

  - Legal

Attorney Paul Byrne presented the Legal department budget overview and entertained Council questions.

4. Adjourn

The meeting was adjourned at 9:45 PM and budget presentations will continue on June 24, 2020 at 6:00 PM.

Submitted for approval on 9/1/2020

BOTHELL CITY COUNCIL
SPECIAL BUDGET WORKSHOP MEETING
*****VIRTUAL MEETINGS*****

Minutes

June 24, 2020
6:00 PM - 9:00 PM

MEMBERS OF THE CITY COUNCIL
Mayor Liam Olsen

Deputy Mayor Jeanne Zornes
Councilmember Davina Duerr
Councilmember James McNeal
Councilmember Tom Agnew
Councilmember Rosemary McAuliffe
Councilmember Mason Thompson

REGULAR SESSION

Mayor Olsen called the meeting to order at 6:00 PM and reviewed the meeting guidelines.

City Clerk Laura Hathaway called roll – all Councilmembers present.

1. Meeting Agenda Approval

The meeting agenda was approved as presented.

2. Visitor Comment

Erik Jensen – wrote in regarding funding for the Radar/Navigator Program.
Evan Kim – wrote in regarding funding for the Radar/Navigator Program.
David Levitan – called in regarding body cameras for police – SEE TAPE.
Sarah Gustafson- called in regarding body cameras for police and the police dept. budget.

3. Other Items

- Department Budget Presentations Continued
  - Police, Municipal Court, Fire

Police Chief Ken Seuberlich presented the police budget overview and addressed current events involving police across the country and elaborated on I-940 and HB 1064. Chief Seuberlich entertained Council questions regarding de-escalation training and mental health.

Council recessed at 7:40 PM and reconvened at 7:45 PM.

Judge Mara Rozzano presented the Court budget and entertained Council questions.

Council recessed at 8:44 PM and reconvened at 8:51 PM.

Fire Chief Bruce Kroon presented the Fire Department Budget and entertained Council questions.

4. Adjourn

At 9:35 PM, Mayor Olsen stated this meeting would be adjourned until 6:00 PM on June 25th for the remaining department presentations.

Submitted for Approval 9/1/2020

BOTHELL CITY COUNCIL
SPECIAL BUDGET WORKSHOP MEETING
*****VIRTUAL MEETING*****

Minutes

June 25, 2020
6:00 PM - 9:00 PM

MEMBERS OF THE CITY COUNCIL
Mayor Liam Olsen

Deputy Mayor Jeanne Zornes	Councilmember Tom Agnew
Councilmember Davina Duerr	Councilmember Rosemary McAuliffe
Councilmember James McNeal	Councilmember Mason Thompson

SPECIAL SESSION
Mayor Olsen called the meeting to order at 6:00 PM and reviewed the meeting guidelines.
City Clerk Laura Hathaway called roll – all Councilmembers present.

1. Meeting Agenda Approval
The meeting agenda was approved as presented.

2. Visitor Comment

James Dooley – submitted written comments regarding the police budget (these comments will be made part of the official record).

3. Other Items

A. **Added Item (from the 6/23/2020 meeting):** Council Appointment to North King County Shelter Task Force
Recommended Action: Appoint a Councilmember to Serve on the North King County Shelter Task Force

Mayor Olsen stated the City received a letter from the City of Shoreline asking Bothell to join and appoint a City Councilmember to the North King County Shelter Task Force. The goal is to establish a year-round 24/7 Shelter for single adults in North King County.

Councilmember Thompson stated he would be willing to serve.

MOTION: Councilmember Thompson moved to appoint himself as the member to the North King County Shelter Task Force. Deputy Mayor Zornes second. The motion carried 7-0.

B. ***Added Item (from the 6/23/2020 Council Meeting):** Consideration of Main Street/101st Ave NE Closure to Vehicle Traffic for Public Street and Private Property Uses in Response to COVID-19
Recommended Action: Provide direction to staff

City Manager Jennifer Phillips explained that this item was added on June 23, 2020 and there is no staff recommendation.

Discussion ensued.

City Manager Phillips, based on information from Public Works Director Erin Leonhart, suggested converting parking stalls into flex zones for those businesses that want them.. Council agreed with this option and the item does not need to come back to Council for approval; Staff will work with the businesses to implement.

C. 2021-2022 Budget Workshop and Department Presentations

- Department Budget Presentations
  - Community Development, Parks & Recreation, Public Works

Director Michael Kattermann presented the Community Development Department budget overview and entertained Council questions. Director Kattermann will provide a list of docket items to Council.

Council recessed at 7:30 and reconvened at 7:38 PM.

Director Nik Stroup presented the Parks and Recreation Department budget overview and entertained Council questions.

Director Erin Leonhart presented the Public Works Department budget overview and entertained Council questions.

Council recessed at 8:43 PM and reconvened at 8:49 PM.

- Summary of Policy Issues

City Manager Jennifer Phillips will prepare a list of policy issues which were discussed over this 3 day period and bring it back to the Council on July 7, 2020 for direction.

4. Adjourn

Mayor Olsen adjourned the meeting at 9:14 PM.

Submitted for approval on 9/1/2020

City of Bothell™

City Council
Agenda Bill
AB # 20-101

TO: Mayor Olsen and Members of the Bothell City Council

FROM: Chris Bothwell, Finance Director
Maureen Schols, Deputy Finance Director (Presenter)

DATE: September 1, 2020

SUBJECT: Approve June 2020 Payroll and Benefit Transactions

POLICY CONSIDERATION: This item asks the City Council to consider approval of payroll and benefit transactions for the period of June 1 – 30, 2020 totaling $4,271,344.15 that were approved and paid for by the City Auditor.

- ✓ Direct deposit transactions #2000133247- #2000133950 totaling $1,873,561.95
- ✓ Payroll and benefit checks #39186 - #39226, plus wire benefit payments #701- #741 totaling $2,397,782.20

HISTORY:

DATE	ACTION
JULY 7, 2000	Ordinance 1810 appointed Finance Director/City Treasurer as City Auditor

In accordance with state statues, vouchers approved by the City Auditor are required to be ratified by City Council and notated in the minutes.

DISCUSSION: None.

FISCAL IMPACTS: Funding for salaries and benefits are included in the Adopted 2019-2020 Budget.

ATTACHMENTS: Att-1. June 2020 Payroll and Benefit Transactions.
(For Council distribution only. Check listings are available for review in the Finance Department.)

RECOMMENDED ACTION: Approve payroll and benefit transactions for June 1 – 30, 2020.

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City of Bothell™

City Council
Agenda Bill
AB # 20-102

TO: Mayor Olsen and Members of the Bothell City Council

FROM: Chris Bothwell, Finance Director
Maureen Schols, Deputy Finance Director (Presenter)

DATE: September 1, 2020

SUBJECT: Approve July 2020 Payroll and Benefit Transactions

POLICY CONSIDERATION: This item asks the City Council to consider approval of payroll and benefit transactions for the period of July 1 – 31, 2020 totaling $3,974,998.39 that were approved and paid for by the City Auditor.

- ✓ Direct deposit transactions #2000133951- #2000134657 totaling $1,940,313.67
- ✓ Payroll and benefit checks #39227 - #39257, plus wire benefit payments #742 - #755 totaling $2,034,684.72

HISTORY:

DATE	ACTION
JULY 7, 2000	Ordinance 1810 appointed Finance Director/City Treasurer as City Auditor

In accordance with state statues, vouchers approved by the City Auditor are required to be ratified by City Council and notated in the minutes.

DISCUSSION: None.

FISCAL IMPACTS: Funding for salaries and benefits are included in the Adopted 2019-2020 Budget.

ATTACHMENTS: Att-1. July 2020 Payroll and Benefit Transactions.
(For Council distribution only. Check listings are available for review in the Finance Department.)

RECOMMENDED ACTION: Approve payroll and benefit transactions for July 1 – 31, 2020.

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City of Bothell™

City Council
Agenda Bill
AB # 20-103

TO: Mayor Olsen and Members of the Bothell City Council

FROM: Paul Byrne, City Attorney
Darcey Eilers, Deputy City Attorney
Elana Zana, Ogden Murphy Wallace (City's telecommunications counsel)

DATE: September 1, 2020

SUBJECT: Approval of an Ordinance Extending Ziply Fiber's Cable Television Franchise Agreement until September 2022.

POLICY CONSIDERATION:

This item asks the City Council to consider on first reading adopting an ordinance extending the existing cable franchise agreement with Ziply Fiber for an additional two years to September 2022.

If approved, it has the potential to impact community members and businesses by continuing to allow existing cable service and maintaining the existing number of cable service providers in the City. If approved, the City will continue to collect revenue from franchise activities and reimbursement for previously-incurred capital costs associated with public, educational, and government (PEG) channel programming.

HISTORY:

DATE	ACTION
AUGUST 28, 2008	City Council granted a cable franchise to Verizon Northwest Inc. (Ordinance No. 1996)
NOVEMBER 17, 2009	City Council approved the transfer of control of the cable franchise from Verizon Northwest Inc. (a subsidiary of Verizon Communications Inc) to Frontier Communications Corporation (Ord. No. 2031)
SEPTEMBER 4, 2018	City Council approved a franchise extension for Frontier Communications Northwest Inc. (Ord. No. 2257)
NOVEMBER 19, 2019	City Council approved the transfer of control of the cable franchise from Frontier Communications Corporation to Northwest Fiber, LLC, d/b/a Ziply Fiber and granted an extension (Ord. No. 2293)

Ziply Fiber ("Ziply") provides cable services to Bothell customers, operating its cable system in City rights-of-way under a franchise agreement. Ziply's current franchise is the successor to an original 2008 franchise, granted to Verizon Northwest Inc. and subsequently transferred to Frontier. The Ziply franchise expired recently, in August 2020.

DISCUSSION: The City's outside telecommunications counsel, Elana Zana with Ogden Murphy Wallace, and City staff are recommending an extension of the Ziply franchise at this point rather than a new franchise. This is because Ziply continues developing its business plans and organizing following closing of its purchase transaction from Frontier. A two-year extension will provide an opportunity for the City and Ziply to discuss franchise needs and requirements once Ziply has become more established in the community and had an opportunity to interact with City permit and project processes. For reference, Ziply currently has approximately 900 cable subscribers.

The proposed extension ordinance is attached as **Attachment 1**.

FISCAL IMPACTS: The revenue associated with this franchise agreement is unchanged and consistent with budgeted amounts. Ziply pays a 5% franchise fee to the City, and also remits to the City PEG fees and utility taxes.

ATTACHMENTS: Att-1. Proposed Ordinance Extending the Ziply Fiber Cable Franchise

RECOMMENDED ACTION: No action is requested at this time. Instead, this item is currently scheduled for Council action on the September 8, 2020 consent agenda.

ORDINANCE NO._____(2020)

AN ORDINANCE OF THE CITY OF BOTHELL, WASHINGTON, GRANTING AN EXTENSION OF THE CABLE FRANCHISE TO NORTHWEST FIBER, LLC, WITH CONDITIONS AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Bothell (the "City") adopted Ordinance No. 1996 granting a nonexclusive cable franchise to Verizon Northwest Inc., to operate a cable system (the "System") within the city limits of the City of Bothell, with an effective date of August 28, 2008 (the "Franchise"); and

WHEREAS, on November 17, 2009, the City approved the transfer of control of Verizon Northwest Inc., from Verizon Communications Inc. (its parent entity) to Frontier Communications Corporation, by way of Ordinance No. 2031; and

WHEREAS, Frontier Communications Corporation changed the name of the franchisee from Verizon Northwest Inc. to Frontier Communications Northwest Inc.; and

WHEREAS, on September 4, 2018, the City adopted Ordinance No. 2257, extending the term of the Franchise to August 28, 2019; and

WHEREAS, on May 28, 2019, Northwest Fiber, LLC, d/b/a Ziply Fiber ("Ziply") entered into a purchase agreement with Frontier Communications Corporation and its wholly-owned subsidiary Frontier Communications ILEC Holdings, LLC (together "Frontier") in order to acquire control of the Franchisee, among other Frontier-controlled entities; and

WHEREAS, on November 19, 2019, the City approved the transfer of control of Frontier Communications Corporation to Ziply and granted a further extension of the Franchise to Ziply by way of Ordinance No. 2293; and

WHEREAS, the Franchise has currently expired but Ziply and the City find it mutually beneficial to extend the existing Franchise for an additional two (2) years in order to promote and facilitate an orderly franchise renewal process.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BOTHELL, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. FRANCHISE EXTENSION. The term of the Franchise granted under Ordinance No. 1996 and extended by Ordinance No. 2257 and Ordinance No. 2293 is hereby extended from the prior extension expiration date of August 28, 2020, up to and

through September 20, 2022, or until such time as the City has adopted a further franchise ordinance that supersedes this Ordinance, whichever occurs sooner. This extension is expressly conditioned upon the City's receipt of Ziply's written acceptance as described in Section 5.

Section 2. COMPLIANCE WITH FRANCHISE TERMS. As a condition of the extension granted by this Ordinance, Ziply shall provide its written and acknowledged unconditional acceptance and promise to comply with all provisions, terms, and conditions of the Franchise, as amended herein and by Ordinance 2293, during this extension period. By the adoption of this Ordinance, the City agrees to continue to comply with all provisions, terms and conditions of the Franchise, as amended herein, during the extension period.

Section 3. RESERVATION OF RIGHTS. Both the City and Ziply reserve and retain all of their rights under both the formal renewal process and informal renewal process under 47 U.S.C. § 546.

Section 4. BOND AND INSURANCE. The performance bond and insurance policies maintained by Ziply pursuant to the Franchise shall remain in effect during the extension period.

Section 5. ACCEPTANCE. The rights and privileges granted pursuant to this Ordinance shall not become effective until its terms and conditions are accepted by Ziply. Acceptance shall be accomplished by the submission of a written instrument, executed and sworn to by a corporate officer of Ziply, and filed with the City within thirty (30) days after the effective date of this Ordinance, in a form substantially attached as Exhibit A hereto.

Section 6. SEVERABILITY. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause, or phrase of this ordinance.

Section 7. EFFECTIVE DATE. This ordinance, being an exercise of a power specifically delegated to the City legislative body, is not subject to referendum and shall take effect five (5) days after passage and publication of an approved summary thereof consisting of the title.

Section 8. CORRECTIONS. The City Clerk and the codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any references thereto.

APPROVED:

_____
LIAM OLSEN
MAYOR

ATTEST/AUTHENTICATED:

_____
LAURA HATHAWAY
CITY CLERK

APPROVED AS TO FORM:

_____
PAUL BYRNE
CITY ATTORNEY

FILED WITH THE CITY CLERK: _____
PASSED BY THE CITY COUNCIL: _____
PUBLISHED: _____
EFFECTIVE DATE: _____
ORDINANCE NO.: _____(2020)

SUMMARY OF ORDINANCE NO. _____(2020)

City of Bothell, Washington

On the _____ day of _____, 2020, the City Council of the City of Bothell passed Ordinance No. _____(2020). A summary of the content of said Ordinance, consisting of the title, is provided as follows:

> AN ORDINANCE OF THE CITY OF BOTHELL, WASHINGTON, GRANTING AN EXTENSION OF THE CABLE FRANCHISE TO NORTHWEST FIBER, LLC WITH CONDITIONS AND ESTABLISHING AN EFFECTIVE DATE.

The full text of this Ordinance will be mailed upon request.

_____
LAURA HATHAWAY
CITY CLERK

FILED WITH THE CITY CLERK: _____
PASSED BY THE CITY COUNCIL: _____
PUBLISHED: _____
EFFECTIVE DATE: _____
ORDINANCE NO.: _____(2020)

EXHIBIT A
ACCEPTANCE OF EXTENSION OF FRANCHISE

This Acknowledgment of Extension of Franchise is made by Northwest Fiber, LLC d/b/a Ziply Fiber ("Ziply") for the City of Bothell, Washington.

WHEREAS, the City conferred a franchise on Ziply Fiber (the "Franchise") and recently adopted Ordinance No. ___ extending the term of the Franchise upon acceptance by Ziply; and

WHEREAS, Ziply wishes to agree to and acknowledge the continued effect of the Franchise until September 20, 2022.

Now, therefore, Ziply acknowledges and agrees as follows:

1. Term. The Franchise is hereby acknowledged and agreed to be extended until September 20, 2022, as provided in Ordinance No. ____.

2. Ratification. All terms and conditions of the Franchise are hereby ratified, accepted, and confirmed, except that the provision for the duration of the Franchise is hereby extended to September 20, 2022. Ziply hereby unconditionally accepts and promises to comply with all provisions, terms, and conditions of the Franchise during the extension period. Ziply hereby confirms that it will maintain during this extended term the performance bond and insurance policies as described in the Franchise.

NORTHWEST FIBER, LLC

By: _____
Its: _____
Dated: _____

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City of Bothell™

City Council
Agenda Bill
AB # 20-104

TO: Mayor Olsen and Members of the Bothell City Council

FROM: Erin Leonhart, Public Works Director
Jeff Sperry, Fleet & Facilities Manager (Presenter)

DATE: September 1, 2020

SUBJECT: Approve and Authorize the City Manager to Execute an Interlocal Agreement with the City of Lynnwood to Allow Cooperative Purchasing

POLICY CONSIDERATION: This item asks the City Council to consider if the City should enter into an interlocal cooperative purchasing agreement with the City of Lynnwood. Approving this item will allow the City of Lynnwood to utilize the City's emergency vehicle outfitting contract with Systems for Public Safety.

HISTORY:

DATE	ACTION
OCTOBER 15, 2019	City Council approved emergency vehicle outfitting contract with Systems for Public Safety

On October 15, 2019, the City Council approved a contract with Systems for Public Safety for emergency vehicle outfitting. A provision in that agreement was included to extend contract prices to other governmental agencies. On July 22, 2020 the City of Lynnwood procurement division contacted the City to request an interlocal cooperative purchasing agreement to utilize the City's contract for emergency vehicle outfitting with Systems for Public Safety.

DISCUSSION: The purpose of this item is to allow the City of Bothell and the City of Lynnwood to enter into an agreement that allows for cooperative governmental purchasing of supplies, goods and services to the mutual benefit of both agencies. The City would be able to utilize agreements that the City of Lynnwood enters into for supplies, goods, and services, as long as the procurement process used by the City of Lynnwood to reach that agreement meets the City's current procurement policies. Entering into such an agreement with the City of Lynnwood could help save the City time and resources on lengthy procurement processes. Entering into interlocal agreements for the aforementioned reasons and subject to the aforementioned requirements, is consistent with the City's Purchasing Policy. The agreement may be terminated by either agency at any time by giving written notice to the other agency.

FISCAL IMPACTS:	The purchases that the interlocal agreement will facilitate are included in the Adopted 2019-2020 Budget and will be the subject of separate Council action. This item does not have any other financial impacts.
ATTACHMENTS:	Att-1. Interlocal Cooperative Purchasing Agreement Between City of Lynnwood and City of Bothell
RECOMMENDED ACTION:	Authorize the City Manager to execute an Interlocal Agreement between the City of Lynnwood and the City of Bothell for cooperative purchasing.

City of Lynnwood **Procurement Division**
19100 44th Ave W Lynnwood, WA 98036

425-670-5000

INTERLOCAL COOPERATIVE PURCHASING AGREEMENT

Pursuant to Chapter 39.34 RCW and to other applicable laws, the CITY OF LYNNWOOD, WA, and CITY OF BOTHELL, WA, hereby agree to cooperative governmental purchasing upon the following terms and conditions:

This agreement pertains to bids and contracts for supplies, material, equipment or services that may be required from time to time by both the City of Lynnwood and the City of Bothell.

Each of the parties from time to time goes out to public bid and contracts to purchase supplies, material, equipment, and services. Each of the parties hereby agrees to extend to the other party the right to purchase pursuant to such bids and contracts to the extent permitted by law, and to the extent agreed upon between each party and the bidder, contractor, vendor supplier, or service provider.

Each of the parties shall comply with all applicable laws and regulations governing its own purchases.

Each of the parties shall contract directly with the bidder, contractor, vendor, supplier, or service provider, and pay directly in accordance with its own payment procedures for its own purchases. Each party will indemnify and hold the other party harmless as to any claim arising out of its participation in this Agreement.

Any purchase made pursuant to this Agreement is not a purchase from either of the parties. This Agreement shall create no obligation to either of the parties to purchase any particular good or service, nor create to either of the parties any assurance, warranty, or other obligation from the other party with respect to purchasing or supplying any good or service.

No separate legal or administrative entity is intended to be created pursuant to this Agreement. No obligation, except as stated herein, shall be created between the parties or between the parties and any applicable bidder or contractor.

The Purchasing Manager of the City of Lynnwood and the _____of the of the City of Bothell shall be representatives of the entities for carrying out the terms of this Agreement.

This Agreement shall continue in force until canceled by either party, which cancellation may be effected upon receipt by one of the parties of the written notice of cancellation of the other party.

CITY OF LYNNWOOD, WA	CITY OF BOTHELL, WA
DocuSigned by: Cathy Robinson 4373AA212EF44A1... _____ PO, CPPB Interim Procurement Manager 7/23/2020 _____ Date	_____ _____ Date Name: _____ Title: _____

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City of Bothell™

City Council
Agenda Bill
AB # 20-105

TO: Mayor Olsen and Members of the Bothell City Council

FROM: Bruce Kroon, Fire Chief (Presenter)

DATE: September 1, 2020

SUBJECT: Consider Approval of an Interlocal Cooperative Purchasing Agreement with the Marysville Fire District for the Aid Car Purchase funded by the Safe and Secure Levy

POLICY CONSIDERATION: This item asks City Council to authorize the City of Bothell to enter into an Interlocal Cooperative Purchasing Agreement with Marysville Fire District. It allows Bothell to use Marysville's bid proposal with Braun Northwest to purchase one aid car funded through the Safe and Secure Levy.

HISTORY:

DATE	ACTION
NOVEMBER 6, 2018	Public Safety Levy Lid Lift and Capital bond approved by voters.

DISCUSSION: This aid car is an addition to the current fleet for a total of five and is not a replacement vehicle. The aid car will be providing a new level of service to citizens in north Bothell and the northern portion of Snohomish County Fire District 10 and will add to our ability to quickly respond to calls for service on the I-405 corridor. When the Station 45 rebuild is complete, along with the addition of the six levy firefighters, the City's plan is to staff a two-person aid car at Station 45. This would increase the daily staffing from three to five personnel.

Typically, an aid car is expected to be in service for twelve years. Depending on use, it is often a "front line" unit for eight to nine years and then put in a "reserve" status for the remainder of its useful life.

FISCAL IMPACTS: This item is funded by the Safe and Secure Levy Fund. The Adopted Budget includes $215,000 for the aid car purchase that is the subject of this agenda item. The actual cost to procure the aid car is currently $296,000. The Safe and Secure Levy Fund has sufficient budget appropriations in the current biennium to fund the additional cost; as such, a budget amendment is not required to fund the purchase. The additional cost associated with the aid car will not compromise any other items funded by the Safe and Secure Levy.

ATTACHMENTS:

Att-1. Interlocal Agreement between Marysville Fire District and the City of Bothell

RECOMMENDED ACTION:	Authorize the City Manager to enter into an Interlocal Cooperative Purchasing Agreement with Marysville Fire District for the purchase of one levy funded aid car.

INTERLOCAL COOPERATIVE PURCHASING AGREEMENT

Agency: Marysville Fire District Bid# One (1) or More Type 3 Ambulances and Equipment
Date:9/7/2018 P.O. #: Signed Proposal 11/1/18 Effective Until: 9/7/21

Pursuant to Chapter 39.34 RCW and to other provisions of law, _____ _____, hereinafter referred to as the "SPONSOR" and _____, hereinafter referred to as the "USER", both being municipal corporations, political subdivisions or other public agencies of the State of Washington, hereby agree to cooperative interlocal purchasing with the following terms and conditions:

Upon the following terms and conditions:

1. The SPONSOR, in contracting for the purchase of the above goods, agrees to extend said supply contract to other political subdivisions to the extent permitted by law, and agreed upon by the parties.

2. The USER accepts responsibility for compliance with any additional or varying laws and regulations governing purchases by or on behalf of the political subdivision in question.

3. The SPONSOR accepts no responsibility for the performance of any purchasing contract by the vendor and accepts no responsibility for payment of the purchase price by the USER.

4. The USER reserves the right to contact independently for the purchase of any goods.

5. This agreement shall remain in effect for three (3) years from the date of execution by both parties.

SPONSER AGENCY:

_____
Entity Name

_____
Address

_____/_____/_____
City St Zip

_____/_____
Phone Fax

_____
Signature Date

_____
Printed Name Title

USER AGENCY:

_____
Entity Name

_____
Address

_____/_____/_____
City St Zip

_____/_____
Phone Fax

_____
Signature Date

_____
Printed Name Title

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City of Bothell™

City Council
Agenda Bill
AB # 20-106

TO: Mayor Olsen and Members of the Bothell City Council

FROM: Jennifer Phillips, Executive

DATE: September 1, 2020

SUBJECT: Consideration of Lot D Disposition

POLICY CONSIDERATION: This item asks the City Council to consider entering into a purchase and sale agreement (PSA) with Trammel Crow Residential (TCR) for the development of Lot D. If approved, proceeds from the sale of Lot D will be used to rebuild the City's fund balance, pay for downtown clean up, and backfill City Hall lease payments as necessary.

HISTORY:

DATE	ACTION
JULY 2014	The City entered into a Letter of Intent with Regency Centers for the purchase of Block D and began preparation of a Purchase and Sale Agreement.
MARCH 2015	The City Council declared the property known as Block D surplus via Resolution 1326 (2015).
MARCH 2015	City Council authorized the City Manager to execute a Purchase and Sale Agreement and proposed Development Agreement for Block D with Regency Centers Acquisition, LLC.
AUGUST 2015	The City Manager executed an amendment to the Purchase and Sale Agreement extending the Outside Closing Date to December 15, 2017.

SEPTEMBER 2017	The City provided the Corner Parcel Amendment (Third Amendment) to Regency Centers for consideration, per the PSA.
NOVEMBER 2017	City Council authorized the City Manager to enter into a Consent Decree with the Washington State Department of Ecology that addresses cleanup of contamination from the former Bothell Service Center Association site.
DECEMBER 9, 2017	The City receives signed Third Amendment from Regency Centers. City Council, within its rights under the PSA, elected not to authorize another amendment and the PSA expired.
MAY 1, 2018	Staff presented an update on the Downtown City-Owned Properties. City Council consensus to move forward on the sale of Block D.

DISCUSSION: A key component to the implementation of Bothell's downtown redevelopment vision was the purchase and the ultimate sale of properties in and around downtown. Serving as a "master developer" offered the City the opportunity to sell properties and negotiate development agreements that protect the City's interests and delivers the types of amenities and mix of uses desired by the community.

Staff has taken great care to ensure that the future development of Lot D meets the Council's goal of attracting a developer that will build a building that is an architectural gateway to the City and is of high-quality design. At its September 10, 2019 meeting, Council received the results of a visual preference survey they participated in, and, provided feedback that informed the marketing materials for Lot D. When the property was listed, marketing materials reiterated Council's goals and specifically stated that one of the disposition goals is that the "project is consistent with the City's development concept expectations."

The marketing materials and website for the disposition of Lot D were very thorough, providing extensive information about the history of the property and its environmental cleanup . This was in addition to the traditional market area data and council goals information. All of this was to ensure that the call for offers attracted a qualified developer who could pay top market value and provide contingencies (due diligence period, time to close, earnest money type and amount, and environmental experience) that match the City's financial goals. The effort paid off and the Council is now asked to approve a PSA with a qualified developer.

Trammel Crow Residential (TCR) is a well-financed, national developer. A pioneer of U.S. multifamily real estate, in the past 40 years, the company has developed 250,000 premier multifamily residences. They have a local presence, a deep network and an understanding of local market dynamics. TCR's completed mixed-used residential projects are located in Redmond, Bellevue, and Issaquah.

FISCAL IMPACTS:

The revenue associated with this item is not budgeted. The City's Comprehensive Financial Management Policies state that speculative revenues cannot be included in the adopted budget. The lengthy and complicated due diligence period associated with this contract cause the revenue to be considered speculative. As such, this item cannot be included in the adopted budget and a budget amendment is not attached to this item.

Staff will bring a budget amendment forward for Council consideration closer to the actual transaction closing date, when this item is no longer considered speculative.

ATTACHMENTS:

Att-1. Purchase & Sale Agreement with Maple Multi-family Land TX, LP
Att-2. TCR Lot D Proposed Project

RECOMMENDED ACTION:

Authorize the City Manager to execute the Purchase & Sale Agreement with Maple Multi-family Land TX, LP, for the purchase of property known as Lot D in the amount of $12,750,000.

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PURCHASE AND SALE AGREEMENT
(BLOCK D)

by and between

CITY OF BOTHELL,
a Washington municipal corporation,

as Seller

and

MAPLE MULTI-FAMILY LAND TX, L.P.,
a Delaware limited partnership

as Buyer

Dated: September 1, 2020

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PURCHASE AND SALE AGREEMENT (BLOCK D)

THIS PURCHASE AND SALE AGREEMENT (BLOCK D) (this "Agreement") is dated as of September 1, 2020, and is by and between the CITY OF BOTHELL, a Washington municipal corporation ("Seller"), and MAPLE MULTI-FAMILY LAND TX, L.P., a Delaware limited partnership ("Buyer"). The "Effective Date" of this Agreement shall be the later of the dates that a party signed this Agreement as set forth beneath their respective signatures below. This Agreement is made with reference to the following recitals:

Recitals

A. Seller owns the Property (as defined below) in King County, Washington in downtown Bothell (the "City"). Seller is engaged in a multi-year process to redevelop infrastructure and facilitate private redevelopment of a core downtown area of Bothell. The redevelopment for public and private uses, which includes relocation of highways and street improvements, will contribute to the economic and cultural revitalization of the City and enhancement of public infrastructure. Redevelopment of the Property is a key part of the City's revitalization plan.

B. The Property is currently unimproved. Buyer desires to purchase the Property to develop it into a mid-rise residential apartment complex with a portion of the ground-level to be commercial units, on-site parking, and open space (the "Project"). The Project is more particularly defined and described in the Development Agreement (as defined in Section 3).

C. Buyer was selected to purchase the Property and develop the Project pursuant to the competitive bidding process for the disposition of surplus property prescribed in BMC § 2.94.

D. Upon its acquisition of the Property, Buyer intends to develop the Project on the Property in accordance with and subject to the terms and conditions of the Development Agreement.

E. Seller has determined that it has no current or future need for the Property, that it would be put to a higher or better use for the community at large if sold to Buyer and thus Seller has declared the Property surplus to its needs and has approved of the sale of the Property, all on the terms and conditions of this Agreement and BMC § 2.94.

F. Seller wishes to sell, and Buyer wishes to buy, the Property subject to the terms and conditions of this Agreement.

Agreement

NOW, THEREFORE, in consideration of the mutual obligations herein, and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Seller and Buyer hereby agree as follows:

Section 1. Purchase and Sale.

1.1 The Property. In consideration of their mutual covenants set forth in this Agreement, Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase and accept from Seller, on the terms and conditions set forth in this Agreement, all of Seller's right, title and interest in and to the following (the "Property"):

1.1.1 That certain real property more particularly described in Exhibit A attached hereto (the "Land").

1.1.2 All rights, covenants, interests, privileges and easements appurtenant to the Land, including without limitation all minerals, oil, gas and other hydrocarbon substances on the Land, all development rights, licenses, air rights, water, water rights and water stock relating to the Land, and any and all land lying in the bed of any street, road, highway or avenue, open or proposed, in front of, or adjoining all or any part of the Land, and all strips, gores or rights-of-way, easements, rights-of-way and other appurtenances used in connection with the beneficial use and enjoyment of the Land (collectively, the "Appurtenances").

1.1.3 Any improvements located on the Land, including, without limitation, any utility systems on the Land (collectively, the "Improvements"). Notwithstanding the foregoing, the "Improvements" exclude any monitoring wells and groundwater treatment system now or hereafter installed on the Property, which will not be transferred to Buyer and as to which Seller will retain ownership.

There are no buildings on the Land and there is no personal property included in the transaction provided for herein. The Land, the Appurtenances and the Improvements are collectively referred to as the "Property."

Section 2. Purchase Price.

2.1 Purchase Price. The purchase price for the Property is Twelve Million Seven Hundred Fifty Thousand Dollars ($12,750,000.00) (the "Purchase Price"), payable in cash at Closing. Not later than 11:00 a.m., Pacific time, on the Closing Date (as defined in Section 4.2), Buyer shall deposit with the Escrow Holder (as defined in Section 2.2), via wire transfer, the Purchase Price, less the Deposit, together with Buyer's share of closing costs and prorations.

2.2 Earnest Money. Within two (2) Business Days after the Effective Date, Buyer shall deposit Five Hundred Thousand Dollars ($500,000.00) cash to be held as the earnest money deposit hereunder (the "Deposit") by First American Title Insurance Company, 920 5th Avenue, Suite 1200, Seattle, Washington 98104, by and through Laura Lau, as the Escrow Holder hereunder ("Escrow Holder"). If Buyer does not timely submit the Deposit, then Buyer shall be in material default hereunder and Seller may terminate this Agreement upon written notice to Buyer.

The Deposit shall be applicable to the Purchase Price at Closing. The Deposit shall be refundable to Buyer as follows: (i) the Deposit shall be fully refundable to Buyer through the last date of the Due Diligence Period; (ii) after the expiration of the Due Diligence Period, one-half of the Deposit (i.e., $250,000.00) shall be nonrefundable except in the event Seller defaults as provided in Section 12.1; and (iii) upon the earlier of: (a) fifteen (15) days after Buyer's receipt of final site plan approval for the Project from the City, or (b) the date that is eight (8) months after the Effective Date, the entire Deposit shall be nonrefundable except in the event Seller defaults as provided in Section 12.1. The Deposit shall be held in an interest bearing account, with interest being included with the Deposit and going to the benefit of the party entitled to the Deposit at Closing or other termination of this Agreement.

Section 3. Development of the Project. Following Closing, Buyer shall develop or cause the development of the Project on the Property as provided in and subject to the terms and conditions of the Development Agreement to be entered into by Seller and Buyer at Closing in a form to be negotiated by the parties as hereafter provided (the "Development Agreement"). The parties will negotiate in good faith to agree on the form of the Development Agreement no later than the expiration of the Due Diligence Period (as defined below) based on the form of Development Agreement previously provided to Buyer; provided, however, that Buyer's obligation to complete the Developer Road Work and Utilities Work (as defined in the form of Development Agreement provided to Buyer) and pay the fees described in Section 5.2.4 of such Development Agreement shall not be negotiable. Approval of the form on behalf of Seller would be provided by the City Manager or its designee, and would not require city council action. All development and use of the Property shall be subject to the terms and conditions of, and in compliance with, the Consent Decree, Agreed Order and Restrictive Covenant (as defined in Section 9) as well as the Development Agreement. Seller authorizes Buyer to apply for permits for the Project described in the Development Agreement before the Closing, including the permit for vertical construction of the Project (the "Vertical Building Permit"). As described in the Development Agreement, Buyer's proposed Project will include mid-rise residential apartment complex with a portion of the ground-level to be commercial units, open space, and on-site parking.

Section 4. Escrow; Closing.

4.1 Escrow. Buyer and Seller hereby appoint the Escrow Holder to hold the escrow and conduct the Closing under this Agreement. Buyer and Seller shall execute and deliver to Escrow Holder such instructions as may be necessary or convenient to implement the terms of this Agreement and close the transaction contemplated by this Agreement, provided that they are not inconsistent with the terms of this Agreement.

4.2 Closing; Closing Date. The consummation of the purchase and sale of the Property (the "Closing") shall take place on the earlier of (i) the thirtieth (30th) day after Buyer's receipt of the Vertical Building Permit, but not later than the date that is eleven (11) months after the Effective Date (the "Outside Closing Date") and (ii) such earlier date as the parties may mutually agree (the "Closing Date").

4.3 Buyer's Deliveries. On or before the Closing Date, Buyer shall deposit into Escrow the following items:

4.3.1 funds transmitted by wire transfer in the amount of the Purchase Price (less the amount of the Deposit), together with Buyer's share of closing costs and prorations, as provided in this Agreement;

4.3.2 two counterparts of the Development Agreement executed by Buyer and the accompanying Guaranty executed by Maple Multi-Family Operations, L.L.C., a Delaware limited liability company;

4.3.3 a real estate excise tax affidavit executed by Buyer; and

4.3.4 two counterparts of the Monitoring and Compliance Easement (as defined in Section 9) executed by Buyer.

4.4 Seller's Deliveries. At or before Closing, Seller shall cause to be delivered into Escrow the following documents:

4.4.1 a bargain and sale deed (the "Deed") to the Property in the form attached hereto as Exhibit C, subject only to the Permitted Exceptions (as defined in Section 6.1), properly executed and acknowledged on behalf of Seller, and an accompanying real estate excise tax affidavit;

4.4.2 a certificate executed by Seller to the effect that Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended;

4.4.3 two counterparts of the Development Agreement executed by Seller; and

4.4.4 two counterparts of the Monitoring and Compliance Easement executed by Seller.

4.5 Proof of Authority. Buyer and Seller each shall deliver such proof of authority and authorization to enter into this Agreement and consummate the transaction contemplated by this Agreement, and such proof of power and authority of the individual(s) executing and delivering any instruments, documents or certificates to act for and bind such party, as reasonably may be required by the Title Company (as defined below).

4.6 Other Documents. Buyer and Seller shall deliver such other documents or instruments as are reasonably required to consummate this transaction in accordance with this Agreement, including without limitation closing statements and an owner's/seller's affidavit from Seller to enable the Title Company to issue Buyer an extended coverage title insurance policy.

4.7 Possession. Seller shall deliver possession of the Property to Buyer at Closing, subject only to the Permitted Exceptions.

4.8 Disbursement and Other Actions. At the Closing, Escrow Holder promptly shall undertake all of the following in the manner indicated:

4.8.1 Funds. Disburse all funds deposited with Escrow Holder by Buyer as follows:

(a) Disburse the Purchase Price to Seller, net of the total amount chargeable to Seller, if any, as the result of prorations and credits pursuant to Section 11 or any liens or charges that Buyer has expressly assumed hereunder.

(b) Disburse the remaining balance of the funds, if any, to Buyer promptly following the Closing.

4.8.2 Recording. Cause the Deed, the Development Agreement, the Monitoring and Compliance Easement and any other documents that the parties may mutually direct to be recorded in the Official Records of King County, Washington and obtain conformed copies thereof for distribution to Buyer and Seller.

4.8.3 Title Policy. Direct First American Title Insurance Company (the "Title Company") to issue the Title Policy to Buyer in accordance with Section 6.

4.8.4 Disbursement of Documents to the Parties. Disburse to each party the counterpart documents per the instructions of the Parties.

Section 5. Conditions Precedent to Closing.

5.1 Buyer's Conditions. For Buyer's benefit (and waivable by Buyer, and only Buyer, at any time), the following are conditions precedent to Buyer's obligation to consummate this transaction described in this Agreement ("Buyer's Conditions Precedent") and must be satisfied by the date or within the time period indicated in the subject condition, or if none is indicated, as of the Closing Date:

5.1.1 Due Diligence.

(a) Due Diligence Period. From the date hereof through 5:00 P.M. Pacific time on January 5, 2021 (the "Due Diligence Period"), Buyer, in its sole discretion and at its sole expense, shall have the opportunity to inspect and approve the physical condition and use of the Property, the economic feasibility of the Project and any other matters relating to the Property as Buyer elects to undertake (collectively, the "Inspections"), including without limitation, the availability of financing, access, utility services, zoning, engineering, soils and environmental conditions, status of neighboring projects and a survey and the performance of such tests and other studies of the Property as Buyer deems appropriate (the "Inspection

Condition"). The Inspection Condition must be satisfied or waived by the end of the Due Diligence Period.

If for any reason whatsoever or no reason at all Buyer determines that the Property is unsuitable for its purposes in its sole and absolute discretion and notifies Seller of such decision before the end of the Due Diligence Period, then this Agreement shall terminate and neither party hereto shall have any further rights, obligations or liabilities hereunder except to the extent that any right, obligation or liability set forth herein expressly survives termination of this Agreement. If Buyer does not provide written notice to Seller of its approval (the "Approval Notice") of the Inspection Condition by the end of the Due Diligence Period, the Inspection Condition shall not be satisfied and this Agreement shall terminate and neither party hereto shall have any further rights, obligations or liabilities hereunder except to the extent that any right, obligation or liability set forth herein expressly survives termination of this Agreement. In the event of such termination, Escrow Holder shall promptly return the Deposit to Buyer, together with any interest earned thereon, without demand, deduction or offset and without requiring the consent or approval of Seller. If this Agreement does not terminate at the end of the Due Diligence Period because Buyer delivers the Approval Notice, the Inspection Condition shall be considered to have been satisfied and the Deposit shall not be refundable to Buyer by reason of the Inspection Condition (subject to Section 2.2).

(b) Access to Property. Until the Closing Date or earlier termination of this Agreement, Buyer and its authorized contractors, engineers, surveyor, appraiser, consultants, employees, lenders and agents shall have the right to enter onto the Property for purposes of undertaking the Inspections. Such entry shall be pursuant to an existing Site Access Agreement between Seller and Buyer (the "Access Agreement"). The Access Agreement includes an indemnity by Buyer of Seller from and against losses, costs, damages, claims or liabilities as provided therein, which Access Agreement and indemnity shall survive Closing or termination of this Agreement.

(c) Reports and Disclosure Statement. Seller has delivered to Buyer copies of reports (excluding draft reports) about the physical condition of the Property that have been prepared at the request of Seller or that are in Seller's possession, including environmental and soils reports, which reports as of the date hereof are listed on Exhibit F hereto (the "Reports"). The Reports do not include the engineering plans for the Developer Road Work or Utilities Work as will be described in the Development Agreement. As new Reports (including revisions or supplements to existing Reports) come into Seller's possession or control, Seller will provide such additional Reports to Buyer and the same will be included in the definition of "Reports." Seller will cooperate in response to Buyer's reasonable requests for additional Reports within Seller's possession and control. Seller disclaims any responsibility for the accuracy of any information contained in the Reports, and Buyer acknowledges that it uses the Reports at its own risk.

To the maximum extent permitted by RCW 64.06, Buyer expressly waives its right to receive from Seller a seller disclosure statement as provided for in RCW 64.06 (the "Seller Disclosure Statement"). Seller and Buyer acknowledge that Buyer cannot

waive its right to receive the environmental section of the Seller Disclosure Statement (which is contained in Section 6 of the form). Seller will provide the same, with only such environmental section completed by Seller, to Buyer within five (5) days after the Effective Date. Nothing in the Seller Disclosure Statement creates a representation or warranty by Seller, nor does it create any rights or obligations in the parties except as set forth in RCW 64.06, as amended. Buyer is advised to use due diligence to inspect the Property to Buyer's satisfaction, subject to the terms of this Agreement, and Seller may not have knowledge of defects that careful inspection might reveal. Buyer specifically acknowledges and agrees that the Seller Disclosure Statement is not part of this Agreement, Seller has no duties to Buyer other than those set forth in this Agreement, including delivery of the completed environmental section of the Seller Disclosure Statement, Buyer has no independent cause of action under the Seller Disclosure Statement and, specifically and without limitation, Buyer will not have a remedy for economic loss resulting from negligent errors, inaccuracies or omissions on the Seller Disclosure Statement.

5.1.2 Title Policy. On the Closing Date, the Title Company is prepared to issue the Title Policy to Buyer as of the Closing Date in accordance with Section 6 of this Agreement.

5.1.3 Representations and Warranties. On the Closing Date, Seller's representations and warranties contained in Section 7.1 are true and correct, as if made as of the Closing Date, except as provided in Section 7.3.

5.1.4 Seller's Performance. Seller has duly and timely performed each and every other material obligation to be performed by Seller under this Agreement before Closing.

5.1.5 Permit. Buyer has received the Vertical Building Permit prior to the Closing Date.

5.1.6 Development Agreement. The parties have agreed on the form of the Development Agreement not later than the expiration of the Due Diligence Period.

5.2 Seller's Conditions. For Seller's benefit (and waivable by Seller, and only Seller, at any time), the following are conditions precedent to Seller's obligation to consummate this transaction ("Seller's Conditions Precedent") and must be satisfied by the date or within the time period indicated in the subject condition, or if none is indicated, as of the Closing Date:

5.2.1 Buyer's Performance. Buyer has duly and timely performed each and every material obligation to be performed by Buyer under this Agreement prior to Closing.

5.2.2 Buyer's Representations and Warranties. Buyer's representations and warranties set forth in Section 7.2 are true and correct as if made as of the Closing Date, except as provided in Section 7.3.

5.2.3 Development Agreement. The parties have agreed on the form of the Development Agreement not later than the expiration of the Due Diligence Period.

Section 6. Evidence of Title.

6.1 Commitment. Seller has provided a preliminary title commitment for an extended coverage 2006 ALTA owner's policy of title insurance ("Commitment"), together with the underlying documents forming the basis of the exceptions, issued by the Title Company with respect to the Property. Buyer shall obtain an ALTA/NSPS survey of the Property (the "Survey") within forty-five (45) days after the Effective Date. Buyer shall have until sixty (60) days after the Effective Date to object to any matter disclosed in the Commitment or the Survey by giving written notice (the "Title Objection Notice") of the objection to Seller.

If, from time to time after the initial issuance of the Commitment and giving of the initial Title Objection Notice, the Title Company amends the Commitment by adding a new exception thereto, or the Survey reveals any new matters affecting title, Buyer shall be entitled to give a Title Objection Notice to such exception within five (5) Business Days after receipt of the Commitment amendment or Survey update. Any matters not referenced in a timely Title Objection Notice shall be deemed approved by Buyer and shall be Permitted Exceptions (as defined in Section 6.2). Buyer shall not be required to object to any mortgage or deed of trust liens or any exception related to Seller's authority to convey the Property, and the same shall not be deemed Permitted Exceptions and shall be removed prior to Closing.

For clarity, as noted in Section 6.2, the Restrictive Covenant, Agreed Order and Consent Decree are Permitted Exceptions, Buyer has received copies of them before the Effective Date, and Buyer may not include them in a Title Objection Notice.

Within five (5) Business Days after receiving a Title Objection Notice, Seller shall notify Buyer in writing of any disapproved exception(s) that Seller declines to cure ("Seller's Title Defect Cure Notice"). If Seller fails to timely give the Seller's Title Defect Cure Notice, then Seller shall be deemed to have given a Seller's Title Defect Cure Notice in which Seller declines to cure any matters set forth in the applicable Title Objection Notice on the last day of such 5-Business Day period. Thereafter Buyer shall have five (5) Business Days after receipt (or deemed receipt) of Seller's Title Defect Cure Notice to provide written notice to Seller that Buyer either waives the exception that Seller has declined to cure (which thereafter shall constitute a Permitted Exception) or elects to terminate this Agreement. If Buyer fails to provide such notice within such 5-Business Day period, Buyer shall be deemed to have waived the right to object to the exception (which shall thereafter constitute a Permitted Exception) and waived its right to terminate this Agreement by reason thereof.

Anything to the contrary in this Agreement notwithstanding, Seller shall have no affirmative obligation to expend any funds or incur any liabilities to cause any title exceptions or matters to be removed from the Commitment or the Survey (or any updates thereto) or insured over, except that Seller shall pay or discharge any lien or monetary encumbrance

voluntarily created, permitted or assumed by Seller (except current taxes and assessments) and not created by or resulting from the acts of Buyer or other parties not related to Seller.

6.2 Issuance of Policy. At Closing, the Title Company shall be prepared to issue an extended coverage 2006 ALTA owner's title insurance policy ("Title Policy") for the Property in the amount of the Purchase Price insuring Buyer and subject only to the following (collectively, the "Permitted Exceptions"): (a) a lien for real property taxes and assessments, not then delinquent; (b) title exceptions approved or deemed approved by Buyer under Section 6.1; (c) matters affecting the condition of title to the Property resulting from the actions or activities of Buyer or created by or with the written consent of Buyer; (d) the Development Agreement and the Monitoring and Compliance Easement; (e) the Restrictive Covenant, Agreed Order and Consent Decree; (f) matters shown in the Survey and any updates thereto; and (g) extended coverage owner's standard general exceptions in the Title Policy.

Section 7. Representations and Warranties.

7.1 Seller. Seller represents and warrants that as of the date it executes this Agreement:

7.1.1 Seller has the legal power, right and authority to enter into this Agreement and all documents required to be executed by Seller under this Agreement and to consummate the transaction contemplated by this Agreement. The person or persons signing this Agreement on behalf of Seller are authorized to do so.

7.1.2 Except as disclosed in the materials listed on Exhibit F attached hereto, there are no pending or, to Seller's actual knowledge, threatened (in writing) actions, suits, arbitrations, claims or proceedings, at law or in equity, adversely affecting the Property or to which Seller is a party by reason of Seller's ownership of the Property, including any eminent domain proceeding.

7.1.3 Except for any matters shown on the Commitment, Reports and agreements related to Environmental Laws or Hazardous Substances, Seller has not entered into any oral or written leases, subleases, rental agreements licenses, service or maintenance agreements or other contracts or agreements (written or oral) with respect to the ownership, operation, maintenance, use or occupancy with respect to the Property or any portion thereof that would encumber the Property or bind Buyer after Closing, and no tenants or licensees are in possession of the Property.

7.1.4 Except for notices with respect to the matters listed on Exhibit F attached hereto, Seller has not received any notices from any governmental authority with respect to any violation of any statute, ordinance or regulation applicable to the Property.

7.1.5 Seller is not a party to any outstanding agreement of sale, conveyance or option to sell the Property or any portion thereof, except for this Agreement.

Seller shall promptly notify Buyer of any new event or circumstance of which Seller has actual knowledge that occurs or arises after the date hereof and that makes any representation or warranty of Seller under this Agreement untrue in any respect that would materially affect Buyer's development of the Property.

The term "knowledge" as used herein means the actual knowledge of Jennifer Phillips, City Manager of Seller, and Jeanie Ashe, Economic Development Manager, and their successors (if any), after reasonable investigation. The foregoing representations and warranties shall be deemed made as of Closing except to the extent modified by a notice delivered by Seller pursuant to Section 7.3 notifying Buyer of any changes arising prior to Closing.

7.2 Buyer. Buyer represents and warrants that as of the date it executes this Agreement and as of Closing:

7.2.1 Buyer has the legal power, right and authority to enter into this Agreement and the documents required to be executed by Buyer under this Agreement and to consummate the transactions contemplated by this Agreement.

7.2.2 All requisite action (corporate, partnership, limited liability company or otherwise) has been taken by Buyer in connection with the entering into this Agreement and the documents required hereby to be executed by Buyer and the consummation of the transactions contemplated hereby.

7.2.3 Buyer is financially solvent, is not the subject of any bankruptcy or insolvency proceeding, does not anticipate being the subject of a bankruptcy or insolvency proceeding.

7.3 Changes in Representations and Warranties. The foregoing representations and warranties are to be made by the parties as of the date hereof and, except as hereafter provided, as of the Closing Date. If after the date a representation and warranty is made and before the Closing Date a party making a representation and warranty (the "Representing Party") becomes aware of facts that would cause such representation and warranty to be untrue or incomplete, the Representing Party shall notify the other party (the "Nonrepresenting Party") in writing within five (5) Business Days after discovery of the new facts, and include copies of all documents or materials, if any, related to such new facts. If a representation and warranty can no longer be accurately made by the Representing Party and this is (i) due to a state of facts first arising after the Effective Date, (ii) not intentionally caused by the Representing Party, and (iii) such new state of facts materially and adversely affects a right, remedy or obligation of the Nonrepresenting Party under this Agreement, prevents a party from performing as required herein, or, in the case of Buyer, in Buyer's reasonable judgment, materially increases the costs associated with Buyer's intended development and/or use of the Property or materially decreases value of the Property, then the Nonrepresenting Party may by written notice to the Representing Party elect to terminate this Agreement. In such event, Escrow Holder shall promptly return the Deposit (including all otherwise non-refundable portions of the Deposit)

and all interest that has accrued thereon to Buyer and neither party shall have any further obligations hereunder (except those that expressly survive the termination of this Agreement and as provided in the Access Agreement). Such election must be exercised within five (5) Business Days after the Nonrepresenting Party receives the written notice of the new facts from the Representing Party as provided above (and in any event before the Closing Date). During such 5-Business Day period, however, the parties shall negotiate in good faith about possible solutions to address the change in facts (e.g., proposals for courses of actions to cure the issue or price adjustments). If the Nonrepresenting Party elects to proceed to Closing notwithstanding the new facts affecting a representation and warranty, it shall have no claim against the Representing Party by reason of the affected representation and warranty and the affected representation and warranty shall be deemed modified to reflect the new state of facts.

Section 8. As Is. BUYER ACKNOWLEDGES THAT THE PROPERTY IS BEING SOLD AS IS, WHERE IS AND WITH ALL FAULTS. BUYER AGREES THAT:

(a) BUYER WILL HAVE DILIGENTLY EXAMINED AND INVESTIGATED TO BUYER'S FULL SATISFACTION THE PHYSICAL CONDITION OF THE PROPERTY, SELLER'S DISCLOSURE DOCUMENTATION (IF ANY) AND ALL OTHER MATTERS THAT IN BUYER'S JUDGMENT AFFECT BUYER'S DEVELOPMENT AND USE OF THE PROPERTY AND BUYER'S WILLINGNESS TO ACQUIRE THE PROPERTY PURSUANT TO THIS AGREEMENT.

(b) EXCEPT AS SET FORTH IN THIS AGREEMENT AND ANY EXHIBITS ATTACHED, NEITHER SELLER NOR ANY REAL ESTATE BROKER, AGENT OR OTHER REPRESENTATIVE OF SELLER HAS MADE ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER REGARDING THIS TRANSACTION OR ANY FACT RELATING THERETO, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATIONS OR WARRANTIES CONCERNING THE PHYSICAL CONDITION OF THE PROPERTY, ACCESS, ZONING LAWS, ENVIRONMENTAL MATTERS, UTILITIES, OR ANY OTHER MATTER AFFECTING THE PROPERTY OR THE USE THEREOF. IN DECIDING WHETHER TO PURCHASE THE PROPERTY, BUYER IS RELYING AND WILL RELY SOLELY ON SELLER'S REPRESENTATIONS AND WARRANTIES IN SECTION 7.1, SECTION 27 AND IN THE DEED, AND BUYER'S OWN INSPECTIONS, TESTS, AUDITS, STUDIES AND INVESTIGATIONS.

(c) BUYER HAS NOT RELIED AND WILL NOT RELY ON, AND SELLER IS NOT LIABLE FOR OR BOUND BY, ANY EXPRESS OR IMPLIED WARRANTIES, GUARANTIES, STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY, ITS DEVELOPMENT OR USE, COMPLIANCE WITH LAW OR OTHERWISE RELATING THERETO MADE OR FURNISHED BY SELLER OR ANY REAL ESTATE BROKER OR AGENT REPRESENTING OR PURPORTING TO REPRESENT SELLER, TO WHOMEVER MADE OR GIVEN, DIRECTLY OR INDIRECTLY, VERBALLY OR IN WRITING, EXCEPT THE

REPRESENTATIONS AND WARRANTIES OF SELLER AS SPECIFICALLY SET FORTH IN THIS AGREEMENT AND THE DEED.

(d) IF BUYER HAS NOT EXERCISED ITS RIGHT TO TERMINATE THIS AGREEMENT AS PROVIDED HEREIN, BUYER SHALL ACCEPT THE PROPERTY "AS IS" AND "WHERE IS" WITH ALL FAULTS AT CLOSING AND, EXCEPT AS SET FORTH IN SECTION 7.1, SECTION 27 AND THE DEED, WITHOUT ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED OR STATUTORY OF ANY KIND WHATSOEVER BY SELLER, ANY REAL ESTATE BROKER, AGENT OR OTHER REPRESENTATIVES OF SELLER. SUBJECT TO SELLER'S REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS AGREEMENT, IF BUYER PURCHASES THE PROPERTY UNDER THIS AGREEMENT, THEN BUYER SHALL BE DEEMED TO HAVE AGREED TO ACCEPT TITLE TO THE PROPERTY SUBJECT TO ANY ENVIRONMENTAL CONTAMINATION DISCOVERED ON THE PROPERTY BEFORE OR AFTER CLOSING AND TO HAVE WAIVED AND RELEASED ITS RIGHT TO RECOVER FROM SELLER, AND ITS COUNCIL MEMBERS, OFFICERS, ATTORNEYS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS OF SELLER AND FROM ANY REAL ESTATE BROKERS OR AGENTS REPRESENTING OR PURPORTING TO REPRESENT SELLER, ANY AND ALL DAMAGES, LOSSES, LIABILITIES, COSTS, OR EXPENSES WHATSOEVER (INCLUDING ATTORNEYS' FEES AND COSTS) AND CLAIMS THEREFOR, WHETHER DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THAT MAY ARISE ON ACCOUNT OF OR IN ANY WAY ARISING OUT OF OR CONNECTED WITH THE PHYSICAL CONDITION OF THE PROPERTY OR ANY LAW, ORDINANCE, OR REGULATION APPLICABLE THERETO, INCLUDING, WITHOUT LIMITATION, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980, AS AMENDED (42 U.S.C. SECTIONS 9601 ET SEQ.), THE RESOURCES CONSERVATION AND RECOVERY ACT OF 1976 (42 U.S.C. SECTIONS 6901 ET SEQ.), THE CLEAN WATER ACT (33 U.S.C. SECTIONS 466 ET SEQ.), THE SAFE DRINKING WATER ACT (14 U.S.C. SECTIONS 1401-1450), THE HAZARDOUS MATERIALS TRANSPORTATION ACT (49 U.S.C. SECTIONS 1801 ET SEQ.), THE TOXIC SUBSTANCE CONTROL ACT (15 U.S.C. SECTIONS 2601-2629), AND THE MODEL TOXICS CONTROL ACT, RCW 70.105D. SUCH WAIVER AND RELEASE SHALL NOT APPLY WITH RESPECT TO ANY RELEASE OF HAZARDOUS SUBSTANCES OR DAMAGE TO THE PROPERTY CAUSED BY SELLER, SELLER'S EMPLOYEES, OFFICERS, COUNCIL MEMBERS, AGENTS, SUCCESSORS OR ASSIGNS THAT OCCURS AFTER CLOSING AND AFFECTS THE PROPERTY OR THAT IS A SELLER OBLIGATION IN SECTION 9 OF THIS AGREEMENT AND THE MONITORING AND COMPLIANCE EASEMENT.

Section 9. Environmental Issues. The provisions of this Section 9 shall survive Closing.

9.1 Contamination; Definitions. The Property and the surrounding rights of way have or may have Hazardous Substances within its boundaries and/or emanating from the

Property, including contamination that has not yet been discovered or is otherwise unknown as to nature and extent, and it may be potentially subject to contamination in the future from offsite sources (collectively, the "Contamination"). In addition, the Property is subject to certain known Contamination resulting from the historic operations on portions of the Property (the "Historic Contamination"). Seller is obligated to remedy the Historic Contamination pursuant to the CAP. Treatment systems and monitoring wells will continue to remain on the Property until Seller has fulfilled its obligations under the CAP, Agreed Order and Consent Decree as provided in the Monitoring and Compliance Easement. Pursuant to Section 5.1.1, Buyer will be conducting investigations to determine whether it is satisfied with such remediation and the environmental condition of the Property.

As used herein, the following additional terms have the following meanings:

"Agreed Order" means Agreed Order No. 15747 entered into by Seller and Ecology, effective May 31, 2018, to implement the CAP for the Bothell Former Hertz Site.

"CAP" means, collectively, the Cleanup Action Plans dated May 29, 2018, for the Bothell Former Hertz Site; July 19, 2019, for the Bothell Service Center Simon and Son Site; and August 22, 2019, for the Former Wexler Property Site, all issued by Ecology pursuant to RCW § 70D.105D and WAC 173-340-380. The CAP specifies the cleanup standards and cleanup actions required by Ecology to remediate the Historic Contamination.

"Consent Decree" means the Consent Decree entered into by Seller and Ecology to implement the CAP, entered under King County Superior Court Cause No. 18-2-02852-3 on October 31, 2019.

"Environmental Law" means any applicable federal, state, municipal or local law, statute, ordinance, regulation, order or rule pertaining to environmental conditions, contamination or Hazardous Substances, or health and industrial hygiene as it relates to exposure to Hazardous Substances, including without limitation the Washington Model Toxics Control Act, RCW ch. 70.105D et seq. and the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et seq.

"Hazardous Substance(s)" means any hazardous waste or other substances listed, defined, designated or classified as hazardous, dangerous, radioactive, toxic, solid waste or a pollutant or contaminant in any Environmental Law, including without limitation (i) petroleum products and petroleum byproducts; (ii) polychlorinated biphenyls; and (iii) chlorinated solvents.

"Monitoring and Compliance" means the work to be performed after Closing to the extent required by the CAP, Agreed Order and the Consent Decree, including: (i) performing long-term groundwater, soil and/or soil vapor monitoring and analysis

on the Property or on adjacent properties, including but not limited to sampling and analysis from wells to be installed by Seller on or near the Property; (ii) operating, monitoring, repairing, replacing and maintaining equipment and systems to the extent required by the CAP, Agreed Order and the Consent Decree; and (iii) performing any additional cleanup work that Ecology may require. Monitoring and Compliance may continue for several years following Closing.

"Monitoring and Compliance Easement" means that certain easement executed by Seller and Buyer and recorded on title to the Property contemporaneously with the Closing permitting Seller access to the Property in order to perform the Monitoring and Compliance, in the form attached hereto as Exhibit G.

"Restrictive Covenant" means the environmental restrictive covenant required by Ecology as part of the Agreed Order and Consent Decree and recorded on May 13, 2020 under No. 20200513000357, records of King County, Washington.

9.2 Monitoring and Compliance. As part of the Consent Decree and Agreed Order, Seller is required to perform the Monitoring and Compliance for some period of time after Closing. Therefore, at Closing, the parties shall execute and record the Monitoring and Compliance Easement. Seller will retain ownership of the monitoring wells at Closing, and will abandon them in accordance with all applicable laws, including Environmental Laws, when the monitoring and compliance work has been completed. Seller agrees to work in good faith with Buyer during the Due Diligence Period on the possible relocation of the monitoring wells (including seeking Ecology approval therefor) so as to minimize the interference to the development and operation of the Project from such wells, consistent with the requirements of the Consent Decree and Agreed Order. Seller shall perform the Monitoring and Compliance at its cost and at no expense to Buyer (except to the extent that tax payments to Seller may be used to fund such costs).

Except with respect to Seller's obligations under the Monitoring and Compliance Easement, the parties intend that, as between Buyer and Seller, Seller shall have no responsibility with respect to any Contamination and Buyer shall have no responsibility with respect to Seller's obligations under the Agreed Order, Consent Decree, and CAP or for Contamination addressed by the Monitoring and Compliance Easement. Buyer will be responsible for complying with the Restrictive Covenant at its expense, including integration of any vapor barriers and other mitigation measures into the Project required by the Restrictive Covenant.

9.3 Buyer's Release; Waiver of Claims. Effective as of Closing, except in the case of fraud or as provided in the Monitoring and Compliance Easement and this Section 9.3, Buyer shall be deemed to have released, waived and forever discharged Seller, Seller's employees, officers, council members, agents, successors and assigns from any claim or cause of action that Buyer has or may have that is related to the Contamination or the presence or alleged presence of Hazardous Substances at, below, or emanating from the Property. Except as provided in Section 5.1.1 or the Access Agreement, Buyer shall have no duty to defend or

indemnify Seller or any employees, officers, council members, agents, successors or assigns of Seller from any claims, causes of actions or liabilities whatsoever asserted against Seller by a third party, including but not limited to claims by a private party or governmental entity (other than Buyer) alleging loss or seeking contribution or any other relief under any Environmental Law or common law. This waiver and release shall not apply to the extent Ecology brings a claim against Buyer alleging that the City failed to perform its obligations in the Consent Decree or the Agreed Order.

Section 10. Costs and Expenses. Seller shall pay (a) the premium for the standard coverage portion of the Title Policy, (b) one-half (1/2) of all escrow fees and costs and the cost for recording the Deed, and (c) Seller's share of prorations. Buyer shall pay for (d) the premiums for the extended coverage portion of the Title Policy, additional title insurance coverage or endorsements, (e) the costs of the Survey, (f) recording costs (other than for the Deed), (g) one-half (1/2) of all escrow fees and costs, and (h) Buyer's share of prorations. Because Seller is a public entity, no real estate excise tax will be due on the Sale (but in no event will Buyer be responsible for any real estate excise tax on the sale). Buyer and Seller shall each pay their own legal and professional fees and fees of other consultants. The Property is currently exempt from property taxes, so there are no taxes (except surface water management charges) to prorate (but in no event will Buyer be responsible for any property taxes attributable to the period before Closing. All property taxes and assessments arising from and after Closing or attributable to the period after Closing shall be the sole responsibility of Buyer. All other costs and expenses shall be allocated between Buyer and Seller in accordance with the customary practice in the City of Bothell, County of King, and State of Washington. If the transaction is terminated by either party on account of default by the other, the defaulting party shall pay all escrow and title costs billed by the Escrow Holder.

Section 11. Condemnation. If before the Closing Date any condemnation or eminent domain proceedings are initiated that might result in the taking of all of the Property, then this Agreement shall terminate, whereupon the parties shall proceed in accordance with Section 13 for a termination that is for the failure of a condition. If such proceeding proposes to take less than all of the Property, and the portion of the Property to be taken (i) has a value in excess of five percent (5%) of the Purchase Price, (ii) would take any right of access to the Property, (iii) is necessary for the development of the Project and the Project cannot be reasonably and economically reconfigured , or (iv) prevents Buyer from obtaining financing in time for Closing or changes the terms that would be applicable to Buyer's financing (each, a "Material Taking"), Buyer may:

(a) Terminate this Agreement by written notice to Seller whereupon the parties shall proceed in accordance with Section 13 for a termination that is for the failure of a condition; or

(b) Proceed with the Closing, in which event Seller shall assign to Buyer in writing at Closing all of Seller's right, title and interest in and to any award made in connection with such condemnation or eminent domain proceedings.

Seller shall immediately notify Buyer in writing of the commencement or occurrence of any condemnation or eminent domain proceedings. If such proceedings would result in a Material Taking of any of the Property, Buyer shall then notify Seller, within ten (10) days of Buyer's receipt of Seller's notice, whether Buyer elects to exercise its rights under clause (a) or clause (b) of this Section 11. Closing shall be delayed, if necessary, until the later to occur of (i) the Closing Date or (ii) five (5) Business Days after the expiration of the 10-day period. If Buyer fails to timely elect to proceed under this Section 11, then Buyer will be deemed to have elected clause (a) above. If a taking is not a Material Taking, the parties shall proceed in accordance with clause (b) above.

Section 12. Legal and Equitable Enforcement of this Agreement.

12.1 Default by Seller. This Agreement pertains to the conveyance of real property, the unique nature of which is hereby acknowledged by the parties. Consequently, if Seller refuses or fails without legal excuse to convey the Property to Buyer as required by this Agreement, or otherwise defaults in its obligations hereunder, and provided that Buyer is not default in its obligations hereunder, Buyer shall have the right to elect one of the following remedies: (a) specific performance of Seller's obligation to convey the Property subject to the terms and conditions of this Agreement; or, alternatively, (b) to terminate this Agreement upon written notice to Seller and Escrow Holder and receive a return of the Deposit and all interest that has accrued thereon, and receive reimbursement for actual and reasonable out of pocket expenses incurred pursuant to this Agreement (not to exceed $50,000 in total), in which case neither party shall have any further obligations to the other hereunder, except for Section 27 and any other indemnities expressly stated to survive hereunder and Section 29 concerning attorney's fees. In no event shall Seller be liable to Buyer for any damages of any kind to Buyer, other than the return of the Deposit, and reimbursement of costs as provided above if Buyer elects to proceed under (b) above. If Buyer elects to proceed under (a) above, it must commence an action for specific performance within sixty (60) days after Seller's failure to convey the Property in accordance with this Agreement or will be deemed to have waived such remedy. Notwithstanding the foregoing, no limitation on Buyer's remedies set forth in this Section 12.1 shall in any way limit Seller's indemnification, defense, and hold harmless obligations expressly provided elsewhere in this Agreement.

12.2 Default by Buyer. If Buyer fails without legal excuse to complete the purchase of the Property, the Deposit shall be forfeited to Seller as liquidated damages which, together with payment by Buyer of any attorney's fees and enforcement costs due under Section 29 below, is the sole and exclusive remedy against Buyer available to Seller for Buyer's failure to complete the purchase of the Property as required under this Agreement. In no event shall Seller be entitled to specific performance against Buyer for such failure. If the Closing fails to occur by reason of Buyer's default, the parties agree that the damages that Seller would suffer thereby are difficult or impossible to determine. The parties agree that the Deposit is a reasonable estimate of such damages and shall be and constitute valid liquidated damages, and not a penalty, considering all circumstances that exist on the date of this Agreement, including: (1) the relationship of the foregoing sum to the range of harm to Seller that could reasonably be anticipated; and (2) the anticipation that proof of actual damages would be impracticable or

extremely difficult to determine. This provision is not intended to apply to obligations that survive a termination of this Agreement, including but not limited to the provisions of Section 27, Section 29 or the Access Agreement, and Seller shall be entitled to receive and retain amounts due or paid thereunder in addition to the Deposit. Notwithstanding the foregoing, no limitation on Seller's remedies set forth in this Section 12.2 shall in any way limit Buyer's indemnification, defense, and hold harmless obligations expressly provided elsewhere in this Agreement or in the Access Agreement.

Section 13. Termination for Failure of Condition. If any of the conditions set forth herein are not satisfied or waived by the date provided in such condition, the party entitled to benefit of such condition shall have the right to terminate this Agreement and the escrow provided for herein by giving written notice of such termination to the other party and to Escrow Holder. In the event of such termination, all escrow and title charges shall be divided equally between the parties and this Agreement will be of no further force and effect and the parties shall have no further liability except as expressly set forth in this Agreement for matters expressly stated to survive termination of this Agreement and in the Access Agreement. All documents delivered to Escrow Holder shall be returned to the depositing party, the Deposit and all interest that has accrued thereon shall be returned to Buyer, and Buyer shall return to Seller all due diligence items delivered by Seller to Buyer.

Section 14. Notice. All notices required or permitted hereunder shall be in writing and shall be served on the parties at the following addresses:

If to Seller:
City of Bothell
18415 – 101st Avenue NE
Bothell, WA 98011
Attention: Jennifer Phillips
Phone: (425) 806-6140
Email: jennifer.phillips@bothellwa.gov

With a copy to:
K&L Gates LLP
925 Fourth Avenue, Suite 2900
Seattle, WA 98104
Attention: Shannon J. Skinner
Fax No.: (206) 623-7022
Phone: (206) 623-7580
Email: shannon.skinner@klgates.com

If to Buyer:
Maple Multi-Family Land TX, L.P.
2003 Western Avenue, Suite 330
Seattle, WA 98121
Attention: Mark Hoyt
Phone: (206) 484-3392
Email: mhoyt@tcr.com

With a copy to: Cairncross & Hempelmann, P.S.
524 Second Avenue, Suite 500
Seattle, WA 98104
Attention: Ryan White
Fax No.: (206) 587-2308
Phone: (206) 254-4415
Email: rwhite@cairncross.com

Any such notices shall be either (a) sent by certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) days after deposit, postage prepaid in the U.S. mail, (b) sent by a nationally recognized overnight courier, in which case notice shall be deemed delivered when actually delivered pursuant to the records of such courier, (c) hand delivered, in which case notice shall be deemed delivered on the date of the hand delivery, or (d) sent via electronic mail, provided the receipt of same is electronically confirmed by the recipient, in which case notice shall be deemed delivered as of the time of transmission (provided that such transmission is before 5:00 p.m. on a Business Day, and, if after such time, then on the next Business Day).

The above contact information may be changed by written notice to be provided the other party in accordance with this Section 14; provided, however, that no notice of a change of address shall be effective until actual receipt of such notice. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice.

Section 15. Time of Essence. Time is of the essence of this Agreement.

Section 16. Governing Law; Jurisdiction. The construction, validity, meaning and effect of this Agreement shall be determined in accordance with the laws of the State of Washington. In the event any action is brought to enforce any of the provisions of this Agreement, the parties agree to be subject to the jurisdiction in the King County Superior Court for the State of Washington or in the United States District Court for the Western District of Washington.

Section 17. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. DocuSign signatures, or fax or email copies of signatures, shall be treated for all purposes as original signatures.

Section 18. Captions. The captions in this Agreement are inserted for convenience of reference and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof.

Section 19. Assignability. Buyer shall not assign its rights under this Agreement without Seller's prior written consent, which may be withheld in Seller's sole and absolute discretion. Notwithstanding the foregoing, at or prior to Closing, Buyer may assign this

Agreement without Seller's consent to any entity which controls, is under common control with, or is affiliated with Buyer, provided that the assignee assumes all of Buyer's obligations under this Agreement. No such assignment shall relieve Buyer of any of its obligations hereunder.

Section 20. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and permitted assigns.

Section 21. Modifications; Waiver. No waiver, modification, amendment, discharge or change of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is sought.

Section 22. Entire Agreement. This Agreement contains the entire agreement, including all of the exhibits attached hereto, between the parties relating to the transactions contemplated hereby and all prior or contemporaneous agreements, understandings, representations or statements, oral or written, are superseded hereby.

Section 23. Fair Construction; Severability. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine or neuter, singular or plural, as the context may require. The parties hereby acknowledge and agree that each was properly represented by counsel and this Agreement was negotiated and drafted at arms' length so that the judicial rule of construction to the effect that any ambiguities are to be construed against the drafting party shall be inapplicable in the interpretation of this Agreement. The provisions of this Agreement shall be construed as a whole according to their common meaning and consistent with the other provisions contained herein in order to achieve the objectives and purposes of this Agreement. If any term, provision, covenant, clause, sentence or any other portion of the terms and conditions of this Agreement or the application thereof to any person or circumstances shall apply, to any extent, become invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect, unless rights and obligations of the parties have been materially altered or abridged by such invalidation or unenforceability.

Section 24. Survival. The representations and warranties in this Agreement shall survive the Closing of this transaction for a period of six (6) months following Closing, and written notice of any claim by a party for a breach thereof must be delivered to the other party within such time period. In addition, the indemnities and agreements contained in Section 9 (Environmental), Section 27 (Brokers), Section 29 (Attorneys' Fees) and the Access Agreement shall survive the termination or expiration of this Agreement and shall survive the Closing. Except for the foregoing provisions, all other agreements of the parties contained in this Agreement shall terminate upon Closing.

Section 25. No Personal Liability of Officers or Directors.

25.1 Seller. Buyer acknowledges that this Agreement is entered into by Seller as a municipal corporation and Buyer agrees that no individual officer, council member, employee

or representative of Seller shall have any personal liability under this Agreement or any document executed in connection with the transactions contemplated by this Agreement.

25.2 Buyer. Seller acknowledges that this Agreement is entered into by Buyer as a limited liability company and Seller agrees that no individual officer, director, member or representative of Buyer shall have any personal liability under this Agreement. Nothing shall preclude personal liability under the guaranty described in the Development Agreement.

Section 26. No Third Party Rights. Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties hereto and their respective successors and assigns, any rights or remedies under or by reason of this Agreement. No term or provision of this Agreement shall be for the benefit of any person, firm, organization or entity not a party hereto, and no such other person, firm, organization or entity shall have any right or cause of action hereunder, except as may be otherwise expressly provided herein. Nothing in this section is intended to modify the restrictions on assignment contained in Section 19 hereof.

Section 27. Brokers. Seller was represented by Kidder Matthews in this transaction ("Seller's Broker"). Except for Seller's Broker, Seller and Buyer represent each to the other that each has had no dealings with any other broker, finder or other party concerning Buyer's purchase of the Property. Seller agrees to indemnify and hold Buyer harmless from all loss, cost, damage or expense (including reasonable attorney's fees) incurred by Buyer as a result of any claim arising out of the acts of Seller for a commission, finder's fee or similar compensation made by any broker, finder or any party who claims to have dealt with Seller, including Seller's Broker. Buyer agrees to indemnify and hold Seller harmless from all loss, cost, damage or expense (including reasonable attorney's fees) incurred by Seller as a result of any claim arising out of the acts of Buyer for a commission, finder's fee or similar compensation or made by any broker, finder or any party who claims to have dealt with Buyer. The indemnities contained in this Section 27 shall survive the Closing or the termination of this Agreement.

Section 28. Business Days; Computation of Time. The term "Business Day" as used herein means any day on which banks in Bothell, Washington are required to be open for business, excluding Saturdays and Sundays. In the computation of any period of time hereunder, the day of the act or event from which the period of time runs shall be excluded and the last day of such period shall be included. If any deadline hereunder falls on a day that is not a Business Day, then the deadline will be deemed extended to the next following Business Day.

Section 29. Attorneys' Fees. If any legal action or other proceeding is brought for the enforcement of this Agreement (including, without limitation, enforcement of any obligation to indemnify, defend or hold harmless), or because of an alleged dispute, default or misrepresentation in connection with any of the provisions of this Agreement, the substantially prevailing party shall be entitled to recover the reasonable attorneys' fees (including those in any bankruptcy or insolvency proceeding), accountants' and other experts' fees and all other fees, expenses and costs incurred in connection with that action or proceeding, in addition to any other relief to which it may be entitled.

Section 30. Waiver of Jury Trial. Seller and Buyer each hereby waive trial by jury in any action, proceeding or counterclaim brought by either party against the other on any matter arising out of or in any way connected with this Agreement or the relationship of Buyer and Seller arising hereunder, including any claim of injury or damage or any statutory remedy.

Section 31. Confidentiality. Buyer acknowledges and agrees that this Agreement constitutes a "public record" (as defined in RCW 42.56.010(3) and is subject to public disclosure pursuant to RCW 42.56. Neither Seller nor any individual officer, council member, employee or representative of Seller who acts in good faith to comply with the requirements of RCW 42.56 shall be liable to Buyer for any loss or damage resulting from the release of information relating to this Agreement or the transaction contemplated hereunder. Promptly following Seller's receipt of a public record requests for documents related to the transaction described in this Agreement, Seller will notify Buyer of such request.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

SELLER:

CITY OF BOTHELL,
a Washington municipal corporation

By: _____
Name: _____
Its: _____

BUYER:

MAPLE MULTI-FAMILY LAND TX, L.P.,
a Delaware limited partnership

By: Mark Hoyt
Mark Hoyt (Aug 19, 2020 15:36 PDT)
Name: Mark Hoyt
Title: Vice President

EXHIBIT A

Legal Description of Property

PARCEL I:

LOT 7 OF CITY OF BOTHELL BOUNDARY LINE ADJUSTMENT NO. BLA 2014-05666, RECORDED MAY 6, 2015 AS RECORDING NO. 20150506900004, RECORDS OF KING COUNTY, WASHINGTON, AS MODIFIED BY INSTRUMENT RECORDED AUGUST 19, 2015 AS RECORDING NO. 20150819900001.

PARCEL II:

THAT PORTION OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 26 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS;

COMMENCING AT A POINT ON THE EAST LINE OF GLENWOOD AVENUE, BOTHELL, DISTANT SOUTH 1°11'40" WEST 270 FEET FROM THE SOUTH MARGIN OF FIR STREET;
THENCE NORTH 89°56'40" EAST 110 FEET, MORE OR LESS, TO AN IRON PIPE;
THENCE SOUTH 89°56'40" EAST 50 FEET TO TRUE POINT OF BEGINNING OF THIS DESCRIPTION;
THENCE NORTH 89°56'40" WEST 40.97 FEET;
THENCE SOUTH 8°29'26" WEST 96.49 FEET;
THENCE SOUTH 78°45'09" WEST 115.86 FEET TO THE EAST MARGIN OF SAID GLENWOOD AVENUE;
THENCE SOUTH 1°11'40" WEST 62.63 FEET TO THE NORTHERLY LINE OF BOTHELL WAY;
THENCE NORTHEASTERLY ALONG SAID NORTHERLY LINE 180.98 FEET TO A POINT WHICH BEARS SOUTH 1°11'40" WEST FROM THE TRUE POINT OF BEGINNING;
THENCE NORTH 1°11'40" EAST 119.93 FEET TO THE TRUE POINT OF BEGINNING;

TOGETHER WITH THAT PORTION OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE EAST LINE OF GLENWOOD AVENUE, BOTHELL, DISTANT SOUTH 1°11'40" WEST 270 FEET FROM THE SOUTH MARGIN OF FIR STREET;
THENCE NORTH 89°56'40" EAST 110 FEET, MORE OR LESS, TO AN IRON PIPE;
THENCE CONTINUING NORTH 89°56'40" EAST 9.03 FEET;
THENCE SOUTH 8°29'26" WEST 96.49 FEET;
THENCE SOUTH 78°45'09" WEST 115.86 FEET TO THE EAST MARGIN OF SAID GLENWOOD AVENUE;
THENCE NORTH 1°11'40" EAST ALONG THE EAST MARGIN OF GLENWOOD AVENUE TO THE TRUE POINT OF BEGINNING.
(ALSO KNOWN AS TRACTS 11 AND 12, ERICKSEN'S BOTHELL HOME TRACTS, ACCORDING TO THE UNRECORDED PLAT THEREOF).

EXCEPT PORTION THEREOF CONVEYED TO THE CITY OF BOTHELL FOR STREET PURPOSES BY DEED RECORDED OCTOBER 15, 1996 UNDER RECORDING NO. 9610151153.

ALSO EXCEPT THAT PORTION DEDICATED AS A PUBLIC RIGHT-OF-WAY BY RESOLUTION NO. 1351 (2016), RECORDED AUGUST 30, 2017 AS RECORDING NO. 20170830000821.

EXHIBIT B

Intentionally Omitted.

EXHIBIT C

Form of Deed

After Recording Return To:

BARGAIN AND SALE DEED

GRANTOR: CITY OF BOTHELL

GRANTEE: MAPLE MULTI-FAMILY LAND TX, L.P., a Delaware limited partnership

Legal Description:
Abbreviated Form: Additional legal on Page ___

Assessor's Tax Parcel ID#:

THE GRANTOR, CITY OF BOTHELL, a Washington municipal corporation, for and in consideration of ten dollars ($10) in hand paid, bargains, sells and conveys to the Grantee, MAPLE MULTI-FAMILY LAND TX, L.P., a Delaware limited partnership, the following described real estate, situated in the County of King, State of Washington.

See Exhibit A attached hereto.

Subject to and excepting those matters listed in Exhibit B attached hereto and incorporated herein by this reference.

Dated _____, 202___.

CITY OF BOTHELL, a Washington
municipal corporation

By: _____
Name: _____
Its: _____

State of Washington

County of King

This record was acknowledged before me on _____ by _____ as _____ of the City of Bothell.

_____
(Signature of notary public)

_____
(Title of office)

My Commission Expires: _____
(Date)

(Stamp)

EXHIBIT A TO DEED

Legal Description

(to be added)

EXHIBIT B TO DEED

Exceptions

(to be added)

EXHIBIT D

Intentionally Omitted.

EXHIBIT E

Intentionally Omitted.

EXHIBIT F

List of Reports/Documents Delivered to Buyer

<u>01 Ecology Agreements & Letters</u>

Bothell Landing Agreed Order DE6294
Bothell Landing Amendment No. 1 to Agreed Order DE6294
Bothell Landing Agreed Order DE15746
Bothell Former Hertz Agreed Order DE8375
Bothell Former Hertz Agreed Order DE15747
Bothell Service Center/Simon & Sons Consent Decree No. 18-2-02852-3 SEA
Bothell Service Center/Simon & Sons Consent Decree Amendment 1 No. 18-2-02852-3 SEA
Bothell Service Center VCP NW2946 Acceptance letter
Bothell Service Center VCP NW2946 May 2015 Opinion letter
Bothell Service Center VCP NW2946 June 2016 RIFS report review comments letter

<u>02 Consent Decree (CD) Deliverables</u>

B.3 BSCSS Engineering Remedial & Design Report (ERDR)
B.2 Wexler Engineering Remedial & Design Report (ERDR)
C.9 BSCSS Cleanup Action Report
D.1 Environmental Covenant, Lot D

<u>03 Groundwater Monitoring - Area Wide</u>

GW monitoring table thru Jan 2020 – Bothell BSCSS
GW monitoring table thru Jan 2020 – Bothell Hertz
GW monitoring table thru Jan 2020 – Bothell Landing
GW well map – Bothell BSCSS
GW well map – Bothell Hertz
GW well map – Bothell Landing
HWA Area-wide well list 2015
HWA GeoSciences, 2015, *Figure 1 TPH Summary Dec 2015.pdf* – Figure only.
HWA GeoSciences, 2014 & 2015, *Area-wide GW Quarterly Monitoring Data, Rounds 1 - 4*
Isopleth Maps – BSCSS, Hertz, Landing & Paint
2019 Annual Groundwater Monitoring Report

<u>04 Downtown Maps</u>

Various

<u>05 Bothell Service Center</u>

BSC Boring logs, various

CDM, 2008, *Phase I Environmental Site Assessment Former Simon & Son Fine Drycleaning Site Bothell Service Center 18107 Bothell Way NE Bothell, Washington*, February 7, 2008

Dalton Olmstead and Fuglevand, Inc. 2014, *Unpublished Figures and Tables, Bothell Service Center*

Dalton Olmstead and Fuglevand, Inc. 2014, *Memorandum: Results of October Groundwater Sampling, Bothell Service Center, Draft* November 10, 2014

ERM, 2001, Letter to Norman L. Olsen. *Interim Site Characterization Summary Report, Bothell Service Center, 18107 Bothell Way Northeast, Bothell, Washington*, October 17, 2001.

ERM, 2002, Letter to Norman L. Olsen. *Interim Site Remediation Summary Report, Bothell Service Center, 18107 Bothell Way Northeast, Bothell, Washington*, March 25, 2002.

Farallon Consulting, 2007, Letter to UIC Coordinator, Water Quality Program, Washington State Department of Ecology, *UIC Well Registration, Bothell Service Center, 18107 Bothell Way Northeast, Bothell, Washington, Farallon PN: 801-001,* October 19, 2007.

Farallon Consulting, 2008a, *Cleanup Action Progress Report, June 2006 Through June 2007, Bothell Service Center, 18107 Bothell Way Northeast, Bothell, Washington*, Farallon PN: 801-001, March 12, 2008.

Farallon Consulting 2008b, *Interim Action Status Report, November 2007 through August 2008, Bothell Service Center, 18107 Bothell Way Northeast, Bothell, Washington*. November 4, 2008.

Farallon Consulting, 2011, *Project Status Summary, Bothell Service Center Associates Property, 18107 Bothell Way Northeast, Bothell, Washington*, November 18, 2011

HWA GeoSciences, 2015, *Remedial Investigation/Feasibility Study Work Plan Bothell Service Center Site, Bothell, Washington,* January 19, 2015.

HWA GeoSciences, 2015, *Revised Remedial Investigation/Feasibility Study Work Plan Bothell Service Center Site (Rev 1) & Response to Ecology Comments, Bothell, Washington,* August 10, 2015

HWA GeoSciences, 2016, *Remedial Investigation/Feasibility Study Report Bothell Service Center Site, Bothell, Washington,* February 1, 2016

HWA GeoSciences, 2016, *Remedial Investigation/Feasibility Study Report Bothell Service Center Site (Rev 1), Bothell, Washington,* April 29, 2016

Kane Final Draft CAP - *Bothell Service Center,* October 4, 2017
Kane Final Draft RIFS - *Bothell Service Center,* October 4, 2017
Kane Final Draft SEPA Checklist - *Bothell Service Center,* October 6, 2017

Olsen, Norm, 1990, Release letter to Ecology

06 Wexler

AGI, 1990, *Tank Removal and Hydrocarbon Contamination Assessment, Al's Auto Supply,* January 25, 1990.

Bothell Fire Marshall files, various

Floyd | Snider, 2010, Schuck's Auto Supply, Bothell, Washington, Phase II Environmental Site Assessment, September 10, 2010.

HWA GeoSciences, 2006, *Ground Water Sampling Report, Former Al's Auto Store and Bothell Service Center*, January 6. 2006.

HWA GeoSciences, 2014, *Soil Cleanup Report, Former Schucks/O'Reilly 18125 Bothell Way NE, Bothell Washington*, August 25, 2014

Kane Env., Draft RI/FS, Al's Auto Bothell Wexler site, December 26, 2018

07 Hertz

DLH Environmental Consulting, 1993a, *Underground Storage Tank Removal and Decommissioning, WDOE Report Number N12100 for AA Rentals,* May 14 1993.

DLH- Environmental Consulting, 1993b, *Underground Storage Tank Removal and Decommissioning, WDOE Report Number 005294 for AA Rentals,* September 10 1993.

DLH Environmental Consulting, 1997-2002, Correspondence re UST removals, soil sampling, cleanup.

Earth Consultants, 1989, *Geotechnical Engineering Study, Proposed AA Rental Building, 18012 Bothell Way Northeast, Bothell, Washington,* February 22, 1989

HWA GeoSciences, 2008a, *Limited Phase II Environmental Site Assessment, Highway 522 Right-of-Way, 18030 Bothell Way NE, Bothell, Washington*. April 15 2008.

HWA GeoSciences, 2008b, Phase *I Environmental Site Assessment, Hertz Rentals Parcel*, August 11, 2008.

HWA GeoSciences, 2008c, Phase *II Environmental Site Assessment, Hertz Rentals Property*, October 10, 2008.

HWA GeoSciences, 2011, *Documentation of Soil Cleanup at Bothell Former Hertz Facility, Bothell Washington*, January 28, 2011.

HWA GeoSciences, 2013, *Technical Memorandum, Implementation Of Approved Hertz RI/FS Work Plan, Remedial Investigation Report, Phase 1b Bothell Former Hertz Facility Bothell, Washington,* May 31, 2013.

HWA GeoSciences, 2014, *Interim Action Cleanup Report, Bothell Former Hertz Site, Bothell Washington.* Prepared for City of Bothell, (April 7, 2014)

HWA GeoSciences, 2015, *Draft Remedial Investigation/Feasibility Study Report Bothell Former Hertz Facility, Bothell, Washington,* August 5, 2015

HWA 2017 Bothell Former Hertz draft final RIFS, August 10, 2017
HWA 2017 Bothell Former Hertz draft final CAP, August 10, 2017
HWA 2017 Bothell Former Hertz CMP, August 10, 2017

Riley, 2009a *Supplemental Phase II Subsurface Investigation, Hertz Rentals Property, 18030 Bothell Way NE, Bothell, Washington,* March 17, 2009

<u>08 Bothell Landing</u>

CDM, 2009, *Phase II Environmental Site Assessment, City of Bothell Crossroads Redevelopment Project, Bothell, Washington*, May 2009

Department of Ecology, 2006 Further Action letter

HWA GeoSciences, 2007, *Phase II Environmental Site Assessment Beta Bothell Landing Property, Bothell, Washington.* Prepared for City of Bothell, November 1, 2007.

HWA GeoSciences, 2011, *Documentation of Interim Action at Bothell Landing Site, Bothell Washington.* Prepared for City of Bothell, February 2, 2011.

HWA GeoSciences, 2014, *Interim Action Cleanup Report, Bothell Landing Site, Bothell Washington.* Prepared for City of Bothell, September 2, 2014

HWA GeoSciences, 2014, *Soil Cleanup Report, Bothell Landing Brownfields Site, Bothell Washington.* Prepared for USEPA, December 8, 2014

HWA GeoSciences, 2015, *Draft Remedial Investigation Report Bothell Landing Site, Bothell, Washington,* August 14, 2015

HWA GeoSciences, 2015, *Addendum No. 1 to the September 2014 Bothell Landing Interim Action Cleanup Report, Bothell Landing Site, Bothell Washington.* Prepared for City of Bothell, November 6, 2015

HWA GeoSciences 2017 Bothell Landing draft final RIFS, August 10, 2017
HWA GeoSciences 2017 Bothell Landing draft final CAP Rev1, August 10, 2017
HWA GeoSciences 2017 Bothell Landing CMP, August 10, 2017

Kleinfelder, 1999a, *Phase II Soil and Ground water Exploration, Bothell Landing Shopping Plaza, Bothell, Washington*. Prepared for Buck & Gordon, LLP, Seattle, WA, September 8, 1999.

Kleinfelder, 1999b, *Groundwater Monitoring Well Installation and Sampling, Bothell Landing Shopping Plaza, Bothell, Washington,* December 21, 1999.

Kleinfelder, 2006, *Annual Groundwater Monitoring Report Bothell Landing Shopping Plaza, Bothell, Washington,* April 14, 2006.

Parametrix, 2009a, *Bothell Landing Remedial Investigation/Feasibility Study, Revision No. 0*. Prepared for City of Bothell, November 2009.

Parametrix, 2009b, *Bothell Landing Draft Cleanup Action Plan Revision No. 1,* December 2009.

Parametrix, 2010, *Interim Action Work Plan, Bothell Landing Site Revision No. 2,* April 2010
PSI. 1998, *Underground Storage Tank Removal and Site Assessment Report, Intersection of SR 522, SR 527, and Main Street, Bothell, Washington*, Prepared for City of Bothell Department of Public Works. May 20, 1998.

Riley Group, 2007a, Historical Review & Environmental Database Bothell Landing Properties 2-5 18004 & 18030 Bothell Way Northeast Bothell, Washington, May 29, 2007.

Riley Group, 2007b, *Updated Phase I Environmental Site Assessment, Bothell Landing Property #1, 18120, 18126 Bothell Way Northeast & 10001 Woodinville Drive, Bothell, Washington,* November 28, 2007

<u>09 McDonalds</u>

HWA, 2009a. *draft Phase I Environmental Site Assessment, McDonald's Parcel, 18012 Bothell Way NE, Bothell, Washington,* June 18, 2009

HWA, 2009b. *Draft Phase II Environmental Site Assessment, McDonald's Parcel, 18012 Bothell Way NE, Bothell, Washington,* July 18, 2009.

<u>10 MWB/Former Safeway</u>

HWA, 2014. *City of Bothell Multiway Boulevard 18221 Bothell Way UST Site Assessment Report, Bothell Washington,* March 20, 2014.

<u>11 Geotechnical & EIS & E05-05</u>

Lot D Cultural Resources Assessment, Cardno Oct 2019
DAHP Concurrence Letter, Nov 2019
Finla Environmental Impact Study, April 2009

HWA, 2011. Final Geotechnical Report, SR 522 – Bothell Crossroads Project, Bothell, Washington, Prepared for Perteet Engineering, Inc. February 28, 2011.

EXHIBIT G

Form of Monitoring and Compliance Easement

After Recording Return To:
City of Bothell
18415 101st Avenue NE
Bothell, WA 98011
Attn: City Clerk

Please print or type information WASHINGTON STATE RECORDER'S Cover Sheet

Document Title: Monitoring and Compliance Easement Agreement
Grantor: Maple Multi-Family Land TX, L.P., a Delaware limited partnership
Grantee: City of Bothell, a Washington municipal corporation
Legal description (abbreviated: i.e. lot, block, plat or section, township, range): PTN NE¼ SEC 7, T26N, R5E AND LOT 7, BLA 2014-05666, REC. 5-6-15 Additional legal is on Exhibit A to document.
Assessor's Property Tax Parcel/Account Number: 945720-0050-04 and 237420-0065-02

MONITORING AND COMPLIANCE EASEMENT AGREEMENT

THIS MONITORING AND COMPLIANCE EASEMENT AGREEMENT (this "Agreement") is granted as of _____, 2021 (the "Effective Date") by MAPLE MULTI-FAMILY LAND TX, L.P., a Delaware limited partnership ("Grantor"), to the CITY OF BOTHELL, a Washington municipal corporation ("Grantee"), with reference to the following facts:

RECITALS

A. Contemporaneously herewith, pursuant to that certain Purchase and Sale Agreement (Block D) between Grantee and Grantor dated September 1, 2020 (the "PSA"), and a Development Agreement between Grantee and Grantor of even date herewith and recorded concurrently herewith (the "Development Agreement"), Grantor has purchased from Grantee those certain parcels of land situated in Bothell, Washington, described in the attached Exhibit A (the "Property"), which Grantor will develop into a mid-rise residential apartment complex, with a portion of the ground level to be commercial units, together with on-site parking and open space (the "Project").

B. The Property is subject to certain Contamination. Grantee has undertaken remediation of the Contamination described in the Consent Decree, Agreed Order and CAP. The remaining work to complete the remediation is to operate a groundwater treatment system and conduct Monitoring and Compliance for a period of time as described in the CAP.

C. Pursuant to the PSA and the Development Agreement, Grantor has agreed to grant Grantee an access easement to allow Grantee to perform the Monitoring and Compliance activities on the Property.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties acknowledge and agree to the following:

1. Definitions. The following capitalized terms as used herein shall have the following meanings for purposes of this Agreement.

"Agreed Order" means, collectively, Agreed Order No. 15747 entered into by Seller and Ecology, effective May 31, 2018, to implement the CAP for the Bothell Former Hertz Site, and Agreed Order No. 15746 entered into by Seller and Ecology, effective June 11, 2018, to implement the CAP for the Bothell Landing Site.

"CAP" means, collectively, the Cleanup Action Plans dated May 29, 2018, for the Bothell Former Hertz Site; May 24, 2018, for the Bothell Landing Site; July 19, 2019, for the Bothell Service Center Simon and Son Site; and August 22, 2019, for the Former Wexler Property Site, all issued by Ecology pursuant to RCW § 70D.105D and WAC 173-340-380. The CAP specifies the cleanup standards and cleanup actions required by Ecology to remediate the Historic Contamination.

"Consent Decree" means the judicially-approved Consent Decree entered into by Seller and Ecology to implement the CAP, entered under King County Superior Court Cause No. 18-2-02852-3 on October 31, 2019.

"Contamination" means the Release of Hazardous Substances within the boundaries of and/or emanating from the Property, including Contamination that has not yet been discovered or is otherwise unknown as to nature and extent and Contamination in the future from offsite sources.

"Ecology" means the Washington State Department of Ecology.

"Environmental Law" means any federal, state, municipal or local law, statute, ordinance, regulation, order or rule pertaining to environmental conditions, hazardous substances, or health and safety as it relates to exposure to Hazardous Substances, including without limitation the Washington Model Toxics Control Act, RCW ch. 70.105D et seq. and the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et seq.

"Hazardous Substance(s)" means any material, waste or substance listed, defined, designated or classified as hazardous, dangerous, radioactive, toxic, solid waste or a pollutant or contaminant in any Environmental Law, including without limitation (i) petroleum products and petroleum byproducts; (ii) polychlorinated biphenyls; and (iii) chlorinated solvents.

"Historic Contamination" means the known Contamination resulting from the historic operations more particularly described in the CAP.

"Legal Requirements" means all applicable local, county, state and federal laws, ordinances and regulations and other rules, orders, requirements and determinations of any Governmental Authorities now or hereafter in effect, whether or not presently contemplated, applicable to the Property, the Project or its ownership, operation or possession, including (without limitation) all those relating to parking restrictions, building codes, zoning or other land use matters, The Americans With Disabilities Act of 1990, as amended (as interpreted and applied by the public agencies with jurisdiction over the Property), life safety requirements and Environmental Laws with respect to the handling, treatment, storage, disposal, discharge, use and transportation of Hazardous Substances.

"Monitoring and Compliance" means work performed after the Effective Date to the extent required by the CAP, the Agreed Order and the Consent Decree, including: (i) performing long-term groundwater, soil and/or soil vapor monitoring and analysis on the

Property or on adjacent properties (including but not limited to sampling and analysis from wells to be installed by Grantee on or near the Property); (ii) operating, monitoring, repairing, replacing and maintaining equipment and systems required by the CAP, the Agreed Order and the Consent Decree; and (iii) performing any additional cleanup work including, without limitation, groundwater and soils cleanup, that Ecology may require. Monitoring and Compliance may continue for several years following Completion of the physical components of the cleanup action.

"Monitoring and Compliance Activities" means the work to perform Monitoring and Compliance.

"Release" means any intentional or unintentional entry of any Hazardous Substance into the environment, including but not limited to the abandonment or disposal of containers of Hazardous Substances unless permitted by applicable regulations.

2. Access Easement for Monitoring and Compliance. Subject to the conditions set forth in this Agreement, Grantor hereby grants and conveys to Grantee a non-exclusive easement over and across the Property to perform the Monitoring and Compliance Activities. The Monitoring and Compliance Activities may be conducted by Grantee, as well as its third-party consultants retained by Grantee ("Consultants").

3. Performance and Restoration. Grantee shall perform the Monitoring and Compliance Activities at no expense to Grantor. Grantee's performance of the Monitoring and Compliance Activities shall not unreasonably interfere with the construction and subsequent operation of the Project. Grantee shall be responsible for repairing or correcting any damage to the Property resulting from Grantee's performance of the Monitoring and Compliance Activities. Upon completion of the Monitoring and Compliance Activities, Grantee will, at its sole cost and expense, close all monitoring wells installed by Grantee on the Property in accordance with Legal Requirements, remove and dispose of any of Grantee's or its Consultant's investigation or remediation-derived waste or remediation equipment, and restore the areas of the Property affected by such closure to a finished condition consistent with the surrounding areas of the Property.

4. Entry onto Property. (a) All persons who enter the Property pursuant to this Agreement assume the risk of doing so, except as set forth to the contrary herein. Grantee waives any claims against Grantor and releases Grantor from any liability for any loss, damage or injury to Grantee, its Consultants or their property arising from the Monitoring and Compliance Activities, excluding those claims to the extent arising out of the negligence or willful misconduct of Grantor, its employees, agents and contractors. Grantee and its Consultants shall comply with any reasonable instructions and directions of Grantor with regard to the Monitoring and Compliance Activities.

(b) Without limiting the foregoing, to the extent that the Property is under the control of Grantor's general contractor constructing the Project, Grantee will coordinate site access with and follow the safety and other protocols of such contractor. Prior to the

commencement of construction, Grantee shall request and Grantor shall provide the name and contact information for the person(s) with the general contractor who shall serve as Grantee's contact to coordinate access to the Property for the purpose of undertaking Monitoring and Compliance Activities. Upon completion of construction, Grantor shall provide Grantee with the name and contact information for a person or persons with the on-site property manager who shall then serve as Grantee's contact to coordinate access to the Property for the purpose of undertaking Monitoring Compliance Activities. If Grantor fails to provide such contact(s), Grantee shall request that Grantor designate a contact. Collectively the general contractor contact and the property management company contact shall be referred to as Access Contacts. All communications concerning a request for access shall be delivered to the designated Access Contacts and Grantor.

(c) To obtain access, at least three (3) business days prior to requiring access, Grantee shall submit a written request for access to the Access Contact (which may be by email), explaining when access is required, for how long and for what activities. The Access Contacts and/or Grantor shall have the right to deny or delay such access for reasonable periods of time if in either's reasonable opinion, conducting the requested Monitoring and Compliance Activities cannot safely be accomplished on the date requested or cause an unreasonable interference with activities at the Property. In such case, the Access Contact and/or Grantor shall provide alternative dates for the performance of the Monitoring and Compliance Activities.

(d) Grantee and its Consultants shall be responsible for any damage done to the Property by Grantee or its Consultants in performing the Monitoring and Compliance Activities pursuant to this Agreement. While on the Property pursuant to this Agreement, Grantee will comply and will cause all Consultants to comply with all Legal Requirements concerning the Monitoring and Compliance Activities on the Property. Grantee will not suffer or permit to be enforced against the Property any mechanics, materialmen's or contractors liens or any claim for damage arising from the work performed by Grantee or its Consultants as part of the Monitoring and Compliance Activities, and Grantee shall pay or cause to be paid all claims or demands with respect to the same before any action is brought to enforce the same against the Property.

(e) Except to the extent resulting from the acts or omissions of any Grantor Indemnitees (defined below), Grantee will indemnify, protect, defend and hold Grantor, its officers, members and employees (collectively, "Grantor Indemnitees") harmless from any loss, damage, injury, accident, fire or other casualty, liability, claim, lien, cost or expense (including reasonable attorneys' fees) of any kind or character to the extent arising from or caused by (a) entry on the Property by Grantee or its Consultants pursuant to this Agreement, (b) any act or omission of Grantee or any of its Consultants in the conduct of the Monitoring and Compliance Activities, or (c) violation of this Agreement by Grantee or any of its Consultants. Grantor's right of indemnity under this section shall not limit or waive any other legal claim or defense Grantor may have outside of this Agreement.

EXCLUSIVELY AS REQUIRED TO GIVE EFFECT TO THIS INDEMNITY, GRANTEE WAIVES ANY IMMUNITY IT MAY HAVE UNDER INDUSTRIAL INSURANCE LAW, RCW TITLE 51. THIS WAIVER WAS MUTUALLY NEGOTIATED.

5. Insurance. Grantee shall, during the term of this Agreement, maintain commercial general liability insurance for bodily or personal injury or death and (2) property damage, with the coverage of not less than $1,000,000 for each occurrence and a $2,000,000 general aggregate limit, on an occurrence basis from a reputable insurer licensed to do business in Washington, and shall, upon request, furnish to Grantor certificates or other evidence of insurance evidencing such coverage. Grantee shall deliver to Grantor a certificate evidencing the commercial general liability and property damage at the effective date of this agreement and shall provide annual certificates until all Monitoring and Compliance Activities have been completed. Grantor will be named as an additional insured under the policy. Grantee may maintain such insurance through a municipal pooled risk coverage program. Without limiting the preceding, Grantee shall require that its Consultants conducting work at the Property, and any subcontractor conducting invasive work (e.g. installing wells or borings) on the Property, as part of the Monitoring and Compliance Activities shall possess 1) commercial general liability insurance for bodily or personal injury or death and property damage, 2) professional liability insurance, and, to the extent undertaking drilling activities or handling Hazardous Substances, pollution legal liability insurance, each in the amount of at least One Million Dollars ($1,000,000.00) per occurrence and Two Million Dollars ($2,000,000) in the aggregate. Grantee shall deliver to Grantor a certificate evidencing such coverages before conducting any Monitoring and Compliance Activities on the Property.

6. Cooperation. Grantor and Grantee recognize that there is a need to undertake the required Monitoring and Compliance Activities contemporaneously with Grantor's redevelopment of the Property as mid-rise residential apartments with a portion of the ground level to be commercial units, on-site parking and open space and that doing so may result in unforeseen conditions or the need to make modifications to planned activities. The parties agree to cooperate and to use commercially reasonable efforts to facilitate both objectives and recognize that there may be a need to relocation of certain wells and equipment associated with the Monitoring and Compliance Activities or temporarily delay access to conduct such activities. Both Grantor and Grantee shall not unreasonably interfere with the other's required activities.

7. Reservation of Rights. Grantor reserves the right to use the Property for purposes not inconsistent with the rights granted herein, including without limitation the right to grant other easements within the Property (including access, construction and/or utility easements, permits and licenses); provided, however, that Grantor shall not unreasonably interfere with Grantee's performance of the Monitoring and Compliance Activities, including installation of and access to monitoring wells, equipment and systems relating thereto.

8. Termination. This Agreement shall continue until Grantee has completed all Monitoring and Compliance Activities on the Property to Ecology's satisfaction as provided in the Consent Decree, the Agreed Order and the CAP. Upon completion of the Monitoring and

Compliance Activities, Grantee shall notify Grantor of such completion and provide written evidence of such completion after which the parties shall execute and record a termination of this Agreement.

9. Attorneys' Fees. In any action involving the enforcement or interpretation of this Agreement, including appeals, the prevailing party in such litigation shall be entitled to recover, from the non-prevailing party, the prevailing party's reasonable attorneys' fees, costs and disbursements.

10. Waiver of Jury Trial. The parties each hereby waive trial by jury in any action, proceeding or counterclaim brought by either party against the other on any matter arising out of or in any way connected with this Agreement, including any claim of injury or damage or any statutory remedy.

11. Notices. All notices required or permitted hereunder shall be in writing and shall be served on the parties at the following addresses:

If to Grantee:

City of Bothell
18415 – 101st Avenue NE
Bothell, WA 98011
Attention: City Manager
Phone: 425-806-6141
Email: jennifer.phillips@bothellwa.gov

With a copy to:

K&L Gates LLP
925 Fourth Avenue, Suite 2900
Seattle, WA 98104
Attention: Shannon J. Skinner
Phone: (206) 623-7580
Email: shannon.skinner@klgates.com

Grantor:

Maple Multi-Family Land TX, L.P.
2003 Western Avenue, Suite 330
Seattle, WA 98121
Attention: Mark Hoyt
Phone: (206) 484-3392
Email: mhoyt@tcr.com

With a copy to: Cairncross & Hempelmann
524 Second Avenue, Suite 500
Seattle, WA 98104-2323
Attn. Ryan D. White
Phone: (206) 254-4415
Email: RWhite@cairncross.com |

Either party may change its address for notice by giving the other party written notice thereof as herein provided. Notices shall not be given by email.

12. Run with the Land. The rights and obligations of the parties touch and concern the land, burden the Property and shall inure to the benefit of and be binding upon their respective successors and assigns.

[*Signature pages follow.*]

IN WITNESS WHEREOF, this Agreement has been executed the day and year first above written.

GRANTOR:

MAPLE MULTI-FAMILY LAND TX, L.P.,
a Delaware limited partnership

By:_____
Name:_____
Title:_____

State of _____

County of _____

This record was acknowledged before me on _____ by _____ as _____ of Maple Multi-Family Land TX, L.P., a Delaware limited partnership.

_____
(Signature of notary public)

_____
(Title of office)

My Commission Expires: _____
(Date)

(Stamp)

IN WITNESS WHEREOF, this Agreement has been executed the day and year first above written.

GRANTEE:

CITY OF BOTHELL,
a Washington municipal corporation

By: _____
Name: _____
Its: _____

State of Washington

County of King

This record was acknowledged before me on _____ by _____ as _____ of the City of Bothell, a Washington municipal corporation.

_____
(Signature of notary public)

_____
(Title of office)

My Commission Expires: _____
(Date)

(Stamp)

Grantee's Signature Page to Monitoring and Compliance Easement
G-1008/19/2020

Exhibit A

Legal Description of the Property

PARCEL I:

LOT 7 OF CITY OF BOTHELL BOUNDARY LINE ADJUSTMENT NO. BLA 2014-05666, RECORDED MAY 6, 2015 AS RECORDING NO. 20150506900004, RECORDS OF KING COUNTY, WASHINGTON, AS MODIFIED BY INSTRUMENT RECORDED AUGUST 19, 2015 AS RECORDING NO. 20150819900001.

PARCEL II:

THAT PORTION OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 26 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS;

COMMENCING AT A POINT ON THE EAST LINE OF GLENWOOD AVENUE, BOTHELL, DISTANT SOUTH 1°11'40" WEST 270 FEET FROM THE SOUTH MARGIN OF FIR STREET; THENCE NORTH 89°56'40" EAST 110 FEET, MORE OR LESS, TO AN IRON PIPE;
THENCE SOUTH 89°56'40" EAST 50 FEET TO TRUE POINT OF BEGINNING OF THIS DESCRIPTION;
THENCE NORTH 89°56'40" WEST 40.97 FEET;
THENCE SOUTH 8°29'26" WEST 96.49 FEET;
THENCE SOUTH 78°45'09" WEST 115.86 FEET TO THE EAST MARGIN OF SAID GLENWOOD AVENUE;
THENCE SOUTH 1°11'40" WEST 62.63 FEET TO THE NORTHERLY LINE OF BOTHELL WAY;
THENCE NORTHEASTERLY ALONG SAID NORTHERLY LINE 180.98 FEET TO A POINT WHICH BEARS SOUTH 1°11'40" WEST FROM THE TRUE POINT OF BEGINNING;
THENCE NORTH 1°11'40" EAST 119.93 FEET TO THE TRUE POINT OF BEGINNING;

TOGETHER WITH THAT PORTION OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE EAST LINE OF GLENWOOD AVENUE, BOTHELL, DISTANT SOUTH 1°11'40" WEST 270 FEET FROM THE SOUTH MARGIN OF FIR STREET; THENCE NORTH 89°56'40" EAST 110 FEET, MORE OR LESS, TO AN IRON PIPE;
THENCE CONTINUING NORTH 89°56'40" EAST 9.03 FEET;
THENCE SOUTH 8°29'26" WEST 96.49 FEET;
THENCE SOUTH 78°45'09" WEST 115.86 FEET TO THE EAST MARGIN OF SAID GLENWOOD AVENUE;
THENCE NORTH 1°11'40" EAST ALONG THE EAST MARGIN OF GLENWOOD AVENUE TO THE TRUE POINT OF BEGINNING.
(ALSO KNOWN AS TRACTS 11 AND 12, ERICKSEN'S BOTHELL HOME TRACTS, ACCORDING TO THE UNRECORDED PLAT THEREOF).

EXCEPT PORTION THEREOF CONVEYED TO THE CITY OF BOTHELL FOR STREET PURPOSES BY DEED RECORDED OCTOBER 15, 1996 UNDER RECORDING NO. 9610151153.

ALSO EXCEPT THAT PORTION DEDICATED AS A PUBLIC RIGHT-OF-WAY BY RESOLUTION NO. 1351 (2016), RECORDED AUGUST 30, 2017 AS RECORDING NO. 20170830000821.

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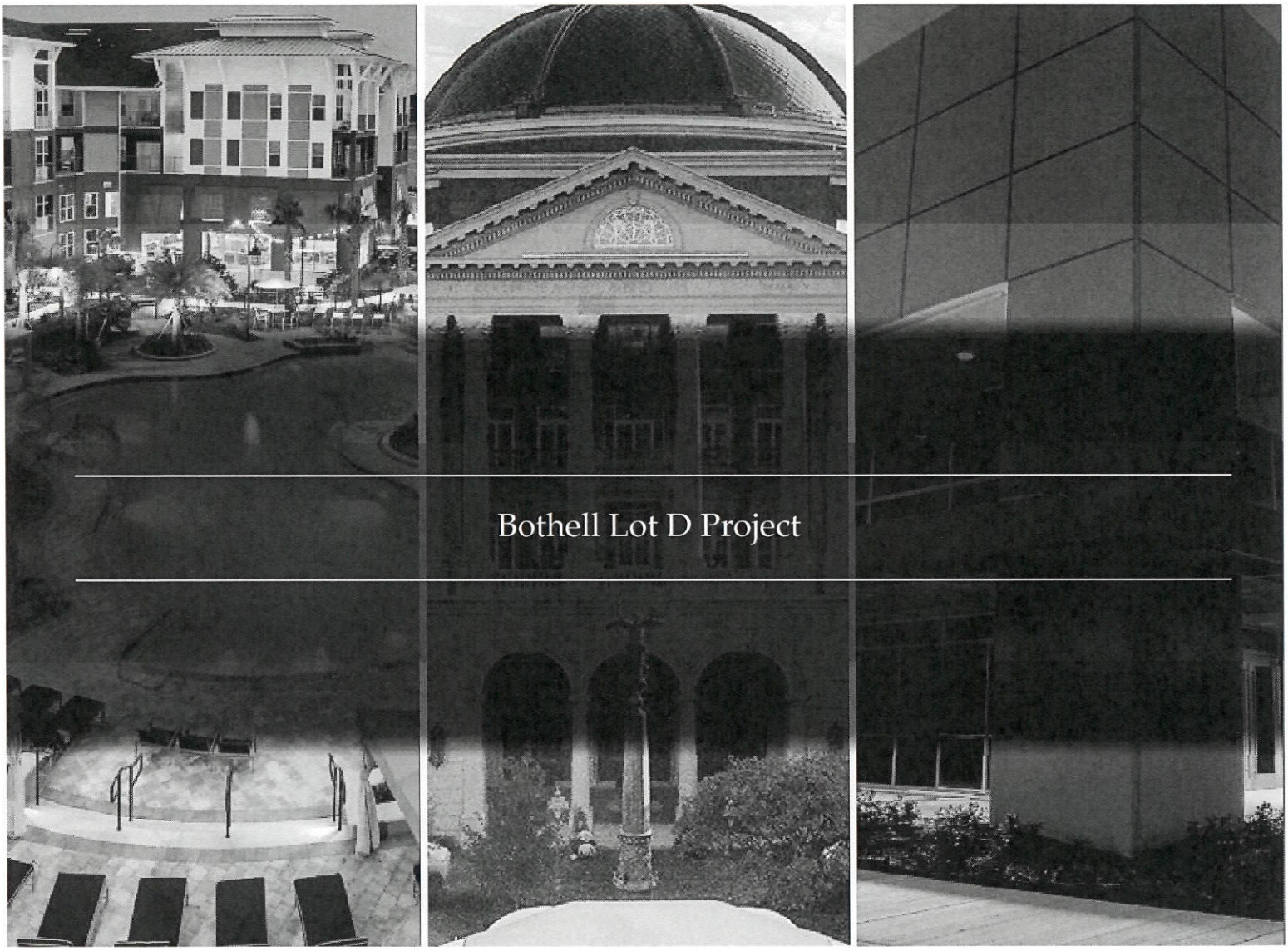
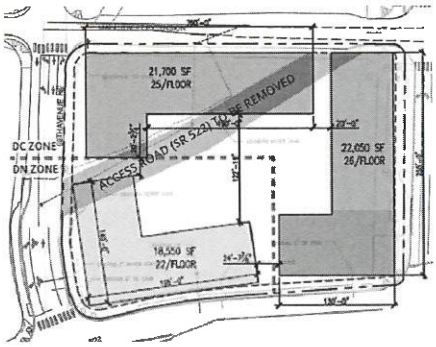


Bothell Lot D Project

Bothell Lot D – Proposed Project

PROJECTION DESCRIPTION



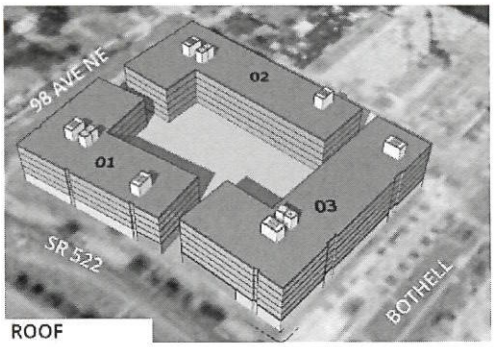
Per City's Expectations for Development:

- Design offers pedestrian friendly retail, business, civic & cultural, office, lodging, & multifamily space.
- Elimination of Access Road to allow for gathering places for residents, visitors, and employees.
- All buildings in the Plan Area shall be located along and oriented towards improved new or existing streets; Bothell Way NE, (Formerly) SR 522, and 98 Ave NE.

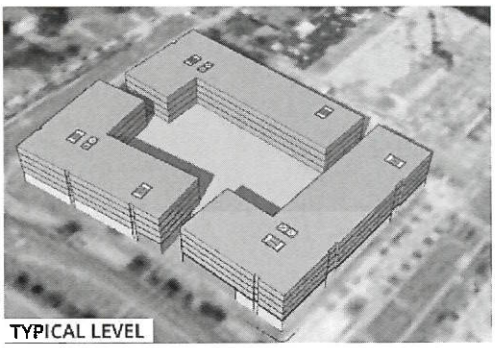
DC ZONE - LIMIT 6 FLOORS / 76' - 0" BUILDING HEIGHT

DN ZONE - LIMIT 5 FLOORS / 65' - 0" BUILDING HEIGHT

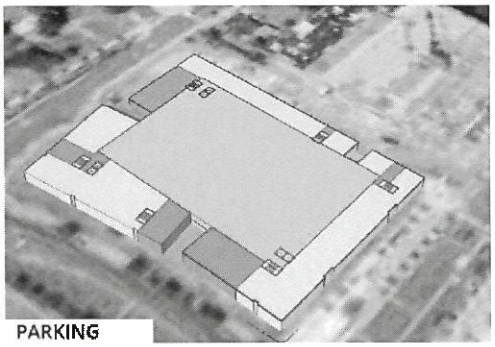
SITE PLAN RENDERING BREAKDOWN:



ROOF



TYPICAL LEVEL



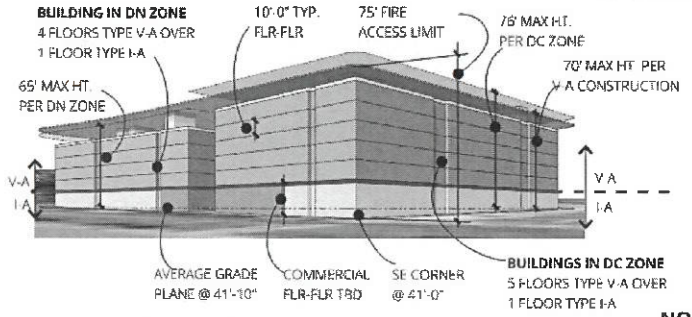
PARKING

- The rendered site plans above incorporate a tall commercial floor around 2 levels of structured parking, allowing for a positive pedestrian experience between the commercial, parking, and separate residential towers above.
- This design meets the City of Bothell's expectation for development through rentable residential/ commercial space, pedestrian friendly access, and furthering urban revitalization while also meeting the municipal code, zoning code, and downtown plan.

Bothell Lot D – Proposed Project

CLARK BARNES

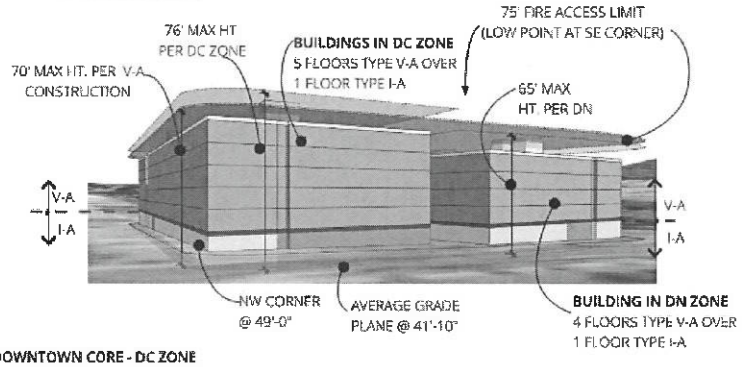
SOUTHEAST CORNER



DOWNTOWN NEIGHBORHOOD - DN ZONE

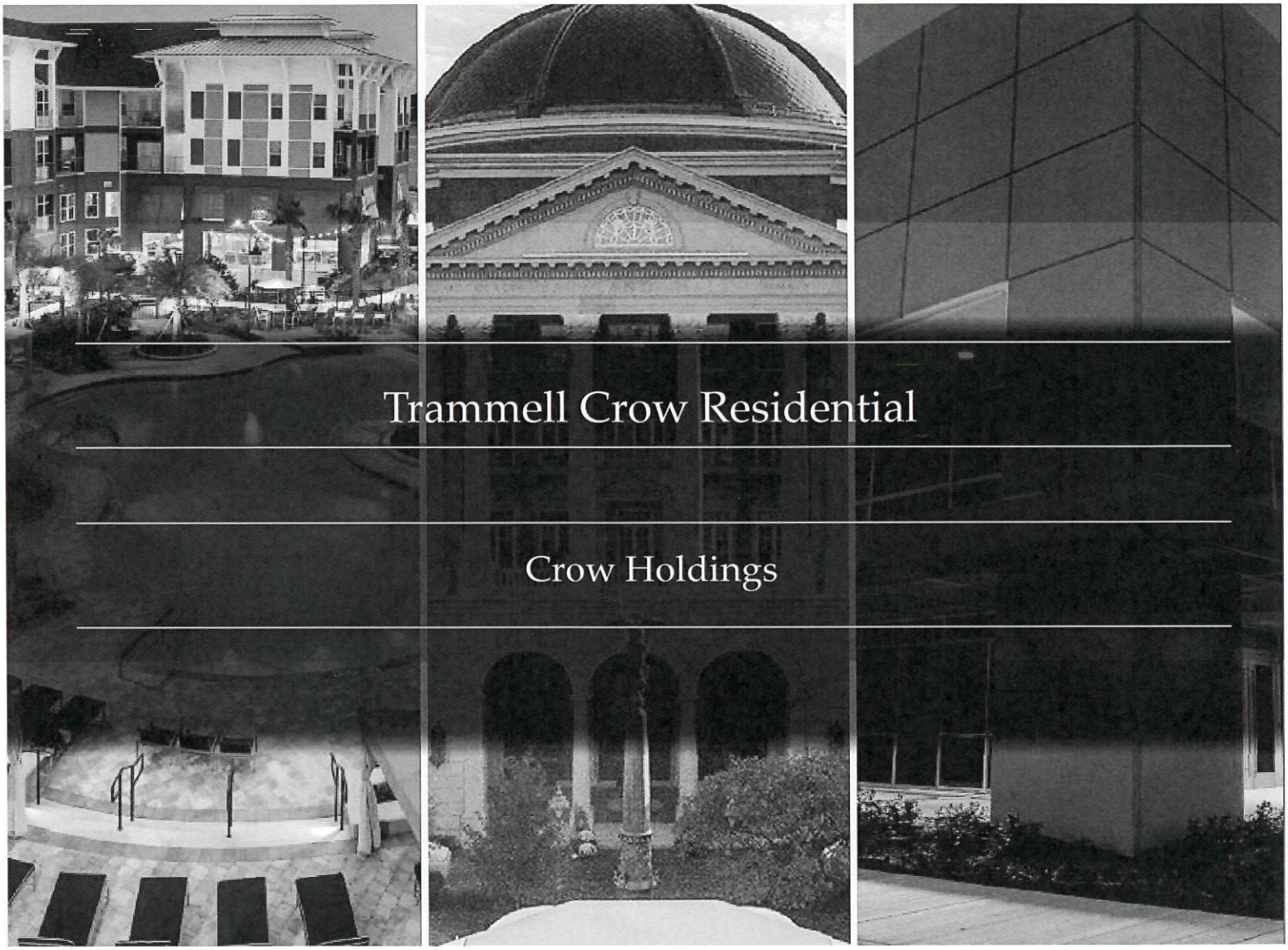
- HEIGHT LIMIT 5 LEVELS (65')
- MAX BUILDING LENGTH - 240'
- REQUIRED BUILDING TO CORNER
- MODULATION REQUIRED EVERY 100' AT STREET FACES

NORTHWEST CORNER



DOWNTOWN CORE - DC ZONE

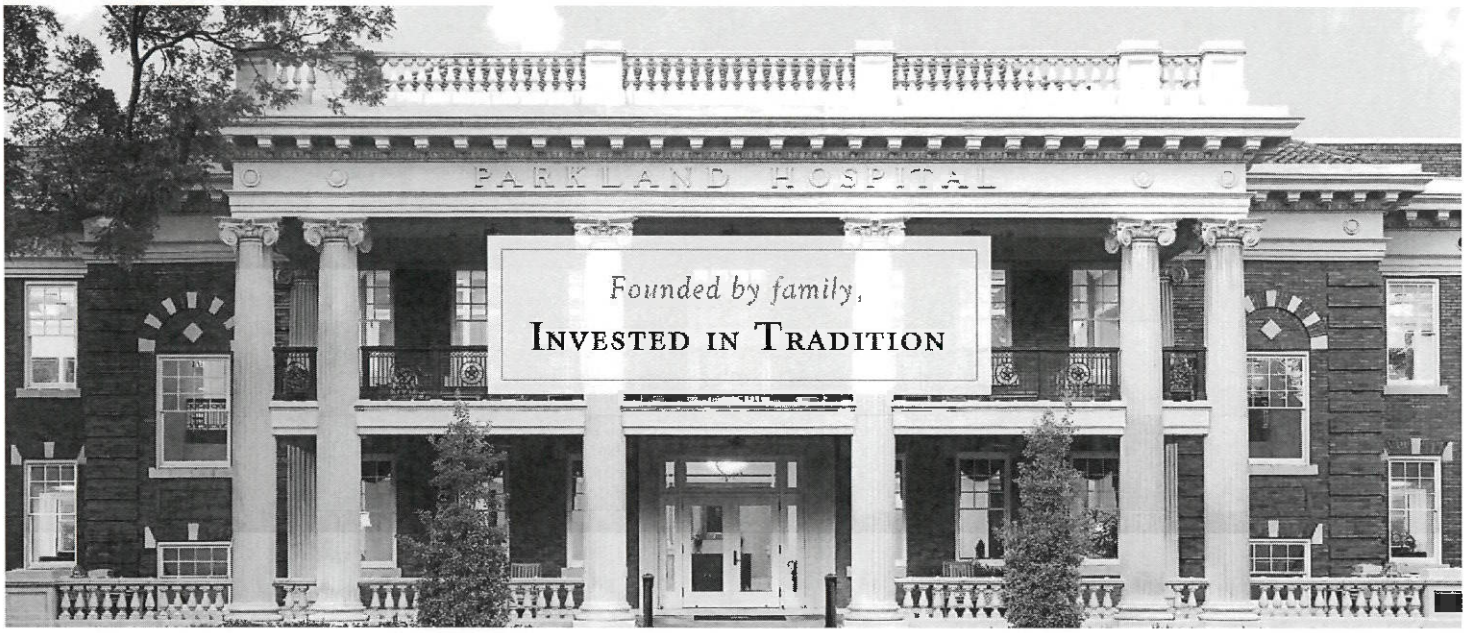
- HEIGHT LIMIT - 6 LEVELS (76')
- MAX BUILDING LENGTH - 300'
- REQUIRED BUILDING TO CORNER
- MODULATION REQUIRED EVERY 100' AT STREET FACES



Trammell Crow Residential

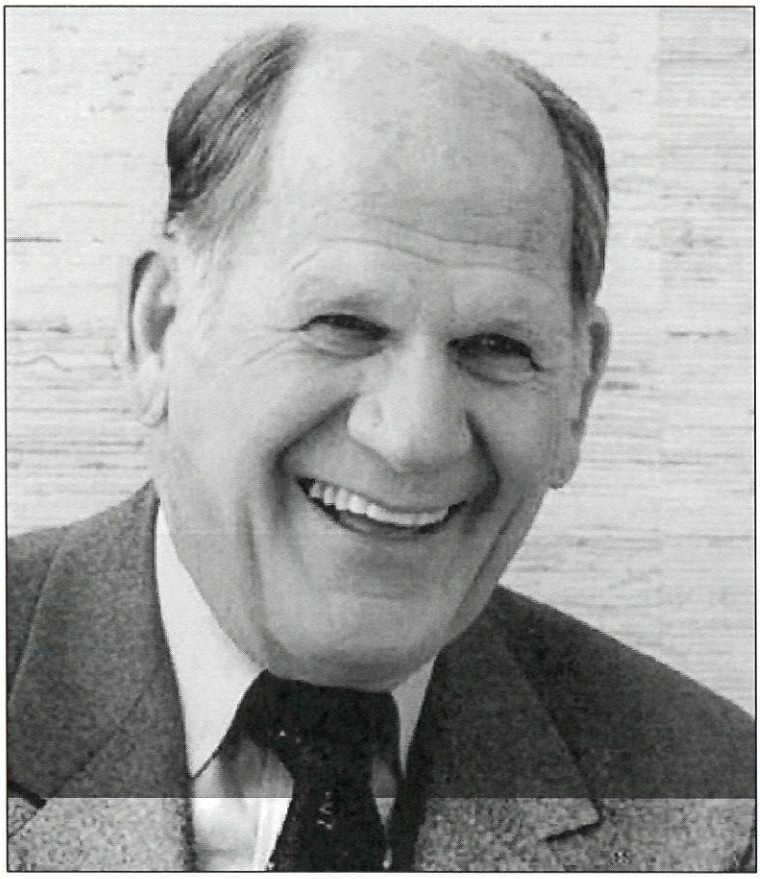
Crow Holdings

Crow Holdings | Introduction



Trammell Crow began a career in real estate investment at the end of World War II. Since that time he and his family have had a prominent role as developers and investors in the United States and the international real estate markets. Crow Holdings has been an active investor in industrial, office, retail, land, hotel and residential real estate businesses in the United States, Europe and South America. Although real estate is its foundation, Crow Holdings has numerous and varied investment activities, including an investment portfolio with substantial stakes in privately held operating businesses and financial assets.

Crow Holdings | HISTORY



Trammell Crow

1948
Trammell Crow builds and leases his first warehouse, and the Trammell Crow Company is formed.

1957-1965
Trammell Crow Company develops Dallas Market Center, the 14-story Hartford Insurance Company building, the Stemmons Tower in Dallas, the Peach Tree Center in Atlanta, and forms Lincoln Properties .

1968
Groundbreaking commences on the Embarcadero Center in San Francisco.

1971
Forbes Magazine names Trammell Crow the largest private real estate operator in the U.S.

1972 -1975
Bryan Tower opens in Dallas. The Gerald Ford World Trade Center is developed, and the Brussels International Trade Mart is Completed.

1977
Trammell Crow Residential (TCR) is founded and creates a series of apartment companies, including Lincoln Property Company.

1979
Atrium in the 900 room Anatole Hotel opens. Wyndham Hotel Company is founded by Trammell Crow.

1987
Trammell Crow Interests is formally organized.

1993 -1994
Trammell Crow Residential sponsors REIT's Avalon Bay Communities (**Including current Avalon properties in Redmond WA**) and Gables Residential.

Crow Holdings | HISTORY

1995 -1996
Trammell Crow Interests becomes **Crow Family Holdings**.
Wyndham Hotel Company IPO launches.

1997
Trammell Crow Company IPO launches. Trammell Crow Residential sells portfolio to AMLI Residential, sponsors Homegate Hospitality, Inc., and sells portfolio to BRE (now Essex).

1998
Harlan Crow, son of Trammell, Takes over as CEO. Crow Holdings launches and closes Fund I, with $281 million in commitments, as its first real estate private equity fund. Trammell Crow Residential sells corporate housing company to ExecuStay by Marriott.

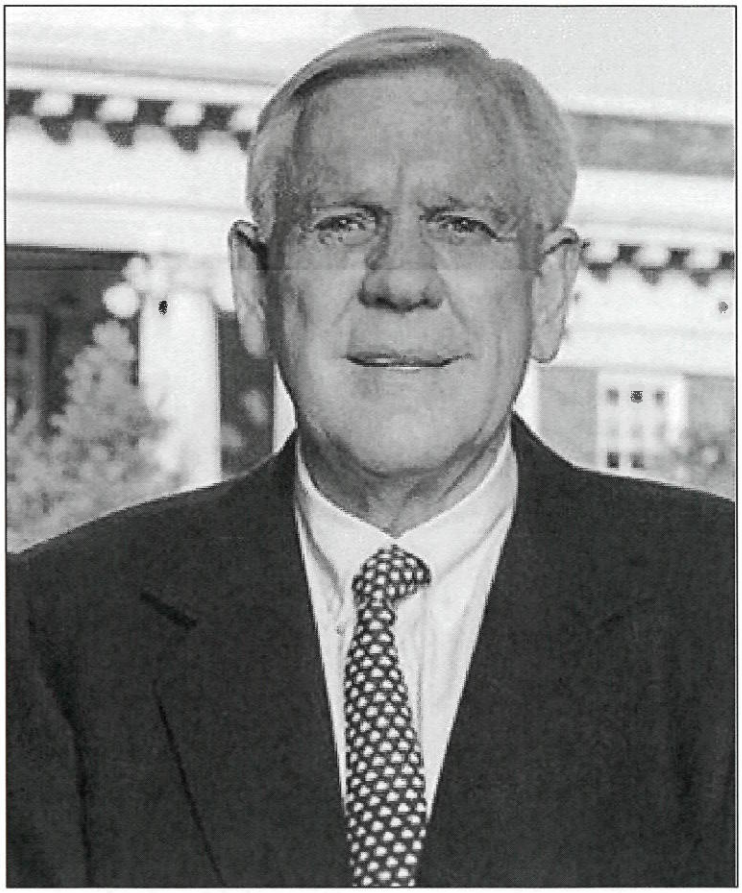
2000 - 2006
Crow Holdings closes Funds II, III, and IV with over 1.8 Billion in commitments.

2007
Trammell Crow Residential sells management company to Riverstone Residential Group. Fund III sells entire portfolio to GE Capital Corporation.

2008
Crow Holdings relocates its headquarters to the Old Parkland campus. Crow Holdings closes Fund V with $952 million in commitments.

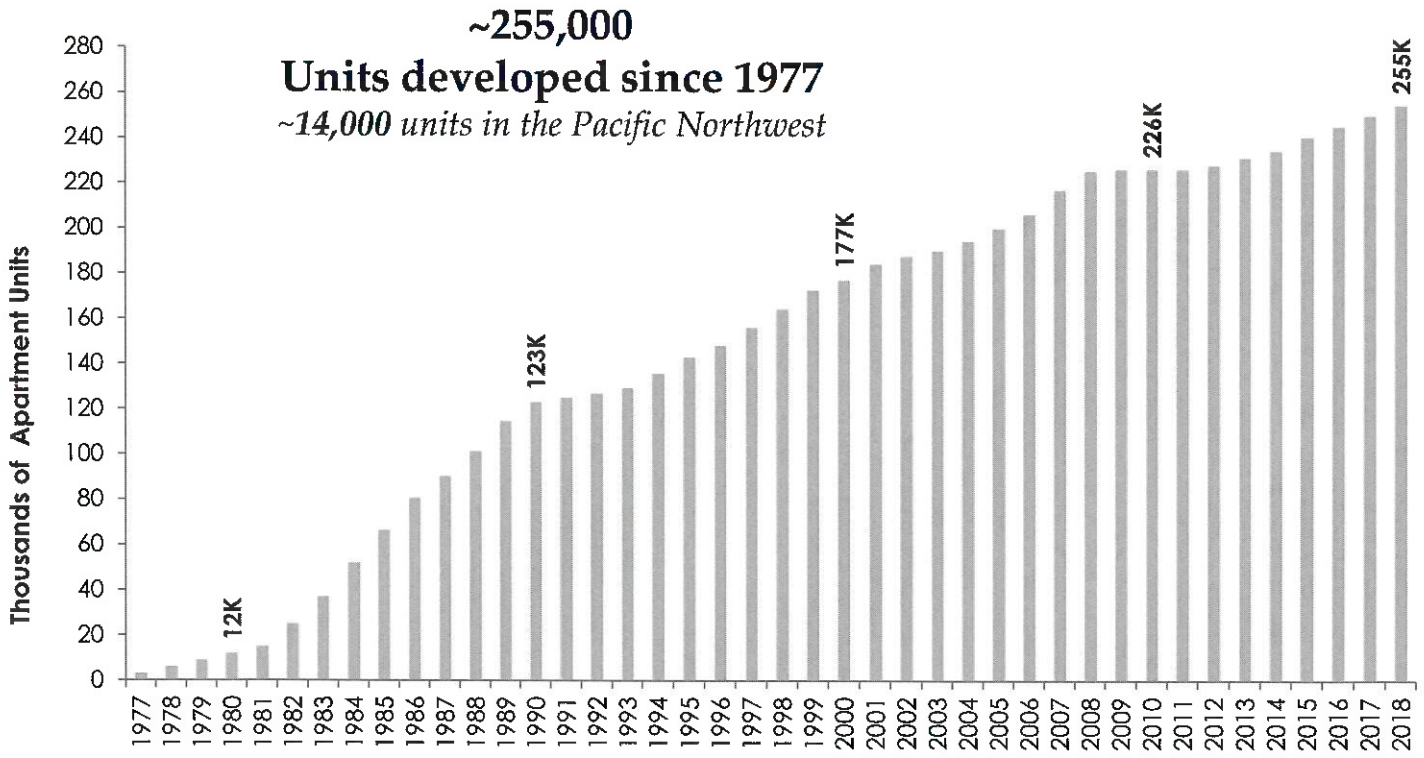
2010
Crow Holdings Capital Partners becomes a registered investment advisor (RIA) for its diversified investment advisory and real estate funds businesses.

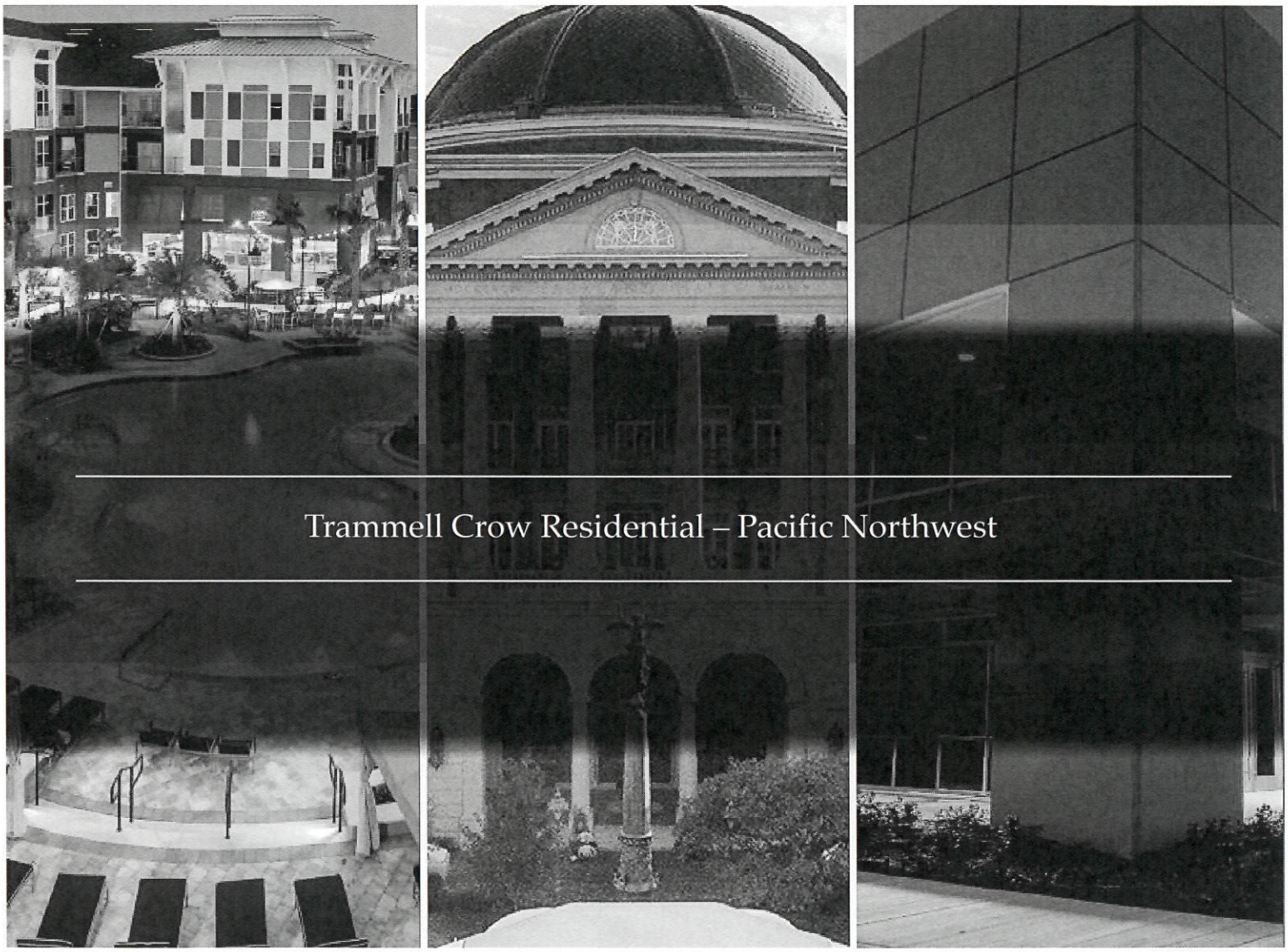
2013
Crow Holdings Capital Partners Fund VI closes with over $1 billion in total capital commitments. .Crow Holdings Industrial is established. Trammell Crow Residential begins construction on 31 properties.



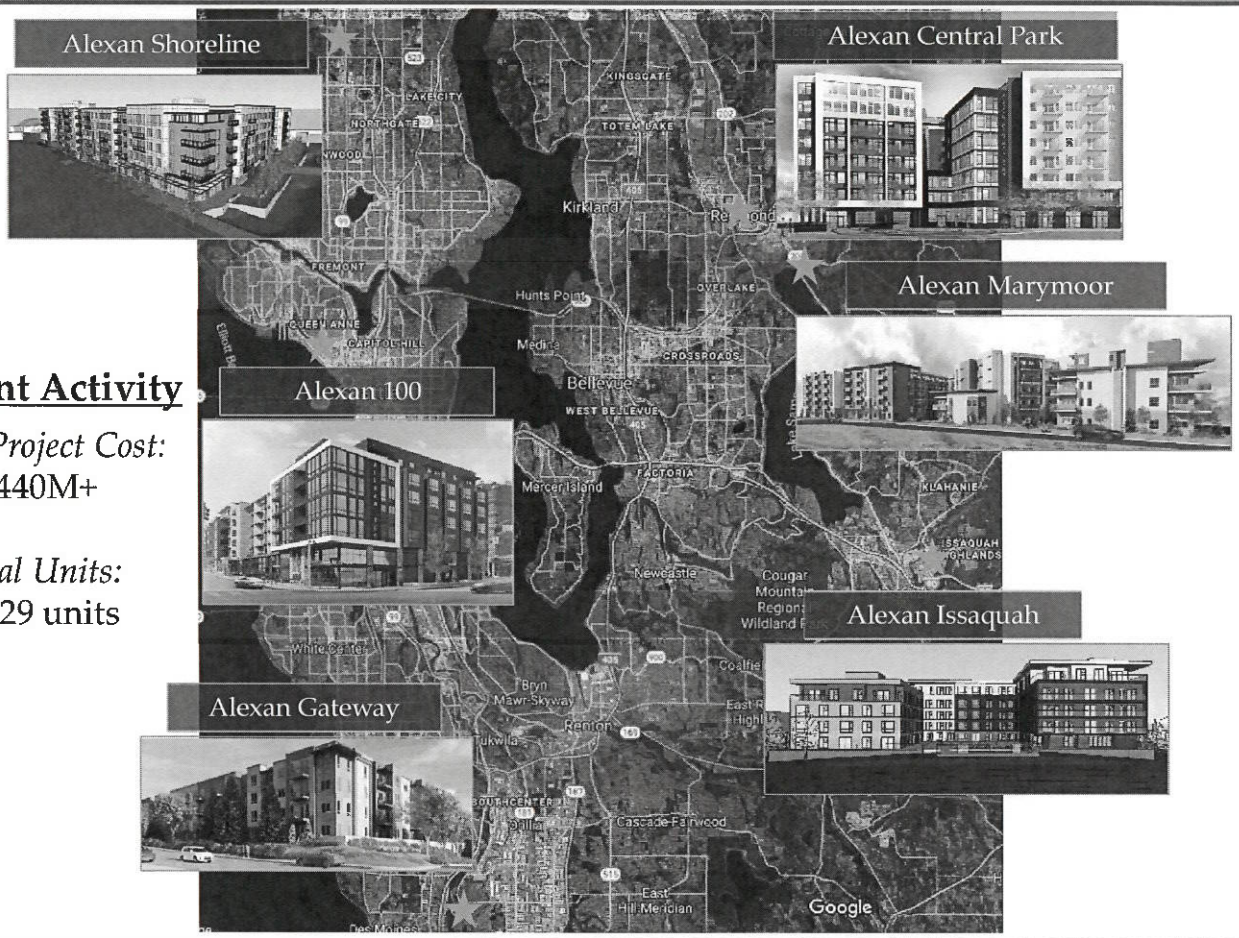
Harlan Crow

No Company has Developed more Apartments than TCR!




Trammell Crow Residential – Pacific Northwest

TCR Pacific Northwest Division | Current Portfolio



Current Activity

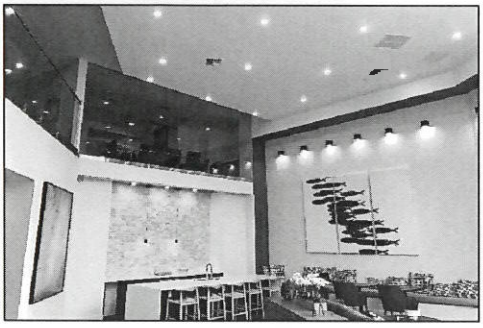
Total Project Cost:
$440M+

Total Units:
1,329 units

Current Seattle Metro Development | ALEXAN MARYMOOR

Property Overview

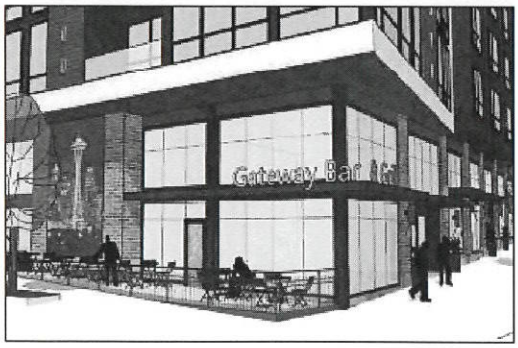
Location:	Redmond, WA
Construction Type:	5-Story wood frame
Units:	222
Retail	0 SF
Parking	258 Spaces
Construction Start:	2017
Project Completion:	2019



Current Seattle Metro Development | ALEXAN 100

Property Overview

Location:	Seattle, WA
Construction Type:	5 over 2 Podium
Units:	164
Retail	3,293 SF
Parking	116 Spaces
Construction Start:	2017
Project Completion:	2019



Current Seattle Metro Development | ALEXAN CENTRAL PARK

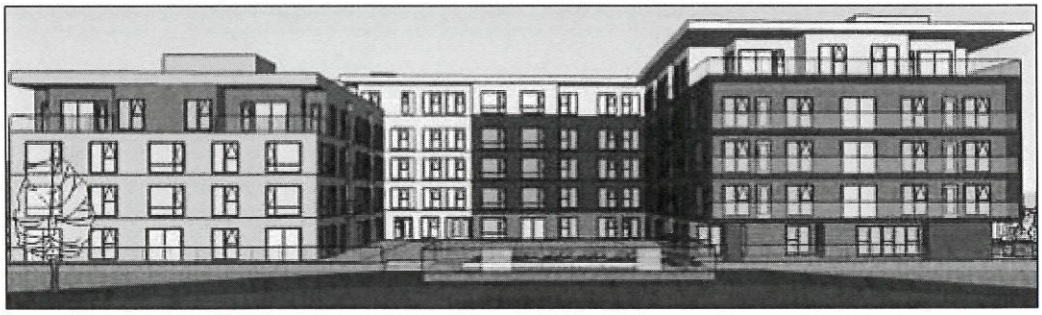
Property Overview

Location:	Redmond, WA
Construction Type:	5 over 3 Podium
Units:	193
Retail	3,878 SF
Parking	191 Spaces
Construction Start:	2018
Project Completion:	2020

Current Seattle Metro Development | ALEXAN ISSAQUAH

Property Overview

Location:	Issaquah, WA
Construction Type:	5 over 2 Podium
Units:	135
Retail:	0 SF
Parking:	213 Spaces
Construction Start:	2019
Project Completion:	2021



Current Seattle Metro Development | ALEXAN SHORELINE

Property Overview

Location:	Shoreline, WA
Construction Type:	5 over 2 podium
Units:	330
Retail:	0 SF
Parking	303 Spaces
Construction Start:	2019
Project Completion:	2021

Current Seattle Metro Development | ALEXAN GATEWAY

Property Overview

Location:	Kent, WA
Construction Type:	4 Story, surface park
Units:	283
Retail:	0 SF
Parking	331 Spaces
Construction Start:	2020
Project Completion:	2021

City of Bothell™

City Council
Agenda Bill
AB # 20-107

TO: Mayor Olsen and Members of the Bothell City Council

FROM: Paul Byrne, City Attorney
Corey Baldwin, Director of Acquisitions, Shelter Resources, Inc. (Presenter)

DATE: September 1, 2020

SUBJECT: Consider Approving a Subordination Agreement related to Refinance of Riverside Landing Apartments (affordable housing)

POLICY CONSIDERATION: This item asks the City Council to consider approval of a subordination agreement to an affordable housing regulatory agreement between the City and Riverside Landing Associates, for the benefit of Orix Real Estate Capital, LLC, related to Riverside Landing Apartments.

HISTORY:

DATE	ACTION
DECEMBER 10, 1997	City enters into Regulatory Agreement and Declaration of Restrictive Covenants with Riverside Landing Associates related to affordable housing
MAY 26, 2020	Corey Baldwin of Shelter Resources Inc. contacts the City to request City signature on documents required to refinance the Riverside Landing Apartments

DISCUSSION: In 1997, the City entered into a regulatory agreement with Riverside Landing Associates ("Partners"), as required by A Regional Coalition for Housing (ARCH), to secure funding for the construction of Riverside Landing Apartments ("Property"). Concurrently, the Partners entered into a regulatory agreement with the Washington State Housing Finance Commission ("Commission") requiring a long-term commitment to affordable housing and subordination of the City's regulatory agreement to the Commission's agreement.

In 2014, at the end of the initial compliance period, the senior debt on the Property came due. At that time, the Partners refinanced with a 10-year loan with Opus Bank. That loan is coming due in 3 years. Because the Partners desire to continue its commitment to long term senior affordable housing at the Property, the Partners are seeking to refinance the existing loan with a new 10-year loan. Because time is needed to secure the necessary financing

commitments from the Commission of tax-exempt bonds and housing tax credits, the Partners are seeking Council's approval on the attached subordination agreement as one of the Commission's requirements.

FISCAL IMPACTS: None

ATTACHMENTS: Att-1. Subordination agreement to a regulatory agreement between the City and Riverside Landing Associates, for the benefit of Orix Real Estate Capital, LLC.

RECOMMENDED ACTION: Authorize City Manager to execute attached subordination agreement.

Prepared by, and after recording
return to:

SUBORDINATION AGREEMENT

GOVERNMENTAL ENTITY

SUBORDINATION AGREEMENT GOVERNMENTAL ENTITY FOR REGULATORY AGREEMENT
REGULATORY AGREEMENT ONLY/NO SUBORDINATE DEBT

THIS SUBORDINATION AGREEMENT FOR REGULATORY AGREEMENT (this "**Agreement**") is effective as of the ___ day of, 2020, by the **CITY OF BOTHELL**, a political subdivision of the State of Washington ("**Governmental Entity**"), and **RIVERSIDE LANDING ASSOCIATES, A WASHINGTON LIMITED PARTNERSHIP**, a Washington limited partnership ("**Borrower**"), for the benefit of **ORIX REAL ESTATE CAPITAL, LLC**, a Delaware limited liability company, its successors and assigns ("**Lender**").

RECITALS:

A. Simultaneously herewith Lender is making a loan to Borrower in the original principal amount of **$3,853,000.00** ("**Loan**") pursuant to a Multifamily Loan and Security Agreement between Lender and Borrower (as supplemented or amended from time to time, the "**Loan Agreement**") and evidenced by a Multifamily Note by Borrower to Lender (as supplemented or amended from time to time, the "**Note**"). The Loan is to be secured by a Multifamily Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing that will be recorded among the records of King County, Washington (**"Official Records"**) (as supplemented or amended from time to time, the "**Mortgage"**) of certain improved real property located at 10130 West Riverside Drive, Bothell, Washington 98011, as more particularly described on Exhibit A attached hereto ("**Property**"). The Loan Agreement, the Note and the Mortgage, together with all other documents executed with respect to the Loan, are hereinafter collectively referred to as the "**Loan Documents**".

B. In connection with the construction and development of the Property, Borrower is entered into a certain **Regulatory Agreement Declaration of Restrictive Covenants** dated as of December 10, 1997 ("**Regulatory Agreement**") in favor of the Governmental Entity, which was recorded as Recording No. 9712150461 of the Official Records, pursuant to which the Property was subjected to certain restrictions by Governmental Entity.

C. As a condition to making the Loan, Lender requires that the lien of the Mortgage be superior to the lien of the Regulatory Agreement. Lender will not make the Loan unless Governmental Entity and Borrower agree to subordinate their rights and obligations under the Regulatory Agreement.

E. Borrower and Governmental Entity hereby agree to subordinate the Regulatory Agreement on and subject to the terms, conditions and requirements set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Recitals. The foregoing Recitals are hereby incorporated into this Agreement as agreements among the parties.

2. Subordination. The Governmental Entity hereby agrees that the Regulatory Agreement is and shall at all times continue to be, subordinate, subject and inferior to the rights of Lender under the Loan Documents and that the liens, rights (including approval and consent rights), , payment interests, priority interests, and security interests granted to Governmental Entity pursuant to or in connection with the Regulatory Agreement are hereby expressly acknowledged to be in all respects and at all times, subject, subordinate and inferior in all respects to the liens, rights (including approval and consent rights), payment, priority and security interests granted to Lender pursuant to the Loan Documents and the terms, covenants, conditions, operations and effects thereof. Notwithstanding the above, Governmental Entity may exercise the remedies of specific performance or injunctive relief at any time in the event of a default under or breach of the terms of the Regulatory Agreement.

3. Financing, Encumbrance and Approval. Governmental Entity hereby approves and acknowledges the financing evidenced by the Mortgage. Governmental Entity further agrees that any transfer of the Property in connection with foreclosure of the Mortgage or a deed in lieu thereof shall not require Governmental Entity's consent but shall require notice to Governmental Entity.

4. Lender Notice of Default. In consideration of Governmental Entity's agreements contained in this Agreement, Lender agrees that in the event of any default by Borrower under the Loan Documents, Governmental Entity shall be entitled to receive a copy of any notice of default given by Lender to Borrower under the Loan Documents.

5. Governmental Entity Notice of Default. Governmental Entity shall give Lender a concurrent copy of each material notice (including without limitation each notice of default) given by Governmental Entity under or with respect to the Regulatory Agreement, and agrees that Lender, at Lender's sole election, shall have the right (but not the obligation) to cure any default by Borrower under the Regulatory Agreement on its and/or Borrower's behalf. Governmental Entity hereby represents that, to the best of its knowledge, there is no current default under the Regulatory Agreement.

6. Governmental Entity's Rights. Except as set forth in Sections 2 and 7 of this Agreement, nothing in this Agreement is intended to abridge or adversely affect any right or obligation of Borrower and/or Governmental Entity, respectively, under the Regulatory Agreement; provided that, (A) the Regulatory Agreement may be released but it may not be modified, amended, changed or otherwise altered without the prior written consent of Lender so long as the Loan is secured by the Property and (B) for so long as the Loan is secured by the Property, notwithstanding the terms of the Regulatory Agreement to the contrary, neither Borrower nor Governmental Entity will, without Lender's prior written consent, exercise or seek any right or remedy under the Regulatory Agreement or available at law or in equity which will or could result in (i) a transfer of possession of the Property or the control, operations or management thereof, (ii) the collection or possession of rents or revenues from or with respect to the Property by any party other than Borrower or Lender; (iii) appointment of a receiver for the Property; (iv) the application of insurance or condemnation proceeds other than as approved by Lender pursuant to the Loan Documents; (v) the removal or replacement of the existing property manager of the Property; or (vi) a material adverse effect on Lender's security for the Loan.

7. Foreclosure by Lender. In the event of foreclosure, deed in lieu of foreclosure, or similar disposition of the Property by Lender, consent shall be required from Governmental Entity.

8. Entire Agreement. This Agreement represents the entire understanding and agreement between the parties hereto with regard to the subordination of the Regulatory Agreement to the lien or charge of the Loan Documents, and shall supersede and cancel any prior agreements with regard to this subject matter.

9. Binding Provisions. The covenants and agreements contained in this Agreement shall be binding upon the heirs, personal representatives, successors and assigns of the respective parties to this Agreement.

10. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

11. Modifications. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors in interest.

12. Notices. All notices required or permitted hereunder shall be deemed to have been received either (i) when delivered by hand and the party giving such notice has received a signed receipt thereof, or (ii) three (3) days following the date deposited in the United States mail, postage prepaid, by registered or certified mail, return receipt requested, addressed as follows (or addressed in such other manner as the party being notified shall have requested by written notice to the other party):

If to Governmental Entity:

_City of Bothell_____
_____
_____
_Attention: Community Development Director ?_____

With a copy to:
ARCH – A Regional Coalition for Housing
16225 NE 87th St, Suite A-3
Redmond, WA 98011
Attention: Senior Planner

If to Lender:

_____
_____
_____

Attention: _____
Deal ID No.:_____
Facsimile: _____

With a copy to:

_____
_____
_____
Attention: _____
Deal ID No.:_____
Facsimile: _____

With a copy to:

_____
_____
_____
Attention: _____
Deal ID No.:_____
Facsimile: _____

With a copy to:

_____
_____
_____
Attention: _____
Deal ID No.:_____
Facsimile: _____

If to Borrower:

_____
_____
_____
_____
_____

With a copy to:

_____
_____
_____

14. Further Instruments. Each of the parties hereto will, whenever and as often as they shall be requested to do so by the other, execute, acknowledge and deliver, or cause to be executed, acknowledged or delivered, any and all such further instruments and documents as may be reasonably necessary to carry out the intent and purpose of this Agreement, and to do any and all further acts reasonably necessary to carry out the intent and purpose of this Agreement.

15. Valid Authorization. Each person executing this Agreement on behalf of a party hereto represents and warrants that such person is duly and validly authorized to do so on behalf of such party with full right and authority to execute this Agreement and to bind such party with respect to all of its obligations hereunder.

16. Counterparts. This Agreement may be executed in counterparts each of which shall be deemed an original and all of which when taken together constitute one and the same instrument, binding on all of the parties. The signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN THE REGULATORY AGREEMENT BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF THE MORTGAGE.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year above written.

GOVERNMENTAL ENTITY

CITY OF BOTHELL, a
political subdivision of the State of Washington

By:_____(SEAL)
Name:
Title:

STATE OF WASHINGTON)

COUNTY OF)

On this ____ day of _____, 2020, before me, a Notary Public in and for said County and State, personally appeared _____, who acknowledged himself/herself to be the _____ of **CITY OF BOTHELL,** a political subdivision of the State of Washington, which executed the foregoing Instrument, and acknowledged that he/she did sign the Instrument as such _____ and that such signing is the free act and deed of said limited partnership, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.
[SEAL]

_____
Notary Public

My commission expires: _____

Notary Registration No.: _____

BORROWER:

RIVERSIDE LANDING ASSOCIATES, A WASHINGTON LIMITED PARTNERSHIP, a Washington limited partnership

By: _____(SEAL)
Name:
Title:

STATE OF)
: ss.:
COUNTY OF)

On this ____ day of, 2020, before me, a Notary Public in and for said County and State, personally appeared _____, who acknowledged himself/herself to be the _____ of **RIVERSIDE LANDING ASSOCIATES, A WASHINGTON LIMITED PARTNERSHIP**, a Washington limited partnership, which executed the foregoing Instrument, and acknowledged that he/she did sign the Instrument as such _____ and that such signing is the free act and deed of said limited partnership, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.
[SEAL]

_____
Notary Public

My commission expires: _____

Notary Registration No.: _____

SENIOR LENDER:

ORIX REAL ESTATE CAPITAL, LLC, a
Delaware limited liability company

By:_____(SEAL)
Name:
Title:

STATE OF)
: ss.:
COUNTY OF)

On this ____ day of _____, 2020, before me, a Notary Public in and for said County and State, personally appeared _____, who acknowledged himself/herself to be the _____ of **ORIX REAL ESTATE CAPITAL, LLC**, a Delaware limited liability company, which executed the foregoing Instrument, and acknowledged that he/she did sign the Instrument as such _____ and that such signing is the free act and deed of said limited liability company, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.
[SEAL]

_____
Notary Public

My commission expires: _____

Notary Registration No.: _____

EXHIBIT A

Legal Description

City of Bothell™

City Council
Agenda Bill
AB # 20-108

TO: Mayor Olsen and Members of the Bothell City Council

FROM: Jennifer Phillips, City Manager

DATE: September 1, 2020

SUBJECT: Direction regarding Use of Public Streets and Rights of Way in Downtown Bothell

POLICY CONSIDERATION: The Council is asked to provide direction on whether to discontinue use of public streets and rights of way in Downtown Bothell as planned on September 8, 2020 or to extend the use of the closed streets and public rights of way weather permitting until October 26, 2020.

BACKGROUND: The COVID-19 outbreak began in Washington in early March and by mid-March the Governor began issuing orders to reduce the spread of this highly contagious virus. As with so many other states in America and nations around the world, the impacts of stay at home orders have been difficult on both businesses and individuals. On June 2, 2020 the City Council provided direction to close Main Street between 101st Ave NE and 102nd Ave NE and allow use of the right of way at no cost to support downtown businesses. Two restaurants submitted permits and have utilized the street closure for additional outside dining. On June 9, 2020 the City Council provided direction to extend the waived fees and charges for Public Area Use Permits to all downtown businesses.

The Council also discussed additional closures in the downtown at their meeting on June 25, 2020. Council directed staff to work with the businesses along 101st Ave NE and Main Street to identify solutions that would support businesses during this COVID-19 crisis. Staff was able to create a solution to close 101st Ave NE that still allowed for public safety access. The cost to install and rent the barricades for this closure is approximately $2,250 per month. One business submitted a permit to utilize the street closure for additional outside seating.

DISCUSSION: The closures and waived fees were intended to end after Labor Day. This day was selected because normally the City experiences a significant increase in traffic when schools are back in session. With both UW Bothell and Cascadia College offering virtual classes this quarter and the Northshore School District also offering on-line classes, it is anticipated that traffic will remain low in the downtown.

The City has received very positive feedback from the three businesses permitted to use the closed streets. Positive feedback has also been received by establishment patrons and the community in general. The three businesses have expressed an interest in extending their use of the public street. Three additional downtown businesses have expressed interest in Public Area Use Permits to establish eating areas in public parking spaces. As a note, per the Governor's Order, outdoor dining may have a canopy, but may not have any side "walls" or plastic curtains.

The City has also received complaints from businesses that believe their businesses have been negatively impacted due to reduced access and parking. Other businesses in the downtown were disappointed or frustrated that additional street closures could not be implemented to accommodate their business needs. Staff continues to work with these businesses to find creative solutions.

If the Council choses to extend the closure and continue waiving Public Area Use Permit Fees for these uses, it is important to know that CARES Acting funds, which are covering the expenses related to these closures, only cover costs incurred through October 31, 2020. If an extension beyond October 31st was desired, staff would need to work with the City Council to identify a funding source for the costs associated with the extension.

FISCAL IMPACTS: Costs incurred through October 31, 2020 can be reimbursed with CARES Act funds.

ATTACHMENTS: None

RECOMMENDED ACTION: Provide direction to the City Manager regarding whether to continue use or discontinue use of public streets and rights of way in the downtown at no cost to businesses until October 26, 2020.

City of Bothell™

City Council
Agenda Bill
AB # 20-109

TO: Mayor Olsen and Members of the Bothell City Council

FROM: Jennifer Phillips, City Manager
Kellye Mazzoli, Assistant City Manager (Presenter)
Jeanie Ashe, Economic Development Manager (Presenter)

DATE: September 1, 2020

SUBJECT: Consideration of Allocating the Remaining $402,500 of State-Shared CARES Act Funding for COVID-19 Related Expenses and Community Assistance

POLICY CONSIDERATION:

This item asks the City Council to consider utilizing State CARES Act funds to reimburse the City for COVID-19 related expenses and to proportion an amount for community COVID-19 assistance.

If approved, distribution of the allotted CARES Act funding has the potential to positively impact the Bothell community and economy by supporting the City's response to COVID-19 and assisting in the community's recovery from COVID-19.

HISTORY:

DATE	ACTION
MARCH 05, 2020	Mayor Olsen signed Declaration of Emergency
MARCH 24, 2020	Governor Inslee issued "Stay Home, Stay Healthy" Order
MARCH 27, 2020	Federal government signed the CARES Act into law
MAY 20,2020	Bothell received Dept. of Commerce CARES Award Letter awarding the City $1.4 million for COVID related expenses
JUNE 2, 2020	City Council allocated $1 million to City-related expenses ($500K) and Community Assistance ($500K) including Businesses and Residents

In late February, news of COVID-19 (Coronavirus) began to ramp up locally with the first U.S. deaths occurring in this area. On March 2, 2020, the City of Bothell activated the City's Emergency Coordination Center (ECC) to address communications and policy matters related to this event and to begin developing response plans in preparation for any potential escalation. On March 5, 2020, Mayor Olsen signed an Emergency Declaration based on the COVID-19 outbreak.

Shortly thereafter, the Governor and King County Executive announced that they would impose restrictions on large events and gatherings, closing schools statewide and closing restaurants, bars, and other non-essential businesses. The Governor officially issued the "Stay Home, Stay Health" proclamation, ordering residents to stay at home beginning March 24, 2020. The original two-week order was extended twice and is currently in effect until May 31, 2020. As Washington nears the end of the order, the Governor released a "Safe Start" approach to resume recreational, social, and business activities, with progression based upon monitoring the impacts of reopening in each phase before proceeding with the next phase. The state is currently in Phase 1 with some counties, not including King or Snohomish, authorized to move into Phase 2 (see Att-1 for full plan).

On March 27, 2020, the Federal government signed into law the "Coronavirus Aid, Relief, and Economic Security Act" or "CARES Act" to begin addressing the economic fallout from the coronavirus pandemic. At $2 trillion, this Act is the largest economic stimulus package ever enacted by the US Government. It provided loans and loan guarantees to small businesses and allocated $150 billion in direct aid to states and local governments with populations over 500,000 to address COVID-19 expenses.

The City of Bothell did not qualify for direct funding from the CARES Act, but of the $150 billion shared with states and local governments across the US, the state of Washington received $2.16 billion. For those cities and counties not eligible to receive direct funding, the State shared a portion of their allocation using a population-based formula set at $30 per capita. On May 20, 2020 Bothell was awarded and authorized to apply for reimbursement of up to $1.4 million of qualifying COVID-19 response-related expenses.

On June 2, 2020, the Bothell City Council allocated a portion of the award toward city-related expenses to the COVID-19 response (up to $500,000), community assistance (up to $500,000) including both businesses and residents, and agreed to allocate the remaining $400,000 at a later date.

DISCUSSION: To date, the City Council has allocated $1 million of the $1.4 million state-shared CARES Act funding. The City is currently preparing to submit for the first reimbursement of costs related to our direct and immediate response to the COVID-19 emergency, anticipated to occur August 31, 2020. In addition to this, the Economic Development division has earmarked $300,000 in business relief grants and the Northshore Senior Center has been contracted to distribute

$130,500 in communitywide assistance. There is an additional portion of funds, $27,500, which is being granted to upgrades that will expand the community food pantry currently located in the lobby of the Northshore Senior Center. They been serving all of Bothell's residents and families with food assistance since the start of the COVID-19 outbreak.

At this time, Council is being asked to consider allocating the remaining $402,500 of the awarded $1.4 million in State-shared CARES Act funding. It is recommended that City Council consider distributing the remaining funds to the following categories:

- An additional $90,000 to Community response/ business assistance to total $390,000 in assistance
- An additional $200,500 to Community response/ resident assistance programs to total $384,000 in assistance
- Remaining $112,000 to city-related response expenses or additional community response assistance

Making the allocation in this manner allows the City to fund all qualifying Business Assistance Grant applicants and to include more funding for those Bothell residents who are in need. The City anticipates additional city-related expenses to be incurred through October 31, 2020, the deadline to spend the funds, and this additional allocation will help offset those costs. If some portion of the city expenses allocation cannot be used for that purpose, staff requests the ability to reallocate the balance of funds for quick distribution to Bothell businesses and residents through the already established community response programs.

FISCAL IMPACTS:

These revenues and associated COVID-19 expenditures are not included in the Adopted 2019-2020 Budget. Depending upon the direction given by Council, this funding may allow the City to recover qualified expenditure related to COVID-19 response and recovery, as well as provide for additional community assistance for Bothell residents and businesses.

A budget amendment will be required to implement this item, staff will bring a budget amendment forward for City Council consideration after the City Council provides direction on this matter, but before the end of the calendar year.

ATTACHMENTS:

Att-1. Safe Start Washington Plan – Governor Inslee
Att-2. Relief Funds Program Guidelines – Department of Commerce

RECOMMENDED ACTION:	Direct staff to proportion the remaining $402,500 of state-shared CARES Act funds allocating an additional $90,000 for Business Assistance, an additional $200,500 for Resident Assistance, and the remaining $112,000 to City cost recovery or Community Response.

Safe Start Washington

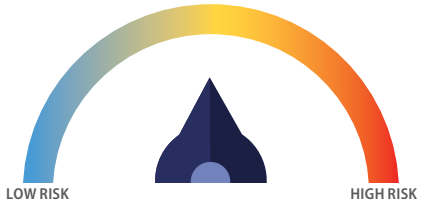
A Phased Approach to Recovery

ISSUED BY THE OFFICE OF THE GOVERNOR | MAY 4, 2020

Safe Start Washington
Governor Jay Inslee

Governor Jay Inslee, in collaboration with the Washington State Department of Health, has established a data-driven approach to reopen Washington and modify physical distancing measures while minimizing the health impacts of COVID-19.

This approach reduces the risk of COVID-19 to Washington's most vulnerable populations and preserves capacity in our health care system, while safely opening up businesses and resuming gatherings, travel, shopping, and recreation. The plan involves assessing COVID-19 activity in the state along with health care system readiness, testing capacity and availability, case and contact investigations, and ability to protect high-risk populations.



COVID-19 Disease Activity

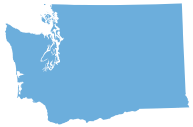
COVID-19 DISEASE ACTIVITY

Before reopening Washington and modifying physical distancing measures, COVID-19 disease burden must be low and decreasing as measured by:

- Number and trend of COVID-19 cases, hospitalizations and deaths in Washington State
- Modeling data, including Institute for Disease Modeling on Puget Sound area rates of COVID-19 spread, University of Washington Institute for Health Metrics and Evaluation modeling, and Youyang Gu modeling
- Mobility trends in Washington State, including WSDOT traffic data and Google Mobility Data

READINESS AND CAPABILITIES NEEDED

The Department of Health and local public health officials will monitor data to assess our state's readiness for safely reopening and modifying physical distancing measures. In addition to a low and decreasing disease burden, readiness must be achieved in four key areas to proceed from where we are now in the "Stay Home, Stay Healthy" order (Phase I) to Phase II, III and IV of the plan. The four key areas include healthcare system readiness, testing capacity and availability, case and contact investigations, and ability to protect high-risk populations. The overall goals for each area, along with the pertinent data that will be considered, are detailed below.



Health Care System Readiness

1. Health Care System Readiness

Adequate bed capacity, staffing and supplies in the health care system to handle a surge in COVID-19 cases, measured by:

- Number and percentage of licensed beds and ICU beds available in hospitals
- Number of available ventilators
- Days of personal protective equipment (PPE) supply available at hospitals, long-term care facilities, and other health care settings
- Ability of the state to fill high priority PPE requests from local emergency management agencies
- Ability of hospitals and other health care facilities to surge and coordinate movement of patients

Testing Capacity and Availability

2. Testing Capacity and Availability

Ability for everyone with COVID-19 symptoms and those with high-risk exposures to be tested immediately using a polymerase chain reaction (PCR) test and rapidly receive test results as measured by:

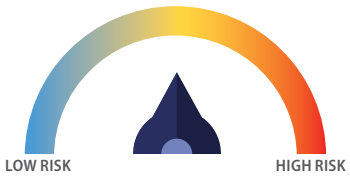
- Geographic distribution of testing sites and ability to serve the entire population
- Number and capacity of laboratories in Washington performing COVID-19 testing
- Availability of sufficient swabs, viral transport media, lab reagents, and other materials required for COVID-19 testing
- Number of tests performed per day

Case and Contact Investigations

3. Case and Contact Investigations

Ability to rapidly isolate those with COVID-19, identify and quarantine their contacts, and provide case management services as measured by:

- Number of investigators trained and working
- Plans for case management
- Availability of isolation and quarantine facilities in local jurisdictions
- Percent of cases investigated within 24 hours of receipt of positive test report
- Percent of contact investigations initiated within 48 hours of receipt of positive test report



Risk to Vulnerable Populations

4. Ability to Protect High-Risk Populations

Ability to immediately respond to outbreaks in congregate settings, such as long-term care facilities, behavioral health facilities, agricultural worker housing, homeless shelters and correctional facilities, and address the needs of other high-risk populations, including the elderly and the medically frail, measured by:

- Number of outbreaks in long-term care facilities
- Demographic data, including race/ethnicity data, on COVID-19 cases, hospitalizations and deaths
- Ability of local or state strike teams with adequate PPE to respond to an outbreak within 24 hours

ALL INDIVIDUALS AND BUSINESSES

Until there is an effective vaccine, effective treatment or herd immunity, it is crucial to maintain some level of community interventions to suppress the spread of COVID-19 throughout all phases of recovery. This includes heightened protections for the health and safety of workers in essential sectors, people living and working in high-risk facilities (e.g., senior care facilities) and all other workers.

All Washingtonians have a responsibility to protect themselves and others. Each phase, while allowing for additional services to open and return to full capacity, is grounded in the following required basic practices:

Guidance for Individuals

All phases – Individuals should continue to:

- Engage in physical distancing, staying at least six feet away from other people
- Wear cloth face coverings in public places when not eating or drinking (cloth face coverings should not be placed on children younger than 2 years of age, anyone who has trouble breathing, or is unconscious, incapacitated or otherwise unable to remove the cover without assistance)
- Stay home if sick
- Avoid others who are sick
- Wash hands frequently with soap and water (use hand sanitizer if soap and water are not available)
- Cover coughs and sneezes
- Avoid touching eyes, nose and mouth with unwashed hands
- Disinfect surfaces and objects regularly

Requirements for All Employers

All phases – Employers are required to:

- Maintain the six-foot physical distancing requirements for employees and patrons. Adopt other prevention measures such as barriers to block sneezes and coughs when physical distancing is not possible for a particular job task.
- Provide services while limiting close interactions with patrons.
- Provide adequate sanitation and personal hygiene for workers, vendors and patrons. Ensure employees have access to hand washing facilities so they can wash their hands frequently with soap and running water.
- Ensure frequent cleaning and disinfection of the business, particularly of high-touch surfaces.
- Identify personal protective equipment (PPE) and cloth facial coverings in accordance with L&I requirements on facial coverings and industry specific COVID-19 standards. Provide the necessary PPE and supplies to employees.
- Identify strategies for addressing ill employees, which should include requiring COVID-19 positive employees to stay at home while infectious, and potentially restricting employees who were directly exposed to the COVID-19 positive employee. Follow CDC cleaning guidelines to deep clean after reports of an employee with suspected or confirmed COVID-19 illness. This may involve the closure of the business until the location can be properly disinfected.
- Educate employees about COVID-19 in a language they best understand. The education should include the signs, symptoms and risk factors associated with COVID-19 and how to prevent its spread.
- On a case-by-case basis, as directed by federal, state and local public health and workplace safety officials, implement other practices appropriate for specific types of businesses, such as screening of employees for illness and exposures upon work entry, requiring non-cash transactions, etc.
- Follow requirements in Governor Inslee's Proclamation 20-46 High-Risk Employees – Workers' Rights.
- Keep a safe and healthy facility in accordance with state and federal law, and comply with COVID-19 worksite-specific safety practices, as outlined in Governor Inslee's "Stay Home, Stay Healthy" Proclamation 20-25, and in accordance with the Washington State Department of Labor & Industries General Coronavirus Prevention Under Stay Home, Stay Healthy Order and the Washington State Department of Health Workplace and Employer Resources & Recommendations.
- Challenge Seattle and the Washington Roundtable have developed a business checklist which is a great starting point for businesses as they prepare for a Safe Start. Our shared goal is to establish clear requirements that everyone can understand and apply — employers, workers and customers.

Businesses are also expected to implement any additional requirements developed specifically for their industry, such as those that have been established for construction.

PHASED APPROACH TO REOPENING WASHINGTON AND MODIFYING PHYSICAL DISTANCING MEASURES

Phase I of reopening Washington begins on May 5, 2020. When COVID-19 disease burden is low and decreasing and the four above capabilities are met, the Governor will issue an order for the state to move into future phases. The state will stay in every phase for a **minimum of three weeks**. During that time, the Department of Health and the Governor will re-evaluate the above indicators and determine if the state should remain in the current phase, advance to the next phase or return to the previous phase. No phase will last less than three weeks before moving to the next phase, in order to allow one complete disease incubation period plus an additional week to compile complete data and confirm trends.

The following table shows the phased approach for reopening businesses and resuming activities not authorized under Proclamation 20-25. **This phased approach may be adjusted as the pandemic evolves.** The industries listed are not an exclusive or exhaustive list of industries. Businesses listed in each phase of the plan will have industry-specific guidance and safety criteria developed to ensure workplace safety and public health are maintained. Those business activities are not authorized to open until the industry-specific guidance and safety criteria are issued.

A number of different factors were considered when deciding which activities could be resumed and which businesses could be reopened in various phases. These factors included:

- Risk of disease spread during the individual or business activity
- Number of people who could potentially be infected during the individual or business activity
- Economic benefits to opening the business
- Individual benefits to opening the business

Additional plans for a phased approach to restarting health care and educational activities are under development.

Families are adjusting to a new way of life, and we understand the impacts this is having on them. The connection between education, childcare, youth sports, summer programs and extracurricular activities is critical and must be viewed from a holistic lens to ensure equity and high quality of life. As we prepare for what the reopening of school looks like, we will be working closely with the Department of Health, Office of the Superintendent for Public Instruction, Department of Children, Youth and Families, and parents to release plans in the future.

While childcare is currently an essential business activity and a key component to the reopening plan, we know there is more to do. The state will continue efforts to ensure adequate access and affordability for families.

WASHINGTON'S PHASED APPROACH

Modifying Physical Distancing Measures as we Reopen the State

INDIVIDUALS AND BUSINESSES SHOULD FOLLOW ALL REQUIREMENTS LISTED ABOVE DURING ALL PHASES

	1 Phase 1	2 Phase 2	3 Phase 3	4 Phase 4
High-Risk Populations*	Continue to Stay Home, Stay Healthy	Continue to Stay Home, Stay Healthy	Continue to Stay Home, Stay Healthy	Resume public interactions, with physical distancing
Recreation	Some outdoor recreation (hunting, fishing, golf, boating, hiking)	Outdoor recreation involving 5 or fewer people outside your household (camping, beaches, etc.)	- Outdoor group rec. sports activities (50 or fewer people) - Recreational facilities at <50% capacity (gyms, public pools, etc.) - Professional sports without audience participation (horseracing, baseball, etc.)	Resume all recreational activity
Gatherings (social, spiritual)	- None - Drive-in spiritual service with one household per vehicle	Gather with no more than 5 people outside your household per week	Allow gatherings with no more than 50 people	Allow gatherings with >50 people
Travel	Essential travel and limited non-essential travel for Phase I permissible activities	Essential travel and limited non-essential travel for Phase I & II permissible activities	Resume non-essential travel	Continue non-essential travel
Business/ Employers	- Essential businesses open - Existing construction that meets agreed upon criteria - Landscaping - Auto/RV/boat/ORV sales - Retail (curb-side pick-up orders only) - Car washes - Pet walkers	- Remaining manufacturing - Additional construction phases - In-home/domestic services (nannies, housecleaning, etc.) - Retail (in-store purchases allowed with restrictions) - Real estate - Professional services/office-based businesses (telework remains strongly encouraged) - Hair and nail salons/barbers - Pet grooming - Restaurants/taverns <50% capacity table size no larger than 5 (no bar-area seating)	- Restaurants/taverns <75% capacity/ table size no larger than 10 - Bar areas in restaurant/taverns at <25% capacity - Movie theaters at <50% capacity - Customer-facing government services (telework remains strongly encouraged) - Libraries - Museums - All other business activities not yet listed except for nightclubs and events with greater than 50 people	- Nightclubs - Concert venues - Large sporting events - Resume unrestricted staffing of worksites, but continue to practice physical distancing and good hygiene

* High-risk populations are currently defined by CDC as: persons 65 years of age and older; people of all ages with underlying medical conditions (particularly not well controlled), including people with chronic lung disease or moderate to severe asthma, people who have serious heart conditions, people who are immunocompromised, people with severe obesity, people with diabetes, people with chronic kidney disease undergoing dialysis, and people with liver disease; people who live in a nursing home or long-term care facility.

COUNTY VARIANCE REQUESTS

The Department of Health recognizes that there are currently some small counties with a population of less than 75,000 that have not identified a resident with COVID-19 for the past three weeks. These counties have the opportunity to apply for a variance to move to Phase II of this plan before the rest of the state. To apply for a variance, the local jurisdiction must follow the below process and submit the following materials to the Department of Health. County variance applications will be approved or denied by the Secretary of Health.

1. **The process must adhere to the following steps:**
   a. The local public health officer must submit a signed recommendation to the local board of health with one of the following recommendations: not request a variance and stay in Phase I, request a variance to include all of the Phase II modifications above, or request a variance to include a subset of Phase II modifications.
   b. The local board of health, if they choose to move forward with a variance request, must vote on such a request.
   c. The local hospital(s) must submit a letter certifying that they have adequate bed capacity to serve their community and adequate PPE supplies to keep their workers safe.
   d. The county commission/council must request to move to Phase II (or a subset of Phase II) of the plan.

2. **The county commissioner must submit a letter requesting a variance, the letter from the local hospital certifying they have adequate bed capacity to serve their community and adequate PPE supplies to keep their workers safe, and a document that includes the following information to the Department of Health:**
   a. Plans to make COVID-19 testing available and accessible to everyone in the county with symptoms consistent with COVID-19.
   b. The number of tests performed by week over the past three weeks.
   c. The number of people trained and ready to perform case investigations and contact tracing.
   d. Plans to house people in isolation or quarantine who do not have a home or wish to isolate or quarantine themselves outside of their home.
   e. Plans to provide case management services to cases and contacts in isolation and quarantine.
   f. Plans to rapidly respond to outbreaks in congregate settings.

3. **Included with this application are documents demonstrating approvals and endorsements for all of the following:**
   a. The local public health officers' recommendation to the Board of Health.
   b. Documentation of the vote of the Board of Health, including the motion and the vote totals.
   c. Letters from all hospitals used by the county certifying their bed capacity for COVID-19 patients and PPE supplies.
   d. Documentation of the vote of the county commission, including the vote totals.

In the next two weeks, the Department of Health and Governor Inslee will consider additional criteria which could include cases per capita for allowing other counties to apply for a variance. Local jurisdictions will be allowed to partially implement a phase.

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Att-2

Coronavirus Relief Funds for Local Governments Program Guidelines

CARES Act Funds for Local Governments In Washington State

Administered by the Department of Commerce
Local Government Division

P.O. Box 42525
Olympia, WA 98504-2525

(Dated 5-18-2020)

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Washington State Department of Commerce
Local Government Division
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Coronavirus Relief Funds (CRF) for Local Governments Program Guidelines

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General Information

1. Source of Funds

You have been awarded funds through the state's Coronavirus Relief Funds (CRF). The funds are available under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act").

Your grant is funded entirely through the federal stimulus funding under the CARES Act provided by the U.S. Department of Treasury (US Treasury) to the Governor via the Office of Financial Management (OFM).

On April 27, 2020 Governor Inslee announced the award of nearly $300 million to local governments in CRF from the state's allocation of the CARES Act funding.

2. Allocation Formula

OFM developed the allocation methodology and determined the jurisdiction amounts. The allocations were based on 2019 population estimates for each jurisdiction.

Funds will be provided to cities and counties with populations under 500,000 that were ineligible to receive direct funding under the CARES Act. Each county will receive a minimum distribution of $250,000 and each city will receive a minimum distribution of $25,000.

Cities and counties with populations over 500,000 did not receive a direct allocation from the state. Instead these jurisdictions received a direct allocation from the US Treasury (i.e. city of Seattle, King Co., Pierce Co., Snohomish Co., etc.).

For a complete list of cities and counties and their allocations, click here.

3. Period of Performance

The Coronavirus Relief Funds may only be used for costs incurred by local governments in response to the COVID-19 public health emergency during the period of March 1, 2020 thru October 31, 2020.

The US Treasury's Guidance provides an end date of December 30, 2020. This is the end date in which the state must have reimbursed all "recipients of the funds" (grantees) their costs incurred in response to the COVID-19 emergency. In order to allow time for Commerce to process final payments and conduct contract closeouts; and for OFM to fully utilize any unspent funds before they expire, expenditures are only being accepted on costs incurred through October 31, 2020.

All final requests for reimbursement must be submitted no later than November 15, 2020.

4. Intended Use

Under the CARES Act, the Coronavirus Relief Funds (CRF) may be used to cover costs that:

1. Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19); *AND*

2. Are **NOT** accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or local government. The "most recently

approved" budget refers to the enacted budget for the relevant fiscal period for the particular government. A cost meets this requirement if:

a) The cost cannot lawfully be funded using a line item, allotment, or allocation within that budget; *OR*

b) The cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

3. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

Funds may **NOT** be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

The use of these funds are very broad and flexible, and can be used for both operating and **capital expenditures**.

If funds are being used for capital expenditures such as acquisition of real property or construction / renovation costs, please contact us immediately. We will provide you with further information and guidance. Utilizing CRF for these purposes will require additional Federal and state provisions being applied to the project such as:

- All projects must be reviewed under a Federal Section 106 review for archaeological and cultural resources if the project: acquires property, disturbs ground, and/or involves structures more than 50 years old. Grantees must submit documentation to the project manager when the review is complete. Section 106 supersedes the Governor's Executive Order 05-05 review.

- Construction / renovation projects may be required to meet high-performance building standards and document they have entered the state's LEED certification process.

- Construction / renovation projects will be required to follow Federal Davis Bacon and state prevailing wage laws, rules, and regulations.

Additionally, grantees must ensure all capital expenditures are only for costs incurred through the limited timeframe of March 1, 2020 thru October 31, 2020.

5. Eligible costs

There are six (6) primary eligible cost categories. These cost categories and their eligible cost sub-categories are as follows:

1. **Medical expenses** such as:
   - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
   - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
   - Costs of providing COVID-19 testing, including serological testing.
   - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.

- Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.

2. **Public health expenses** such as:
    - Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
    - Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
    - Expenses for disinfection of public areas and other facilities, *e.g.*, nursing homes, in response to the COVID-19 public health emergency.
    - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
    - Expenses for public safety measures undertaken in response to COVID-19.
    - Expenses for quarantining individuals.

3. **Payroll expenses** for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

4. **Expenses of actions to facilitate compliance with COVID-19-related public health measures**, such as:
    - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
    - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
    - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
    - Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
    - COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
    - Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.

5. **Expenses associated with the provision of economic support** in connection with the COVID-19 public health emergency, such as:
    - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
    - Expenditures related to a state, territorial, local, or Tribal government payroll support program.
    - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.

6. **Any other COVID-19-related expenses** reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

6. Ineligible costs

Non-allowable expenditures include, but are not limited to:

1. Expenses for the state share of Medicaid.
2. Damages covered by insurance.
3. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
4. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by states to state unemployment funds.
5. Reimbursement to donors for donated items or services.
6. Workforce bonuses other than hazard pay or overtime.
7. Severance pay.
8. Legal settlements.

7. Eligible cost test

Grantees are charged with determining whether or not an expense is eligible based on the US Treasury's Guidance and as provided in the grantee's contract scope of work with Commerce.

To assist grantees with this determination, Commerce has developed an eligibility cost test. This test gives each grantee full authority to make the appropriate call for each circumstance.

TEST – If all responses for the particular incurred cost are "true" for all five statements below, then a jurisdiction can feel confident the cost is eligible:

1. The expense is connected to the COVID-19 emergency.
2. The expense is "necessary".
3. The expense is not filling a short fall in government revenues.
4. The expense is not funded thru another budget line item, allotment or allocation, as of March 27, 2020.
5. The expense wouldn't exist without COVID-19 OR would be for a "substantially different" purpose.

It is the responsibility of each grantee to define "**necessary**" or "**substantially different**", giving the grantee the authority and flexibility to make their own determination.

Additional consideration – The intent of these funds is to help jurisdictions cover the *immediate impacts* of the COVID-19 emergency. Both direct costs to the jurisdiction and costs to their communities. There are many possible eligible costs.

Many costs are clearly eligible and others are in more of a grey area. One could probably justify some of the "grey area" costs based on the test, but are they directly addressing the *immediate impacts*? Possibly not. In these situations it may be safer and more appropriate to utilize the funds in one of the many other eligible cost categories that more clearly meet the intent of the funds. Again, each grantee has the full authority to make the final call based on their circumstances and justification.

8. *Cost reimbursement*

Funds are available on a reimbursement basis only, and cannot be advanced under *any* circumstances. If funds are being used for the acquisition of real property or construction / renovation costs, please contact us immediately. Reimbursable costs are those that a Grantee has already incurred. We may only reimburse grantees for eligible costs incurred in response to the COVID-19 public health emergency during the period of March 1, 2020 thru October 31, 2020.

Final Date of Reimbursements

In order to ensure all awardees and their costs incurred in response to the COVID-19 emergency are paid out by December 30, 2020 per the US Treasury's Guidance, expenditures are only being accepted on costs incurred through **October 31, 2020**.

All final requests for reimbursement must be submitted no later than November 15, 2020.

Grantees will not be required to submit a proposed budget prior to contract execution. Grantees will have the discretion and flexibility to determine where these funds may best serve their communities.

Each grantee will determine eligible costs to submit for reimbursement. For reporting purposes, expenditures must be tracked at the sub-category level for the six (6) primary eligible cost categories, as follows:

1. Medical Expenses
    A. Public hospitals, clinics, and similar facilities
    B. Temporary public medical facilities & increased capacity
    C. COVID-19 testing, including serological testing
    D. Emergency medical response expenses
    E. Telemedicine capabilities
    F. Other

2. Public Health Expenses
    A. Communication and enforcement of public health measures
    B. Medical and protective supplies, including sanitation and PPE
    C. Disinfecting public areas and other facilities
    D. Technical assistance on COVID-19 threat mitigation
    E. Public safety measures undertaken
    F. Quarantining individuals
    G. Other

3. Payroll expenses for public employees dedicated to COVID-19
    A. Public Safety
    B. Public Health
    C. Health Care
    D. Human Services
    E. Economic Development
    F. Other

4. Expenses to facilitate compliance with COVID-19 measures
    A. Food access and delivery to residents
    B. Distance learning tied to school closings
    C. Telework capabilities of public employees

D. Paid sick and paid family and medical leave to public employees
E. COVID-19-related expenses in county jails
F. Care and mitigation services for homeless populations
G. Other

5. Economic Supports
    A. Small Business Grants for business interruptions
    B. Payroll Support Programs
    C. Other

6. Other COVID-19 Expenses

No receipts or proof of payment for costs incurred will be required to be submitted to Commerce. Grantees are still required to maintain sufficient accounting records in accordance with state and federal laws. Monitoring visits may be scheduled.

Process and Procedure to Obtain Funds

1. Award Letter

Commerce strives to administer funds expediently and with a minimum of red tape. We do so within the policies and procedures established by the US Treasury and state's Legislature, OFM, Commerce, and the Office of the Attorney General. Prior to receiving funds, a contract will need to be executed with Commerce.

Award letters with instructions to initiate the contracting process will be emailed to each city and county receiving an allocation by no later than May 22nd. Emails to cities will be sent to mayors and any other contacts obtained with the assistance of the Association of Washington Cities. Emails to counties will be sent to the county commissioners and any other contacts obtained with the assistance of the Washington State Association of Counties.

Included with the award letter will be:

- CRF Program Guidelines
- A draft contract template for review and to initiate the public process for authorization to execute once the final contract is available for execution
- Working Papers

2. Working papers

Your grant award packet includes *Working Papers*. The *Working Papers* ask for basic information needed to create a contract:

- Contact information for the person who will administer the grant once the contract is signed. Grant documents and correspondence will be sent to this person.
- Your Statewide Vendor Number (SWV#)
- Your Federal Indirect Rate
- Your fiscal year end date
- Name and title for the person authorized by the jurisdiction to sign the contract

Please complete and return the *Working Papers* to the Commerce project manager identified in the award letter as soon as possible, even if you do not plan to begin drawing your funds for a while. Your project manager will manage your contract until project completion. Feel free to give us a call if you have any questions as you fill out the form (see contact information on previous page).

3. Contract

Once the completed *Working Papers* have been received by the Commerce project manager identified in the award letter, a contract will be prepared and sent to you for signature. Have the authorized representative sign the contract and then return a scanned pdf copy to your project manager. Then the project manager will route the contract for Commerce's signature. It generally takes two to four weeks to fully execute a contract. Once executed by Commerce a fully executed copy will be scanned and a pdf copy emailed to the jurisdiction and you will have access to your funds.

Commerce is working to make the contracting process as quick and easy as possible.

4. Reimbursements

This is a reimbursement-style grant, meaning no advance payments. Funds are available once a contract is executed. All grantees are required to set up a SWV number so funds may be sent electronically. Grantees have the flexibility to cash out their grant or draw down funds as frequently as once a month as long as you have incurred documented eligible costs in response to the COVID-19 public health emergency during the period of March 1, 2020 thru October 31, 2020. All final requests for reimbursement must be submitted no later than *November 15, 2020.*

Commerce has moved to electronic vouchering through their Contracts Management System (CMS) Online A-19 Portal. Requests for reimbursement must be submitted online through the CMS System by an individual authorized by the Grantee's organization. Online electronic vouchering provides for grantees to receive reimbursements as quickly as possible. Grantees with barriers to using the online A-19 portal, may request an A-19 form from their Commerce project manager.

Access to CMS is available through the Secure Access Washington (SAW) portal. You will need to create a SAW account if you do not already have one. Please find detailed instructions here: Office of Financial Management. It may take up to three weeks after you submit this information for an electronic transfer account to be set up. We will automatically receive your SWV number from the office that sets them up.

Once logged into SAW, add the Department of Commerce to your 'services' and submit an Online A-19 External User Request form. Then Commerce will add you as a new external user in CMS; and the CMS system will generate and email a registration code to you to complete the CMS registration.

For additional grantee support, refer to the Commerce Online A-19 Webpage for External Users, which includes SAW resources and the CMS manual for external users.

The A-19 voucher must include a detailed breakdown of the costs incurred within each eligible budget category and the total reportable eligible expenses in response to the COVID-19 public health emergency. Accompanying with each voucher must be an executed A-19 certification and A-19 activity report. Incomplete or improperly prepared submissions may result in payment delays. After receipt and acceptance of a fully completed A-19 voucher submittal, grantees can expect electronic reimbursements within 7-10 days.

No receipts or proof of payment for costs incurred will be required to be submitted to Commerce. Grantees are still required to maintain sufficient accounting records in accordance with state and federal laws; and are responsible for maintaining clear and accurate program records, and making them accessible to Commerce and the State Auditor.

Monitoring visits may be scheduled.

5. A-19 Certification and Activity Report

In order to receive reimbursement for eligible expenses incurred, each A-19 Voucher must include:

1. A completed **A-19 Certification**:
    - An individual authorized to execute on behalf of the local government must certify by signing this document under penalty of perjury that the items and costs listed herein and on the accompanying Commerce A-19 Voucher are eligible charges for necessary expenditures incurred due to the COVID-19 public health emergency that were not previously accounted for in the most recent approved budget as of March 27, 2020,

and that the funds were used in accordance with section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act").

2. A completed **A-19 Activity Report** (*instructions included in document*):
    - Must be submitted as an Excel spreadsheet, not a PDF.
    - Include a detailed breakdown of the individual eligible expenditures reported by each sub-category of the six (6) primary budget categories. Each primary budget category includes sub-categories and provides an option to add "other" sub-categories.
    - Include the total amount of all previous reimbursement requests for each applicable sub-category.
    - Include the total amount of funds being requested in the current reimbursement request for each applicable sub-category.
    - Include a brief description of the use of the funds being requested for each applicable sub-category. Keep descriptions as concise as possible, but include adequate context to demonstrate how these funds addressed the COVID-19 emergency. If applicable, please consider:
        - Providing a brief description of the specific activities performed.
        - Identifying specific populations served.
        - Identifying specific programs created or utilized.
        - Including any known or intended outcomes, results, or community impacts.

A certification and activity report must be completed and returned with each reimbursement voucher.

After the contract is executed, you will receive additional instructions on how to submit electronic reimbursement requests with the A-19 certification and A-19 activity report.