

January 29, 1998
m256
clerk 3/10/98

CHRISTOPHER VANCE
ROB MCKENNA
LARRY PHILLIPS
CYNTHIA SULLIVAN

Introduced By: _____
Proposed No.: 98-198

MOTION NO. **10432**

1
2 A MOTION authorizing the King County Executive to enter into
3 an interlocal cooperation agreement with the Muckleshoot
4 Housing Authority in order to implement a low-income housing
5 project funded with King County Housing Opportunity Funds.
6

7 WHEREAS, the King County Housing Opportunity Fund was established in 1990 to
8 assist with the development and preservation of affordable housing for the county's homeless,
9 displaced, and special needs groups, and

10 WHEREAS, a proposal by the Muckleshoot Housing Authority (MHA) has been
11 selected for funding with Housing Opportunity Funds in accordance with council-approved
12 guidelines, and

13 WHEREAS, an interlocal cooperation agreement will regulate the use of property
14 improved by MHA with funds from the Housing Opportunity Fund for the useful life of such
15 property, and

16 WHEREAS, King County and MHA are authorized to enter into such an interlocal
17 cooperation agreement pursuant to chapter 39.34 RCW;

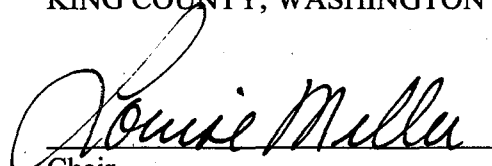
18 NOW, THEREFORE, BE IT MOVED by the Council of King County:

19 The King County executive is hereby authorized to enter into an interlocal cooperation
20 agreement with the MHA for a Housing Opportunity Fund project which has been selected in
21 1996 in accordance with the policies and procedures specified in Ordinance 9369, as amended.

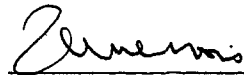
1 The interlocal cooperation agreement will be substantially in the form of Attachment A for
2 this project and will reflect the nature of the project and the specific amount of funding. This
3 project is \$375,000 for new construction of ten units of single-family affordable housing.

4 PASSED by a vote of 12 to 0 on this 30th day of March, 1998.

5 KING COUNTY COUNCIL
6 KING COUNTY, WASHINGTON

7 
8 Chair

9 ATTEST:

10 
11 Clerk of the Council

12 Attachments: A. Interlocal Cooperation Agreement

KING COUNTY HOUSING OPPORTUNITY FUND

INTERLOCAL COOPERATION AGREEMENT

This Agreement is entered into this _____ day of _____, 1998 by and between King County, Washington ("County") and the Muckleshoot Housing Authority ("MHA").

WHEREAS the County established the King County Housing Opportunity Fund ("HOF") by Ordinance No. 9368, as amended, and appropriated funds thereto to be distributed according to policies and procedures established by the King County Housing and Community Development Program and adopted by the King County Council by King County Ordinance No. 9369, as amended from time to time.

WHEREAS the County is desirous of ordering certain local improvements within King County pursuant to RCW Chapter 82.46.

WHEREAS the County and MHA are authorized and empowered to enter into this Agreement pursuant to RCW 39.34 to share the responsibilities for the **development of permanent housing for low-income families and individuals** to the mutual advantage of the parties hereto and the benefit of the residents of King County.

WHEREAS the County and MHA are desirous of acquiring and improving certain real property in order to house low-income families and individuals and who are residents of unincorporated King County.

NOW, THEREFORE, in consideration of the mutual promises herein, the parties agree as follows:

I. GENERAL AGREEMENT

- A. The parties agree to cooperate to acquire and improve **39204, 39208, 39214, 39215, 39218, 39222 165th Avenue SE and 39209, 39213, 39217, 39223 165th Place SE on the Muckleshoot Indian Reservation in Auburn, Washington, 98092**. The real property and improvements (hereinafter called the "Premises") to be acquired under this Agreement is described in Exhibit A, attached hereto and incorporated herein.
- B. The parties further agree that MHA shall acquire and improve the Premises under this Agreement in compliance with the terms of the

Project Description, the Project Budget and the Implementation Schedule set forth in Exhibits B, C, and D respectively, attached hereto and incorporated herein by this reference. The improved Premises shall be fully occupied during the term of this Agreement beginning no later than April 30, 1999. Full occupancy is achieved at less than or equal to 7% vacancy.

- C. The King County Executive shall serve as the Administrator of the HOF and shall administer and disburse HOF funds pursuant to the terms of this Agreement.
- D. The policies set forth in King County Ordinance 9369, as amended from time to time shall govern the project selection process, the identification of eligible activities, and special needs groups and income levels for people to be housed pursuant to this Agreement.
- E. The term of this Agreement shall be for thirty-five years and shall begin on the **1st day of March, 1998** and terminate on the **28th day of February, 2033**.

II. USE OF HOF FUNDS

- A. The County shall disburse to MHA, pursuant to the terms of this Agreement not more than **\$375,000.00** of HOF funds to be used according to the Project Description, the Project Budget and the Implementation Schedule set forth on Exhibits B, C, and D respectively, attached hereto and incorporated herein by this reference.
- B. HOF Funds disbursed by the County shall be used by MHA exclusively to **assist in the development of 10 units of single-family housing** described in exhibit B to preserve as permanent housing for low-income families and individuals for the term of this Agreement and the associated project management costs.
- C. MHA shall not use more than **\$18,750** of HOF Funds for project management associated with the development of this project.
- D. MHA shall not use HOF Funds for tenant relocation or other tenant assistance.

- E. Disbursement of HOF Funds for acquisition and for the project management costs associated with the **development of 10 units of single-family housing**, known as **Cedar Village**, shall be made upon submission by MHA of invoices on a form to be provided by the County. Such invoices shall be accompanied by supporting documentation as required by the County. HOF Funds shall be fully invoiced no later than **October 31, 1998**.

III. TENANTS AND CHARGES

- A. MHA shall operate the Premises as permanent affordable housing for low-income families and individuals (hereafter called "Tenants").
- B. MHA shall inform King County that it desires to negotiate with King County for the purpose of serving an alternative population within the Premises. King County may at its sole option agree to negotiate this matter with MHA and all public agencies that have provided funding rather than exercising its rights and remedies set forth herein.
- C. MHA shall provide permanent housing at affordable rents for Tenants at the Premises. Of the ten newly constructed units, **five (5) Households** at the Premises will have annual household incomes at or below **50%** of the annual median income for the Seattle-Everett Metropolitan Statistical Area (SMSA median income), adjusted for family size, as estimated by the U.S. Department of Housing and Urban Development (HUD). Another **five (5) Households** will have annual-household incomes at or below **30%** of the SMSA median income. If at any time, HUD no longer estimates SMSA median income, the benefit standard shall be based on a program selected by King County at its sole discretion.

MHA shall verify Tenants' income only in accordance with methods prescribed by or agreed to by King County's Housing and Community Development Division.

- D. At the time of signing the first lease, MHA shall establish rents for the Premises based on the SMSA median income. Such rents shall:
- **not exceed 1/12 of 30% of 50% of the SMSA median income for five (5) household units.**

- not exceed 1/12 of 30% of 30% of the SMSA median income for the other five (5) household units.

Rents shall include a utility allowance. Rents shall not be increased more than once every twelve months. Changes in the method of determining Tenant rent or modifications in the rent schedule for the Premises must be approved in advance of implementation by King County Housing and Community Development Program.

- E. MHA shall make every reasonable attempt to insure that **27% of the Tenants** each year during the term of this Agreement shall be residents of unincorporated King County. MHA shall engage in outreach efforts to meet this obligation; provided, however, that in the event that there is a decrease in the population of unincorporated King County such that it becomes impracticable for MHA to meet this obligation, King County and MHA shall meet to discuss other ways of satisfying King County's requirements.
- F. MHA will make every reasonable effort to ensure that residents with special needs are referred to the support services available through the Community Services Division of the Muckleshoot Indian Tribe. These services will include referrals to the Muckleshoot Medical Clinic, the Muckleshoot Mental Health Clinic, the Muckleshoot Drug and Alcohol Rehabilitation Clinic, the Muckleshoot Seniors Program, the Indian Child Welfare Program and the Muckleshoot Resource Center. The Muckleshoot Personnel Department and Re-Entry Program will also provide families with employment training and job placement services.
- G. Upon execution of this Agreement and **before release of funds** for the Premises, MHA shall provide the County with a copy of the **comprehensive management plan** (the "Plan") for the management of the Premises. The Plan shall not conflict with the policies and procedures of the HOF as contained in King County Ordinance 9369, as amended from time to time and shall address, but not be limited to, a description of tenant rights and responsibilities, tenant selection policies, maintenance plans and schedules, and support services provided.
- H. If at any time during the term of this Agreement, MHA determines that it is no longer feasible for it to serve and house Tenants within the Premises, MHA may inform the County that it desires to negotiate for the purpose of serving an alternative population consisting of HOF-eligible beneficiaries. The County may at its sole option exercise its rights and remedies set

forth under this agreement or negotiate this matter with MHA. The purpose of the negotiation shall be to identify an alternative HOF-eligible population to be served within the Premises. Such negotiation period shall not exceed 180 days. If the parties are unable to reach an agreement regarding an alternative population, **MHA shall be deemed to have failed to perform conditions of this Agreement and King County shall be entitled to liquidated damages pursuant to Paragraph XII of this Agreement.** Upon such payment, this Agreement shall terminate and neither party shall have further liability hereunder.

IV. INDEMNITY AND HOLD HARMLESS

MHA shall protect, defend, indemnify, and save harmless the County, its officers, employees, and agents from any and all costs, claims, judgments, and/or awards of damages, arising out of or in any way resulting from the negligent acts or omissions of MHA, its officers, employees, and/or agents. MHA agrees that its obligations under this subparagraph extend to any claim, demand, and/or cause of action brought by or on behalf of any employees, or agents. For this purpose, MHA, by mutual negotiation, hereby waives, as respects the County only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In the event the County incurs any judgment, award and/or cost arising therefrom including attorney's fees to enforce the provisions of this article, all such fees, expenses, and costs shall be recoverable from MHA.

V. LIABILITY INSURANCE.

- A. By the date of execution of this Contract, the Agency shall procure and maintain for the duration of this Contract, insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the performance of work hereunder by the Agency, its agents, representatives, employees, and/or subcontractors. The costs of such insurance shall be paid by the Agency or subcontractor. The Agency may furnish separate certificates of insurance and policy endorsements for each subcontractor as evidence of compliance with the insurance requirements of this Contract.

For All Coverages: Each insurance policy shall be written on an "occurrence" form; except that insurance on a "claims made" form may be acceptable with prior County approval.

If coverage is approved and purchased on a "claims made" basis, the Agency warrants continuation of coverage, either through policy renewals or the purchase of an extended discovery period, if such extended coverage is available, for not less than three years from the date of Contract termination, and/or conversion from a "claims made" form to an "occurrence" coverage form.

By requiring such minimum insurance, the County shall not be deemed or construed to have assessed the risks that may be applicable to the Agency under this Contract. The Agency shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits and/or broader coverage.

B. MINIMUM SCOPE OF INSURANCE.

Coverage shall be at least as broad as:

1. General Liability:

Insurance Services Office form number (CG 00 01 Ed. 11-88) covering **COMMERCIAL GENERAL LIABILITY**.

2. Professional Liability:

Professional Liability, Errors, and Omissions coverage. In the event that services delivered pursuant to this Contract either directly or indirectly involve or require professional services, Professional Liability, Errors, and Omissions coverage shall be provided. "Professional Services", for the purpose of this Contract section, shall mean any services provided by a licensed professional.

3. Automobile Liability:

In the event that services delivered pursuant to this Contract involve the transportation of clients by Agency personnel in Agency-owned vehicles or non-owned vehicles, the Agency shall provide evidence of the appropriate automobile coverage.

Insurance Services Office form number (CA 00 01 Ed. 12-90) covering **BUSINESS AUTO COVERAGE**, symbol 1 "any auto"; or the appropriate coverage provided by symbols 2, 7, 8, or 9.

4. Workers' Compensation:

Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington, as well as any similar coverage required for this work by applicable federal or "Other States" state law.

5. **Fire Insurance:**

Insurance Services Office form number (DP-3 Ed. 1-77) covering **SPECIAL FORM DWELLING PROPERTY INSURANCE** (or project appropriate equivalent).

C. **MINIMUM LIMITS OF INSURANCE**

The Agency shall maintain limits no less than, for:

1. **General Liability:** \$1 Million combined single limit per occurrence by bodily injury, personal injury, and property damage, and for those policies with aggregate limits, a \$2,000,000 aggregate limit.
2. **Professional Liability, Errors, And Omissions:** \$1,000,000.
3. **Automobile Liability:** \$1,000,000 combined single limit per accident for bodily injury and property damage.
4. **Workers' Compensation:** Statutory requirements of the state of _____ residency.
5. **Fire Insurance:** 100% replacement value.

D. **INSURANCE DURING BUILDING CONSTRUCTION PERIOD**

Prior to commencement of building construction and until construction is complete and approved by the Agency, the Agency shall cause the construction contractor to procure and maintain insurance against claims for injuries to persons or damages to property which may arise from, or in connection with the activities related to this Contract. The Agency shall be a named or an additional insured on all policies. The cost of such insurance shall be paid by the Agency and/or any of the Agency's subcontractors.

For All Coverages: Each insurance policy shall be written on an "Occurrence" form.

1. **MINIMUM SCOPE OF INSURANCE.**

Coverage Shall Be At Least As Broad As:

- a) **General Liability:** Insurance Services Office form number (CG 00 01 Ed. 11-88) covering **COMMERCIAL GENERAL LIABILITY:**
- b) **Products and Completed Operations:** The General Liability Policy required in this section shall include Products and Completed Operations coverage for the protection against bodily injury and property damage claims arising from this hazard, at a limit acceptable to the County.
- c) **Automobile Liability:** Insurance Services Office form number (CA 00 01 ed. 12-90) covering **BUSINESS AUTO COVERAGE**, symbol 1 "any auto"; or the combination of symbols 2, 8, and 9.
- d) **Professional Liability, Errors and Omissions Coverage:** In the event that services delivered pursuant to this Contract either directly or indirectly involve or require professional services, Professional Liability, Errors and Omissions coverage shall be provided. "Professional Services" for the purposes of this section shall mean any services provided by a licensed professional.
- e) **Builder's Risk Insurance:** The Agency will obtain, or cause to be obtained, a builder's risk policy (Insurance Services Offices form number (CP-00 02 Ed. 10-90) **BUILDER'S RISK COVERAGE FORM**) covering 100% of the replacement value of the building/structures.
- f) **Worker's Compensation:** Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington.

g) **Stop Gap, Employers Contingent Liability**2. **MINIMUM LIMITS OF INSURANCE.**

The Agency shall maintain limits no less than, for:

- a) **General Liability:** \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage.
- b) **Products and Completed Operations:** \$1,000,000.
- c) **Automobile Liability:** \$1,000,000 combined single limit per accident for bodily injury and property damage.
- d) **Professional Liability, Errors & Omissions:** \$1,000,000.
- e) **Builder's Risk Insurance:** 100% replacement cost value.
- f) **Workers Compensation:** Statutory requirements of the State of residency.
- g) **Stop Gap or Employers Liability Coverage:** \$1,000,000.

E. **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to, and approved by, the County. The deductible and/or self-insured retention of the policies shall not apply to the Agency's liability to the County and shall be the sole responsibility of the Agency.

F. **OTHER INSURANCE PROVISIONS**

The insurance policies required in this Contract are to contain, or be endorsed to contain, the following provisions:

1. **GENERAL LIABILITY POLICIES**

- a) The County, its officers, officials, employees, and agents are to be covered as additional insureds as respects liability arising out of activities performed by or

on behalf of the Agency in connection with this Contract.

- b) To the extent of the Agency's negligence, the Agency's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees, and agents. Any insurance and/or self-insurance maintained by the County, its officers, officials, employees, or agents shall not contribute with the Agency's insurance or benefit the Agency in any way.
- c) The Agency's insurance shall apply separately to each insured against whom claim is made and/or lawsuit is brought, except with respect to the limits of the insurer's liability.

2. ALL POLICIES

Coverage shall not be suspended, voided, canceled, reduced in coverage or in limits, except by the reduction of the applicable aggregate limit by claims paid, until after forty-five (45) days prior written notice has been given to the County.

G. ACCEPTABILITY OF INSURERS

Unless otherwise approved by the County,

Insurance is to be placed with insurers with a Bests' rating of no less than A:VIII, or, if not rated with Bests, with minimum surpluses the equivalent of Bests' surplus size VIII.

Professional Liability, Errors, and Omissions insurance may be placed with insurers with a Bests' rating of B+VII. Any exception must be approved by King County.

If, at any time, the foregoing policies shall be or become unsatisfactory to the County, as to form or substance, or if a company issuing any such policy shall be or become unsatisfactory to the County, the Agency shall, upon notice to that effect from the County, promptly obtain a new policy, and shall submit the same to the County, with appropriate certificates and endorsements, for approval.

H. VERIFICATION OF COVERAGE

The Agency shall furnish the County with certificates of insurance and endorsements required by this Contract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements for each insurance policy are to be on forms approved by the County prior to the commencement of activities associated with the Contract. The County reserves the right to require complete, certified copies of all required insurance policies at any time.

I. SUBCONTRACTORS

The Agency shall include all subcontractors as insureds under its policies or shall furnish separate certificates of insurance and policy endorsements for each subcontractor. Insurance coverages provided by subcontractors as evidence of compliance with the insurance requirements of this Contract shall be subject to all of the requirements stated herein.

J. MUNICIPAL OR STATE AGENCY PROVISIONS

If the Agency is a Municipal Corporation or an Agency of the State of Washington and is self-insured for any of the above insurance requirements, a certification of self-insurance shall be attached hereto and be incorporated by reference and shall constitute compliance with this section.

VI. MUTUAL RELEASE AND WAIVER.

To the extent a loss is covered by insurance in force, the County and Lessee hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under their respective fire insurance policies, including any extended coverage endorsements hereto; provided, that this agreement shall be inapplicable if it would have the effect of invalidating any insurance coverage of the County or the Lessee.

VII. COMPLIANCE WITH LAWS AND REGULATIONS, TAXES, AND FEES.

- A. In carrying out this Agreement, MHA shall comply with all applicable laws, ordinances, and regulations which have been or will be promulgated by any and all authorities having jurisdiction. MHA specifically agrees to bear the risks of such laws, ordinances, and regulations, and to pay all costs associated with achieving compliance without notice from the County. MHA shall pay all license fees and all federal and state taxes on the Premises, improvements and equipment, and all licensing fees for vehicles or other licensed equipment to the extent that the parties are subject to such taxes and fees. MHA shall pay all permit fees, including but not limited to land use, building, construction, health, sanitation and business permit fees. The County shall not in any case be held liable for any taxes and/or fees owing to any person due to MHA's ownership, operation, use and/or possession of the Premises. MHA shall apply for all appropriate tax exemptions, and neither this paragraph nor any other provision of this Agreement shall be construed as a waiver or relinquishment by the parties of any tax exemption available to it.
- B. MHA shall at all times comply with all applicable federal, state, and local laws, statutes, rules and regulations relating to relocation of those persons and households residing within the Premises prior to occupancy by Tenants. MHA shall be solely responsible for the cost of all relocation benefits required by law. At no time shall the County be responsible for the cost of such relocation.

VIII. RECORDKEEPING AND REPORTING

- A. MHA shall keep and maintain all records as the County may from time to time reasonably require, including, but not limited to, records pertaining to the improvements and operation of the Premises, the provision of services for residents and records pertaining to Tenants' annual income. The County shall have access upon reasonable notice to any and all of MHA's records at any time during the course of the improvement and operation of the Premises.
- B. MHA shall submit an annual report to King County's Housing and Community Development Program within 60 days of the close of each calendar year. This annual report shall include information pertaining to the Tenants, including numbers served, age, ethnicity, gender, income; and

information pertaining to MHA, including MHA's annual report of activities, an audited financial statement and federal tax return and a list of names and addresses of current board members and officers. MHA shall also submit additional reports which the County may from time to time reasonably require.

IX. NONDISCRIMINATION

A. GENERAL

1. During the performance of this Agreement, neither MHA nor any party subcontracting under authority of this Agreement shall discriminate on the basis of race, color, sex, religion, nationality, creed, sexual orientation, marital status, age, or the presence of any sensory, mental or physical disability in employment or application for employment or in the administration or delivery of services or any other benefits under this Agreement.

MHA shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations which prohibit such discrimination. These laws include, but are not limited to, RCW 49.60, Titles VI and VII of the Civil Rights Law of 1964, Section 504 of the Rehabilitation Act of 1973, as amended, Executive Order 11246 issued by the President of the United States and Executive Order 2001-R issued by the County Executive.

2. MHA shall consult and cooperate fully with the County, the Washington State Human Rights Commission, the Equal Employment Opportunity Commission and other appropriate federal, state and local agencies in ensuring its full compliance with the laws against discrimination. MHA shall consult the Compliance Unit of the King County Office of Civil Rights and Compliance for information and technical assistance and/or for referral to other agencies for assistance.
3. In the event of noncompliance by MHA with any of the nondiscrimination provisions of this Agreement, the County shall have the right, at its option, to terminate this Agreement in whole or in part.

B. EMPLOYMENT

1. MHA shall not discriminate against any employee or applicant for employment due to race, color, sex, religion, nationality, creed, sexual orientation, marital status, age, or the presence of any sensory, mental or physical disability in any employment practice including, but not limited to, hiring and firing, layoffs, upgrading, demotion or transfer, recruitment or recruitment advertising, rates of pay or other forms of compensation, training or any other term, condition or practice of employment.
2. MHA shall give notice of its nondiscrimination policy and obligation in all solicitations or advertisements for employees, and will send to each labor union or representative of workers with which it has a collective bargaining agreement or other understanding a notice of the commitments under this section.
3. MHA shall comply with all applicable federal, state and local laws and regulations regarding nondiscrimination in employment and shall develop and implement such affirmative action plans and reporting procedures as may be required, including those required by the County.
4. During the performance of this Agreement neither MHA nor any party subcontracting under the authority of this Agreement shall engage in unfair employment practices as defined by King County Code (KCC), chapter 12.18. It is an unfair employment practice for any:
 - a. Employer or labor organization to discriminate against any person with respect to referral, hiring, tenure, promotion terms, conditions, wages or other privileges of employment;
 - b. Employment agency or labor organization to discriminate against any person with respect to membership rights and privileges, admission to or participation in any guidance program, apprenticeship training program, or other occupational training program;
 - c. Employer, employment agency, or labor organization to print, circulate, or cause to be printed published or circulated, any statement, advertisement or publication relating to employment or membership, or to use any form or application therefor, which

indicates any discrimination unless based upon a bona fide occupation qualification;

- d. Employment agency to discriminate against any person with respect to any reference for employment or assignment to a particular job classification;
- e. Employer, employment agency or a labor organization to retaliate against any person because this person opposed any practice forbidden by KCC, chapter 12.18 or because that person made a charge, testified or assisted in any manner in any investigation, proceeding or hearing initiated under the provisions of KCC, chapter 12.18;
- f. Publisher, firm corporation, organization or association printing, publishing or circulating any newspaper, magazine or other written publication to print or cause to be printed or circulated any advertisement with knowledge that the same is in violation of KCC, chapter 12.18.030 (c), or to segregate and separately designate advertisements as applying only to men and women unless such discrimination is reasonable necessary to the normal operation of the particular business, enterprise or employment, unless based upon a bona fide occupational qualification;
- g. Employer to prohibit any person from speaking in a language other than English in the workplace unless:
 - (1) The employer can show that requiring that employees speak English at certain times is justified by business necessity, and
 - (2) The employer informs employees of the requirement and the consequences of violating the rule.

If the MHA fails to comply with KCC, chapter 12.18, then MHA shall be subject to the procedures and penalties set forth therein.

C. PROGRAM AND SERVICES

- 1. MHA, or any subcontracting authority under this Agreement, agrees not to discriminate on the basis of race, color, sex, religion, nationality, creed, sexual orientation, marital status, age, or the presence of any mental, physical or sensory disability in the access to, or in the

provision and administration of, any program or activity under this Agreement.

2. "Discrimination" includes but may not be limited to 1) denial of services or benefits, 2) segregation, separate or different treatment or benefits, 3) utilization of administrative criteria or methods that have the effect of discriminatory treatment. This obligation includes taking affirmative steps to make programs and services available and accessible to the disabled.

D. MINORITY/WOMEN'S BUSINESSES

Unless waived, MHA shall fully comply with the provisions of KCC, chapter 4.18 in conducting the improvement of the properties of the Project described in this Agreement. Failure by MHA to comply with any requirements of this Chapter shall be a breach of this Agreement.

E. SUBCONTRACTS AND PURCHASES

MHA shall include this Section IX in every subcontract or purchase order for goods or services which are the subject of this Agreement.

X. ASSIGNMENT

MHA shall not assign this Agreement in whole or in part or subcontract any of the terms of this Agreement without the prior written consent of the County. Any request for assignment, transfer, or subcontract shall be made in writing, shall state the party to whom such transfer shall be made and the purpose of such transfer.

XI. BREACH/DEFAULT

- A. No waiver of a breach of any provision hereof shall be deemed a modification of the terms of this Agreement, nor shall such waiver be deemed to waive any other or subsequent breach of this Agreement.
- B. In the event MHA fails to observe or perform any of the provisions of this Agreement, that failure having continued for thirty days after the County gives written notice to cure such failure to MHA, MHA shall be deemed in default of this Agreement; provided however that if the nature of the

default is such that more than thirty days are reasonably required for its cure, then MHA shall not be deemed in default if it commences such cure within such thirty-day period and diligently pursues such cure to completion within 180 days.

- C. Notwithstanding anything herein to the contrary, in the event of a default by MHA under this Agreement, the County shall be entitled, upon notice, to liquidated damages as defined in Section XII, below.
- D. The remedies set forth herein shall not be the exclusive remedies available to the parties. Each party shall retain all rights which they otherwise would have at law or in equity.
- E. The remedies set forth herein shall be cumulative and the parties may exercise one or more of the said remedies and shall not be deemed to have elected any remedy to the exclusion of other remedies.
- F. To secure the performance of Lease Agreement II, Lessee shall execute a Promissory Note in the principal amount of \$375,000. The Note shall be secured by a Mortgage on the Premises as well as a Low-Income Housing Covenant to run with the properties. If at any time during the course of this Agreement, MHA fails to provide housing at the Premises to tenants (as defined in Paragraph III above) or fails to perform the conditions of this Agreement, MHA shall be deemed to be in breach of this Agreement and in default of the Promissory Note and Mortgage.

XII. LIQUIDATED DAMAGES.

Default of MHA or any failure of MHA to perform any conditions of this Agreement that are not cured as provided herein shall result in the limitation of the availability of housing and services for **low-income families** to the loss and damage of the County. Because it would be impractical to fix the actual damages sustained in the event of such failure to perform, the County and MHA, therefore, agree that in the event of MHA's failure to perform, the damages incurred by the County shall be **\$375,000 less \$10,714.29 for each full year that the agreement has been in full force and effect**. County and MHA agree that MHA shall pay such amount to the County as liquidated damages arising from all causes including but not limited to causes beyond its reasonable control and without the fault or negligence of MHA. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of any government body acting in

acts of God or of the public enemy, acts of any government body acting in its sovereign capacity, war, explosions, fires, floods, epidemics, quarantine, restrictions, strikes, freight embargoes and unusually severe weather. Upon payment of such sum, neither party shall have any further liability hereunder.

XIII. NOTICE

Any notice required to be given by either party to the other shall be deposited in the United States mail, postage prepaid, addressed to the Muckleshoot Housing Authority at **38037 - 158th Avenue Southeast, Auburn, WA, 98092**, or to the County at King County Housing and Community Development Program, Key Tower, 700 5th Ave., Suite 3700, Seattle, WA, 98104-5037 or at such other address as either party may designate to the other in writing from time to time.

XIV. STANDARDS OF CONDUCT

- A. MHA agrees to prohibit employees from acquiring, either directly or indirectly, any Housing Authority property that is declared surplus and offered for sale unless sold at a public auction with sufficient notice to the general public.
- B. MHA agrees to prohibit its employees from performing private work for their respective supervisors.

XV. GENERAL TERMS

- A. This Agreement shall be binding upon the parties hereto, their heirs, successors, and assigns.
- B. MHA hereby represents that the person signing below has full authority to execute this Agreement and to bind MHA as set forth herein.
- C. If any term or provision of this Agreement or the application of any term of this Agreement to any person or circumstance is invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall continue in full force and effect.

- D. This Agreement shall be effective upon signature by both parties following approval by their governing bodies.
- E. This Agreement and Exhibits A through D attached hereto, constitute the entire agreement between the parties with regard to the subject matter thereof. This Agreement supersedes all prior negotiations and no modification or amendment to this Agreement shall be valid unless in writing signed by both parties
- F. MHA and the County agree to execute such additional documents during the term of the Agreement as may be necessary to effectuate the intent of the parties and the purpose of this Agreement.
- G. If, by reason of any default or breach on the part of either party in the performance of any of the provisions of this Agreement, a legal action is instituted, the losing party agrees to pay all reasonable costs and attorney's fees in connection therewith. It is agreed that the venue of any legal action brought under the terms of this Agreement shall be King County.
- H. This Agreement is for the benefit of the named parties only and no third party shall have any rights thereunder.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the date first above written.

MUCKLESHOOT HOUSING AUTHORITY

KING COUNTY, WASHINGTON

BY _____
Its Chairman
MHA Board of Commissioners

BY _____
For Ron Sims
King County Executive

APPROVED AS TO FORM:

BY _____
Deputy Prosecuting Attorney

Date: _____

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this _____ day of _____, 1998 before me the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared **John Daniels, Jr.** to me known to be the **Chairman of the Board of Commisioners of the Muckleshoot Housing Authority** corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

GIVEN under my hand and official seal this ____ day of _____, 1998.

NOTARY PUBLIC in and for the State
of Washington residing at

STATE OF WASHINGTON)
 / _____) ss
COUNTY OF KING)

On this day personally appeared before me _____
to me known to be the **designee** of the County Executive of King County,
Washington, the person who signed the above and foregoing instrument for King
County for the uses and purposes therein stated and acknowledged to me that
she/he signed the same as the free and voluntary act and deed of King County
and that she/he was so authorized to sign.

GIVEN under my hand and official seal this ____ day of _____, 1998.

NOTARY PUBLIC in and for the State
of Washington, residing at

Exhibit A

Legal Description for Cedar Village:

THAT PORTION OF GOVERNMENT LOT 19, SECTION 1, T.20N., R.5.E., W.M., KING COUNTY, WASHINGTON DESCRIBED AS FOLLOWS:

COMMENCING AT THE NW CORNER OF SAID LOT 19. BEING THE WEST 1/4 CORNER OF SAID SECTION 1;
THENCE S00°35'58"W ALONG THE WEST LINE THEREOF FOR 20.00 FEET TO THE SOUTH-RIGHT-OF-WAY LINE OF SE 392ND STREET AND THE TRUE POINT OF THE BEGINNING.
THENCE S88°35'37"E ALONG SAID SOUTH RIGHT-OF-WAY LINE FOR 720.33 FEET;
THENCE S02°24'33"W FOR 120 FEET;
THENCE S80°33'11" FOR 177.26 FEET;
THENCE N01°35'29"E FOR 127.00 FEET TO SAID SOUTH RIGHT-OF-WAY LINE;
THENCE S63°45'12"E ALONG SAID RIGHT-OF-WAY LINE FOR 53.01 FEET;
THENCE CONTINUING ALONG SAID RIGHT-OF-WAY S88°34'48"E FOR 177.76 FEET TO THE INTERSECTION OF SAID RIGHT-OF-WAY LINE WITH THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF S.R. 164 (THE AUBURN-ENUMCLAW HIGHWAY);
THENCE S26°47'30"E ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY FOR 251.92 FEET;
THENCE S63°12'30"W FOR 5.00 FEET TO A POINT OF CURVATURE TO THE LEFT. THE RADIUS POINT OF WHICH BEARS N63°12'30"E 1502.5 FEET;
THENCE ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 6°13'06" FOR 165.25 FEET TO THE SOUTH LINE OF SAID LOT 19;
THENCE N88°29'35"W ALONG SAID SOUTH LINE FOR 1314.90 FEET TO THE SOUTHWEST CORNER OF SAID LOT 19;
THENCE N00°35'58"E ALONG THE WEST LINE THEREOF FOR 403.26 FEET TO THE TRUE POINT OF BEGINNING;
EXCEPT WEST 200 FEET.

(To be provided)

Exhibit B**Project Description****HOUSING OPPORTUNITY FUND PROJECT - HG9605****SPONSOR**

Muckleshoot Housing Authority
38037 - 158th Avenue Southeast
Auburn, WA 98092

PROJECT TITLE AND LOCATIONS

Cedar Village
32904 - 39222 165th Avenue SE and 39209 - 39223 165th Place SE
Auburn, WA 98092

SUMMARY

Muckleshoot Housing Authority (MHA) will construct 10 new rental units providing permanent housing for single parents, families with children and elders. Houses will serve very low-income special needs households with substance abuse issues, are at-risk of homelessness or survivors of domestic violence.

Of the 10 homes, there will be 3 three-bedroom, 4 two-bedroom and 2 one-bedroom units, plus 1 three-bedroom handicap accessible unit. Five (5) units will serve households at or below 50% of the median income. Another five (5) units will serve households at or below 30% of the median income. Additionally, units will be subsidized by the Office of Native American Programs through HUD. The site for these new homes is Indian Trust Land on the Muckleshoot Reservation. The Housing Authority has a 50-year lease with the Tribe for this project.

Resident support services will be available through the Muckleshoot Medical Clinic, the Muckleshoot Mental health Clinic, the Muckleshoot Drug and Alcohol Rehabilitation Clinic, the Muckleshoot Seniors Program, the Indian Child Welfare Program and the Muckleshoot Resource Center. The Muckleshoot Personnel Department and Re-Entry Program will also provide families with employment training and job placement services.

Since 1977, MHA has been developing and managing community-based housing for Muckleshoot Tribal members. They currently own and operate 40 units of single family, detached, HUD subsidized rental units for low-income Native American elders and families on the Muckleshoot Reservation.

CAPITAL BUDGET SUMMARY

Housing Opportunity Fund	\$375,000
State Housing Trust Fund	\$539,520
Muckleshoot Tribe	\$211,000
HUD Office of Native American Programs	<u>\$241,615</u>
TOTAL	\$1,367,135

RATIO OF HOF TO OTHER FUNDS: 1:2.7

Council District: 9

HOF DEVELOPMENT BUDGET

EX

Project Name: Cedar Village

Muckleshoot Housing Authority

Proje

PROJECT INFORMATION:

Land Sq. Ft.	57,190
2 - 1BR units @ 910 sf	1,820
4 - 2BR units @ 910 sf	3,640
4 - 3BR units @ 1350 sf	5,400
Total Square Footage	68,050

Use of HOF Funds:

X New Construction
 Rehabilitation
 Acquisition

Number of Units: 10

(4

EXPENDITURE OF PROJECT FINANCING

Total Project Cost	HOF Expenditures	State Expenditures
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I. ESTIMATED ACQUISITION COST:

Land	\$211,000		
Building			
Extension Payments			
TOTAL ACQUISITION COST (Section I)	\$211,000		

II. ESTIMATED CONSTRUCTION COST:

Basic Construction Cost	at \$65.83/sf		
Hazardous Abatement/Monitoring		\$289,173	\$425,704
Demolition			
Site Work		\$85,827	\$72,296
Bond Premium			
Construction Contingency	_____ %		\$19,920
Other Construction Costs			\$3,600
Sales Taxes	_____ %		
TOTAL CONSTRUCTION COST (Section II)		\$375,000	\$521,520

III. ESTIMATED DEVELOPMENT COSTS:

A. Professional Fees:

Architect/Engineer _____
 Architect/Engineer Reimbursement _____
 Appraisals _____
 Legal _____
 Hazardous Materials Survey _____ %
 Development Fee _____ %
 Construction Management _____ %
 Other Consultants _____
 Total Professional Fees _____

	Total Project Cost	HOF Expenditures	State Expenditures
	\$25,000		
	\$0		
	\$0		
	\$2,000		
	\$2,500		
	\$0		
	\$55,166		\$16,000
	\$7,000		\$2,000
	\$91,666	\$0	\$18,000

B. Financing:

Permanent -- _____

Lender: _____

Loan Amount: _____

Interest Rate: _____ %

Loan Term: (# mos) _____ mos.

final Interest: _____

Loan Fee _____ %

Bridge -- _____

Lender: _____

Loan Amount: _____

Interest Rate: _____ %

Loan Term: (# mos) _____ mos.

final Interest: _____

Loan Fee _____ %

Total Financing Costs _____

III. ESTIMATED DEVELOPMENT COSTS (Cont.):

C. Other Development Costs

	Total Project Cost	HOF Expenditures	State Expenditures	Exp
Recording	\$0			
Title Insurance	\$0			
Escrow Fees	\$0			
Property Taxes (until Certif. of Occup. is issued)	\$0			
Insurance	\$4,500			
Utilities during construction (until Cert. of Occup. is issued)	\$6,100		\$3,600	
Permits (bldg & other)	\$10,500			
Soils Study	\$0			
Topographic Survey	\$0			
Bidding Costs	\$1,800			
Audit	\$1,500			
Marketing/Advertising	\$0			
LIHTC Fees & assoc costs	\$0			
Relocation	\$0			
Carrying costs during rent up	\$0			
Total Other Development Costs	\$24,400			

TOTAL DEVELOPMENT (Section III, A+B+C)

	\$116,066			
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DEVELOP. + CONSTR. COSTS (Sec. III +II)

	\$1,156,135			
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IV. TOTAL PROJECT COSTS (Sec. I+II+III)

	\$1,367,135			
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Implementation Schedule

List each task for the project in chronological order, and enter a projected completion date and responsible party for each task. Describe any aspects of the project that may lead to delays (e.g. zoning, siting) and how the schedule will be adapted to respond. Follow format below.

SCOPE OF WORK

Task	Projected Completion Date	Responsible Party
1. Housing Contract Execution	March 1, 1998	King County/MHA Ex. Director
2. Work write-ups, estimates	Completed	Project Manager/MHA Ex. Director
3. Construction Bid Packet	Completed	Project Manager/MHA Ex. Director
4. Bid Publication	Completed	Project Manager/MHA Ex. Director
5. Environmental Assessment	Completed	Project Manager/MHA Ex. Director
6. Bidders Conference	Completed	Project Manager/MHA Ex. Director
7. Soils Survey	Completed	Project Manager/MHA Ex. Director
8. Topographic Survey	Completed	Project Manager/MHA Ex. Director
9. Contractor Selection	Completed	Project Manager/MHA Ex. Director
10. Pre-construction Conference	Completed	Project Manager/MHA Ex. Director
11. Notice to proceed	Completed	Project Manager/MHA Ex. Director
12. Offsite streets/sewer construction	Completed	Indian Health Services
13. Onsite infrastructure	May 1, 1998	Contractor
14. Construct 2 single family units	May 15, 1998	Contractor
15. Construct 1 duplex unit	May 30, 1998	Contractor
16. Construct 2 single family units	May 30, 1998	Contractor
17. Construct 1 duplex unit	May 30, 1998	Contractor
18. Construct 1 duplex unit	June 15, 1998	Contractor
19. Project Completion Reviews	July 15, 1998	Project Manager/MHA Ex. Director

All construction contingent on weather