February 19, 1992

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INTRODUCED BY

GREG NICKELS Sullivan

LARRY PHILLIPS

PROPOSED NO. ____ 92-80

MOTION NO. 8525

A MOTION authorizing the King County executive to enter into interlocal cooperation agreements with the Housing Authority of the County of King in order to implement low-income housing projects funded with King County Housing Opportunity Funds.

WHEREAS, the 1992 King County Comprehensive Housing Affordability Strategy, adopted by the King County council on October 7, 1991 and approved by the United States Department of Housing and Urban Development, identifies nearly 85,000 low-income households in need of housing assistance and outlines strategies and housing production goals to address these needs, and

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

WHEREAS, proposals by the Housing Authority of the County of King have been selected for funding with Housing Opportunity Funds in accordance with council-approved guidelines, and

WHEREAS, interlocal cooperation agreements will regulate the use of property acquired and improved by the Housing Authority of the County of King with funds from the Housing Opportunity Fund for the useful life of such property, and

February 19, 1992

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WHEREAS, King County and the Housing Authority of the County of King are authorized to enter into such interlocal cooperation agreements pursuant to RCW 39.34;

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

The King County executive is hereby authorized to enter into interlocal cooperation agreements substantially in accordance with the terms of Attachment A as amended for each project to reflect the nature of the project and the amount of funding with the Housing Authority of the County of King for Housing Opportunity Fund projects which have been selected in 1990 and 1991 in accordance with the policies and procedures specified in Ordinance 9369, as amended. These projects are: \$240,000 for acquisition of housing for homeless families; \$350,000 for development of a mobile home park for low-income tenants displaced by development;

\$1,286,926 for the development of housing for the mentally ill; and
\$415,000 for development of transitional housing for victims of domestic
violence and their children.

violence and their children. PASSED this 24th day of February, 1992.

KING COUNTY COUNCIL KING COUNTY, WASHINGTON

ATTEST:

Clerk of

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ATTACHMENT A

KING COUNTY HOUSING OPPORTUNITY FUND

INTERLOCAL COOPERATION AGREEMENT

This Agreement is entered into this _____ day of _____, 199____, by and between King County, Washington ("County") and the King County Housing Authority ("KCHA").

WHEREAS the County established the King County Housing Opportunity Fund ("HOF") by Ordinance No. 9368, as amended, and appropriated \$2,759,000.00 to the HOF to be distributed according to policies and procedures established by the King County Planning and Community Development Division and adopted by the King County Council by King County Ordinance No. 9369, as amended from time to time.

WHEREAS the HOF is a multi-year capital improvement project fund and is carried over automatically year to year.

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

WHEREAS the County and KCHA are authorized and empowered to enter into this Agreement pursuant to RCW 39.34 to share the responsibilities of providing housing and services for homeless families to the mutual advantage of the parties hereto and the benefit of the residents of King County.

WHEREAS the County and KCHA are desirous of acquiring and improving certain real property in order to house and serve homeless families who are residents of unincorporated King County.

WHEREAS the County and KCHA acknowledge their intent to acquire eight single family residences not yet purchased or acquired and to amend this Agreement as such residences are acquired to legally describe such residence and to establish that this Agreement shall govern the use of such single family residence for 35 years from the date of acquisition.

WHEREAS the County will provide twenty percent of the funds necessary to acquire and improve eight single family residences and County funds shall be used exclusively for the acquisition of such residences.

WHEREAS the activities described in this Agreement shall be supported with funds from the HOF ("HOF Funds").

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 eight single family residences within King County in which to house and serve homeless families.

B. The parties agree that KCHA shall acquire eight single family residences in Bellevue, Washington during the term of this Agreement and that HOF Funds will be distributed as such single family residences are acquired. The parties intend that this Agreement shall be amended as such properties are acquired to legally describe each single family residence and establish a time frame for each.

C. The parties agree that HOF funds shall be used only for acquisition of eight single family residences and that KCHA shall use funds from other sources to accomplish any necessary improvements to such residences acquired under this Agreement.

D. The parties further agree that KCHA shall acquire, improve, and provide services at the eight single family residences as described in that certain document, the "Specifications" dated and signed by the parties hereto. The "Specifications" shall include: KCHA's Housing Opportunity Fund (HOF) application, including letters, maps, drawings and other documentation submitted with the application; plans and specifications for renovation or construction of improvements to the Property, if applicable; an approved project development budget; an approved project annual operating budget; copies of reports or studies relating to the Property, including, but not limited to, hazardous materials survey report; and, any other documentation related to the Property and the services to be provided by KCHA which may be required by King County as part of the Specifications. Any and all changes to the Specifications must be approved in writing by the County.

E 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.

F. 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.

G. The term of this Agreement shall be for thirty-five years and shall begin on the _____ day of _____, 19____ and terminate on the _____ day of _____, 20____. It is understood that each single family residence acquired pursuant to this agreement will be governed by the terms of this Agreement for 35 years from the time it is acquired by KCHA.

II. <u>USE OF HOF FUNDS</u>

A. The County shall disburse to KCHA, pursuant to the terms of this Agreement not more than \$240,000.00 (Two Hundred Forty Thousand Dollars) of HOF funds to be used according to the Specifications and the terms of the Project Description, the Project Budget and the Implementation Schedule set forth on Exhibits A, B, and C respectively, attached hereto and incorporated herein by this reference.

B HOF Funds disbursed by the County shall be used by KCHA exclusively to assist in the acquisition of eight single family homes in Bellevue, Washington to provide permanent housing for homeless families during the term of this Agreement. HOF Funds disbursed to KCHA for any single family residence acquired pursuant to this Agreement shall not exceed the lesser of (1) 50% of the total cost of any single family residence; or (2) the product of \$25,000.00 and the number of bedrooms within each single family residence.

C. KCHA shall not use more than \$12,000.00 (Twelve Thousand Dollars) of HOF Funds for project management costs associated with the acquisition of all of the eight single family residences.

D. KCHA 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 acquisition of the eight single family residences shall be made upon submission by KCHA of invoices on a form to be provided by the County which shall include but is not limited to satisfactory proof of property ownership by seller. Such invoices shall be accompanied by supporting documentation as required by the County. HOF Funds shall be fully invojced no later than December 31, 1992.

III. PROPERTY ACQUISITION

A. KCHA shall acquire the eight single family residences within the time schedule set forth in the Implementation Schedule, Exhibit C. The acquisition of all eight residences shall be completed by December 31, 1992.

B. Prior to acquisition of each of the said eight single family residences KCHA shall provide written notice of each acquisition to the King County Planning and Community Development Division (PCDD), such notice shall include the common street address for the property to be purchased and its full legal description.

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C. At the time each single family residence is acquired by KCHA, the parties shall execute an Attachment to this Agreement which legally describes the single family residence and and the date of such acquisition.

D. This Agreement shall govern the use of each single family residence for 35 years from the date of its acquisition.

IV. <u>TENANTS, SERVICES, AND CHARGES</u>

A. KCHA shall provide housing and services for homeless families (hereafter called "Tenants") in each single family residence acquired under this Agreement.

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B. KCHA shall provide services to Tenants, either directly or through coordination with other organizations, which shall include but are not limited to, crisis intervention counseling; information and referral on job training and educational programs; employment placement assistance; and family counseling.

C. KCHA shall insure that Tenants have annual incomes that do not exceed 50% of the annual median income for the Seattle-Everett Metropolitan Statistical Area (SMSA median income), adjusted for family size, as estimated from time to time by the U.S. Department of Housing and Urban Development (HUD). 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.

C.1. KCHA shall verify Tenants' income from time to time as the County requests only in accordance with methods prescribed by or agreed to by the County.

D. KCHA shall insure that 20% of the total number of Tenants at any given time during the term of this Agreement shall be prior residents of unincorporated King County. KCHA shall engage in outreach and marketing efforts to assure this outcome.

E. KCHA shall maintain rent and utilities for each single family residence at a rate no greater than 30% of tenant income. Any increase in rent must be based on changes in HUD affordability standards and must be approved in advance in writing by the County.

F. Upon execution of this Agreement, KCHA shall provide the County with a copy of the comprehensive management plan (the "Plan") for the management of the single family residences. 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.

G. If at any time during the term of this Agreement, KCHA determines that it is no longer feasible for it to serve and house Tenants within any of the eight single family residences, KCHA may inform the County that it desires to negotiate for the purpose of serving an alternative population consisting of HOF-eligible beneficiaries as described in paragraph G.1. below. If, the County at its sole option determines to negotiate this matter with KCHA, then KCHA shall notify all public agencies that have provided funding and convene a negotiation to which public agencies are: U.S. Department of Housing and Urban Development, the City of Bellevue, and King County Planning and Community Development Division, Housing Opportunity Fund. The purpose of the negotiation shall be to identify an alternative HOF-eligible population to be served within the single family residences. Such

negotiation shall be complete when the public agencies that have provided funding concur with the designation of the alternative resident population. Such negotiation period shall not exceed 180 days. If the parties are unable to reach an agreement regarding an alternative population that meets the definition of "HOF Eligible Beneficiaries" as defined in paragraph G.1. below, or as modified by action of the King County Council, KCHA shall pay King County an amount equal to twenty percent of the appraised value of any single family residence not to be used to house and serve HOF Eligible Beneficiaries. The appraised value shall be determined at KCHA's expense by an appraiser satisfactory to the County ("a Market Value Appraisal"). Upon payment of twenty percent of such appraised value of any single family residence not used to house and serve HOF Eligible Beneficiaries, this Agreement as regards such single family residence shall terminate and neither party shall have further liability for such single family residence not used to house and serve HOF Eligible Beneficiaries.

G.1. "HOF Eligible Beneficiaries" are defined as persons who (1) have household incomes at or below 50% of the SMSA median, and, (2) who fall into one or more of the following categories:

- 1. Low-income families and seniors at risk of
 - displacement and homelessness;
- Homeless families and individuals, including youth; or,
- 3. Special needs groups <u>including</u>, <u>but not limited to</u> the frail elderly and people with the following conditions:
 - -- Mental Illness
 - -- HIV Infections/AIDS
 - Developmental Disabilities
 - Alcohol and/or Substance Abuse.

If KCHA wishes to identify and provide housing and services to a special needs group not included in the above listing of King County priority groups, it must demonstrate that the population requires residential care. In addition, KCHA must present a budget to King County which demonstrates the linkage of support services to the special needs group assisted.

V. INDEMNITY AND HOLD HARMLESS

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KCHA shall indemnify and hold the County, its agents, employees and officers harmless from any and all claims, demands, suits, penalties, losses, damages or costs of any kind whatsoever including attorney's fees (hereinafter "claims") brought against the County arising out of or incident to the execution of, performance of, or failure to perform any provisions of this Agreement and shall process and defend such claims at its own expense; <u>provided</u> that nothing in this section shall require KCHA to indemnify, hold harmless, or defend the County, its agents, employees and/or officers from any claims caused by or resulting from the sole negligence of the County, its agents, employees and/or officers.

VI. INSURANCE

A. <u>FIRE INSURANCE</u>. KCHA will carry fire and extended coverage insurance in an amount equal to the full insurable value of all improvements, structures, and buildings that comprise the eight single family residences. The policy shall include the County as an insured for its vested interest in the property. Said policy shall provide for a thirty (30) day notification of cancellation. A certificate of insurance and an endorsement as evidence of compliance with this section must be provided to the County.

B. <u>LIABILITY INSURANCE</u>. KCHA shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damages to property which may arise from, or in connection with KCHA's operation and use of the single family residence properties. The cost of such insurance shall be paid by KCHA.

1. <u>MINIMUM SCOPE OF INSURANCE</u>. Coverage shall be at least as broad as:

a. Insurance Services Office form number GL0002 (ED. 1/73) covering Comprehensive General Liability and Insurance Services Office form Number GL0404 covering Broad Form Comprehensive General Liability: or Insurance Services Office Commercial General Liability coverage ("occurrence" form CG 0001).

2. <u>MINIMUM LIMITS OF INSURANCE</u>. KCHA shall maintain limits no less than:

a. Comprehensive General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage.

3. <u>DEDUCTIBLES AND SELF-INSURED RETENTIONS</u>. Any deductibles or self-insured retentions must be declared to and approved by the County. The deductible and/or self-insured retention shall not apply to KCHA's liability to the County and shall be the sole responsibility of KCHA.

4. <u>OTHER INSURANCE PROVISIONS</u>. The policy is to contain, or be endorsed to contain, the following provisions:

a. The County, its officers, officials, employees, and agents are to be covered as insured as respects: liability arising out of activities performed by or on behalf of KCHA. The coverage shall contain no special limitations on the scope of protection afforded to the County, its officers, officials, employees, or agents.

b. KCHA's insurance coverage shall be primary insurance as respects the County, its officers, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of KCHA's insurance and shall not contribute with it.

c. Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the County, its officers, officials, employees, or volunteers.

d. Coverage shall state that KCHA's insurance shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the insurer's liability.

e. Insurance policy shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to County.

5. <u>ACCEPTABILITY OF INSURERS</u>. Insurance is to be placed with insurers with a Bests' rating of no less than A:XI.

6. <u>VERIFICATION OF COVERAGE</u>. KCHA shall furnish the County with certificate(s) of insurance and with original endorsement(s) effecting coverage required by this Agreement. The certificate and endorsement 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 provided by the County and are to be received and approved by the County before occupancy commences. The County reserves the right to require complete, certified copies of all required insurance policies at any time.

7. <u>PROVISION FOR INCREASE OF COVERAGE</u>. To ensure that appropriate insurance is carried by KCHA, the County may adjust these insurance requirements every three (3) years, the first adjustment to occur three (3) years after the beginning of the term of this Agreement. Such adjustments shall not be greater than amounts customarily required by King County in Agreements of a similar character.

DOCUMENTS . VOUNETOA

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VII. MUTUAL RELEASE AND WAIVER.

To the extent a loss is covered by insurance in force, the County and KCHA 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 KCHA.

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

A. In carrying out this Agreement, KCHA shall comply with all applicable laws, ordinances, and regulations which have been or will be promulgated by any and all authorities having jurisdiction. KCHA 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. KCHA shall pay all license fees and all federal and state taxes on each single family residence, 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. KCHA 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 KCHAs ownership, operation, use and/or possession of the eight single family residences. KCHA 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. KCHA 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 any single family residence prior to occupancy by Tenants. KCHA 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 benefits.

C. KCHA shall at all times carry on and conduct its business in an efficient manner and maintain, preserve, and keep each single family residence acquired under this Agreement in reasonable repair, working order and condition. The County shall have the right, but not the obligation, to conduct inspections of such single family residences at reasonable times upon reasonable notice.

IX. RECORDKEEPING AND REPORTING

A. KCHA 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 acquisition, rehabilitation and operation of each single family residence, 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 KCHA's records at any time during the course of the rehabilitation and operation of any single family residence.

B. KCHA shall submit an annual report to King County's Planning and Community Development Division 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 KCHA, including KCHA'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. KCHA shall also submit additional reports which the County may from time to time reasonably require.

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X. NONDISCRIMINATION

A. <u>General</u>

1. During the performance of this Agreement, neither KCHA 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 handicap in employment or application for employment or in the administration or delivery of services or any other benefits under this Agreement.

KCHA 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. KCHA 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. KCHA 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 KCHA 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. KCHA 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 handicap 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. KCHA 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. KCHA 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 KCHA nor any party subcontracting under the authority of this Agreement shall engage in unfair employment practices as defined by King County Code, 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 K.C.C. 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 King County Code, 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 K.C.C. 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 KCHA fails to comply with King County Code Chapter 12.18, then KCHA shall be subject to the procedures and penalties set forth therein.

C. <u>Program and Services</u>

1. KCHA, 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 handicap 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 handicapped.

D. <u>Minority/Women's Businesses</u>

Unless waived, KCHA shall fully comply with the provisions of King County Code, Chapter 4.18 in conducting the acquisition of the eight single family residences described in this Agreement. Failure by KCHA to comply with any requirements of this Chapter shall be a breach of this Agreement.

E. <u>Subcontracts and Purchases</u>

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

XI. <u>ASSIGNMENT</u>

KCHA 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.

XII. <u>BREACH/DEFAULT</u>

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 KCHA 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 KCHA, KCHA 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 KCHA 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 KCHA under this Agreement, the County shall be entitled, upon notice, to liquidated damages as defined in Section XIII, 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.

XIII. LIQUIDATED DAMAGES.

Default of KCHA or any failure of KCHA 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 homeless families to the loss and damage of the County. Because it would be impracticable to fix the actual damages sustained in the event of such failure to perform, the County and KCHA, therefore, agree that in the event of KCHA's failure to perform, the damages incurred by the County shall be twenty percent of the appraised value of each and every single family residence affected by such default. The appraised value shall be determined at KCHA's expense by an appraiser satisfactory to the County ("a Market Value Appraisal"). County and KCHA agree that KCHA 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 KCHA. Such causes may include, but are not restricted to, 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 with regard to any single family residence affected by such default.

XIV. 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 King County Housing Authority at 15455 - 65th Avenue South, Seattle, WA 98188, or to the County at King County Planning and Community Development Division, 707 Smith Tower Building, 506 Second Avenue, Seattle, WA 98104, or at such other address as either party may designate to the other in writing from time to time.

XV. <u>GENERAL TERMS</u>

A. This Agreement shall be binding upon the parties hereto, their heirs, successors, and assigns.

B. KCHA hereby represents that the person signing below has full authority to execute this Agreement and to bind KCHA 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 C attached hereto and further attachments executed by the parties pursuant to Section III.C. herein, 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. KCHA 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.

KING COUNTY HOUSING AUTHORITY

KING COUNTY, WASHINGTON

ΒΥ_____

Its

DACHNENTS . VOUNETCA

BY

Tim Hill King County Executive

APPROVED AS TO FORM:

BY _

Deputy Prosecuting Attorney

5.

STATE OF WASHINGTON)) ss

COUNTY OF KING

On this _____ day of _____, 19___ before me the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared _____ to me known to be the

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of the ______ 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 _____

NOTARY PUBLIC in and for the State of Washington residing at

) ss

STATE OF WASHINGTON)

COUNTY OF KING

On this day personally appeared before me _______ 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 he signed the same as the free and voluntary act and deed of King County and that he was so authorized to sign.

GIVEN under my hand and official seal this _____ day of _____

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