

City Council Meeting Agenda October 13, 2025

In accordance with the Open Public Meetings Act (OPMA), the Vancouver City Council meeting will be open to in-person attendance. Options for viewing and/or participating in the meeting remotely will also be accommodated. The City Council will be attending this meeting in person.

All City Council workshops and meetings are broadcast ([live closed captioning available](#)), CVTV cable channels 23 / HD 323, and on the [City's Facebook page](#).

Public testimony will be accepted regarding any matter on the agenda below. Advance registration will be required.

Unless otherwise announced by the Presiding Officer, each speaker may testify once for up to three minutes under each public testimony opportunity below and will be asked to provide their name and city of residence for the record.

Testimony will be accepted in the following manner:

- **Written comments submitted in advance:** [Email comments to the City Council](#) until 12:00 p.m. October 13, 2025. Comments will be compiled and sent to the City Council and entered into the record.
- **In-person or remote testimony during the meeting:** Register in-person at City Hall. In-person registration is open until 6:30 p.m. on October 13, 2025. Instructions will be provided on-site. Register to testify online. Online registration is open until 12:00 p.m. on October 13, 2025.

Visit the [city's website](#) for more information and to register under Community Testimony or call the City Manager's Office at (360) 487-8600.

Further instructions for accessing the virtual meeting (for remote testimony) will be provided upon registration.

Upon request, printouts of agenda materials will be provided, including large print.

Workshops: 5:30-6:00 p.m.

Vancouver City Hall - Council Chambers - 415 W 6th Street, Vancouver WA

Wastewater Solids Renewal Program - Update and Recommendations (Approximately 30 minutes)

Frank Dick, Wastewater Treatment Program Manager, frank.dick@cityofvancouver.us

Council Dinner / Administrative Updates (6:00 - 6:30 PM)

Regular Council Meeting

6:30 PM

Vancouver City Hall - Council Chambers - 415 W 6th Street, Vancouver WA

Pledge of Allegiance

Call to Order and Roll Call

Approval of Minutes

Minutes - September 15, 2025

Minutes - September 22, 2025

Minutes - September 29, 2025

Minutes - October 6, 2025

Proclamations

Support Your Local Chamber of Commerce Day

Vancouver Shakeout

Indigenous Peoples' Day

Community Communication

This is the place on the agenda where the public is invited to speak to Council regarding any matter on the Agenda not already scheduled for Public Hearing. (Separate instructions are provided for offering testimony on Public Hearing when applicable.) This includes the option to testify about Workshops. Members of the public addressing Council are requested to give their name and city of residence for the audio record. Speakers are to limit their testimony to a total of three minutes for all items combined. RCW 42.17A.555 and City Council Policy 100-32 prohibit the use of public facilities to support or oppose any ballot measure, or to support or oppose any candidate for elective office. Any violation of these rules could result in a suspension of speaking privileges during public comment periods at City Council Meetings for 90 days or longer for multiple offenses.

Consent Agenda

The following items will be passed by a single motion to approve all listed actions and resolutions. There will be no discussion on these items unless requested by Council. If discussion is requested, the item will be moved from the Consent Agenda and considered separately – after the motion has been made and passed to approve the remaining items.

1. Bid Award – Agreement between the City of Vancouver and Tapani, Inc, for General Contractor Services for the Construction of the Bridge Shelter - ITB# 25-37

Staff Report: 206-25

Request: On Monday, October 13, 2025, award a construction contract for the Bridge Shelter Project to the lowest responsive bidder, Tapani Inc., of Battle Ground, WA, at the bid price of \$9,382,180.58, which includes Washington State Sales tax, and authorize the City Manager, or designee, to finalize and execute the contract and authorize any legal action necessary to enforce the terms of the same.

John Kearns, Capital Projects Project Manager, Kevin.Kearns@cityofvancouver.us

2. Bid Award - SE Columbia Way to Columbia River Treatments Retrofit Project - ITB - 25-29

Staff Report: 207-25

Request: On October 13th, 2025, award a construction contract for the SE Columbia Way to Columbia River Treatments Retrofit Project to the lowest responsive and responsible bidder, North Cascade Excavating, LLC, of Woodland, Washington, at the bid price of \$1,344,000, and authorize the City Manager, or designee, to finalize and execute the same.

Brandon Teetsel, Civil Engineer, Brandon.Teetsel@cityofvancouver.us

3. Contract Amendment – Encampment Cleanup and Biohazard Response Service – Rapid Response Bio Clean, Inc. - C-101504

Staff Report: 208-25

Request: On Monday, October 13, 2025, authorize the City Manager, or designee, to finalize and execute an amendment increasing the authorized not-to-exceed amount of the contract with Rapid Response Bio Clean, Inc from \$300,000 to \$900,000.

Brian Potter, Operations Superintendent, brian.potter@cityofvancouver.us

4. Approval of Claim Vouchers

Request: Approve claim vouchers for October 13, 2025.

Public Hearings

The following item(s) are scheduled for public hearing. Members of the public addressing Council are requested to give their name and city of residence for the audio record. Unless otherwise announced by the Presiding Officer, speakers are to limit their testimony to three minutes for each public hearing.

5. Extension of 2024 Interim Housing Ordinance

A ZONING ORDINANCE, amending and restating Ordinance M-4465 adopted by the City Council following a public hearing on October 14, 2024, relating to zoning for the City of Vancouver and Vancouver Municipal Code (VMC) Title 20; amending VMC 20.410, 20.810, 20.920, and 20.950 pursuant to RCW 36.70A.390; establishing additional findings of fact; establishing an immediate effective date and providing for severability.

Staff Report: 209-25

Request: On October 13, 2025, subject to public hearing, extend the October 2024 Interim Housing Ordinance to April 13, 2026.

Bryan Snodgrass, Principal Planner, bryan.snodgrass@cityofvancouver.us

6. Heights Site C Disposition and Development Agreement

A RESOLUTION relating to the approval of a disposition and development agreement between the City of Vancouver and Palindrome Heights Limited Partnership; establishing the terms and conditions under which the Heights District Site C lot will be developed and ground leased by the City to Palindrome Heights Limited Partnership; and authorizing the City Manager to execute

the disposition and development agreement.

Staff Report: 202-25

Request: On Monday, October 13, 2025, upon second reading and a public hearing, finalize and approve the resolution approving the Disposition and Development Agreement (DDA) between the City of Vancouver and Palindrome Heights Limited Partnership (DDA), and authorize the City Manager, or designee, to execute the agreement, related implementation documents and certain amendments to the DDA.

Amy Stewart, Real Estate Project Manager, Patrick Quinton, Economic Development Director, amy.stewart@cityofvancouver.us, patrick.quinton@cityofvancouver.us

7. Heights Site P Family Building Disposition and Development Agreement

A RESOLUTION relating to the approval of a disposition and development agreement between the City of Vancouver and Vancouver Heights Family Development Co., LLC; establishing the terms and conditions under which the Heights District Site P lot will be developed and ground leased by the City to Vancouver Heights Family Development Co., LLC; and authorizing the City Manager to execute the disposition and development agreement.

Staff Report: 203-25

Request: On Monday, October 13, 2025, upon second reading and a public hearing, finalize and approve the resolution to adopt the resolution approving the Disposition and Development Agreement between the City of Vancouver and Vancouver Heights Family Development Co., LLC (DDA), and authorize the City Manager, or designee, to execute the agreement in its substantive form, related implementation documents and certain amendments to the DDA.

Amy Stewart, Real Estate Project Manager, Patrick Quinton, Economic Development Director, amy.stewart@cityofvancouver.us, patrick.quinton@cityofvancouver.us

8. Amended and Restated Condemnation Ordinance

AN AMENDED AND RESTATED ORDINANCE in the public interest relating to construction for the public use of transportation and streets and sidewalks; declaring the public necessity for and providing for the acquisition by the City of Vancouver by eminent domain of certain property and a temporary construction easement, located in the City limits at 5300 MacArthur Boulevard and described herein, required to construct such public street improvements and related facilities within the City of Vancouver, Washington; taking final action to authorize condemnation of such property; authorizing the City Attorney to prosecute eminent domain proceedings and to stipulate in mitigation of damages; providing for payment of just compensation in exchange for such property; and providing for an immediate effective date.

Staff Report: 204-25

Request: On Monday, October 13, 2025, upon second reading and a public hearing, finalize and approve the ordinance.

Ryan Lopossa, Streets and Transportation Manager, Amy Stewart, Real Estate Project Manager, Hassan Abdalla, Engineering Manager,

ryan.lopossa@cityofvancouver.us, amy.stewart@cityofvancouver.us,
hassan.abdalla@cityofvancouver.us

Old Business

Update on Ethics Investigation

Communications

- A. From the Council**
- B. From the Mayor**
- C. From the City Manager**

Adjournment

City Hall is served by C-TRAN. Route information and schedules are available online at www.c-tran.com. You also may reach C-TRAN at (360) 695-0123 for more information on times, fares, and routes.

Anyone needing language interpretation services or accommodations with a disability at a Vancouver City Council meeting may contact the City Manager's staff at (360) 487-8600 (RELAY: 711). Assistive listening devices and live Closed Captioning are available for the deaf, hard of hearing and general public use. Please notify a staff person if you wish to use one of the devices. Every attempt at reasonable accommodation will be made. To request this agenda in another format, please also contact the phone numbers listed above.

Vancouver Wastewater Solids Renewal Program

Frank Dick

Wastewater Treatment Program Manager,
Public Works



Samantha Salvia

Senior Project Manager,
Brown and Caldwell

October 13, 2025

Agenda



Background



**Resource
Recovery
Pathway**



**Implementation
Planning**



Discussion



Objective

Seek Council's continued concurrence on replacing incineration with pathway of resource recovery that maximizes the quality of recovered resources, is cost-effective, and aligns with the City's values.



Program Vision

Recover and reuse resources for the benefit of the community and the environment through a sustainable solids program that advances the City's Climate Action Framework and the City's commitments to equity, stewardship, resilience, and community safety.

Vancouver's Wastewater Treatment Facilities



**Existing
Incinerator**

Westside

Solids Piped

Marine Park

From Waste Disposal to Stewardship of Resources

Existing



Incineration



Landfilling



Future



Renewable
Energy



Biosolids



Digestion Produces Two End Products

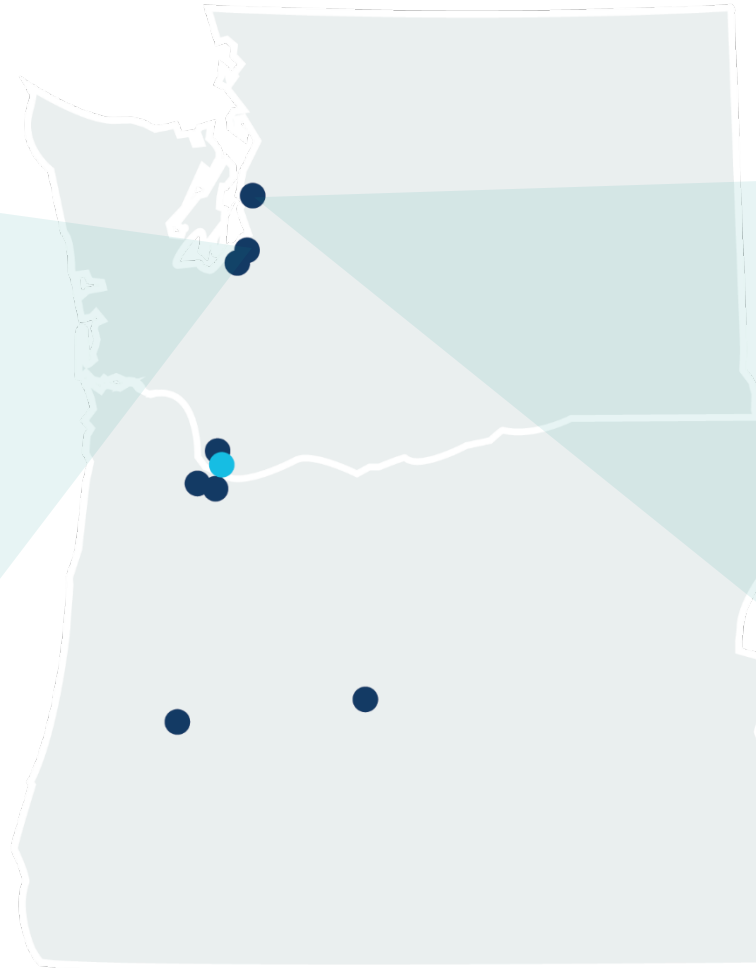
- Biosolids and Renewable Energy

Vancouver's Neighbors Run Successful Programs

City will benefit from their lessons learned



8 | Vancouver Wastewater Solids Renewal Program



There are three biogas utilization options

- On-site Use
- Pipeline Injection
- Vehicle Fuel





*Clean Water
Service's Durham
plant FOG receiving*

Organics Receiving Will Boost Energy Production

- FOG = Fats, Oils, and Grease
- Valuable service to food establishments
- FOG fact: One truck of FOG →
fuel for 150 cars!

Community Benefits

- Stewards public resources with energy and nutrient recovery
- Advances City climate goals
- Offset operational expenses

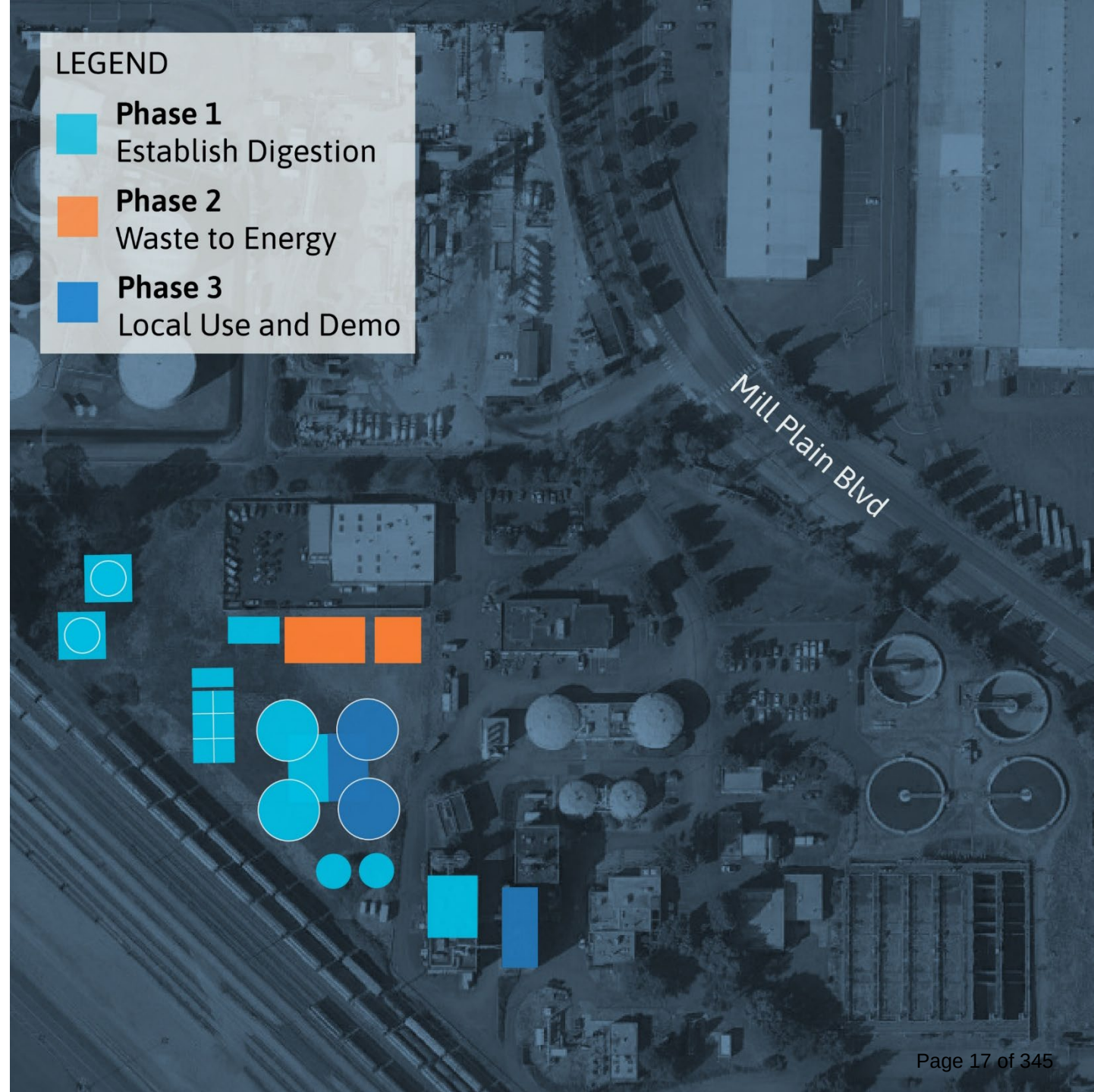


Program Phasing

- Spread the capital spend
- Gain experience with O&M
- Time to establish local use
- Mitigate risk with incinerator

LEGEND

-  **Phase 1**
Establish Digestion
-  **Phase 2**
Waste to Energy
-  **Phase 3**
Local Use and Demo



Wastewater Solids Renewal Program Timeline



Project will bring a new facility online around 2032 as the incinerator reaches end of useful life.



Next Steps

- Design
- Engineering Report with Ecology approval
- Delivery Methods (e.g. GCCM)
- Community Engagement
- Optimize Financing
- Program Management
- Align with Climate Action Framework

Discussion



DATE: October 13, 2025

TO: Mayor and City Council

FROM: Lon Pluckhahn, City Manager

RE: WASTEWATER SOLIDS RENEWAL PROGRAM WORKSHOP

Objective

Seek Council's continued concurrence on replacing the wastewater solids incinerator with a digestion treatment facility that recovers nutrients and energy, is cost effective, and aligns with the City's values. Staff and their consultant have further evaluated technologies and continue to favor a resource recovery program over replacement of the incinerator.

Previous Council Workshops

September 2023 – Introduction to Wastewater Solids Renewal Program (Program) with Council input on prioritizing Program values

June 2024 – Council's concurrence on the recommended pathway of resource recovery for wastewater solids

Introduction

In June 2024, Council concurred with staff's recommendation to transition its management of wastewater solids at Westside Wastewater Treatment Facility from incineration to resource recovery as the incinerator reaches the end of its useful life. This shift from waste disposal to recovery of energy and nutrient resources aligns with City's vision of resource stewardship and its goals to reduce greenhouse gas emissions associated with City operations. Over the past year, staff and their consultant team have evaluated technologies for resource recovery consistent with Council's direction. The results of the details evaluated are supportive of the Program transition described to council in 2024. This workshop will provide an update on the process of evaluating pathways and on the plan to implement the Program.

What is the proposed Program pathway?

The proposed Program pathway is replacing the incineration system with advanced anaerobic digestion to produce two renewable outputs for beneficial uses: (1) biogas that can be converted to renewable natural gas, and (2) high quality biosolids that can be used as soil fertilizer. Anaerobic digestion is a biological process that takes place in enclosed tanks at a temperature like the human stomach, where microorganisms break down organic material in the absence of oxygen. The team has also evaluated intake of other organic wastes into digesters – specifically fats, oils, and grease (FOG) waste collected from local restaurants and cafeterias - to boost biogas production.

Large and medium-sized utilities throughout the Pacific Northwest and the U.S. have implemented similar resource recovery programs. City staff will apply lessons learned from decades of other utilities'

experiences. The Program anticipates technology application and finance options to achieve successful, cost-effective operation for current and future generations.

Why resource recovery?

Resource recovery is the preferred Program for managing wastewater solids because it:

- Recovers energy and nutrients for beneficial use within our community and region
- Has comparable overall costs to replacing the incinerator and offsets operational cost by producing renewable energy
- Enhances eligibility for partnerships and funding opportunities
- Supports the City's climate goals by lowering greenhouse gas emissions

How can biogas be used?

The new facility will produce biogas immediately upon system startup. Biogas can be used onsite for heating buildings, upgraded to a quality suitable for use in City fleet vehicles, or sold and injected into a utility gas pipeline as renewable natural gas. The Program will produce more energy than needed to run on-site wastewater processes and facilities. Public Works is coordinating with the City's climate team to evaluate the best use of biogas to achieve climate goals.

How can biosolids be used?

The proposed advanced digestion process will produce a high-quality organic material that can be directly applied as a soil amendment on agricultural land, or can be blended into a landscaping topsoil product for local use. Local peer utilities have programs with these elements with differing biosolids management options. Some utilities staff these programs themselves, while others partner or contract for trucking, land application, or soil blending.

Managing the program's risks

Biosolids management programs are complex and present unique challenges while planning for investments. Risks will be addressed in design, construction, and implementation phases of the Program. Staff are keenly aware of these uncertainties, which include:

- Land availability and regulatory developments: Ongoing federal and state evaluations of contaminants of emerging concern (CECs), including PFAS, in biosolids may result in guidance or additional regulations for land application in the future. Staff are monitoring field availability, farmer acceptance, research, and policy developments in Washington and the Pacific Northwest.
- Funding options: Availability of federal and state funding for wastewater infrastructure and renewable energy projects is dependent upon government and private sector policies and appropriations, which will evolve over the course of Program development.
- Markets for renewable energy: Market prices of renewable energy are dynamic and fluctuate. Strategies to dampen the City's risks in the renewables market space are being further studied by staff that will inform decisions.

The implementation plan and phasing investments will manage risks

Staff and their consultant team are preparing an implementation plan that includes a core project with digestion with a transition period to maximize operation of the incinerator through its remaining useful life.

Strategic phasing of the Program provides time to address potential regulatory changes, allows staff to build expertise with new treatment processes and navigate operational complexities gradually, including potential transitions to local use of Class A biosolids. It also gives City leadership and Council the opportunity to make informed decisions over time based on Vancouver-specific experience.

What are the costs?

The selected pathway was evaluated alongside alternatives ranging in cost from \$200M to \$300M. Planning level cost estimates are considered accurate within -50% to +100%. Staff are evaluating how to best phase this investment and identify outside funding sources.

The operational costs and revenue offsets were considered. An example of added costs would be the City’s investment in an additional facility to further blend the biosolids to create a marketable landscaping product for local use. This investment increases costs in capital and ongoing equipment and staffing.

Program costs are included in the Capital Improvement Program and is compatible with rate model projections for sewer rates as bonding is considered for financing strategy.

What are future decisions?

The successful implementation of the City’s resource recovery Program, including FOG receiving, renewable energy, and high quality biosolids, will require coordination of staffing, systems, and strategic partnerships. Future decisions for the Program include the best use of biogas and the type of biosolids program to implement in balancing benefits and costs.

What are next steps?

The long-term Program schedule is shown in Figure 1. Upon completion of the Program planning report, City staff and their consultant will re-engage with Washington Department of Ecology and prepare a preliminary design report (Engineering Report) for Ecology staff review and approval. Engagement efforts within the City and nearby communities will proceed through the design period. The timeline brings the first phase of a new digestion facility into operation around 2032 as the current incinerator reaches the end of its useful life.



Figure 1 The multi-year Program will bring the first phase of a new facility online around 2033.

Staff will bring updates to Council as the Program proceeds.
Staff Contact: Frank Dick, Wastewater Treatment Engineering Manager
360-487-7179 | frank.dick@cityofvancouver.us

September 15, 2025

Workshops: 4:00 - 6:00 p.m.

Vancouver City Hall - Council Chambers - 415 W 6th Street, Vancouver WA

The City Council Meeting was held on 9/15/2025 at 4:00 PM in the Vancouver City Hall, Council Chambers 415 West 6th Street, Vancouver, WA 98660.

Workshops were conducted in person in the Council Chambers of City Hall. Members of the public were invited to view the meeting in person, via the live broadcast on www.cvtv.org and CVTV cable channels 23 or HD 323, or on the City's Facebook page, or www.facebook.com/VancouverUS.

View the CVTV video recording, including presentations and discussion, for workshops at: <https://www.cvtv.org/video/city-council-workshops-09-15-25-2025091014/>

Heights District Request for Proposal Developer Selection

(Approximately 45 minutes)

Amy Stewart, Real Estate Project Manager, Patrick Quinton, Economic Development Director, amy.stewart@cityofvancouver.us,
patrick.quinton@cityofvancouver.us

Staff led Council through a discussion of the Heights District Request for Proposal Developer Selection.

Comprehensive Plan Update

(Approximately 45 minutes, to immediately follow the previous workshop)

Rebecca Kennedy, Deputy Community Development Director,
rebecca.kennedy@cityofvancouver.us

Staff led Council through a discussion of the Comprehensive Plan Update.

Water Center Exhibit Replacement Design Plan

(Approximately 30 minutes, to immediately follow the previous workshop)

Kristin Smith, Water Resources Supervisor, Kristin.Smith@cityofvancouver.us

Staff led Council through a discussion of the Water Center Exhibit Replacement Design Plan.

Council Dinner / Administrative Updates (6:00 - 6:30 PM)

Regular Council Meeting

6:30 PM

Vancouver City Hall - Council Chambers - 415 W 6th Street, Vancouver WA

This meeting was conducted as a hybrid meeting with in person and remote viewing and participation over video conference utilizing a GoToMeeting platform. Members of the public were invited to view the meeting in person, via the live broadcast on www.cvtv.org and CVTV cable channels 23 or HD 323, or on the City's Facebook page, www.facebook.com/VancouverUS. Public access and testimony on Consent Agenda items and under the Community Forum were also facilitated in person and via the GoToMeeting conference call.

Vancouver City Council meeting minutes are a record of the action taken by Council. To view the CVTV video recording, including presentations, testimony and discussion, for this meeting please visit: <https://www.cvtv.org/video/vancouver-city-council-09-15-25-2025091015/>

Electronic audio recording of City Council meetings are kept on file in the office of the City Clerk for a period of six years.

Pledge of Allegiance

Call to Order and Roll Call

The regular meeting of the Vancouver City Council was called to order at 6:30 p.m. by Mayor McEnery-Ogle. This meeting was conducted as a hybrid meeting, including both in person and remotely over video conference.

Present: Councilmember Harless, Councilmember Perez, Councilmember Fox, Councilmember Paulsen, Councilmember Stober, Councilmember Hansen, Mayor McEnery-Ogle

Absent: None

Approval of Minutes

Minutes - August 18, 2025

Motion by Councilmember Fox, seconded by Councilmember Hansen, and Yes: 7, No: 0, Abstaining: 0, to approve the Meeting Minutes for August 18, 2025.

Minutes - August 25, 2025

Motion by Councilmember Fox, seconded by Councilmember Stober, and Yes: 6, No: 0, Abstaining: 1, to approve the Meeting Minutes for August 25, 2025. Councilmember Paulsen abstained from the vote.

Minutes - September 8, 2025

Councilmember Fox asked for a correction to change two actions with Mayor McEnerny-Ogle's name to Mayor Pro Tem Paulsen's name in the Meeting Minutes.

Motion by Councilmember Fox, seconded by Councilmember Perez, and Yes: 6, No: 0, Abstaining: 1, to approve the Meeting Minutes for September 8, 2025, with the requested corrections. Mayor McEnerny-Ogle abstained from the vote.

Proclamations

National Preparedness Month

Mayor McEnerny-Ogle read and presented a proclamation to Scott Johnson, Emergency Management Division Manager of CRESA, proclaiming September 2025, as National Preparedness Month.

Hispanic Heritage Month

Mayor McEnerny-Ogle read and presented a proclamation to Kimberly Quiroz, Senior Business Developer for the Hispanic Metro Chamber, and Eric Estrada, Senior Permit Specialist of City of Vancouver, proclaiming September 15 through October 15, 2025, as Hispanic Heritage Month.

Week Without Driving

Mayor McEnerny-Ogle read and presented a proclamation to Gerina Hatch, Mobility Manager of Community in Motion, Jeananne Edwards, Vice Chair of the Transportation Mobility Commission and member of Community in Motion, proclaiming September 29 through October 5, 2025, as Week Without Driving.

Community Communication

This is the place on the agenda where the public is invited to speak to Council regarding any matter on the Agenda not already scheduled for Public Hearing. (Separate instructions are provided for offering testimony on Public Hearing when applicable.) This includes the option to testify about Workshops. Members of the public addressing Council are requested to give their name and city of residence for the audio record. Speakers are to limit their testimony to a total of three minutes for all items

combined. RCW 42.17A.555 and City Council Policy 100-32 prohibit the use of public facilities to support or oppose any ballot measure, or to support or oppose any candidate for elective office. Any violation of these rules could result in a suspension of speaking privileges during public comment periods at City Council Meetings for 90 days or longer for multiple offenses.

Mayor McEnerny-Ogle opened Community Communication and received testimony from the following community members regarding any matter on the agenda not scheduled for a Public Hearing:

- *Carmen DeLeon, Vancouver*
- *Kimberlee Goheen Elbon, La Center, WA*

Carmen DeLeon received a warning for disruptive conduct interfering with Council business, per City Council Policy 100-32, Section 10.14.5.

There being no further testimony, Mayor McEnerny-Ogle closed Community Communication.

Consent Agenda

The following items will be passed by a single motion to approve all listed actions and resolutions. There will be no discussion on these items unless requested by Council. If discussion is requested, the item will be moved from the Consent Agenda and considered separately – after the motion has been made and passed to approve the remaining items.

Council pulled items 3 and 4 for discussion.

Motion by Councilmember Hansen, seconded by Councilmember Stober, and Yes: 7, No: 0, Abstaining: 0, to approve Items 1-2 and 5-6 on the Consent Agenda.

Motion by Councilmember Fox, seconded by Councilmember Harless, and Yes: 7, No: 0, Abstaining: 0, to approve Item 3 on the Consent Agenda.

Motion by Councilmember Stober, seconded by Councilmember Paulsen, and Yes: 7, No: 0, Abstaining: 0, to approve Item 4 on the Consent Agenda.

1. Agreement Amendment - New Public Works Operations Campus Skanska Amendment #1

Staff Report: 186-25

Request: On Monday, September 15, 2025, authorize the City Manager, or designee, to authorize the execution of contract amendment #1 with

Skanska USA Building Inc. of Portland, OR for Maximum Allowable Construction Cost (MACC) #1 in the amount of \$6,298,470.

Jean Singer, Capital Projects Manager, jean.singer@cityofvancouver.us

Motion approved the request.

2. Software Services Agreement — Online Rental Registration System Award - Request for Proposal 46-25

Staff Report: 187-25

Request: On Monday, September 15, 2025, authorize the City Manager, or designee, to execute a software services agreement between the City of Vancouver and OpportunitySpace, Inc., d.b.a. Tolemi, for an estimated amount not to exceed \$538,000 over 5 years to implement and manage the Tolemi rental registration system; authorize the City Manager to take any legal action necessary to enforce the terms of the same.

Samantha Whitley, Housing Programs Manager,
samantha.whitley@cityofvancouver.us

Motion approved the request.

3. 2026 Affordable Housing Fund Homeownership Funding Award

A RESOLUTION relating to low-income housing; providing for adoption of 2026 funding awards for the Affordable Housing Fund and authorizing the City Manager to execute agreements and other related documents on behalf of the City of Vancouver consistent with Affordable Housing Fund 2026 Council-approved funding awards.

Staff Report: 188-25

Request: On Monday, September 15, 2025, finalize and approve the resolution relating to affordable housing; providing for adoption of 2026 funding awards for the Affordable Housing Fund and authorizing the City Manager to execute agreements and other related documents on behalf of the City of Vancouver consistent with Affordable Housing Fund 2026 Council-approved funding awards.

Ian Alger, Housing Project Planner, Ian.Alger@cityofvancouver.us

Motion adopted Resolution M-4351 to approve the request.

4. Vancouver Cultural Access Program Policy

A RESOLUTION adopting the Cultural Access Plan developed by the Culture, Arts & Heritage Commission to implement the Vancouver Cultural Access Program pursuant to chapter 3.45 VMC.

Staff Report: 189-25

Request: On Monday, September 15, 2025, authorize the City Manager, or designee, to adopt the Vancouver Cultural Access Program Policy by resolution pursuant to VMC 3.45.050(C).

Stacey Donovan, Cultural Services Manager,
stacey.donovan@cityofvancouver.us

Motion adopted Resolution M-4352 to approve the request.

5. Proposed Condemnation Ordinance - Assessor's Parcel No. 92002-464

AN ORDINANCE in the public interest relating to construction for the public use of streets, sidewalks, and related improvements; declaring the public necessity for and providing for the acquisition by the City of Vancouver by eminent domain of real property located in the City limits on the northwest corner of the intersection of SE 176th Avenue and SE 29th Street; taking final action to authorize condemnation of the Property; authorizing the City Attorney to prosecute eminent domain proceedings and to negotiate a resolution if possible to mitigate damages; providing for payment of just compensation in exchange for the Property; and providing for an immediate effective date.

Staff Report: 190-25

Request: On Monday, September 15, 2025, advance the ordinance, authorizing the use of statutory condemnation powers relating to Assessor's Parcel No. 92002-464, setting the date for the second reading and public hearing for September 22, 2025, and authorize the City Attorney to initiate eminent domain proceedings in compliance with the proposed Ordinance.

Ryan Lopossa, Streets and Transportation Manager, Cary Driskell,
Assistant City Attorney, ryan.lopossa@cityofvancouver.us,
cary.driskell@cityofvancouver.us

Mayor McEnerny-Ogle read the title of the ordinance into the record.

Motion approved the request.

6. Approval of Claim Vouchers

Request: Approve claim vouchers for September 15, 2025.

Motion approved claim vouchers in the amount of \$5,304,258.04.

Public Hearings

The following item(s) are scheduled for public hearing. Members of the public addressing Council are requested to give their name and city of residence for the audio record. Unless otherwise announced by the Presiding Officer, speakers are to limit their testimony to three minutes for each public hearing.

7. 2024 Housing and Urban Development Consolidated Annual Performance and Evaluation Report

Staff Report: 191-25

Request: On Monday, September 15, 2025, following a public hearing, approve the 2024 CAPER for submission to Housing and Urban Development.

Samantha Whitley, Housing Programs Manager,
samantha.whitley@cityofvancouver.us

Samantha Whitley, Housing Programs Manager, provided an overview of the 2024 Housing and Urban Development Consolidated Annual Performance and Evaluation Report.

Council discussed the item briefly with staff.

Mayor McEnerny-Ogle opened the public hearing and received testimony from the following community members:

- *Carmen DeLeon, Vancouver*
- *Kimberlee Goheen Elbon, La Center, WA*

There being no further testimony, Mayor McEnerny-Ogle closed the public hearing.

Motion by Councilmember Perez, seconded by Councilmember Harless, and Yes: 7, No: 0, Abstaining: 0, to approve the 2024 CAPER for submission to Housing and Urban Development.

8. Vancouver Cultural Access Program

AN ORDINANCE related to changes to the City's Cultural Access Program Ordinance, amending VMC 3.45.050 to reflect a change to the percentage allocated to start-up program costs and the public school cultural access program.

Staff Report: 185-25

Request: On Monday, September 15, 2025, upon second reading and a public hearing, finalize and approve the ordinance.

Stacey Donovan, Cultural Services Manager, David Perlick, Director of Parks, Recreation and Cultural Services,
stacey.donovan@cityofvancouver.us, david.perlick@cityofvancouver.us

Stacey Donovan, Cultural Services Manager, David Perlick, Director of Parks, Recreation and Cultural Services, provided an overview of the Vancouver Cultural Access Program.

Council discussed the item briefly with staff.

Mayor McEnerny-Ogle opened the public hearing and received testimony from the following community members:

- *Michelle Tan, Vancouver*
- *Brad Richardson, Camas, WA*
- *Kimberlee Goheen Elbon, La Center, WA*
- *Carmen DeLeon, Vancouver*

There being no further testimony, Mayor McEnerny-Ogle closed the public hearing.

Motion by Councilmember Perez, seconded by Councilmember Fox, and Yes: 7, No: 0, Abstaining: 0, to approve Ordinance M-4515.

Communications

A. From the Council

B. From the Mayor

C. From the City Manager

Adjournment

8:11 p.m.

Anne McEnerny-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

The written comments below are those of the submitter alone and are not representative of the views of CVTV or the City of Vancouver, its elected or appointed officials, or its employees.



City Council Meeting Minutes

Vancouver City Hall | Council Chambers | 415 W. 6th St.
PO Box 1995 | Vancouver, WA 98668-1995
cityofvancouver.us

Anne McEnerny-Ogle, Mayor • Bart Hansen • Ty Stober • Erik Paulsen • Sarah J. Fox • Diana H. Perez • Kim D. Harless

September 22, 2025

Council Dinner / Executive Session Re: Real Estate Negotiations RCW 42.30.110(1)(c) (45 minutes, 5:45-6:30 p.m.)

Mayor McEnerny-Ogle announced the Council would be entering into executive session from 5:45-6:30 p.m. to discuss Real Estate Negotiations.

Regular Council Meeting

6:30 PM

Vancouver City Hall - Council Chambers - 415 W 6th Street, Vancouver WA

This meeting was conducted as a hybrid meeting with in person and remote viewing and participation over video conference utilizing a GoToMeeting platform. Members of the public were invited to view the meeting in person, via the live broadcast on www.cvtv.org and CVTV cable channels 23 or HD 323, or on the City's Facebook page, www.facebook.com/VancouverUS. Public access and testimony on Consent Agenda items and under the Community Forum were also facilitated in person and via the GoToMeeting conference call.

Vancouver City Council meeting minutes are a record of the action taken by Council. To view the CVTV video recording, including presentations, testimony and discussion, for this meeting please visit: <https://www.cvtv.org/video/vancouver-city-council-09-22-25-2025091021/>

Electronic audio recording of City Council meetings are kept on file in the office of the City Clerk for a period of six years.

Pledge of Allegiance

Call to Order and Roll Call

The regular meeting of the Vancouver City Council was called to order at 6:30 p.m. by Mayor McEnerny-Ogle. This meeting was conducted as a hybrid meeting, including both in person and remotely over video conference.

Present: Councilmember Harless, Councilmember Perez, Councilmember Paulsen,

Councilmember Stober, Councilmember Hansen, Mayor McEnerny-Ogle

Absent: *Councilmember Fox*

Motion by Councilmember Paulsen, seconded by Councilmember Stober, and Yes: 6, No: 0, Abstaining: 0, to excuse Councilmember Fox from the meeting. Absent from vote: Councilmember Fox.

Proclamations

Deaf Awareness Week

Mayor McEnerny-Ogle read and presented a proclamation to Kelly Souhrada, ASL Specialist for the Washington School for the Deaf, and students from Washington School for the Deaf, proclaiming September 20–26, 2025, as International Week of Deaf People.

Good Neighbor Week

Mayor McEnerny-Ogle read and presented a proclamation to Koko Olszewski, Neighborhood Program Director for the City of Vancouver, and Vancouver Neighborhood Alliance Board Members, Margaret Milhem, Brandi O'Shea, Jamie Allen, and Douglas Wood, proclaiming September 28–October 5, 2025, as Good Neighbor Week.

National Day of Remembrance for Murdered Victims

Mayor McEnerny-Ogle read and presented a proclamation to Michelle Bart, President and Founder of the National Women's Coalition Against Violence and Exploitation, and Karen Morrison, Founder and Executive Director of Odyssey World International, proclaiming September 25, 2025, as National Day of Remembrance for Homicide Victims.

Community Communication

This is the place on the agenda where the public is invited to speak to Council regarding any matter on the Agenda not already scheduled for Public Hearing. (Separate instructions are provided for offering testimony on Public Hearing when applicable.) This includes the option to testify about Workshops. Members of the public addressing Council are requested to give their name and city of residence for the audio record. Speakers are to limit their testimony to a total of three minutes for all items combined. RCW 42.17A.555 and City Council Policy 100-32 prohibit the use of public facilities to support or oppose any ballot measure, or to support or oppose any candidate for elective office. Any violation of these rules could result in a suspension of speaking privileges during public comment periods at City Council Meetings for 90 days or longer for multiple offenses.

Mayor McEnerny-Ogle opened Community Communication and received testimony from the following community members regarding any matter on the agenda not scheduled for a Public Hearing:

- *Carmen DeLeon, Vancouver*
- *Kimberlee Goheen Elbon, La Center, WA*

There being no further testimony, Mayor McEnerny-Ogle closed Community Communication.

Consent Agenda

The following items will be passed by a single motion to approve all listed actions and resolutions. There will be no discussion on these items unless requested by Council. If discussion is requested, the item will be moved from the Consent Agenda and considered separately – after the motion has been made and passed to approve the remaining items.

Motion by Councilmember Paulsen, seconded by Councilmember Perez, and Yes: 6, No: 0, Abstaining: 0, to approve Items 1-5 on the Consent Agenda. Absent from vote: Councilmember Fox.

1. Contract Amendment – Outsiders Inn to Increase Budget for Safe Stay Communities 1 & 3 – C-100727

Staff Report: 192-25

Request: On Monday, September 22, 2025, authorize the City Manager, or designee, to execute a contract amendment for delivery of supportive services and site management at city-sanctioned Safe Stay Communities #1 and #3.

Kimbra Ledbetter, Financial Analyst, Jamie Spinelli, Homeless Response Manager, Kimbra.Ledbetter@cityofvancouver.us, jamie.spinelli@cityofvancouver.us

Motion approved the request.

2. Contract Award - Cascade Fire Equipment Corp for Purchasing and Customizing Fire Engines/Pumpers - C-102045

Staff Report: 193-25

Request: On Monday, September 22, 2025, authorize the City Manager, or designee, to finalize and execute a contract for up to \$7,000,000 with

Cascade Fire Equipment Corp to purchase and customize fire engines and pumpers.

Jacob Mahan, Senior Management Analyst,
jacob.mahan@cityofvancouver.us

Motion approved the request.

3. Professional Services Agreement — Universal Protection Service, LP Security Services

Staff Report: 194-25

Request: On Monday, September 22, 2025, authorize the City Manager, or designee, to finalize and execute a professional services agreement between the City of Vancouver and Universal Protection Service, LP (dba Allied Universal Security) for an estimated amount not to exceed \$3,000,000 for the life of the contract.

Anna Vogel, Procurement Manager, anna.vogel@cityofvancouver.us

Motion approved the request.

4. Interlocal Agreement - City of Vancouver and Association of Washington Cities Benefits Pool

A RESOLUTION adopting the Interlocal Agreement to enter the Association of Washington Cities Employee Benefit Trust Health Care Program as required by Ch. 48.62 RCW and WAC 200-110-030.

Staff Report: 195-25

Request: On Monday, September 22, 2025, by Resolution approve the Interlocal Agreement for the City to join the Association of Washington Cities (AWC) Benefits Pool for provision of certain healthcare and healthcare-related benefits.

Antoinette Gasbarre, Human Resources Director,
Antoinette.Gasbarre@cityofvancouver.us

Motion adopted Resolution M-4353 to approve the request.

5. Approval of Claim Vouchers

Request: Approve claim vouchers for September 22, 2025.

Motion approved claim vouchers in the amount of \$14,245,986.02.

Public Hearings

The following item(s) are scheduled for public hearing. Members of the public addressing Council are requested to give their name and city of residence for the audio record. Unless otherwise announced by the Presiding Officer, speakers are to limit their testimony to three minutes for each public hearing.

6. Proposed Condemnation Ordinance - Assessor's Parcel No. 92002-464

AN ORDINANCE in the public interest relating to construction for the public use of streets, sidewalks, and related improvements; declaring the public necessity for and providing for the acquisition by the City of Vancouver by eminent domain of real property located in the City limits on the northwest corner of the intersection of SE 176th Avenue and SE 29th Street; taking final action to authorize condemnation of the Property; authorizing the City Attorney to prosecute eminent domain proceedings and to negotiate a resolution if possible to mitigate damages; providing for payment of just compensation in exchange for the Property; and providing for an immediate effective date.

Staff Report: 190-25

Request: On Monday, September 22, 2025, upon second reading and a public hearing, finalize and approve the ordinance, authorizing the use of statutory condemnation powers relating to Assessor's Parcel No. 92002-464, and authorize the City Attorney to initiate eminent domain proceedings in compliance with the proposed Ordinance.

Ryan Lopossa, Streets and Transportation Manager, Cary Driskell, Assistant City Attorney, ryan.lopossa@cityofvancouver.us, cary.driskell@cityofvancouver.us

Ryan Lopossa, Streets and Transportation Manager, Cary Driskell, Assistant City Attorney, provided an overview of the Proposed Condemnation Ordinance - Assessor's Parcel No. 92002-464.

Council discussed the item briefly with staff.

Mayor McEnerny-Ogle opened the public hearing and received testimony from the following community members:

- *Carmen DeLeon, Vancouver*
- *Kimberlee Goheen Elbon, La Center, WA*

There being no further testimony, Mayor McEnerny-Ogle closed the public hearing.

Motion by Councilmember Stober, seconded by Councilmember Harless, and

Yes: 6, No: 0, Abstaining: 0, to approve Ordinance M-4516. Absent from vote: Councilmember Fox.

Communications

A. From the Council

B. From the Mayor

C. From the City Manager

Homeless Situation Report

Jamie Spinelli, Homeless Response Manager, discussed the Homeless Situation Report.

Adjournment

7:36 p.m.

Anne McEnerny-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

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City Council Meeting Minutes

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Anne McEnery-Ogle, Mayor • Bart Hansen • Ty Stober • Erik Paulsen • Sarah J. Fox • Diana H. Perez • Kim D. Harless

September 29, 2025

Council Dinner / Administrative Updates (6:00 - 6:30 PM)

Community Forum (6:30 - 8:00 p.m.)

6:30 PM

ESD 112 Conference Center, 2500 NE 65th Ave, Vancouver, WA

This is the place on the agenda where the public is invited to speak to Council regarding any matter. Members of the public addressing Council are requested to give their name and city of residence for the record. Speakers are to limit their testimony to a total of three minutes. Up to 90 minutes will be allotted for the Community Forum.

The September 29, 2025, City Council Community Forum was held at ESD 112 Conference Center from 6:30 p.m. to 8:00 p.m.

The Community Forum of the Vancouver City Council was called to order at 6:30 p.m. by Mayor McEnery-Ogle. This meeting was conducted in person.

Present: Councilmember Perez, Councilmember Hansen, Mayor McEnery-Ogle

Absent: Councilmember Harless, Councilmember Fox, Councilmember Paulsen, Councilmember Stober

During the Community Forum, the following action was taken. Discussion with community members on any topic(s) related to City business.

[Public Notice](#)

Anne McEnery-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

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October 6, 2025

Workshops: 4:00 - 6:00 p.m.

Vancouver City Hall - Council Chambers - 415 W 6th Street, Vancouver WA

The City Council Meeting was held on 10/6/2025 at 4:00 PM in the Vancouver City Hall, Council Chambers 415 West 6th Street, Vancouver, WA 98660.

Workshops were conducted in person in the Council Chambers of City Hall. Members of the public were invited to view the meeting in person, via the live broadcast on www.cvtv.org and CVTV cable channels 23 or HD 323, or on the City's Facebook page, or www.facebook.com/VancouverUS.

View the CVTV video recording, including presentations and discussion, for workshops at: <https://www.cvtv.org/video/city-council-workshops-10-06-25-2025101000/>

Vancouver Municipal Code 14.26 Critical Aquifer Recharge Areas Update
(Approximately 30 minutes)

Mehrin Selimgir, Water Engineering Manager, Kris Olinger, Utility Engineering Program Manager, Mehrin.Selimgir@cityofvancouver.us,
kris.olinger@cityofvancouver.us

Staff led Council through a discussion of the Vancouver Municipal Code 14.26 Critical Aquifer Recharge Areas Update.

Councilmember Fox was absent from the workshop.
Councilmembers Hansen and Harless were late to the workshop.

Small Business Programs Update
(Approximately 45 minutes, to immediately follow the previous workshop)

Chris Harder, Deputy Economic Development Director,
chris.harder@cityofvancouver.us

Staff led Council through a discussion of the Small Business Programs Update.

Councilmember Fox was absent from the workshop.

State Legislative Agenda

(Approximately 45 minutes, to immediately follow the previous workshop)

Aaron Lande, Assistant City Manager, aaron.lande@cityofvancouver.us

Staff led Council through a discussion of the State Legislative Agenda.

Councilmember Fox was absent from the workshop.

Council Dinner / Administrative Updates (6:00 - 6:30 PM)

Regular Council Meeting

6:30 PM

Vancouver City Hall - Council Chambers - 415 W 6th Street, Vancouver WA

This meeting was conducted as a hybrid meeting with in person and remote viewing and participation over video conference utilizing a GoToMeeting platform. Members of the public were invited to view the meeting in person, via the live broadcast on www.cvtv.org and CVTV cable channels 23 or HD 323, or on the City's Facebook page, www.facebook.com/VancouverUS. Public access and testimony on Consent Agenda items and under the Community Forum were also facilitated in person and via the GoToMeeting conference call.

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Pledge of Allegiance

Call to Order and Roll Call

The regular meeting of the Vancouver City Council was called to order at 6:30 p.m. by Mayor McEnerny-Ogle. This meeting was conducted as a hybrid meeting, including both in person and remotely over video conference.

Present: Councilmember Harless, Councilmember Perez, Councilmember Paulsen, Councilmember Stober, Councilmember Hansen, Mayor McEnerny-Ogle

Absent: Councilmember Fox

Motion by Councilmember Paulsen, seconded by Councilmember Hansen, and

Yes: 6, No: 0, Abstaining: 0, to excuse Councilmember Fox. Absent from vote: Councilmember Fox.

Proclamations

Red Ribbon Week

Mayor McEnerny-Ogle read and presented a proclamation to Caitlin Ramirez, Coalition Community Prevention Project Coordinator of West Van for Youth, Vivian Humphry, Student and member of Hudson's Bay Wellness Club, and Nikhil Subramanian, Student and member of Teens for Tomorrow, proclaiming October 23-31, 2025, as Red Ribbon Week.

Disability Employment Awareness Month

Mayor McEnerny-Ogle read and presented a proclamation to Patricia Buescher, Developmental Disabilities Program Manager of Clark Community Services, proclaiming October 2025, as National Disability Employment Awareness Month.

Community Communication

This is the place on the agenda where the public is invited to speak to Council regarding any matter on the Agenda not already scheduled for Public Hearing. (Separate instructions are provided for offering testimony on Public Hearing when applicable.) This includes the option to testify about Workshops. Members of the public addressing Council are requested to give their name and city of residence for the audio record. Speakers are to limit their testimony to a total of three minutes for all items combined. RCW 42.17A.555 and City Council Policy 100-32 prohibit the use of public facilities to support or oppose any ballot measure, or to support or oppose any candidate for elective office. Any violation of these rules could result in a suspension of speaking privileges during public comment periods at City Council Meetings for 90 days or longer for multiple offenses.

Mayor McEnerny-Ogle opened Community Communication and received testimony from the following community members regarding any matter on the agenda not scheduled for a Public Hearing:

- *Hector Hinojose, Vancouver*
- *Monica Zazueta Tabor, Vancouver*
- *Leah Perkel, Vancouver*
- *Karen Morrison, Vancouver*
- *Steve Perkel, Vancouver*
- *Bruce Barnes, Vancouver*
- *Brad Erhart, Vancouver*

There being no further testimony, Mayor McEnerny-Ogle closed Community Communication.

Consent Agenda

The following items will be passed by a single motion to approve all listed actions and resolutions. There will be no discussion on these items unless requested by Council. If discussion is requested, the item will be moved from the Consent Agenda and considered separately – after the motion has been made and passed to approve the remaining items.

Council pulled items 2 and 9 for discussion.

Motion by Councilmember Stober, seconded by Councilmember Paulsen, and Yes: 6, No: 0, Abstaining: 0, to approve Item 2 on the Consent Agenda. Absent from vote: Councilmember Fox.

Motion by Councilmember Hansen, seconded by Councilmember Paulsen, and Yes: 6, No: 0, Abstaining: 0, to approve Items 1 and 3-10 on the Consent Agenda. Absent from vote: Councilmember Fox.

1. Construction Acceptance - Pearson Field Electrical Replacement Project - ITB 24-01

Staff Report: 196-25

Request: On Monday, October 6, 2025, accept the Pearson Field Electrical Replacement Project as constructed by Northeast Electric, LLC of Woodland, Washington, and authorize release of the bond, subject to receipt of all documentation required by law.

Meredith Fox, Airport Manager, meredith.fox@cityofvancouver.us

Motion approved the request.

2. Construction Acceptance - Esther Short Bell Tower and Pumphouse Repairs Projects - ITB #24-31

Staff Report: 197-25

Request: On October 6, 2025, accept the facilities as constructed by LEE Contractors, LLC, and authorize release of the contractor's retainage, subject to receipt of all documentation required by law.

Jean Singer, Capital Projects Manager, jean.singer@cityofvancouver.us

Motion approved the request.

3. Construction Acceptance - Vancouver Fire Department Fire Station 5 Logistics Warehouse Project - ITB #24-45

Staff Report: 198-25

Request: On October 6, 2025, accept the facilities as constructed by Construction Services Group, Inc., and authorize release of the contractor's retainage, subject to receipt of all documentation required by law.

Jean Singer, Capital Projects Manager, jean.singer@cityofvancouver.us

Motion approved the request.

4. Contract Amendment — Annual Generator Maintenance & Repair- C-101813

Staff Report: 199-25

Request: On Monday, October 6, 2025, authorize the City Manager, or designee, to finalize and execute Amendment #5 to contract C-101813 with Power Systems West, up to a maximum of \$575,000, and modifying the term through January 25, 2027.

Brian Taylor, Operations Superintendent,
brian.taylor@cityofvancouver.us

Motion approved the request.

5. Contract Amendment — Moore Lacofano Goltsman Inc (MIG) for Bagley Park Phase 1 Development - C-101193

Staff Report: 200-25

Request: On Monday, October 6, 2025, authorize the City Manager to execute Amendment #2 of contract C-101193 with MIG Landscape Architecture to increase by \$1,035,510 for a new total contract amount of \$1,477,870 and authorize the City Manager, or designee, to amend this contract as needed, up to an additional 10% of the new contract value per the amendment.

Terry Snyder, Park Development Manager,
Terry.Snyder@cityofvancouver.us

Motion approved the request.

6. Vancouver Fire Department Station #8 Seismic Upgrade – General Contractor/Construction Manager Contract Approval – INLINE Commercial Construction, dba INLINE

Staff Report: 201-25

Request: On Monday, October 6, 2025, authorize the City Manager, or designee, to enter into a preconstruction services contract with INLINE Commercial Construction of Aloha, OR with an hourly, not to exceed amount of \$221,200 and fixed fee specified general conditions of \$909,920.

Lam Vuong, Facilities Capital Projects Manager,
Lam.Vuong@cityofvancouver.us

Motion approved the request.

7. Heights Site C Disposition and Development Agreement

A RESOLUTION relating to the approval of a disposition and development agreement between the City of Vancouver and Palindrome Heights Limited Partnership; establishing the terms and conditions under which the Heights District Site C lot will be developed and ground leased by the City to Palindrome Heights Limited Partnership; and authorizing the City Manager to execute the disposition and development agreement.

Staff Report: 202-25

Request: On Monday, October 6, 2025, advance the resolution, setting the date for the second reading and public hearing for October 13, 2025 to finalize and approve the resolution approving the Disposition and Development Agreement (DDA) between the City of Vancouver and Palindrome Heights Limited Partnership (DDA) and authorize the City Manager, or designee, to execute the agreement, related implementation documents and certain amendments to the DDA.

Amy Stewart, Real Estate Project Manager, Patrick Quinton, Economic Development Director, amy.stewart@cityofvancouver.us,
patrick.quinton@cityofvancouver.us

Motion approved the request.

8. Heights Site P Family Building Disposition and Development Agreement

A RESOLUTION relating to the approval of a disposition and development agreement between the City of Vancouver and Vancouver Heights Family Development Co., LLC; establishing the terms and conditions under which the Heights District Site P lot will be developed and ground leased by the City to Vancouver Heights Family Development Co., LLC; and authorizing the City Manager to execute the disposition and development agreement.

Staff Report: 203-25

Request: On Monday, October 6, 2025, advance the resolution setting the date for the second reading and public hearing for October 13, 2025 to adopt the resolution approving the Disposition and Development Agreement between the City of Vancouver and Vancouver Heights Family Development Co., LLC (DDA) and authorize the City Manager, or designee, to execute the agreement in its substantive form, related implementation documents and certain amendments to the DDA.

Amy Stewart, Real Estate Project Manager, Patrick Quinton, Economic Development Director, amy.stewart@cityofvancouver.us, patrick.quinton@cityofvancouver.us

Motion approved the request.

9. Amended and Restated Condemnation Ordinance

AN AMENDED AND RESTATED ORDINANCE in the public interest relating to construction for the public use of transportation and streets and sidewalks; declaring the public necessity for and providing for the acquisition by the City of Vancouver by eminent domain of certain property and a temporary construction easement, located in the City limits at 5300 MacArthur Boulevard and described herein, required to construct such public street improvements and related facilities within the City of Vancouver, Washington; taking final action to authorize condemnation of such property; authorizing the City Attorney to prosecute eminent domain proceedings and to stipulate in mitigation of damages; providing for payment of just compensation in exchange for such property; and providing for an immediate effective date.

Staff Report: 204-25

Request: On Monday, October 6, 2025, advance the ordinance, setting the date for the second reading and public hearing for October 13, 2025.

Ryan Lopossa, Streets and Transportation Manager, Amy Stewart, Real Estate Project Manager, Hassan Abdalla, Engineering Manager, ryan.lopossa@cityofvancouver.us, amy.stewart@cityofvancouver.us, hassan.abdalla@cityofvancouver.us

Mayor McEnerny-Ogle read the title of the ordinance into the record.

Motion approved the request.

10. Approval of Claim Vouchers

Request: Approve claim vouchers for October 6, 2025.

Motion approved claim vouchers in the amount of \$22,972,690.39.

New Business

11. Consider Ethics Complaint Against Councilmember Harless

Staff Report: 205-25

Request: Make a determination as to whether or not the Council should dismiss the Complaint, refer the allegations to a Hearings Examiner to conduct an investigation, or take any other action.

- Dismiss the Complaint and take no further action.
- Refer the Complaint to the Hearings Examiner to conduct an investigation.
- Impose sanctions under City Council Policy 100-06 Section 11.0.
- Impose sanctions under City Council Policy 100-36 Section 9.0.

Nena Cook, City Attorney, nena.cook@cityofvancouver.us

Nena Cook, City Attorney, provided a summary of the Ethics Complaint Against Councilmember Harless.

Councilmember Harless addressed the complaint.

Councilmember Harless left the Council Chambers. The City Councilmembers discussed the action they wanted to take regarding the ethics complaint.

Motion by Councilmember Stober, seconded by Councilmember Paulsen, and Yes: 5, No: 0, Abstaining: 0, to approve to refer the Complaint to the Hearings Examiner to conduct an investigation. Absent from vote: Councilmember Fox. Councilmember Harless was not present until the conclusion of the ethics matter against Councilmember Harless.

Motion by Councilmember Perez, seconded by Councilmember Paulsen, and Yes: 5, No: 0, Abstaining: 0, to remove Councilmember Harless from the Lodging Tax Advisory Committee and the alternate will assume responsibility until the conclusion of the ethics matter against Councilmember Harless. Absent from vote: Councilmember Fox. Councilmember Harless was not present until the conclusion of the ethics matter against Councilmember Harless.

Communications

A. From the Council

B. From the Mayor

C. From the City Manager

Adjournment

7:56 p.m.

Anne McEnerny-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

The written comments below are those of the submitter alone and are not representative of the views of CVTV or the City of Vancouver, its elected or appointed officials, or its employees.

Staff Report: 206-25

To: Mayor and City Council
From: City Manager
Date: October 13, 2025

Subject

Bid Award – Agreement between the City of Vancouver and Tapani, Inc, for General Contractor Services for the Construction of the Bridge Shelter - ITB# 25-37

Key Points

- The Bridge Shelter will have a 120-person capacity.
- The Bridge Shelter will consist of two buildings: a Dormitory Building and a Commons Building. The Commons Building houses a commercial kitchen.
- If approved, City Council's action would authorize the execution of a construction contract for \$9,382,180.58.

Strategic Plan Alignment

Housing and Human Needs – meeting basic needs and partnering with organizations to support the community

Safe and Prepared Community – a safe place to live, work, learn and play

Present Situation

On November 6, 2023, multiple emergency orders were ratified by Vancouver City Council to address the critical health and safety issues associated with individuals experiencing chronic homelessness. Following this ratification, the City adopted a Homelessness Emergency Action Plan, which identified the establishment of a bridge shelter as a critical component of Vancouver's comprehensive strategy to address homelessness and its impacts.

This shelter is planned to be low-barrier emergency housing, providing those experiencing homelessness with a safe and supportive place to stay as they “bridge” between living outside and the next step on their journey to permanent housing. This interim/emergency housing will play a crucial role in providing immediate safety and support to individuals experiencing homelessness.

- The City has contracted with the future facility operator – Do Good Multnomah, to consult with the design team during the facility design.
- The facility is designed with a 120-person capacity.
- The shelter will have two buildings – a Dormitory Building with dormitories for male-identifying, female-identifying, couples and people in vulnerable situations and a Commons Building with a commercial kitchen and dining room.

On September 3, 2025, the City of Vancouver released an Invitation to Bid for the General Contractor (ITB 25-37). On September 30, 2025, the City received 11 bids. The bids ranged between \$9,382,180 and \$10,449,622. The lower bidder was responsive and responsible. The bids are as follows:

SUMMARY OF BIDS	
BIDDER	AMOUNT
Tapani, Inc, Battle Ground, WA	\$9,382,180.58
In Line Commercial Construction, Aloha, OR	\$9,421,707.99
Rotschy, Inc, Vancouver, WA	\$9,432,595.65
Bremik Construction, Portland, OR	\$9,861,640.40
Westmore Construction, Brush Prairie, WA	\$9,937,976.34
First Cascade Corporation, Lake Oswego, OR	\$9,751,128.00
2KG Contractors, Inc, Portland, OR	\$10,086,166.40
Triplett Wellman, Inc., Woodburn, OR	\$10,449,622.19
Union Corner Construction, Inc, Vancouver, WA	Non-Responsive
<i>Engineer's Cost Estimate</i>	\$10,000,000 - \$10,500,000

The contractor plans to meet or exceed the 15% apprenticeship goal.

Advantage(s)

1. The development of the Bridge Shelter will help advance the City's strategic plan – reducing the number of individuals without shelter and moving unsheltered homeless from the public rights-of-way.
2. The Bridge Shelter will help provide pathways out of homelessness for individuals experiencing chronic homelessness.
3. The Bridge Shelter will help alleviate the strain on the homeless crisis response system and reduce demands on emergency services.

Challenge(s)

1. Failure to approve would maintain the current gap in services and would keep those experiencing chronic homelessness without stability and options to move off the streets and onto a path to permanent housing.
2. Failure to approve would maintain the current strain on the emergency systems and keep the homeless population.

Budget Impact

The General Contractor contract of \$9,382,180.58 is within the 2025-26 budget allocation for the Bridge Shelter.

Prior Council Review

- On November 6, 2023, City Council ratified Emergency Order 2023-01, 2023-02, and 2023-03.

- Since the ratification of the emergency orders, the Homeless Response Manager presents monthly Homeless Emergency Situation Reports.
- 2025-2026 City of Vancouver Biennial Operating and Capital Budget discussions.
- On December 16, 2024, City Council authorized the execution of the design contract with Scott Edwards Architecture to provide the Architectural Services for the Bridge Shelter, as well as the approval of the Purchase and Sale Agreement for 531 NE 94th Ave.
- On July 7, 2025, City Council authorized the purchase of a Pre-Engineered Metal Building from Sourcewell.

Action Requested

On Monday, October 13, 2025, award a construction contract for the Bridge Shelter Project to the lowest responsive bidder, Tapani Inc., of Battle Ground, WA, at the bid price of \$9,382,180.58, which includes Washington State Sales tax, and authorize the City Manager, or designee, to finalize and execute the contract and authorize any legal action necessary to enforce the terms of the same.

Staff Contact

John Kearns, Capital Projects Project Manager, Kevin.Kearns@cityofvancouver.us

Attachments:

1. ITB 25-37 Tapani Contract



**CONSTRUCTION CONTRACT # C-102080
BID 25-37: BRIDGE SHELTER**

This Contract (hereinafter referred to as the "Contract") is entered into by and between the City of Vancouver, Washington, a municipal corporation organized under the laws of the State of Washington ("City") and Tapani Inc ("Contractor"). The City and the Contractor may be collectively referred to herein as the "Parties" or individually as a "Party."

WHEREAS, the City desires to engage the Contractor to provide public works construction and other related services for the work;

WHEREAS, Contractor has agreed to offer its services to perform the work pursuant to the City-issued Invitation to Bid (ITB) No. 25-37 and all addenda thereto, Contractor's Bid to the ITB, the Project Plan Set and Special Provisions, and City Council's approval on Monday, October 13, 2025 pursuant to Staff Report No. ##-##; and

WHEREAS, the Contractor represents by entering into this Contract that it is fully qualified to perform the work to which it will be assigned in a competent and professional manner, and to the standards required by the City.

NOW, THEREFORE, in consideration of the following terms, conditions, covenants, and performance, or attached an incorporated and made a part of this Contract, the Parties agree as follows:

- 1. STATEMENT OF WORK:** The Contractor agrees to furnish all materials, labor, tools, machinery and implements of every description necessary to complete the work in a professional manner within the time limits stated in this Contract for the construction and installation of the following improvements and will make all necessary arrangements for the obtaining of permits from the City, the United States, the State of Washington, and/or any of its agencies as necessary to do the work required and covered by this Contract.

This Contract provides for the construction of a bridge shelter comprised of two buildings, parking and associated improvements, and other work, all in accordance with the attached Contract Plans, these Contract Provisions and the Standard Specifications. One building includes a commercial kitchen and dining area, measuring approximately 4,150 gross sf with a primarily A-2 occupancy. The second building will include dormitory sleeping areas, hygiene, and staff support spaces, measuring approximately 10,270 sf with R1, B, and A-2 occupancies. Both structures are fully sprinklered, type V-B construction, Pre-Engineered Metal Buildings.

The City anticipates releasing the Notice to Proceed on or before Thursday, October 30, 2025. The Contract Work shall start within 10 days of issuance of the Notice to Proceed and be Substantially Complete by September 22, 2026. Final completion shall be achieved by October 21, 2026.

2. **EFFECTIVE DATE:** This Contract is effective as of the last signature of a party on the Contract.
3. **E-VERIFY PROGRAM:** Contractor shall register and enter into a Memorandum of Understanding (MOU) with the Department of Homeland Security E-Verify program within 60 days after execution of this Contract. Contractor shall ensure all Contractor employees and any subcontractor(s) assigned to perform work under this Contract are eligible to work in the United States. Contractor shall provide verification of compliance upon City request. Failure by Contractor to comply with this subsection shall be considered a material breach.
4. **CONTRACTOR RESPONSIBILITIES FOR SUBCONTRACTOR:** The Contractor shall include the language of this section in all tier subcontracts and shall require each of its subcontractors to include the same language of this section in each of their subcontracts, adjusting only as necessary the terms used for the contracting parties. The requirements of this section apply to all subcontractors regardless of tier. The Contractor shall require all subcontractors to comply with all federal, state and municipal laws, rules and regulations whatsoever.

At any time of the subcontract execution, the Contractor shall verify that all tier subcontractors meet the following bidder responsibility criteria:

- a. Have a current certificate of registration in compliance with Chapter 18.27 RCW, which must have been in effect at the time of subcontract bid submittal.
 - b. Have a current Washington Unified Business Identifier (UBI) number.
 - c. Have received training on the requirements related to public works and prevailing wage as required by RCW 39.04.350.
 - d. Within the three-year period immediately preceding the date of the bid solicitation, not have been determined by a final and binding citation and notice of assessment issued by the department of labor and industries or through civil judgement entered by a court of limited or general jurisdiction to have willfully violated, as defined in RCW 49.48.082, any provision of Chapter 49.46, 49.48 or 49.52 RCW.
 - e. If applicable, have:
 - i. Industrial Insurance (worker's compensation) coverage for the subcontractor's employees working in Washington, as required in Title 51 RCW.
 - ii. A Washington Employment Security Department reference number, as required in Title 50 RCW.
 - iii. A Washington Department of Revenue state excise tax registration number, as required in Title 82 RCW.
 - iv. An electrical contractor license, if required by Chapter 19.28 RCW.
 - v. An elevator contractor license, if required by Chapter 70.87 RCW.
 - f. Not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065(3).
5. **DELINQUENT STATE TAXES:** The Contractor shall not owe delinquent taxes to the Washington State Department of Revenue without a payment plan approved by the Department of Revenue.
 6. **COMPENSATION AND SCHEDULE OF PAYMENTS:** In consideration of the promises and agreements of the Contractor as set forth herein, and in consideration of the faithful performance and furnishing of the work and materials required by this Contract to the satisfaction of the City, the City agrees to pay to the Contractor as prescribed in the solicitation and Contractor's Bid, and in accordance with the ordinances of the City of Vancouver and the laws of the State of

Washington, the following sum as indicated, which amount does include 8.8% Washington State Sales Tax (if applicable) \$9,382,180.58 USD.

The amount finally to be paid is, however, variable upon the Work actually performed, and final payment will be made upon the basis of the amount of work performed and the materials furnished, and at the lump sum or unit prices fixed in the Contractor's Bid as modified by any and all approved Change Orders.

- 7. CONTRACTOR'S INSURANCE:** The Contractor agrees to the following requirements relating to insurance coverage. Provide a Certificate of Liability Insurance. Said certificate must be provided on a standard "ACORD" form, or its equivalent, and must provide that coverage shall not be canceled or modified without 30 days prior written notice to the City of Vancouver.

The City may inspect all policies, and copies shall be provided to the City upon request. The Contractor shall obtain the insurance described in this section from insurers approved by the State Insurance Commissioner pursuant to RCW Title 48. The insurance must be provided by an insurer with a rating of A-: VII or higher in the A.M. Best's Key Rating Guide, which is licensed to do business in the state of Washington (or issued as a surplus line by a Washington Surplus lines broker). The City reserves the right to approve or reject the insurance provided, based on the insurer (including financial condition), terms and coverage, the Certificate of Insurance, and/or endorsements.

The Contractor agrees to procure insurance coverage as required below:

COVERAGE	LIMITS OF LIABILITY
I. Commercial General Liability:	
Policy shall include Bodily Injury, Property Damage, Personal Injury and Broad Form Contractual Liability	
Each Occurrence	\$1,000,000
General Aggregate Per Occurrence	\$2,000,000
Products & Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Blanket Contractual Liability	\$1,000,000
II. Commercial Automobile Liability	
Policy shall include Bodily Injury and Property Damage, for any owned, Hired, and/or non-owned vehicles used in the operation, installation and maintenance of facilities under this Contract.	
Combined Single Limit	\$1,000,000
III. Workers' Compensation (applicable to the State of Washington)	
Per Occurrence	Statutory
Employer's Liability	\$1,000,000
Disease Each Employee	\$1,000,000
Disease Policy Limit	\$1,000,000
Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000
IV. Pollution Legal Liability	
Each Claim	\$3,000,000
Annual Aggregate	\$6,000,000

COVERAGE	LIMITS OF LIABILITY
V. Builders Risk	
Builder's "All Risk" Property Insurance Coverage to include personal property of others in the care, custody and control of the contractor. Coverage should be written for 100% of the completed value. For additions or repairs of existing building structures, coverage to include contractor's interest in improvements, repairs, additions, alterations to completed buildings and subject to items described in "a".	Contract Value

In addition to the coverage and limits listed above the Contractor's insurance must all contain the following:

- a. City Listed as Additional Insured. The City of Vancouver, its Agents, Representatives, Officers, Directors, Elected and Appointed Officials, and Employees must be named as additional insured. The required Additional Insured endorsements shall be at least as broad as ISO CG 20 10 11 85, or its equivalent CG 20 10 07 04 and CG 20 37 07 04 must be included with the Certificate of Insurance.
- b. Either the Commercial General Liability or the Worker's Compensation policy must be endorsed to include "Washington Stop Gap" insurance. The limits and aggregates referenced must apply to the Stop Gap coverage as well and must be indicated on the certificate.
- c. Commercial General Liability insurance shall be written on coverage forms at least as broad as ISO occurrence form CG 00 01, including but not limited to liability arising from premises, operations, stop gap liability, independent contractors, products-completed operations, personal and advertising injury, and liability assumed under an insured contract. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit, using ISO form CG 25 03 05 09 or an equivalent endorsement.
- d. The City of Vancouver shall be listed on the Certificate as Certificate Holder.
- e. Cover Trigger: The insurance must be written on an "occurrence" basis. This must be indicated on the Certificate.
- f. Contractor shall ensure that each subcontractor of every tier obtains and maintains at a minimum the insurance coverages required for Commercial General Liability and Auto Liability. Upon request of the City, the Contractor shall provide evidence of such insurance.
- g. The Contractor shall keep this insurance in force during the term of the Contract and for 30 days after the Physical Completion date. The Contractor shall provide the City and all Additional Insured with written notice of any policy cancellation, within two business days of their receipt of such notice.

- h. Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, suspend work or terminate the contract.
 - i. All costs for insurance shall be incidental to and included in the unit or lump sum prices of the contract and no additional payment will be made.
- 8. **CONTRACTOR'S BOND:** The Contractor agrees that before it undertakes performance of this Contract, it will file with the City a Performance Bond and a Payment Bond, in the forms prescribed by the City, in the full amount of the Contract price with a company authorized to do business in the State of Washington as a surety. The bonds shall comply with the laws of the State of Washington, including Chapter 39.08 RCW.
- 9. **DISPUTE RESOLUTION:** In the event of a dispute between the Parties which cannot be resolved by the contract managers, the Contractor and the City shall review such dispute and may attempt to resolve the dispute. Any controversy or claim arising out of or relating to this Contract or alleged breach of this Contract that cannot be resolved by the Parties within 30 days of receipt of written notice may be submitted to mediation. If the dispute cannot be resolved through mediation, either party may initiate litigation pursuant to the governing law and venue provisions of this Contract. The Parties agree to pay their own attorneys' fees and expenses.
- 10. **GOVERNING LAW/VENUE:** This Contract shall be deemed to have been executed and delivered within the State of Washington, and the rights and obligations of the Parties shall be construed and enforced in accordance with, and governed by, the laws of the State of Washington without regard to the principles of conflict of laws. Any action or suit brought in connection with this Contract shall be brought in the Superior Court of Clark County, Washington.
- 11. **EMPLOYMENT OF LABOR:** The Contractor agrees that all persons employed by the Contractor and by any of its subcontractor and any of their lower tier contractors in work performed pursuant to this Contract shall not be employed in excess of eight hours in any day, except as provided or allowed by Chapter 49.28 RCW and WAC 296.127 and any amendment thereto.
- 12. **PAYMENT OF LABOR:** The Contractor agrees that all laborers, workers, or mechanics employed by it or by any subcontractor in the performance of this Contract will be paid not less than the prevailing wage rate for an hour's work, in accordance with the provisions of Chapter 39.12 RCW, and all rules and regulations promulgated pursuant thereto.

The prevailing wage rates in effect at the time of the bid submittal deadline shall apply for the duration of the project, no matter how long it lasts. However, if the Contract is awarded more than six months after the bids were due, the prevailing wage rates in effect on the award date shall apply.

In case any dispute arises as to what the prevailing rate of wages for work of a similar nature are and such dispute cannot be adjusted by the parties involved, the matter shall be referred to the director of the Washington Department of Labor and Industries ("L&I") of the State of Washington for arbitration, and the director's decision shall be final, conclusive and binding on all parties involved in the dispute.

- 13. **PAYMENT TO THE CONTRACTOR:** Progress payments to the Contractor shall be made within 30 days of a fully executed Pay Estimate pending all compliance with all contractual

requirements. A sum equal to 5% may be reserved and retained from monies earned by the Contractor in accordance with Chapter 60.28 RCW. The City reserves the right to require Contractor to correct any submitted or paid erroneous invoices according to the rates in the Contract. City and Contractor agree that any amount paid in error by City does not constitute a change in the agreed upon amount; Contractor agrees to issue a refund of any of any overages paid in error by the City.

Release of the retained percentage or the retainage bond shall be in accordance with Chapter 60.28 RCW. Every person performing labor or furnishing supplies toward the completion of said improvement of work shall have a lien upon said monies so reserved; provided, that such notice of the lien of such claimant shall be given in the manner provided in RCW 39.08.030 and within the time provided in Chapter 60.28 RCW as adopted or amended.

No payment shall be made to the Contractor, however, until the Contractor and all subcontractors who have performed work shall have filed and received approval of a Statement of Intent to Pay Prevailing Wage as required by RCW 39.12.040 from L&I. Contractor and all subcontractors shall also keep accurate payroll records for three years from the date of acceptance as described in RCW 39.12.120. Contractor and all subcontractors shall file a copy of its certified payroll records using the L&I online system on a monthly basis. A Contractor's noncompliance with this section shall constitute a violation of RCW 39.12.050.

- 14. INDEMNIFICATION:** Contractor agrees to indemnify, defend if requested by City, save and hold harmless the City, its officials, employees and agents from any and all liability, including but not limited to demands, claims, causes of action, suits or judgements, claims of copyright or patent infringement, including costs, attorney fees and expenses incurred in connection therewith, or whatsoever kind or nature, arising out of, or in connection with, or incident to, the performance of services by Contractor pursuant to this Contract.

In the event that any suit based on such a claim, demand, loss, damage, cost or cause of action is brought against the Contractor, the City retains the right to participate in said suit.

This indemnity and hold harmless shall include any claim made against the City by an employee of the Contractor or subcontractor or agent of the Contractor, even if Contractor is thus otherwise immune from liability pursuant to worker's compensation statute, Title 51 RCW. To the extent that such liability arises from the concurrent negligence of both the City and the Contractor, such cost, fees and expenses shall be shared between the City and the Contractor in proportion to their relative degrees of negligence. This indemnity and hold harmless shall NOT apply in the case where liability arises from the sole negligence of the City. The Contractor specifically acknowledges that the provisions contained herein have been mutually negotiated by the Parties and it is the intent of the Parties that Contractor provide the broadest scope of indemnity permitted by RCW 4.24.115.

- 15. OWNERSHIP OF RECORDS AND DOCUMENTS:** Any and all work product prepared by the Contractor in the course of performing this Contract shall immediately become the property of the City. In consideration of the compensation provided for by this Contract, the Contractor hereby further assigns all copyright interests in such work product to the City. A copy may be retained by the Contractor. Previously owned intellectual property of Contractor or any third party, and any know-how, methodologies or processes used by Contractor to provide the services or project deliverables under this Contract shall remain property of the original City.

- 16. PUBLIC DISCLOSURE COMPLIANCE:** The parties acknowledge that the City is an “agency” within the meaning of the Washington Public Records Act, Chapter 42.56 RCW, and that materials submitted by the Contractor to the City become public record. Such records may be subject to public disclosure, in whole or part and may be required to be released by the City in the event of a request for disclosure. In the event the City receives a public record request for any data or deliverable that is provided to the City and that is licensed from the Contractor, the City shall notify the Contractor of such request and withhold disclosure of such information for not less than five business days, to permit the Contractor to seek judicial protection of such information, provided that the Contractor shall be responsible for attorney fees and costs in such action and shall save and hold harmless the City from any costs, attorney fees or penalty assessment under Chapter 42.56 RCW for withholding or delaying public disclosure of such information.
- 17. COOPERATIVE PURCHASING:** The Washington State interlocal Cooperation Act, Chapter 39.34 RCW, authorizes public agencies to cooperatively purchase goods and services if all parties agree. By having executed this Agreement, the Contractor agrees that other public agencies may purchase goods and services under this solicitation or contract at their own cost and without the City incurring any financial or legal liability for such purchases. The City agrees to allow other public agencies to purchase goods and services under this solicitation or contract, provided that the City is not held financially or legally liable for purchases and that any public agency purchasing under solicitation or contract file a copy of this invitation and such contract in accordance with RCW 39.34.040.
- 18. AMENDMENTS:** All changes to this Contract, including changes to the statement of work and compensation, must be made by written Change Order and/or Amendment and signed by all parties to this Contract.
- 19. AUTHORIZATION AND COMPLIANCE WITH THE LAW:** The Contractor certifies that the person signing the Contract is legally authorized to enter into this binding Contract and that the Contractor shall fully comply with all relevant, federal, state and municipal laws, rules, regulations and policies.
- 20. CITY BUSINESS AND OCCUPATION LICENSE:** The Contractor will be required to obtain a business license when contracting with the City unless allowable exemptions apply. The Contractor shall contact the State of Washington [Business License Service website](#) or by phone at 800-451-7985, or the [City’s website](#) to determine whether a business license is required pursuant to the Chapter 5.04 VMC.
- 21. RELATION OF PARTIES:** The Contractor, its subcontractors, agents and employees are independent contractors performing services for the City and are not employees of the City; Contractor shall not as a result of this Contract, accrue leave, retirement, insurance, bonding or any other benefits afforded to City employees; and, Contractor shall not have the authority to bind the City in any way except as may be specifically provided in the Statement of Work.
- 22. ASSIGNMENT:** This Contract is binding on each party, its successors, assigns, and legal representatives and may not, under any circumstances, be assigned or transferred by either party without the other party’s express written authorization.
- 23. TERMINATION FOR CONVENIENCE:** The City, at its sole discretion, may terminate this Contract for convenience at any time for any reason deemed appropriate. Termination is effective immediately upon notice of termination given by the City.

In the event this Contract is terminated prior to the completion of Work, Contractor will only be paid for the Work completed at the time of termination of the Contract.

- 24. TERMINATION FOR CAUSE:** In the event the Contractor is, or has been, in violation of the terms of this Contract, including the solicitation, the City reserves the right, upon written notice to the Contractor, to cancel, terminate or suspend this Contract in whole or in part for default. Termination shall be effected by serving a notice of termination on the Contractor setting forth the manner in which the Contractor is in default. The Contractor will be paid only the contract price for services performed in accordance with the manner of performance set forth in the Contract.

If it is later determined by the City that the Contractor had an excusable reason for not performing, such as a strike, fire or flood, or events which are not the fault of or are beyond the control of the Contractor, the City after setting up a new delivery or performance schedule, may allow the Contractor to continue work or treat the termination as a termination for convenience.

- 25. OPPORTUNITY TO CURE:** The City at its sole discretion may in lieu of a termination allow the Contractor to cure the defect(s), by providing a "Notice to Cure" to Contractor setting forth the remedies sought by the City and the deadline to accomplish the remedies. If the Contractor fails to remedy to the City's satisfaction the breach or default of any of the terms, covenants, or conditions of this Contract within the time stated time, the City shall have the right to terminate the Contract without any further obligation to the Contractor. Any such termination for default shall not in any way operate to preclude the City from also pursuing all available remedies against the Contractor and its sureties for a breach or default, including but not limited to, termination of this Contract for convenience.

- 26. WAIVER AND REMEDIES:** City's failure to enforce any terms or conditions, or to exercise any right or privilege, or the City's waiver of any breach shall not waive any other term, condition or privilege, whether of the same or similar type. Remedies under this Contract are cumulative; the use of one remedy shall not be taken to exclude or waive the right to use another.

- 27. ENTIRETY OF CONTRACT:** This Contract incorporates all the agreements, covenants and understanding between the Parties and are merged into this written Contract. No prior agreement or prior understanding, verbal or otherwise, of the Parties or their agents shall be valid or enforceable unless set forth in this Contract.

- 28. USE OF CITY'S NAME:** Contractor may not use any of City's name, trademark, service marks, or logo in connection with the services contemplated by this Contract or otherwise without the prior written permission of City, which permission may be withheld for any or no reason and may be subject to certain conditions.

- 29. DEBARMENT:** The Contractor certifies that that it is not presently debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from covered transactions by any Federal, State or local department or agency.

30.

TITLE VI COMPLIANCE: Depending on the work Contractor provides, the City may use federal funds to compensate Contractor. If federal funds are used. the City, Contractor,

and any approved subcontractor must comply with the provisions of Title VI of the Civil Rights Act of 1964, (78 Stat. 252, 42 U.S.C. 2000d to 2000d-4) (CRA) and the Civil Rights Restoration Act of 1987, Pub. L. No. 100-259, 102 Stat. 28 (1988) (CRRA). Contractor must confirm with City whether Title VI is applicable under this Agreement.

31. EQUAL EMPLOYMENT OPPORTUNITY: The City is an equal opportunity employer. Contractor shall not discriminate against any of its employees or applicants for employment on the basis of race, color, creed, religion, sex (including gender identity, sexual orientation, and pregnancy), national origin, citizenship or immigration status, age (40 or older), the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability, genetic information, honorably discharged veteran or military status, or any other class protected by federal, state, or local employment discrimination laws.

32. BINDING EFFECT: The provisions, covenants and conditions in this Contract bind the Parties, their legal heirs, representatives, successors and assigns.

33. CONTRACT DOCUMENTS AND ORDER OF PRECEDENCE: The complete Contract includes these parts, all of which are incorporated by reference, and any inconsistency in the parts of the Contract shall be resolved by following this order of precedence (e.g., 1 presiding over 2, 2 over 3, 3 over 4, and so forth):

1. Amendments to the Contract,
2. This Contract,
3. Contractor's Bid including all Addenda to the Solicitation,
4. Special Provisions,
5. Contract Plan Set,
6. General Conditions for Facility Construction,
7. City of Vancouver Standard Plans,

On the Contract Plans, Working Drawings and Standard Plans, figured dimensions shall take precedence over scaled dimensions.

Whenever reference is made in these Specifications or the Special Provisions to codes, rules, specifications and standards, the reference shall be construed to mean the code, rule, specification or standard that is in effect on the Invitation to Bid advertisement date, unless otherwise stated or as required by law.

If any part of the Contract requires Work that does not include a description for how the Work is to be performed, the Work shall be performed in accordance with standard trade practice(s). For purposes of the Contract, a standard trade practice is one having such regularity of observance in the trade as to justify an expectation that it will be observed by the Contractor in doing the Work.

34. NOTICES: All notices which are given or required to be given pursuant to this Contract shall be hand delivered, mailed postage paid or sent by electronic mail as follows:

For the City:
Anna Vogel
City of Vancouver
415 W 6th Street
P O Box 1995
Vancouver WA 98668-1995
anna.vogel@cityofvancouver.us

For the Contractor:
Lance Tapani
Tapani Inc
1705 SE 9th Avenue
Battle Ground WA 98604
lancet@tapani.com

The undersigned, as the authorized representatives of the City and Contractor respectively, agree to all of the terms and conditions contained in this Contract.

CITY OF VANCOUVER
A municipal corporation

CONTRACTOR:
Tapani Inc

Lon Pluckhahn, City Manager

Signature

Date

Printed Name /Title

Attest:

Date

Natasha Ramras, City Clerk

Approved as to form:

Nena Cook, City Attorney

Staff Report: 207-25

To: Mayor and City Council
From: City Manager
Date: October 13, 2025

Subject

Bid Award - SE Columbia Way to Columbia River Treatments Retrofit Project - ITB - 25-29

Key Points

- The project proposes to improve stormwater quality from City-owned roadways within portions of the Columbia Business Center, a 200 acre commercial/industrial park that lies within the Columbia Slope watershed by installing water quality treatment facilities.
- The City received 11 bids for the project.
- Staff proposes awarding a contract to the lowest, responsive bidder, North Cascade Excavating, LLC, of Woodland, Washington, at the bid price of \$1,344,000.

Strategic Plan Alignment

Climate and Natural Systems – environmental stewardship and efforts to address climate change to ensure a sustainable future

Present Situation

Stormwater runoff from streets within the project area currently discharges directly – without treatment – to the Columbia River or into privately-owned infiltration facilities. The project proposes to install 55 water quality treatment catch basins and associated piping to treat approximately 16 acres of runoff in this high-traffic area, which will reduce the amount of pollutants entering the Columbia River. On September 9, 2025, the City received 11 bids for the project. The bids ranged between \$1,344,000 and \$1,804,260. The low bidder was responsive. The bids are as follows:

BIDDER	AMOUNT
North Cascade Excavating, LLC – Woodland, WA	\$1,344,000.00
Jeffries Construction, LLC – Woodland, WA	\$1,448,277.50
Rotschy, Inc – Vancouver, WA	\$1,449,398.50
Nutter Corporation – Vancouver, WA	\$1,474,745.00
Western United Civil Group, LLC – Yacolt, WA	\$1,514,330.00
Grade Werks Excavating, LLC – Battle Ground, WA	\$1,587,632.50
Clark and Sons Excavating, Inc. – Battle Ground, WA	\$1,588,594.00
Tapani, Inc. – Battle Ground, WA	\$1,624,865.00

Interlaken, Inc. – Fairview, OR	\$1,732,795.00
Advanced Excavating Specialists, LLC – Kelso, WA	\$1,770,630.00
Colf Construction, LLC – Vancouver, WA	\$1,804,260.00
Engineer's Estimate	\$1,780,400.00

The Contractor plans to meet the Apprenticeship Utilization of 10% by using 300 apprenticeship hours out of the total 2,966 project hours.

Advantage(s)

1. The project will improve water quality from stormwater runoff from public right-of-way within a commercial/industrial park that discharges to the Columbia River.
2. The City received a Water Quality Grant from the Department of Ecology that will fund 75% of the project costs.

Challenge(s)

Construction impacts to traffic and access to private property will need to be managed.

Budget Impact

Funds for these improvements were appropriated in 2025-2026 Surface Water Construction Capital Budget. This project is funded in part through a State Water Quality Financial Assistance Grant. The grant covers project design, engineering, and construction costs.

Prior Council Review

Project funding was previously reviewed by Council as part of the 2025-2026 Surface Water Construction Capital Budget.

Action Requested

On October 13th, 2025, award a construction contract for the SE Columbia Way to Columbia River Treatments Retrofit Project to the lowest responsive and responsible bidder, North Cascade Excavating, LLC, of Woodland, Washington, at the bid price of \$1,344,000, and authorize the City Manager, or designee, to finalize and execute the same.

Staff Contact

Brandon Teetsel, Civil Engineer, Brandon.Teetsel@cityofvancouver.us

Attachments:

1. Contract
2. Vicinity Map



CONSTRUCTION CONTRACT # C-102060
BID 25-29: SE Columbia Way to Columbia River Treatment Retrofits

This Contract (hereinafter referred to as the "Contract") is entered into by and between the City of Vancouver, Washington, a municipal corporation organized under the laws of the State of Washington (hereinafter referred to as the "City") and North Cascade Excavating, LLC, 430 N. Pekin Rd., Woodland, WA 98674 (hereinafter referred to as the "Contractor"). The City and the Contractor may be collectively referred to herein as the "Parties" or individually as a "Party."

WHEREAS, the City desires to engage the Contractor to provide public works construction and other related services for the work described herein;

WHEREAS, Contractor has agreed to offer its services to perform said work per the City issued Invitation to Bid (ITB) No. 25-29 and all addenda thereto, Contractor's Bid to said ITB, the Project Plan Set and Special Provisions, and City Council's approval on Monday, October 13, 2025 per Staff Report No. ~~##-##~~; and

WHEREAS, the Contractor represents by entering into this Contract that it is fully qualified to perform the work to which it will be assigned in a competent and professional manner, and to the standards required by the City.

NOW, THEREFORE, in consideration of the terms, conditions, covenants, and performance contained herein, or attached an incorporated and made a part hereof, the parties hereto agree as follows:

- 1. STATEMENT OF WORK:** The Contractor hereby agrees to furnish all materials, labor, tools, machinery and implements of every description necessary to complete the work in a professional manner within the time limits stated in this Contract for the construction and installation of the following improvements and will make all necessary arrangements for the obtaining of permits from the United States, State of Washington, and/or any of its agencies as may be necessary to do the work required and covered by this Contract.

The Contractor shall furnish and install storm pipe, storm structures, asphalt restoration, and all other work necessary to complete the project as shown on the plans and specified herein.

Contractor shall furnish and install approximately 705 LF of 8-inch C900 stormwater pipe, 55 filter cartridge catch basins, and 12 storm manholes within the right-of-way and other work, all in accordance with the attached Plan Set, these Contract Provisions, and the Standard Specifications, hereinafter referred to as "Work."

The Contract Work shall be Physically Complete within 90 Working Days from the Notice to Proceed.

2. **EFFECTIVE DATE:** This Contract is effective as of the last signature of the Contract.
3. **E-VERIFY PROGRAM:** Contractor shall register and enter into a Memorandum of Understanding (MOU) with the Department of Homeland Security E-Verify program within sixty days after execution of this Contract. Contractor shall ensure all Contractor employees and any subcontractor(s) assigned to perform work under this Contract are eligible to work in the United States. Contractor shall provide verification of compliance upon City request. Failure by Contractor to comply with this subsection shall be considered a material breach.
4. **CONTRACTOR RESPONSIBILITIES FOR SUBCONTRACTOR:** The Contractor shall include the language of this section in all tier subcontracts and shall require each of its subcontractors to include the same language of this section in each of their subcontracts, adjusting only as necessary the terms used for the contracting parties. The requirements of this section apply to all subcontractors regardless of tier. The Contractor shall require all subcontractors to comply with all federal, state and municipal laws, rules and regulations whatsoever.

At any time of the subcontract execution, the Contractor shall verify that all tier subcontractors meet the following bidder responsibility criteria:

- a. Have a current certificate of registration in compliance with chapter 18.27 RCW, which must have been in effect at the time of subcontract bid submittal.
 - b. Have a current Washington Unified Business Identifier (UBI) number.
 - c. Have received training on the requirements related to public works and prevailing wage as required by RCW 39.04.350.
 - d. Within the three-year period immediately preceding the date of the bid solicitation, not have been determined by a final and binding citation and notice of assessment issued by the department of labor and industries or through civil judgement entered by a court of limited or general jurisdiction to have willfully violated, as defined in RCW 49.48.082, any provision of chapters 49.46, 49.48 or 49.52 RCW.
 - e. If applicable, have:
 - i. Industrial Insurance (worker's compensation) coverage for the subcontractor's employees working in Washington, as required in Title 51 RCW.
 - ii. A Washington Employment Security Department reference number, as required in Title 50 RCW.
 - iii. A Washington Department of Revenue state excise tax registration number, as required in Title 82 RCW.
 - iv. An electrical contractor license, if required by chapter 19.28 RCW.
 - v. An elevator contractor license, if required by chapter 70.87 RCW.
 - f. Not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065(3).
5. **DELINQUENT STATE TAXES:** The Contractor shall not owe delinquent taxes to the Washington State Department of Revenue without a payment plan approved by the Department of Revenue.

- 6. COMPENSATION AND SCHEDULE OF PAYMENTS:** In consideration of the promises and agreements of the Contractor as set forth herein, and in consideration of the faithful performance and furnishing of the work and materials required by this Contract to the satisfaction of the City, the City agrees to pay to the Contractor as prescribed in the solicitation and Contractor's Bid, and in accordance with the ordinances of the City of Vancouver and the laws of the State of Washington, the following sum as indicated, which amount does include 8.8% Washington State Sales Tax (if applicable) \$1,344,000 USD.

The amount finally to be paid is, however, variable upon the Work actually performed, and final payment will be made upon the basis of the amount of work performed and the materials furnished, and at the lump sum or unit prices fixed in the Contractor's Bid as modified by any and all approved Change Orders.

- 7. CONTRACTOR'S INSURANCE:** The Contractor agrees to the following requirements relating to insurance coverage. Provide a Certificate of Liability Insurance. Said certificate must be provided on a standard "ACORD" form, or its equivalent, and must provide that coverage shall not be canceled or modified without 30 days prior written notice to the City of Vancouver.

The City of Vancouver may inspect all policies, and copies shall be provided to the City upon request. The Contractor shall obtain the insurance described in this section from insurers approved by the State Insurance Commissioner pursuant to Title 48 RCW. The insurance must be provided by an insurer with a rating of A-: VII or higher in the A.M. Best's Key Rating Guide, which is licensed to do business in the state of Washington (or issued as a surplus line by a Washington Surplus lines broker). The City reserves the right to approve or reject the insurance provided, based on the insurer (including financial condition), terms and coverage, the Certificate of Insurance, and/or endorsements.

The Contractor agrees to procure insurance coverage as required below:

COVERAGE	LIMITS OF LIABILITY
I. Commercial General Liability:	
Policy shall include Bodily Injury, Property Damage, Personal Injury and Broad Form Contractual Liability	
Each Occurrence	\$1,000,000
General Aggregate Per Occurrence	\$2,000,000
Products & Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Blanket Contractual Liability	\$1,000,000
II. Commercial Automobile Liability	
Policy shall include Bodily Injury and Property Damage, for any owned, Hired, and/or non-owned vehicles used in the operation, installation and maintenance of facilities under this Contract.	
Combined Single Limit	\$1,000,000
III. Workers' Compensation (applicable to the State of Washington)	
Per Occurrence	Statutory
Employer's Liability	\$1,000,000
Disease Each Employee	\$1,000,000

COVERAGE	LIMITS OF LIABILITY
Disease Policy Limit	\$1,000,000
Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000
IV. Pollution Legal Liability	
Each Claim	\$3,000,000
Annual Aggregate	\$6,000,000

In addition to the coverage and limits listed above the Contractor's insurance must all contain the following:

- a. City Listed as Additional Insured. The City of Vancouver, its Agents, Representatives, Officers, Directors, Elected and Appointed Officials, and Employees must be named as additional insured. The required Additional Insured endorsements shall be at least as broad as ISO CG 20 10 11 85, or its equivalent CG 20 10 07 04 and CG 20 37 07 04 must be included with the Certificate of Insurance.
- b. Either the Commercial General Liability or the Worker's Compensation policy must be endorsed to include "Washington Stop Gap" insurance. The limits and aggregates referenced must apply to the Stop Gap coverage as well and must be indicated on the certificate.
- c. Commercial General Liability insurance shall be written on coverage forms at least as broad as ISO occurrence form CG 00 01, including but not limited to liability arising from premises, operations, stop gap liability, independent contractors, products-completed operations, personal and advertising injury, and liability assumed under an insured contract. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit, using ISO form CG 25 03 05 09 or an equivalent endorsement.
- d. The City of Vancouver shall be listed on the Certificate as Certificate Holder.
- e. Cover Trigger: The insurance must be written on an "occurrence" basis. This must be indicated on the Certificate.
- f. Contractor shall ensure that each subcontractor of every tier obtains and maintains at a minimum the insurance coverages required for Commercial General Liability and Auto Liability. Upon request of the City, the Contractor shall provide evidence of such insurance.
- g. The Contractor shall keep this insurance in force during the term of the Contract and for 30 days after the Physical Completion date. The Contractor shall provide the City and all Additional Insured with written notice of any policy cancellation, within two business days of their receipt of such notice.

- h. Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, suspend work or terminate the contract.
 - i. All costs for insurance shall be incidental to and included in the unit or lump sum prices of the contract and no additional payment will be made.
- 8. **CONTRACTOR'S BOND:** The Contractor agrees that before it undertakes performance of this Contract, it will file with the City a Performance Bond and a Payment Bond, in the forms prescribed by the City of Vancouver, in the full amount of the Contract price with a company authorized to do business in the State of Washington as a surety. The bonds shall comply with the laws of the State of Washington, especially with the provisions of chapter 39.08 RCW.
- 9. **DISPUTE RESOLUTION:** In the event of a dispute between the Parties which cannot be resolved by the contract managers, the Contractor and the City shall review such dispute and may attempt to resolve the dispute. Any controversy or claim arising out of or relating to this Contract or alleged breach of this Contract that cannot be resolved by the Parties within 30 days of receipt of written notice may be submitted to mediation. If the dispute cannot be resolved through mediation, either party may initiate litigation pursuant to the governing law and venue provisions of this Contract. The Parties agree to pay their own attorneys' fees and expenses.
- 10. **GOVERNING LAW/VENUE:** This Contract shall be deemed to have been executed and delivered within the State of Washington, and the rights and obligations of the parties hereunder shall be construed and enforced in accordance with, and governed by, the laws of the State of Washington without regard to the principles of conflict of laws. Any action or suit brought in connection with this Contract shall be brought in the Superior Court of Clark County, Washington.
- 11. **EMPLOYMENT OF LABOR:** The Contractor agrees that all persons employed by the Contractor and by any of its subcontractor and any of their lower tier contractors in work performed pursuant to this Contract shall not be employed in excess of eight hours in any day, except as provided or allowed by chapter 49.28 RCW and chapter 296.127 WAC and any amendment.
- 12. **PAYMENT OF LABOR:** The Contractor agrees that all laborers, workers, or mechanics employed by it or by any subcontractor in the performance of this Contract will be paid not less than the prevailing wage rate for an hour's work, in accordance with the provisions of chapter 39.12 RCW, and all rules and regulations promulgated pursuant thereto.

The prevailing wage rates in effect at the time of the bid submittal deadline shall apply for the duration of the project, no matter how long it lasts. However, if the Contract is awarded more than six months after the bids were due, the prevailing wage rates in effect on the award date shall apply.

In case any dispute arises as to what the prevailing rate of wages for work of a similar nature are and such dispute cannot be adjusted by the parties involved, the matter shall be referred to the director of the Department of Labor and Industries of the State of

Washington for arbitration, and the director's decision shall be final, conclusive and binding on all parties involved in the dispute.

- 13. PAYMENT TO THE CONTRACTOR:** Progress payments to the Contractor shall be made within 30 days of a fully executed Pay Estimate pending all compliance with all contractual requirements. A sum equal to 5% may be reserved and retained from monies earned by the Contractor in accordance with chapter 60.28 RCW. The City reserves the right to require Contractor to correct any submitted or paid erroneous invoices according to the rates set forth herein. City and Contractor agree that any amount paid in error by City does not constitute a change in the agreed upon amount; Contractor agrees to issue a refund of any of any overages paid in error by the City.

Release of the retained percentage or the retainage bond shall be in accordance with chapter 60.28 RCW. Every person performing labor or furnishing supplies toward the completion of said improvement of work shall have a lien upon said monies so reserved; provided, that such notice of the lien of such claimant shall be given in the manner provided in RCW 39.08.030 and within the time provided in Chapter 60.28 RCW as now existing and in accordance with any amendments that may hereafter be made thereto.

No payment shall be made to the Contract, however, until the Contractor and all subcontractors who have performed work shall have filed and received approval of a Statement of Intent to Pay Prevailing Wage as required by RCW 39.12.040 from the Washington State Department of Labor and Industries. Said Contractor and all subcontractors shall also keep accurate payroll records for three years from the date of acceptance as described in RCW 39.12.120. A Contractor and all subcontractors shall monthly file a copy of its certified payroll records using the Department of Labor and Industries online system. A Contractor's noncompliance with this section shall constitute a violation of RCW 39.12.050.

- 14. INDEMNIFICATION:** Contractor agrees to indemnify, defend, save and hold harmless the City, its officials, employees and agents from any and all liability, including but not limited to demands, claims, causes of action, suits or judgements, claims of copyright or patent infringement, including costs, attorney fees and expenses incurred in connection therewith, or whatsoever kind or nature, arising out of, or in connection with, or incident to, the performance of services by Contractor pursuant to this Contract.

In the event that any suit based on such a claim, demand, loss, damage, cost or cause of action is brought against the Contractor, the City retains the right to participate in said suit.

This indemnity and hold harmless shall include any claim made against the City by an employee of the Contractor or subcontractor or agent of the Contractor, even if Contractor is thus otherwise immune from liability pursuant to worker's compensation statute, Title 51 RCW. To the extent that such liability arises from the concurrent negligence of both the City and the Contractor, such cost, fees and expenses shall be shared between the City and the Contractor in proportion to their relative degrees of negligence. This indemnity and hold harmless shall NOT apply in the case where liability arises from the sole negligence of the City. The Contractor specifically acknowledges that the provisions contained herein have been mutually negotiated by the Parties and it is the intent of the Parties that Contractor provide the broadest scope of indemnity permitted by RCW 4.24.115.

- 15. OWNERSHIP OF RECORDS AND DOCUMENTS:** Any and all work product prepared by the Contractor in the course of performing this Contract shall immediately become the property of the City. In consideration of the compensation provided for by this Contract, the Contractor hereby further assigns all copyright interests in such work product to the City. A copy may be retained by the Contractor. Previously owned intellectual property of Contractor or any third party, and any know-how, methodologies or processes used by Contractor to provide the services or project deliverables under this Contract shall remain property of the original City.
- 16. PUBLIC DISCLOSURE COMPLIANCE:** The parties acknowledge that the City is an “agency” within the meaning of the Washington Public Records Act, chapter 42.56 RCW, and that materials submitted by the Contractor to the City become public record. Such records may be subject to public disclosure, in whole or part and may be required to be released by the City in the event of a request for disclosure. In the event the City receives a public record request for any data or deliverable that is provided to the City and that is licensed from the Contractor, the City shall notify the Contractor of such request and withhold disclosure of such information for not less than 10 business days, to permit the Contractor to seek judicial protection of such information, provided that the Contractor shall be responsible for attorney fees and costs in such action and shall save and hold harmless the City from any costs, attorney fees or penalty assessment under chapter 42.56 RCW for withholding or delaying public disclosure of such information.
- 17. COOPERATIVE PURCHASING:** The Washington State interlocal Cooperation Act, chapter 39.34 RCW, authorizes public agencies to cooperatively purchase goods and services if all parties agree. By having executed this Agreement, the Contractor agrees that other public agencies may purchase goods and services under this solicitation or contract at their own cost and without the City incurring any financial or legal liability for such purchases. The City agrees to allow other public agencies to purchase goods and services under this solicitation or contract, provided that the City is not held financially or legally liable for purchases and that any public agency purchasing under solicitation or contract file a copy of this invitation and such contract in accordance with RCW 39.34.040.
- 18. AMENDMENTS:** All changes to this Contract, including changes to the statement of work and compensation, must be made by written Change Order and/or Amendment and signed by all parties to this Contract.
- 19. AUTHORIZATION AND COMPLIANCE WITH THE LAW:** The Contractor certifies that the person signing the Contract is legally authorized to enter into this binding Contract and that the Contractor shall fully comply with all relevant, federal, state and municipal laws, rules, regulations and policies.
- 20. CITY BUSINESS AND OCCUPATION LICENSE:** The Contractor will be required to obtain a business license when contracting with the City unless allowable exemptions apply. The Contractor shall contact the State of Washington [Business License Service website](#) or by phone at 800-451-7985, or the [City's website](#) to determine whether a business license is required pursuant to the chapter 5.04 VMC.

- 21. RELATION OF PARTIES:** The Contractor, its subcontractors, agents and employees are independent contractors performing services for the City and are not employees of the City; shall not as a result of this Contract, accrue leave, retirement, insurance, bonding or any other benefits afforded to City employees; and, shall not have the authority to bind the City in any way except as may be specifically provided in the Statement of Work.
- 22. THIRD-PARTY BENEFICIARY:** All parties agree that the State of Washington shall be, and is hereby, named as an express third-party beneficiary of this contract, with full rights as such.
- 23. ASSIGNMENT:** This Contract is binding on each party, its successors, assigns, and legal representatives and may not, under any circumstances, be assigned or transferred by either party without the other party's express written authorization.
- 24. TERMINATION FOR CONVENIENCE:** The City, at its sole discretion, may terminate this Contract for convenience at any time for any reason deemed appropriate. Termination is effective immediately upon notice of termination given by the City.

In the event this Contract is terminated prior to the completion of Work, Contractor will only be paid for the Work completed at the time of termination of the Contract.

- 25. TERMINATION FOR CAUSE:** In the event the Contractor is, or has been, in violation of the terms of this Contract, including the solicitation, the City reserves the right, upon written notice to the Contractor, to cancel, terminate or suspend this Contract in whole or in part for default. Termination shall be effected by serving a notice of termination on the Contractor setting forth the manner in which the Contractor is in default. The Contractor will be paid only the contract price for services performed in accordance with the manner of performance set forth in the Contract.

If it is later determined by the City that the Contractor had an excusable reason for not performing, such as a strike, fire or flood, or events which are not the fault of or are beyond the control of the Contractor, the City after setting up a new delivery or performance schedule, may allow the Contractor to continue work or treat the termination as a termination for convenience.

- 26. OPPORTUNITY TO CURE:** The City at its sole discretion may in lieu of a termination allow the Contractor to cure the defect(s), by providing a "Notice to Cure" to Contractor setting forth the remedies sought by the City and the deadline to accomplish the remedies. If the Contractor fails to remedy to the City's satisfaction the breach or default of any of the terms, covenants, or conditions of this Contract within the time stated time, the City shall have the right to terminate the Contract without any further obligation to the Contractor. Any such termination for default shall not in any way operate to preclude the city from also pursuing all available remedies against the Contractor and its sureties for said breach or default, including but not limited to, termination of this Contract for convenience.
- 27. WAIVER AND REMEDIES:** City's failure to enforce the terms or conditions herein or to exercise any right or privilege, or the City's waiver of any breach hereunder shall not thereafter waive any other term, condition or privilege, whether of the same or similar type. Remedies under this Contract are cumulative; the use of one remedy shall not be taken to exclude or waive the right to use another.

- 28. ENTIRETY OF CONTRACT:** This Contract incorporates all the agreements, covenants and understanding between the parties hereto and are merged into this written Contract. No prior agreement or prior understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless set forth in this Contract.
- 29. USE OF CITY'S NAME:** Contractor may not use any of City's name, trademark, service marks, or logo in connection with the services contemplated by this Contract or otherwise without the prior written permission of City, which permission may be withheld for any or no reason and may be subject to certain conditions.
- 30. DEBARMENT:** The Contractor certifies that that it is not presently debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from covered transactions by any Federal, State or local department or agency.
- 31. EQUAL EMPLOYMENT OPPORTUNITY:** The City is an equal opportunity employer. Contractor shall not discriminate against any of its employees or applicants for employment on the basis of race, color, creed, religion, sex (including gender identity, sexual orientation, and pregnancy), national origin, citizenship or immigration status, age (40 or older), the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability, genetic information, honorably discharged veteran or military status, or any other class protected by federal, state, or local employment discrimination laws.
- 32. BINDING EFFECT:** The provisions, covenants and conditions in this Contract bind the parties, their legal heirs, representatives, successors and assigns.
- 33. RATIFICATION:** Acts taken pursuant to this Contract but prior to its effective date are hereby ratified and confirmed.
- 34. CONTRACT DOCUMENTS AND ORDER OF PRECEDENCE:** The complete Contract includes these parts, all of which are incorporated herein by reference, and any inconsistency in the parts of the contract shall be resolved by following this order of precedence (e.g., 1 presiding over 2, 2 over 3, 3 over 4, and so forth):
1. Amendments to the Contract,
 2. This Contract,
 3. Contractor's Bid including all Addenda to the Solicitation,
 4. Special Provisions,
 5. WA State Dept of Ecology Insert,
 6. Contract Plan Set,
 7. City of Vancouver Amendments to the specified WSDOT Standard Specifications,
 8. City of Vancouver Standard Plans,
 9. WSDOT Standard Specifications,
 10. WSDOT Standard Plans.

On the Contract Plans, Working Drawings and Standard Plans, figured dimensions shall take precedence over scaled dimensions.

Whenever reference is made in these Specifications or the Special Provisions to codes, rules, specifications and standards, the reference shall be construed to mean the code, rule, specification or standard that is in effect on the Invitation to Bid advertisement date, unless otherwise stated or as required by law.

If any part of the Contract requires Work that does not include a description for how the Work is to be performed, the Work shall be performed in accordance with standard trade practice(s). For purposes of the Contract, a standard trade practice is one having such regularity of observance in the trade as to justify an expectation that it will be observed by the Contractor in doing the Work.

35. NOTICES: All notices which are given or required to be given pursuant to this Contract shall be hand delivered, mailed postage paid or sent by electronic mail as follows:

For the City:
Anna Vogel
City of Vancouver
415 W 6th Street
P O Box 1995
Vancouver WA 98668-1995
anna.vogel@cityofvancouver.us

For the Contractor:
Sarah Homola
North Cascade Excavating, LLC
428 N Pekin Rd.
Woodland, WA 98674
sarah@nce.us

The undersigned, as the authorized representatives of the City and Contractor respectively, agree to all of the terms and conditions contained in this Contract, as of the dates set forth below.

CITY OF VANCOUVER
A municipal corporation

CONTRACTOR:
North Cascade Excavating, LLC

Lon Pluckhahn, City Manager

Signature

Date

Printed Name /Title

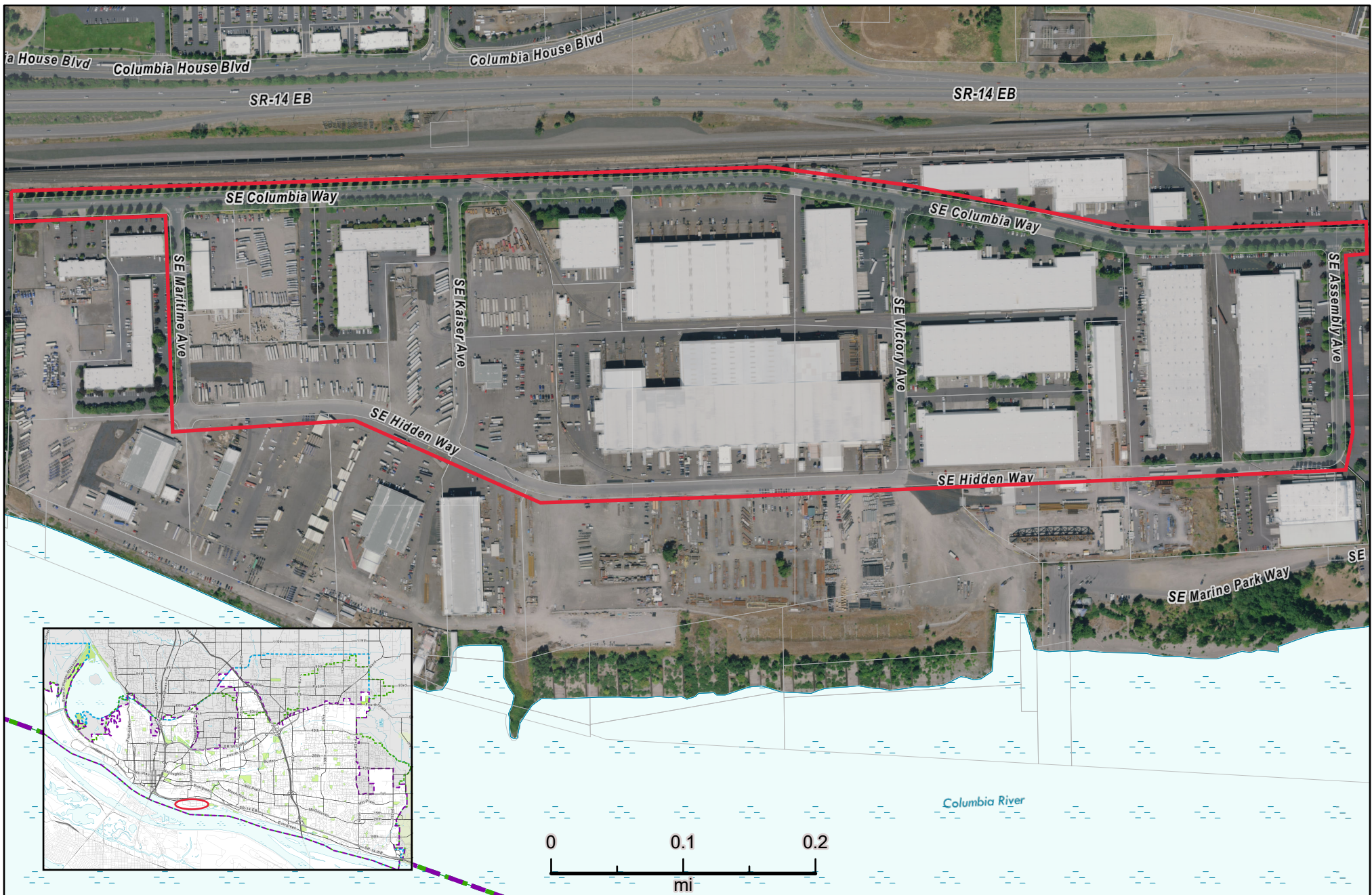
Attest:

Date

Natasha Ramras, City Clerk

Approved as to form:

Nena Cook, City Attorney



Staff Report: 208-25

To: Mayor and City Council
From: City Manager
Date: October 13, 2025

Subject

Contract Amendment – Encampment Cleanup and Biohazard Response Service – Rapid Response Bio Clean, Inc. - C-101504

Key Points

- The City's Procurement regulations require all contracted services of \$300,000 or more be approved by City Council.
- Due to increased scheduling and use of this service for both encampment cleanups and biohazard response, City departments have utilized the full contract amount set for the five-year contract period, which expires December 31, 2028.
- Staff requests the not-to-exceed amount of this contract be increased by \$600,000 for a revised contract amount of \$900,000, to continue to cover anticipated additional costs for scheduled encampment cleanup efforts and unscheduled biohazard response.

Strategic Plan Alignment

Safe and Prepared Community – a safe place to live, work, learn and play

Present Situation

The contract provides cleanup services in and around active and abandoned encampments, and responds to biohazard incidents on a scheduled and as-needed basis. The City's Homeless Encampment Coordinator is responsible for scheduling and coordinating with the service provider for encampment cleanup services. City departments can independently coordinate with the service provider for any biohazard response needs. During the term of this contract, the City has spent \$277,560 on encampment cleanup efforts, and \$21,828 for bio-hazard responses.

Advantage(s)

Increasing the contract will allow the City of Vancouver continued use of Rapid Response Bio Clean, Inc for encampment cleanup efforts and as-needed biohazard response.

Challenge(s)

None

Budget Impact

No additional budget impact. The required funds have been approved through the budget process for 2025-2026 and are available within the respective operating budgets utilizing this service.

Prior Council Review

None

Action Requested

On Monday, October 13, 2025, authorize the City Manager, or designee, to finalize and execute an amendment increasing the authorized not-to-exceed amount of the contract with Rapid Response Bio Clean, Inc from \$300,000 to \$900,000.

Staff Contact

Brian Potter, Operations Superintendent, brian.potter@cityofvancouver.us

Attachments:

1. C-101504 - AmendmentNo.1
2. 2024 Rapid Contract C-101504



SERVICE AGREEMENT # C-101504

AMENDMENT No. 1

RFP 42-23: Encampment Cleanup and Biohazard Response Service

This Amendment amends the Professional Services Agreement number C-101504 by and between the City of Vancouver, hereinafter referred to as "City", and Rapid Response Bio Clean, Inc., hereinafter referred to as "Contractor", whose address is 7600 SE Johnson Creek Blvd., Portland, OR 97206 for services offered.

This amendment amends the original agreement as follows:

1. Increase the authorized amount of the Agreement by \$600,000 to a revised authorized amount of \$900,000.
2. Ratification: Acts taken pursuant to this Amendment but prior to its effective date are hereby ratified and confirmed.

This amendment in no way alters any other provisions of the original agreement.

CITY OF VANCOUVER
A municipal corporation

CONTRACTOR:
Rapid Response Bio Clean, Inc.

Lon Pluckhahn, City Manager

Signature

Date

Printed Name /Title

Attest:

Date

Natasha Ramras, City Clerk

Approved as to form:

Nena Cook, City Attorney



**CITY OF VANCOUVER
CONSTRUCTION CONTRACT # C-101504**

RFP 42-23: Encampment Cleanup and Biohazard Response Service

This Contract (hereinafter referred to as the "Contract") is entered into by and between the City of Vancouver, Washington, a municipal corporation organized under the laws of the State of Washington (hereinafter referred to as the "City") and Rapid Response Bio Clean, Inc., 7600 SE Johnson Creek Blvd., Portland, OR 97206, hereinafter referred to as the "Contractor"). The City and Contractor may be collectively referred to herein as the "parties" or individually as a "party".

WHEREAS, the City desires to engage the Contractor to provide public works construction and other related services for the work described herein;

WHEREAS, Contractor has agreed to offer its services to perform said work per the City issued Request for Proposals (RFP) No. 42-23 and all addenda thereto, Contractor's Proposal to said RFP, the Project Plan Set and Special Provisions, and

WHEREAS, the Contractor represents by entering into this Contract that it is fully qualified to perform the work to which it will be assigned in a competent and professional manner, and to the standards required by the City.

NOW, THEREFORE, in consideration of the terms, conditions, covenants, and performance contained herein, or attached and incorporated and made a part hereof, the parties hereto agree as follows:

1. **STATEMENT OF WORK:** The Contractor hereby agrees to furnish all materials, labor, tools, machinery and implements of every description necessary to complete the work in a professional manner within the time limits stated in this Contract for the construction and installation of the following improvements and will make all necessary arrangements for the obtaining of permits from the United States, State of Washington, and/or any of its agencies as may be necessary to do the work required and covered by this Contract.

This Contract provides for clean-up services in and around active and abandoned encampments and respond to biohazard incidents on a scheduled and as-needed basis. The Service Provider will be responsible for working in coordination with City staff to sort and remove trash, sanitize the area cleaned, and if necessary, collect and transport any trash and identified personal possessions.

The period of the prices shall be for one (1) year, commencing on the effective date of the Contract. This Contract shall have prevailing wage rates updated annually; yearly cost adjustments may be made accordingly at the discretion of the City in instances where prevailing wage rates increased above the annual Consumer Price Index-All Urban Consumers (CPI-U). An Intent to Pay Prevailing Wages must be filed at the beginning of the Contract year and an Affidavit of Wages Paid must be filed annually for any public work completed within the previous twelve (12) month period.

Yearly cost adjustments may be made accordingly at the discretion of the City. Cost adjustments shall be in accordance with the CPI-U for the Seattle-Tacoma-Bellevue area. Contractor shall submit request and justification for cost adjustments at least thirty (30) days prior to Contract renewal. The adjusted price will be approved at the beginning of each year's extension at the sole discretion of the City and must be firm for the remainder of year.

2. **EFFECTIVE DATE:** This Contract is effective as of the last signature of the Contract. The initial term of this Contract shall be for five (5) years.
3. **E-VERIFY PROGRAM:** Contractor shall register and enter into a Memorandum of Understanding (MOU) with the Department of Homeland Security E-Verify program within sixty (60) days after execution of this Contract. Contractor shall ensure all Contractor employees and any sub-contractor(s) assigned to perform work under this Contract are eligible to work in the United States. Contractor shall provide verification of compliance upon City request. Failure by Contractor to comply with this subsection shall be considered a material breach.
4. **DELINQUENT STATE TAXES:** The Contractor shall not owe delinquent taxes to the Washington State Department of Revenue without a payment plan approved by the Department of Revenue.
5. **COMPENSATION AND SCHEDULE OF PAYMENTS:** In consideration of the promises and agreements of the Contractor as set forth herein, and in consideration of the faithful performance and furnishing of the work and materials required by this Contract to the satisfaction of the City, the City agrees to pay to the Contractor as prescribed in the solicitation and Contractor's Bid, and in accordance with the ordinances of the City of Vancouver and the laws of the State of Washington, the following sum as indicated, which amount does includes 8.7% Washington State Sales Tax (if applicable) \$300,000.00 USD.

The amount finally to be paid is, however, variable upon the Work actually performed and final payment will be made upon the basis of the amount of work performed and the materials furnished, and at the lump sum or unit prices fixed in the Contractor's Bid and as modified by any and all approved Change Orders.

6. **CONTRACTOR'S INSURANCE:** The Contractor agrees to the following requirements relating to insurance coverage. Provide a Certificate of Liability Insurance. Said certificate must be

provided on a standard "ACORD" form, or its equivalent, and must provide that coverage shall not be canceled or modified without 30 days prior written notice to the City of Vancouver.

In addition, all policies shall be issued by an insurance company licensed to do business in the State of Washington. The City of Vancouver may inspect all policies and copies shall be provided to the City upon request.

The Contractor agrees to procure insurance coverage as required below:

COVERAGE	LIMITS OF LIABILITY
I. Commercial General Liability:	
Policy shall include Bodily Injury, Property Damage, Personal Injury and Broad Form Contractual Liability	
Each Occurrence	\$1,000,000
General Aggregate Per Occurrence	\$2,000,000
Products & Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Blanket Contractual Liability	\$1,000,000
II. Commercial Automobile Liability	
Policy shall include Bodily Injury and Property Damage, for any owned, Hired, and/or Non-owned vehicles used in the operation, installation and maintenance of facilities under this Contract.	
Combined Single Limit	\$1,000,000
III. Workers' Compensation (applicable to the State of Washington)	
Per Occurrence	Statutory
Employer's Liability	\$1,000,000
Disease Each Employee	\$1,000,000
Disease Policy Limit	\$1,000,000
Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000

In addition to the coverage and limits listed above the Contractor's insurance must all contain the following:

- a. City Listed as an Additional Insured. The City of Vancouver, its Agents, Representatives, Officers, Directors, Elected and Appointed Officials, and Employees must be named as an additional insured. The required Additional Insured endorsements shall be at least as broad as ISO CG 20 10 11 85, or its equivalent CG 20 10 07 04 and CG 20 37 07 04 must be included with the Certificate of Insurance.

- b. Either the Commercial General Liability or the Workers' Compensation policy must be endorsed to include "Washington Stop Gap" insurance. The limits and aggregates referenced must apply to the Stop Gap coverage as well and must be indicated on the certificate.
- c. Employment Security. The Contractor shall comply with all employment security laws of the State in which services are provided and shall timely make all required payments in connection therewith.
- d. The City of Vancouver shall be listed on the Certificate as the Certificate Holder.
- e. Coverage Trigger: The insurance must be written on an "occurrence" basis. This must be indicated on the Certificate.

Contractor shall provide evidence of all insurance required, at the City's request, by submitting an insurance certificate to the City on a standard "ACORD" or comparable form.

All policies shall be issued by an insurance company licensed to do business in the State of Washington. The City of Vancouver may inspect all policies and copies shall be provided to the City upon request.

- 7. **CONTRACTOR'S BOND:** The Contractor agrees that before it undertakes performance of the Contract, it will file with the Owner a Performance and Payment Bond in the full amount of the yearly Contract amount, executed by itself as a principal and one or more surety companies authorized to do business in the State of Washington as surety. The bonds shall comply with the laws of the State of Washington, and especially with the provisions of Chapter 39.08 RCW. The bonds shall be renewed each Contract year.
- 8. **DISPUTE RESOLUTION:** In the event of a dispute between the Parties which cannot be resolved by the contract managers, the Contractor and the City shall review such dispute and may attempt to resolve the dispute. Any controversy or claim arising out of or relating to this Contract or the alleged breach of this Contract that cannot be resolved by the Parties within 30 days of receipt of written notice may be submitted to mediation. If the dispute cannot be resolved through mediation, either party may initiate litigation pursuant to the governing law and venue provisions of this Contract the Parties agree to pay their own attorneys' fees and expenses.
- 9. **GOVERNING LAW/VENUE:** This Contract shall be deemed to have been executed and delivered within the State of Washington, and the rights and obligations of the parties

hereunder shall be construed and enforced in accordance with, and governed by, the laws of the State of Washington without regard to the principles of conflict of laws. Any action or suit brought in connection with this Contract shall be brought in the Superior Court of Clark County, Washington.

10. EMPLOYMENT OF LABOR: The Contractor agrees that all persons employed by Contractor and by any of its subcontractors and any of their lower tier contractors in work performed pursuant to this Contract shall not be employed in excess of eight (8) hours in any one day, except as provided or allowed by Chapter 49.28 RCW and WAC 296-127 and any amendment thereto.

11. PAYMENT OF LABOR: The Contractor agrees that all laborers, workers, or mechanics employed by it or by any subcontractor in the performance of this Contract will be paid not less than the prevailing rate of wage for an hour's work, in accordance with the provisions of the Chapter 39.12 RCW, and all rules and regulations promulgated pursuant thereto.

The prevailing wage rates in effect at the time of the bid submittal deadline shall apply for the duration of the project, no matter how long it lasts. However, if the Contract is awarded more than six (6) months after the bids were due, the prevailing wage rates in effect on the award date shall apply.

In case any dispute arises as to what the prevailing rates of wages for work of a similar nature are and such dispute cannot be adjusted by the parties involved, the matter shall be referred to the director of the Department of Labor and Industries of the State of Washington for arbitration, and the director's decision shall be final, conclusive and binding on all parties involved in the dispute.

12. PAYMENT TO THE CONTRACTOR: Progress payments to the Contractor shall be made within 30 days of a fully executed Pay Estimate pending all compliance with all contractual requirements. The City reserves the right to require Contractor to correct any submitted or paid erroneous invoices according to the rates set forth herein. City and Contractor agree that any amount paid in error by City does not constitute a change in the agreed upon amount; Contractor agrees to issue a refund of any overages paid in error by the City.

No payment shall be made to the Contractor, however, until the Contractor and all subcontractors who have performed work shall have filed and received approval of a Statement of Intent to Pay Prevailing Wage as required by RCW 39.12.040 from the Washington State Department a Labor and Industries. Said Contractor and all subcontractors shall also keep accurate payroll records for three years from the date of acceptance as described in RCW 39.12.120. A Contractor and all subcontractors shall, file a copy of its certified payroll records using the Department of Labor and Industries online system on a monthly basis. A Contractor's noncompliance with this section shall constitute a violation of RCW 39.12.050.

- 13. INDEMNIFICATION:** Contractor agrees to indemnify, defend, save and hold harmless the City, its officials, employees and agents from any and all liability, including but not limited to demands, claims, causes of action, suits or judgments, claims of copyright or patent infringement, including costs, attorney fees and expenses incurred in connection therewith, or whatsoever kind or nature, arising out of, or in connection with, or incident to, the performance of services by Contractor pursuant to this Contract.

In the event that any suit based on such a claim, demand, loss, damage, cost, or cause of action is brought against the Contractor, the City retains the right to participate in said suit.

This indemnity and hold harmless shall include any claim made against the City by an employee of Contractor or subcontractor or agent of the Contractor, even if Contractor is thus otherwise immune from liability pursuant to the workers' compensation statute, Title 51 RCW. To the extent that such liability arises from the concurrent negligence of both the City and the Contractor, such cost, fees and expenses shall be shared between the City and the Contractor in proportion to their relative degrees of negligence. This indemnity and hold harmless shall NOT apply in the case where liability arises from the sole negligence of the City. Contractor specifically acknowledges that the provisions contained herein have been mutually negotiated by the Parties and it is the intent of the Parties that Contractor provide the broadest scope of indemnity permitted by RCW 4.24.115.

- 14. OWNERSHIP OF RECORDS AND DOCUMENTS:** Any and all work product prepared by the Contractor in the course of performing this Contract shall immediately become the property of the City. In consideration of the compensation provided for by this Contract, the Contractor hereby further assigns all copyright interests in such work product to the City. A copy may be retained by the Contractor. Previously owned intellectual property of Contractor or any third party, and any know-how, methodologies or processes used by Contractor to provide the services or project deliverables under this Contract shall remain property of the original City.

- 15. PUBLIC DISCLOSURE COMPLIANCE:** The parties acknowledge that the City is an "agency" within the meaning of the Washington Public Records Act, Chapter 42.56 RCW, and that materials submitted by the Contractor to the City become public record. Such records may be subject to public disclosure, in whole or part and may be required to be released by the City in the event of a request for disclosure. In the event the City receives a public record request for any data or deliverable that is provided to the City and that is licensed from the Contractor, the City shall notify the Contractor of such request and withhold disclosure of such information for not less than five (5) business days, to permit the Contractor to seek judicial protection of such information, provided that the Contractor shall be responsible for attorney fees and costs in such action and shall save and hold harmless the City from any costs, attorney fees or penalty assessment under Chapter 42.17 RCW for withholding or delaying public disclosure of such information.

- 16. AMENDMENTS:** All changes to this Contract, including changes to the statement of work and compensation, must be made by written Change Order and/or Amendment and signed by all parties to this Contract.

- 17. AUTHORIZATION AND COMPLIANCE WITH THE LAW:** The Contractor certifies that the person signing the Contract is legally authorized to enter into this binding Contract and that the Contractor shall fully comply with all relevant, federal, state and municipal laws, rules, regulations and policies.
- 18. RELATION OF PARTIES:** The Contractor, its subcontractors, agents and employees are independent contractors performing services for The City and are not employees of City; shall not, as a result of this Contract, accrue leave, retirement, insurance, bonding or any other benefits afforded to City employees; and, shall not have the authority to bind the City in any way except as may be specifically provided in the Statement of Work.
- 19. ASSIGNMENT:** This Contract is binding on each party, its successors, assigns, and legal representatives and may not, under any circumstances, be assigned or transferred by either party without the other party's express written authorization.
- 20. TERMINATION FOR CONVENIENCE:** The City, at its sole discretion, may terminate this Contract for convenience at any time for any reason deemed appropriate. Termination is effective immediately upon notice of termination given by the City.

In the event this Contract is terminated prior to the completion of Work, Contractor will only be paid for the Work completed at the time of termination of the Contract.

- 21. TERMINATION FOR CAUSE:** In the event the Contractor is, or has been, in violation of the terms of this Contract, including the solicitation, the City reserves the right, upon written notice to the Contractor, to cancel, terminate, or suspend this contract in whole or in part for default. Termination shall be affected by serving a notice of termination on the Contractor setting forth the manner in which the Contractor is in default. The Contractor will be paid only the contract price for services performed in accordance with the manner of performance set forth in the Contract.

If it is later determined by the City that the Contractor had an excusable reason for not performing, such as a strike, fire, or flood, or events which are not the fault of or are beyond the control of the Contractor, the City after setting up a new delivery or performance schedule, may allow the Contractor to continue work or treat the termination as a termination for convenience.

- 22. OPPORTUNITY TO CURE:** The City at its sole discretion may in lieu of a termination allow the Contractor to cure the defect(s), by providing a "Notice to Cure" to Contractor setting forth the remedies sought by City and the deadline to accomplish the remedies. If the Contractor fails to remedy to the City's satisfaction the breach or default of any of the terms, covenants, or conditions of this Contract within the time stated time, the City shall have the right to terminate the Contract without any further obligation to the Contractor. Any such termination for default shall not in any way operate to preclude the City from also pursuing

all available remedies against the Contractor and its sureties for said breach or default, including but not limited to termination of this Contract for convenience.

- 23. WAIVER AND REMEDIES:** City's failure to enforce the terms or conditions herein or to exercise any right or privilege, or the City's waiver of any breach hereunder shall not thereafter waive any other term, condition, or privilege, whether of the same or similar type. Remedies under this Contract are cumulative; the use of one remedy shall not be taken to exclude or waive the right to use another.
- 24. ENTIRETY OF CONTRACT:** This Contract incorporates all the agreements, covenants and understanding between the parties hereto and are merged into this written Contract. No prior agreement or prior understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless set forth in this Contract.
- 25. USE OF CITY'S NAME:** Contractor may not use any of City's name, trademark, service marks, or logo in connection with the services contemplated by this Contract or otherwise without the prior written permission of City, which permission may be withheld for any or no reason and may be subject to certain conditions.
- 26. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY:** During the term of this Contract, Contractor will not discriminate against any employee or applicant for employment in accordance with RCW Chapter 49.60, including, but not limited to creed, religion, race, color, age, sex, marital status, sexual orientation, sexual identity, pregnancy, military status, political ideology, ancestry, national origin, or the presence of any sensory, mental or physical disability, unless based upon a bona fide occupational qualification. The Contractor will take affirmative action to ensure that applicants and employees are treated fairly, without regard to their creed, religion, race, color, sex, national origin, or the presence of any sensory, mental or physical disability. Such action shall include all terms and conditions of employment, compensation, and benefits, including apprenticeship.
- 27. BINDING EFFECT:** The provisions, covenants and conditions in this Contract bind the parties, their legal heirs, representatives, successors, and assigns.
- 28. RATIFICATION:** Acts taken pursuant to this Contract but prior to its effective date are hereby ratified and confirmed.
- 29. CONTRACT DOCUMENTS AND ORDER OF PRECEDENCE:** The complete Contract includes these parts and any inconsistency in the parts of the contract shall be resolved by following this order of precedence (e.g., 1 presiding over 2, 2 over 3, 3 over 4, and so forth):
1. Amendments to the Contract,
 2. This Contract,
 3. Proposal,
 4. Addenda to the Request for Proposals,

5. Request for Proposals.

30. NOTICES: All notices which are given or required to be given pursuant to this Contract shall be hand delivered, mailed postage paid, or sent by electronic mail as follows:

For the Owner:

Anna Vogel
City of Vancouver
415 W 6th Street
P O Box 1995
Vancouver WA 98668-1995
anna.vogel@cityofvancouver.us

For the Contractor:

David Miller
Rapid Response Bio Clean, Inc.
7600 SE Johnson Creek Blvd.
Portland, OR 97206
david@rapidresponsebioclean.com

The undersigned, as the authorized representatives of the Owner and Contractor respectively, agree to all of the terms and conditions contained in this Contract, as of the dates set forth below.

CITY OF VANCOUVER

A municipal corporation

DocuSigned by:

75A9183485CA467...
Eric Holmes, City Manager

12/5/2023

Date

Attest:

DocuSigned by:

BCF6734E40E94AE...
Natasha Ramras, City Clerk

Approved as to form:

DocuSigned by:

9A7DC2E31F094A2...
Jonathan Young, City Attorney

CONTRACTOR:

Rapid Response Bio Clean, Inc.

DocuSigned by:

7DAD72F80F3D487...
Signature

David Miller

VP

Printed Name /Title

11/27/2023

Date

To: Mayor and City Council
From: City Manager
Date: October 13, 2025

Subject

Approval of Claim Vouchers

Action Requested

Approve claim vouchers for October 13, 2025.

Attachments:

1. October 13, 2025 Claim Vouchers

VOUCHER APPROVAL

We, the undersigned council members of the City of Vancouver, Clark County, Washington, do hereby certify that the merchandise or services hereinafter specified have been received and that the vouchers listed below are approved for payment in the amount of:

\$ 9,634,879.54 this 13th day of October 2025.

MAYOR

Cyndi A. Turner Digitally signed by Cyndi A. Turner
Date: 2025.10.06 14:45:26 -07'00'

AUDITING OFFICER

COUNCILMEMBER

COUNCILMEMBER

DATE	INCLUSIVE CHECK NUMBERS	CHECK TOTAL
September 29, 2025 - October 05, 2025	Accounts Payable Checks (see attached)	\$ 9,562,465.54
September 29, 2025 - October 05, 2025	Hansen City Payments (see attached)	\$ 19,415.34
September 29, 2025 - October 05, 2025	Visa Refunds (see attached)	\$ 2,586.00
September 29, 2025 - October 05, 2025	Payroll Checks (see attached)	\$ 50,412.66
TOTAL		\$ 9,634,879.54

INVOICE PAYMENTS REPORT

<u>Payment Category</u>	<u>Payment Type</u>	<u>Transaction Reference</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Payment Payee</u>	<u>Memo</u>
Miscellaneous Payment	Check	27622	10/1/2025	20,988.37	American National Property and Casualty Company a/s/o Kenneth Davis	CLAIM PAYMENT - DOI: 05/02/2024 - RISK
Miscellaneous Payment	Check	27623	10/1/2025	100.00	Bagley Downs Neighborhood Association	2025 Resource Conservation Challenge
Miscellaneous Payment	Check	27624	10/1/2025	100.00	Fourth Plain Village Neighborhood Association	2025 Resource Conservation Challenge
Miscellaneous Payment	Check	27625	10/1/2025	100.00	Maplewood Neighborhood Association	2025 Resource Conservation Challenge
Miscellaneous Payment	Check	27626	10/1/2025	100.00	Meadow Homes Neighborhood Association	2025 Resource Conservation Challenge
Miscellaneous Payment	Check	27627	10/1/2025	325.59	Morgan Frazier	Past Forward Conference Reimbursement to Commissioner
Miscellaneous Payment	Check	27628	10/1/2025	120.00	Old Evergreen Highway Neighborhood Association	2025 RecycleU
Miscellaneous Payment	Check	27629	10/1/2025	218.90	Professional Credit Service	Refund - Lino T Mae Inv #62348
Miscellaneous Payment	Check	27630	10/1/2025	408.00	Robert Erickson & Linda Erickson	RES-361698 (Jobsite: 2112 NE 93rd Ct.)
Miscellaneous Payment	Check	27631	10/1/2025	684.84	Steele Enterprises	FRI-377579 (jobsite: 3000 SE 164th Ave Suite 103 Vancouver, WA.)
Miscellaneous Payment	Check	27632	10/1/2025	934.00	Walmart	Refund duplicate payment to INV#77079994
Ad Hoc Payment	Check	27633	10/1/2025	1,960.02	AG Residential JV LLC	8778 NE 54TH ST ,VANCOUVER,WA,98662
Ad Hoc Payment	Check	27634	10/1/2025	119.42	Anderson,Klarice	1905 SE 114TH CT ,VANCOUVER,WA,98664
Ad Hoc Payment	Check	27635	10/1/2025	144.06	Andruss,Amber	800 SE 102ND AVE ,VANCOUVER,WA,98664
Ad Hoc Payment	Check	27636	10/1/2025	267.00	Annette or John Barnes	4605 NE 12TH CT ,VANCOUVER,WA,98663
Ad Hoc Payment	Check	27637	10/1/2025	92.02	Argueta,Micaela or Jorge	8616 NE 100TH ST ,VANCOUVER,WA,98662
Ad Hoc Payment	Check	27638	10/1/2025	70.44	Bartles,Carol	15711 NE 27TH CIR ,VANCOUVER,WA,98684
Ad Hoc Payment	Check	27639	10/1/2025	311.87	BCC Properties 2 LLC	14108 NE 49TH ST ,VANCOUVER,WA,98682
Ad Hoc Payment	Check	27640	10/1/2025	173.80	Belousov,Lyudmila	9300 NE 81ST ST ,VANCOUVER,WA,98662
Ad Hoc Payment	Check	27641	10/1/2025	143.09	Bowen,Craig	13009 NE 7TH ST ,VANCOUVER,WA,98684
Ad Hoc Payment	Check	27642	10/1/2025	71.43	Calkins,Jacob or Rhonda	13306 NE 92ND ST ,VANCOUVER,WA,98682
Ad Hoc Payment	Check	27643	10/1/2025	428.00	Carlson,Keith or Lillian	4405 NE 29TH AVE ,VANCOUVER,WA,98663
Ad Hoc Payment	Check	27644	10/1/2025	260.89	Chang,Patrick	5101 NE 141ST CT ,VANCOUVER,WA,98682
Ad Hoc Payment	Check	27645	10/1/2025	8.46	Childrens Home Society of Washington	1112 COLUMBIA ST ,VANCOUVER,WA,98660
Ad Hoc Payment	Check	27646	10/1/2025	290.88	Childrens Home Society of Washington	309 W 12TH ST ,VANCOUVER,WA,98660
Ad Hoc Payment	Check	27647	10/1/2025	211.00	Coffman,Caitlin J	3717 M ST ,VANCOUVER,WA,98663
Ad Hoc Payment	Check	27648	10/1/2025	352.79	Coleman,Deborah	3807 SE 184TH CT ,VANCOUVER,WA,98683
Ad Hoc Payment	Check	27649	10/1/2025	156.62	Collins,Greg or Penny	2920 NE 45TH ST ,VANCOUVER,WA,98663
Ad Hoc Payment	Check	27650	10/1/2025	212.00	Courtney,Brandon J or Amber M	12705 NE 101ST ST ,VANCOUVER,WA,98682
Ad Hoc Payment	Check	27651	10/1/2025	525.34	Cristina Vitalaru or Roger Kegley	3519 NE 175TH AVE ,VANCOUVER,WA,98682
Ad Hoc Payment	Check	27652	10/1/2025	84.06	Daniel Shofner or Julia Barnett	511 EDWARDS LN ,VANCOUVER,WA,98661
Ad Hoc Payment	Check	27653	10/1/2025	250.43	Denana or Ismir Zelkanovic	8627 NE 90TH AVE ,VANCOUVER,WA,98662
Ad Hoc Payment	Check	27654	10/1/2025	310.00	Dodge,Eileen or Cyril	8215 SE SCHWIND CIR ,VANCOUVER,WA,98664
Ad Hoc Payment	Check	27655	10/1/2025	109.01	Englund,Justin	2408 KAUFFMAN AVE ,VANCOUVER,WA,98660
Ad Hoc Payment	Check	27656	10/1/2025	196.54	Evans,D Elaine	15900 NE 102ND ST ,VANCOUVER,WA,98682
Ad Hoc Payment	Check	27657	10/1/2025	62.14	Finch,Tyler	14105 SE 6TH ST ,VANCOUVER,WA,98683
Ad Hoc Payment	Check	27658	10/1/2025	201.29	Gonzales,Donna or Kenneth	16711 NE 86TH ST ,VANCOUVER,WA,98682
Ad Hoc Payment	Check	27659	10/1/2025	203.35	Green,Jason or Melissa	7608 NE 55TH ST ,VANCOUVER,WA,98662
Ad Hoc Payment	Check	27660	10/1/2025	54.69	Hamblen,Andrea	16405 NE 38TH ST ,VANCOUVER,WA,98682
Ad Hoc Payment	Check	27661	10/1/2025	528.48	Haxton,Joyce	12913 NE 7TH ST ,VANCOUVER,WA,98684
Ad Hoc Payment	Check	27662	10/1/2025	409.70	Haxton,Joyce	12913 NE 7TH ST ,VANCOUVER,WA,98684
Ad Hoc Payment	Check	27663	10/1/2025	270.43	Hundred Property Management	2323 NE GENERAL ANDERSON AVE ,VANCOUVER,WA,98661
Ad Hoc Payment	Check	27664	10/1/2025	83.37	Jackman,Boyd or Sharon	15916 SE 35TH ST ,VANCOUVER,WA,98683
Ad Hoc Payment	Check	27665	10/1/2025	209.73	Kennedy,Lucila or Mike	17714 SE 16TH ST ,VANCOUVER,WA,98683

*Please contact Procurement Services if you would like to review the justification for EMERGENCY procurement.

INVOICE PAYMENTS REPORT

Payment Category	Payment Type	Transaction Reference	Payment Date	Payment Amount	Payment Payee	Memo
Ad Hoc Payment	Check	27666	10/1/2025	178.25	Landreth,Cynthia E	600 NE 144TH AVE .VANCOUVER,WA,98684
Ad Hoc Payment	Check	27667	10/1/2025	264.98	Love,Teresa and Sam	13017 NE 56TH ST .VANCOUVER,WA,98682
Ad Hoc Payment	Check	27668	10/1/2025	114.07	McGuire,James	14907 NE 82ND ST .VANCOUVER,WA,98682
Ad Hoc Payment	Check	27669	10/1/2025	203.00	Michael or Samantha Jones c/o Dean Strawn	8102 NE 183RD PL .VANCOUVER,WA,98682
Ad Hoc Payment	Check	27670	10/1/2025	87.73	Mixer III,Phillip	712 NE 138TH AVE .VANCOUVER,WA,98684
Ad Hoc Payment	Check	27671	10/1/2025	259.93	Nllo,Alicia or Samuel	8108 NE 106TH PL .VANCOUVER,WA,98662
Ad Hoc Payment	Check	27672	10/1/2025	54.37	Nylund Inc	2901 U ST .VANCOUVER,WA,98663
Ad Hoc Payment	Check	27673	10/1/2025	25.92	Nylund Inc	6901 NE 149TH CT .VANCOUVER,WA,98682
Ad Hoc Payment	Check	27674	10/1/2025	11.74	O'Connor,Nancy	8327 NE 54TH ST .VANCOUVER,WA,98662
Ad Hoc Payment	Check	27675	10/1/2025	167.02	Ontiveros,Carlos	12906 NE 71ST ST .VANCOUVER,WA,98682
Ad Hoc Payment	Check	27676	10/1/2025	139.58	Park,Jane	13210 SE 7TH ST .VANCOUVER,WA,98683
Ad Hoc Payment	Check	27677	10/1/2025	286.00	Peter or Carina Corbet-Owen	13301 NE 46TH ST .VANCOUVER,WA,98682
Ad Hoc Payment	Check	27678	10/1/2025	143.26	Rachel Willis or Matthew Smock	8727 NE 80TH AVE .VANCOUVER,WA,98662
Ad Hoc Payment	Check	27679	10/1/2025	134.23	Riverview Trust Company	3016 SE 153RD AVE .VANCOUVER,WA,98683
Ad Hoc Payment	Check	27680	10/1/2025	23.89	Robert Wood Jr	700 W 23RD ST .VANCOUVER,WA,98660
Ad Hoc Payment	Check	27681	10/1/2025	65.16	Schoenfeld,Stephen	7306 NE 43RD ST .VANCOUVER,WA,98662
Ad Hoc Payment	Check	27682	10/1/2025	20.45	Schult,David	15819 NE 72ND ST .VANCOUVER,WA,98682
Ad Hoc Payment	Check	27683	10/1/2025	136.00	Simon L Yeung or Santana K Alexander	1115 NE 171ST CT .VANCOUVER,WA,98684
Ad Hoc Payment	Check	27684	10/1/2025	95.97	Simpson,Donnie R	7915 NE 20TH ST .VANCOUVER,WA,98664
Ad Hoc Payment	Check	27685	10/1/2025	372.97	Spatz,Cheryl or Joseph	2614 NE 176TH AVE .VANCOUVER,WA,98684
Ad Hoc Payment	Check	27686	10/1/2025	215.84	St Cyr,Paul	8405 NE 10TH ST .VANCOUVER,WA,98664
Ad Hoc Payment	Check	27687	10/1/2025	45.40	Straube,David	11310 SE NANCY RD .VANCOUVER,WA,98664
Ad Hoc Payment	Check	27688	10/1/2025	189.59	Suvada,Kendrick or Krystal	8707 NE 143RD AVE .VANCOUVER,WA,98682
Ad Hoc Payment	Check	27689	10/1/2025	392.87	Tai,Benjamin Franklin	19906 SE 5TH WAY .CAMAS,WA,98607
Ad Hoc Payment	Check	27690	10/1/2025	81.88	The Baugher Trust	8018 NE 88TH ST .VANCOUVER,WA,98662
Ad Hoc Payment	Check	27691	10/1/2025	39.12	The Blackwell Lilly trust	14208 NE 91ST ST .VANCOUVER,WA,98682
Ad Hoc Payment	Check	27692	10/1/2025	100.28	The Coombs Family Revocable Trust	3400 SE BAYPOINT DR .VANCOUVER,WA,98683
Ad Hoc Payment	Check	27693	10/1/2025	463.39	The Estate of Pam D Donnan-Church	3121 E MCLOUGHLIN BLVD .VANCOUVER,WA,98661
Ad Hoc Payment	Check	27694	10/1/2025	266.02	The Estate of Patricia D Mchargue	4516 NE 62ND AVE .VANCOUVER,WA,98661
Ad Hoc Payment	Check	27695	10/1/2025	33.19	The Jeffrey Torres and Jean-Louis Ledanois,Revocable Living Trust	203 SE 198TH PL .CAMAS,WA,98607
Ad Hoc Payment	Check	27696	10/1/2025	415.07	The Tom Family Living Trust	3016 SE 153RD AVE .VANCOUVER,WA,98683
Ad Hoc Payment	Check	27697	10/1/2025	60.56	Trump,Kyle or Jacob	3808 NE 149TH AVE .VANCOUVER,WA,98682
Ad Hoc Payment	Check	27698	10/1/2025	72.93	Upham,Jeffrey	10808 NE 92ND CIR .VANCOUVER,WA,98662
Ad Hoc Payment	Check	27699	10/1/2025	157.89	Vasquez,Amador	2815 CAPLES AVE .VANCOUVER,WA,98661
Ad Hoc Payment	Check	27700	10/1/2025	218.00	Vav Rosky,Edna	4616 NW LINCOLN AVE .VANCOUVER,WA,98663
Ad Hoc Payment	Check	27701	10/1/2025	213.00	Velkova,Lidiya Ilieva	5264 NE 121ST AVE .VANCOUVER,WA,98682
Ad Hoc Payment	Check	27702	10/1/2025	132.68	Viktoria Shikova or Thomas Masalta	1104 SE 131ST AVE .VANCOUVER,WA,98683
Ad Hoc Payment	Check	27703	10/1/2025	56.86	Wamsley,Kenneth or Lourdes	5012 NE 138TH AVE .VANCOUVER,WA,98682
Ad Hoc Payment	Check	27704	10/1/2025	149.76	Wells,Brenda Ann	5408 NE 49TH ST .VANCOUVER,WA,98661
Ad Hoc Payment	Check	27705	10/1/2025	132.00	Wenkai Fan or Jianyu Huang	16702 NE 13TH CIR .VANCOUVER,WA,98684
Ad Hoc Payment	Check	27706	10/1/2025	20.39	Willard,Aisha or Issac	14809 NE 80TH CIR .VANCOUVER,WA,98682
Supplier Payment	Check	27707	10/1/2025	8.40	Airgas, Inc	
Supplier Payment	Check	27708	10/1/2025	6,359.85	AKS Engineering & Forestry LLC - Remit-To: Tualatin Address	
Supplier Payment	Check	27709	10/1/2025	136.00	American Sani-Can	
Supplier Payment	Check	27710	10/1/2025	23,087.78	Arborscape Ltd Inc	
Supplier Payment	Check	27711	10/1/2025	10,004.32	AT & T Mobility National Accounts LLC - Remit-To: AT & T Mobility	

*Please contact Procurement Services if you would like to review the justification for EMERGENCY procurement.

INVOICE PAYMENTS REPORT

<u>Payment Category</u>	<u>Payment Type</u>	<u>Transaction Reference</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Payment Payee</u>	<u>Memo</u>
Supplier Payment	Check	27712	10/1/2025	5,308.00	Cascade Inn	
Supplier Payment	Check	27713	10/1/2025	20,775.49	Cellco Partnership - Remit-To: Cellco - Dallas	
Supplier Payment	Check	27714	10/1/2025	22,790.00	Century West Engineering Corp	
Supplier Payment	Check	27715	10/1/2025	1,800.00	Chanmi Development LLC	
Supplier Payment	Check	27716	10/1/2025	1,167.17	Chicago Title Company of WA	
Supplier Payment	Check	27717	10/1/2025	215.57	Cintas	
Supplier Payment	Check	27718	10/1/2025	2,278.18	Clark County Public Utility District No. 1	
Supplier Payment	Check	27719	10/1/2025	2,278.18	Clark County Public Utility District No. 1	
Supplier Payment	Check	27720	10/1/2025	2,278.18	Clark County Public Utility District No. 1	
Supplier Payment	Check	27721	10/1/2025	1,306,471.06	Clark County - Remit-To: Clark County - Treasurer Vancouver	
Supplier Payment	Check	27722	10/1/2025	9,752.00	Clark County Title Company - Remit-To: Clark County - Reconveyance Fees	
Supplier Payment	Check	27723	10/1/2025	955.86	Core and Main LP - Remit-To: Core and Main LP	
Supplier Payment	Check	27724	10/1/2025	429.76	DLT Solutions LLC	
Supplier Payment	Check	27725	10/1/2025	2,541.00	Erickson Structural Consulting Engineers	
Supplier Payment	Check	27726	10/1/2025	56.58	Experian Marketing Solutions - Remit-To: Experian - Los Angeles	
Supplier Payment	Check	27727	10/1/2025	518.29	First-Citizens Bank & Trust Company	
Supplier Payment	Check	27728	10/1/2025	129.89	Genuine Parts Company - Remit-To: NAPA - Vancouver	
Supplier Payment	Check	27729	10/1/2025	2,974.55	Greystone Partners, Inc	
Supplier Payment	Check	27730	10/1/2025	42,662.51	Harper Houf Peterson Righellis Inc	
Supplier Payment	Check	27731	10/1/2025	99,497.60	H D Fowler Company Inc	
Supplier Payment	Check	27732	10/1/2025	5,516.00	HDJ Design Group	
Supplier Payment	Check	27733	10/1/2025	1,623.32	HMI Oregon	
Supplier Payment	Check	27734	10/1/2025	4,604.06	Inventus Media LLC	
Supplier Payment	Check	27735	10/1/2025	408.08	J-2 Blueprint Supply Co.	
Supplier Payment	Check	27736	10/1/2025	5,600.00	Jack M Litman Phd	
Supplier Payment	Check	27737	10/1/2025	7,443.01	Jasa Inc	
Supplier Payment	Check	27738	10/1/2025	13,572.80	King County Directors Association Purchasing Department	
Supplier Payment	Check	27739	10/1/2025	2,645.98	L.N. Curtis & Sons	
Supplier Payment	Check	27740	10/1/2025	2,503.01	Lakeside Industries Inc - Remit-To: Lakeside - LB Seattle	
Supplier Payment	Check	27741	10/1/2025	196.00	Lakeyland Inc	
Supplier Payment	Check	27742	10/1/2025	1,271.65	Mallory Safety & Supply LLC	
Supplier Payment	Check	27743	10/1/2025	775.00	Marauder Ortho LLC	
Supplier Payment	Check	27744	10/1/2025	155,363.73	Northwest Construction General Contracting Inc	
Supplier Payment	Check	27745	10/1/2025	1,237.53	Performance Systems Integration, LLC - Remit-To: Performance Systems Integration, LLC	
Supplier Payment	Check	27746	10/1/2025	15.10	Qwest Corporation - Remit-To: CenturyLink - Phoenix	
Supplier Payment	Check	27747	10/1/2025	2,942.61	Qwest Corporation - Remit-To: Qwest Corp- Seattle	
Supplier Payment	Check	27748	10/1/2025	968.11	RH2 Engineering, Inc.	
Supplier Payment	Check	27749	10/1/2025	3,875.18	S&B Inc	
Supplier Payment	Check	27750	10/1/2025	4,080.00	Safe Software	
Supplier Payment	Check	27751	10/1/2025	28,457.40	Software House International SHI - Remit-To: SHI - Dallas	
Supplier Payment	Check	27752	10/1/2025	323.14	Speed's Towing of Vancouver - Remit-To: Speeds Towing of Vancouver Inc.	
Supplier Payment	Check	27753	10/1/2025	1,089.74	Stantec Consulting Services Inc - Remit-To: Stantec - Chicago	
Supplier Payment	Check	27754	10/1/2025	5.73	State of Oregon Department of Transportation - Remit-To: OR DMV - Salem	
Supplier Payment	Check	27755	10/1/2025	2,387.00	State of Washington Department of Ecology - Remit-To: State of Washington Department of Ecology	
Supplier Payment	Check	27756	10/1/2025	300.00	State of Washington Department of Licensing - Remit-To: Notary Public Program	

INVOICE PAYMENTS REPORT

Payment Category	Payment Type	Transaction Reference	Payment Date	Payment Amount	Payment Payee	Memo
Supplier Payment	Check	27757	10/1/2025	208.14	State of Washington Department of Transportation - Remit-To: WADOT - PO Box 47305	
Supplier Payment	Check	27758	10/1/2025	65.75	Stericycle Inc - Remit-To: Shred-It	
Supplier Payment	Check	27759	10/1/2025	14.91	Stericycle Inc - Remit-To: Shred-It	
Supplier Payment	Check	27760	10/1/2025	65.75	Stericycle Inc - Remit-To: Shred-It	
Supplier Payment	Check	27761	10/1/2025	10.36	Stericycle Inc - Remit-To: Shred-It	
Supplier Payment	Check	27762	10/1/2025	65.75	Stericycle Inc - Remit-To: Shred-It	
Supplier Payment	Check	27763	10/1/2025	1,475.00	Team HR, LLC	
Supplier Payment	Check	27764	10/1/2025	6,644.00	Todd Anhony Magliocca	
Supplier Payment	Check	27765	10/1/2025	544.00	Towing and Recovery Services, Inc.	
Supplier Payment	Check	27766	10/1/2025	6,666.66	Trauma Intervention Programs	
Supplier Payment	Check	27767	10/1/2025	2,582.37	Triple J Enterprises, Inc.	
Supplier Payment	Check	27768	10/1/2025	725.33	United States Dosimetry Technology Inc	
Supplier Payment	Check	27769	10/1/2025	21,424.55	United States Postal Service - Remit-To: United States Postal Service Caples	
Supplier Payment	Check	27770	10/1/2025	3,216.84	Unit Process Company	
Supplier Payment	Check	27771	10/1/2025	1,171.10	Veritext LLC - Remit-To: Veritext LLC	
Supplier Payment	Check	27772	10/1/2025	103.82	Vestis Group, Inc - Remit-To: Vestis - Pasadena	
Supplier Payment	Check	27773	10/1/2025	603.84	W.B. Sprague Co. Inc.	
Supplier Payment	Check	27774	10/1/2025	646.97	Walter E Nelson Company	
Supplier Payment	Check	27775	10/1/2025	610.81	Waste Connections of Washington - Remit-To: Waste Connections - Vancouver	
Supplier Payment	Check	27776	10/1/2025	13,064.60	Wire Works LLC	
			Check	1,910,684.24		
Expense Payment	Direct Deposit	EFT-00317963	10/2/2025	45.00	Gavin Zirkel	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00317964	10/2/2025	2,151.81	Katherine Kelly	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00317965	10/2/2025	552.00	Cindy Castle	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00317966	10/2/2025	384.44	Lisa Brandt	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00317967	10/2/2025	289.60	Marina Gonzales	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00317968	10/2/2025	2,425.43	Udobong Obotette	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00317969	10/2/2025	283.37	Lori Watson	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00317970	10/2/2025	139.09	Jen Dugger Spalding	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00317971	10/2/2025	61.00	Michael Whitney	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00317972	10/2/2025	2,222.73	Anne McEnery-Ogle	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00317973	10/2/2025	64.66	Matthew Hanns	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00317974	10/2/2025	30.92	Ryan Powers	Employee Reimbursement
Cash Advance Payment	Direct Deposit	EFT-00317975	10/2/2025	137.25	Andrew Jorgenson	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00317976	10/2/2025	460.25	Jason Nicholson	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00317977	10/2/2025	460.25	James Dewey	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00317978	10/2/2025	506.00	Elena Miron	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00317979	10/2/2025	341.00	Chad Butler	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00317980	10/2/2025	506.00	Christian Stromme	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00317981	10/2/2025	188.00	Greg Turner	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00317982	10/2/2025	506.00	Anna Bergstrom	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00317983	10/2/2025	341.00	Cody Esau	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00317984	10/2/2025	506.00	Cole Rodriguez	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00317985	10/2/2025	137.25	Noah Hilliker	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00317986	10/2/2025	506.00	Madeline Vogelsang	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00317987	10/2/2025	113.25	Chris Malone	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00317988	10/2/2025	506.00	Morgan Wells	Travel Advance
			Direct Deposit	13,864.30		
Supplier Payment	EFT	EFT-00317989	10/2/2025	2,759.54	Commonstreet Consulting, LLC	
Supplier Payment	EFT	EFT-00317990	10/2/2025	6,291.51	Wapiti NW LLC	
Supplier Payment	EFT	EFT-00317991	10/2/2025	110,903.26	Do Good Multnomah	
Supplier Payment	EFT	EFT-00317992	10/2/2025	134,250.31	Brown and Caldwell - Remit-To: Brown & Caldwell - San Francisco	
Supplier Payment	EFT	EFT-00317993	10/2/2025	59,421.89	Live Love Outreach	
Supplier Payment	EFT	EFT-00317994	10/2/2025	19,000.00	Blackline Inc	
Supplier Payment	EFT	EFT-00317995	10/2/2025	3,895.14	Waxie's Enterprises Inc	
Supplier Payment	EFT	EFT-00317996	10/2/2025	787.50	Avolve Software Corp	
Supplier Payment	EFT	EFT-00317997	10/2/2025	869.39	JRT Mechanical Inc	
Supplier Payment	EFT	EFT-00317998	10/2/2025	1,628.22	Vatten Plumbing LLC - Remit-To: Vatten Plumbing LLC	
Supplier Payment	EFT	EFT-00317999	10/2/2025	6,329.00	Consor North America Inc - Remit-To: Consor North America Inc	
Supplier Payment	EFT	EFT-00318000	10/2/2025	1,186,601.23	Nuttier Corporation	
Supplier Payment	EFT	EFT-00318001	10/2/2025	3,097.64	Consolidated Supply Co	
Supplier Payment	EFT	EFT-00318002	10/2/2025	2,094,686.94	Doolittle Acquisitions	
Supplier Payment	EFT	EFT-00318003	10/2/2025	140,318.74	Outsiderinn.org	
Supplier Payment	EFT	EFT-00318004	10/2/2025	195.00	United Site Services of Nevada, Inc.	
Supplier Payment	EFT	EFT-00318005	10/2/2025	34,068.10	Wilson Oil Inc. - Remit-To: Wilson Oil Inc	

*Please contact Procurement Services if you would like to review the justification for EMERGENCY procurement.

INVOICE PAYMENTS REPORT

Payment Category	Payment Type	Transaction Reference	Payment Date	Payment Amount	Payment Payee	Memo
Supplier Payment	EFT	EFT-00318006	10/2/2025	952.00	George Elevator Service LLC	
Supplier Payment	EFT	EFT-00318007	10/2/2025	2,805.00	Pacifica Law Group LLP - Remit-To: Pacifica Law Group	
Supplier Payment	EFT	EFT-00318008	10/2/2025	1,166.63	Praxair Distribution Inc	
Supplier Payment	EFT	EFT-00318009	10/2/2025	6,000.00	The Arts Centered	
Supplier Payment	EFT	EFT-00318010	10/2/2025	2,443.19	PC Specialists Inc - Remit-To: TIG - San Diego	
Supplier Payment	EFT	EFT-00318011	10/2/2025	29,238.08	AMS Planning & Research Corp	
Supplier Payment	EFT	EFT-00318012	10/2/2025	196,696.87	Skanska USA Building Inc	
Supplier Payment	EFT	EFT-00318013	10/2/2025	38.41	Ziply Fiber	
Supplier Payment	EFT	EFT-00318014	10/2/2025	474,539.96	Oregon Native American Chamber	
Supplier Payment	EFT	EFT-00318015	10/2/2025	16,743.25	Northwest Staffing Resources Inc - Remit-To: Northwest Staffing Resources	
Supplier Payment	EFT	EFT-00318016	10/2/2025	3,281.84	Del Sol Inc	
Supplier Payment	EFT	EFT-00318017	10/2/2025	25,616.00	Clark EMS Physicians, LLC	
Supplier Payment	EFT	EFT-00318018	10/2/2025	11,101.38	American Green Energy Electric Inc	
Supplier Payment	EFT	EFT-00318019	10/2/2025	2,366.77	Emerald Services Inc - Remit-To: Emerald - Dallas TX	
Supplier Payment	EFT	EFT-00318020	10/2/2025	23,047.11	SDB Inc	
Supplier Payment	EFT	EFT-00318021	10/2/2025	22,726.00	Marten Law LLP	
Supplier Payment	EFT	EFT-00318022	10/2/2025	2,500.00	The Amy VanCamp Experience LLC	
Supplier Payment	EFT	EFT-00318023	10/2/2025	1,060.50	Allegiance Benefit Plan Management Inc (Pension and Flex)	
Supplier Payment	EFT	EFT-00318024	10/2/2025	885.00	BCE Engineers, Inc.	
Supplier Payment	EFT	EFT-00318025	10/2/2025	10,300.36	Consolidated Electrical Distribution	
Supplier Payment	EFT	EFT-00318026	10/2/2025	11,519.15	Otak Inc	
Supplier Payment	EFT	EFT-00318027	10/2/2025	549.48	WasteXpress Environmental LLC	
Supplier Payment	EFT	EFT-00318028	10/2/2025	70.00	Brad Piesch Aggressive Enterprises, Inc	
Supplier Payment	EFT	EFT-00318029	10/2/2025	17,820.54	MacKay Sposito Inc	
Supplier Payment	EFT	EFT-00318030	10/2/2025	41,164.80	Meterreaders LLC	
Supplier Payment	EFT	EFT-00318031	10/2/2025	340.00	Rotschy Inc	
Supplier Payment	EFT	EFT-00318032	10/2/2025	2,937.60	Pacific Office Automation, Inc.	
			EFT	4,713,013.33		
Supplier Payment	Manual Wire		9/25/2025	2,061.00	State of Washington Department of Licensing - Remit-To: DOL - Seattle Remit	
Supplier Payment	Manual Wire		9/29/2025	49,023.11	State of Oregon Department of Revenue	
Supplier Payment	Manual Wire		9/29/2025	14,763.55	Bank Of America N.A. - Remit-To: Charlotte NC	
Supplier Payment	Manual Wire		9/30/2025	808,316.04	State of Washington Department of Retirement Systems (DRS)	
Supplier Payment	Manual Wire		10/1/2025	10,957.50	Global Payments Inc	
Supplier Payment	Manual Wire		10/1/2025	24,192.19	State of Washington Department of Health - Remit-To: WA Dept of Health	
Supplier Payment	Manual Wire		10/1/2025	3,328.56	Internal Revenue Service	
Procurement Card Payment	Manual Wire		10/1/2025	722,784.03	CoV JPM Procurement Card	
Supplier Payment	Manual Wire		10/2/2025	286,966.71	Blue Cross Blue Shield of Oregon	
Supplier Payment	Manual Wire		10/2/2025	21,360.20	Washington Dental Service	
Supplier Payment	Manual Wire		10/2/2025	728.16	United States Postal Service	
Supplier Payment	Manual Wire		10/3/2025	255,681.14	Western States Health & Welfare Trust	
Supplier Payment	Manual Wire		10/3/2025	621,879.75	Vancouver Firefighters Union Health & Welfare Trust	
Supplier Payment	Manual Wire		10/3/2025	8,217.85	VSP Vision Care Inc	
Supplier Payment	Manual Wire		10/3/2025	94,643.88	Blue Cross Blue Shield of Oregon	
			Manual Wire	2,924,903.67		
			Checks	1,910,684.24		
			Direct Deposit	13,864.30		
			EFT	4,713,013.33		
			10/6/2025	19,415.34	City Payments	Posted 09-29-25 to 10-05-25
			Hansen Total	19,415.34		
			9/29/2025	1,462.75	Miscellaneous	Parks Class Refunds FCC 09-29-25 to 10-05-25

*Please contact Procurement Services if you would like to review the justification for EMERGENCY procurement.

INVOICE PAYMENTS REPORT

<u>Payment Category</u>	<u>Payment Type</u>	<u>Transaction Reference</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Payment Payee</u>	<u>Memo</u>
			9/29/2025	1,123.25	Miscellaneous	Parks Class Refunds MCC 09-29-25 to 10-05-25
			VISA Total	2,586.00		
			Payroll Total	50,412.66		
			GRAND TOTAL	9,634,879.54		

City of Vancouver
Payroll Council Report

September 29, 2025 - October 05, 2025

[illegible]

\$ 50,412.66

A ZONING ORDINANCE, amending and restating Ordinance M-4465 adopted by the City Council following a public hearing on October 14, 2024, relating to zoning for the City of Vancouver and Vancouver Municipal Code (VMC) Title 20; amending VMC 20.410, 20.810, 20.920, and 20.950 pursuant to RCW 36.70A.390; establishing additional findings of fact; establishing an immediate effective date and providing for severability.

Staff Report: 209-25

To: Mayor and City Council
From: City Manager
Date: October 13, 2025

Subject

Extension of 2024 Interim Housing Ordinance

Key Points

- On September 9, 2024, the City Council adopted an emergency interim housing ordinance and adopted a follow-up ordinance following a public hearing on October 14, 2024, pursuant to RCW 36.70A.390.
- The 2024 ordinance adopted code changes to expand Accessory Dwelling Unit (ADU) and duplex allowances in single family zones, streamline infill standards with smaller lots, and allow smaller cottage cluster developments with clarification that owner-occupied developments are allowed.
- These code changes facilitated housing and moved in the direction of more stringent new Growth Management Act (GMA) housing requirements that will be incorporated into the pending Comprehensive Plan and zoning code update anticipated to be adopted in spring 2026. Advanced adoption can facilitate short-term housing production, and allow near-term construction to include smaller and less costly housing.
- Pursuant to RCW 36.70A.390, the City Council may adopt the attached updated ordinance at the October 13, 2025, public hearing, extending the code changes to April 13, 2026.

Strategic Plan Alignment

Housing and Human Needs – meeting basic needs and partnering with organizations to support the community

Present Situation

- The 2024 Interim Housing Ordinance increased the number of ADU's allowed per single-family lot from one to two, consistent with HB 1337 requirements; eliminated a two-tier system for infill developments, facilitating easier compliance with HB 1110 and 1220 requirements; and amended cottage cluster requirements to allow smaller parent parcels and make language clarifications encouraging more owner occupied cottages.
- The 2024 Interim Housing Ordinance is set to expire on October 14, 2024, which would prohibit new applications from being submitted that utilize its allowances.

Advantage(s)

1. Facilitates short-term housing production of generally smaller and less costly units, many for homeownership and often in areas well-served by existing infrastructure and services moving in the direction of new GMA requirements to be addressed in the new updated Comprehensive Plan and zoning code, and aligning with Council identified priorities for housing, economic opportunity and vibrant neighborhoods.
2. Advances the City's Housing Action Plan, specifically related to reforming zoning codes that limit housing production.

Challenge(s)

Over time, the introduction of smaller middle housing opportunities may result in some changes in existing neighborhoods.

Budget Impact

No significant impacts anticipated.

Prior Council Review

Council workshop review on July 15, 2024, consent agenda review and discussion on September 9, 2024, and public hearing review and discussion on October 14, 2024.

Action Requested

On October 13, 2025, subject to public hearing, extend the October 2024 Interim Housing Ordinance to April 13, 2026.

Staff Contact

Bryan Snodgrass, Principal Planner, bryan.snodgrass@cityofvancouver.us

Attachments:

1. Ordinance

10/13/25

ORDINANCE NO. M _____

A ZONING ORDINANCE, amending and restating Ordinance M-4465 adopted by the City Council following a public hearing on October 14, 2024, relating to zoning for the City of Vancouver and Vancouver Municipal Code (VMC) Title 20; amending VMC 20.410, 20.810, 20.920, and 20.950 pursuant to RCW 36.70A.390; establishing additional findings of fact; establishing an immediate effective date and providing for severability.

WHEREAS, enacted ordinances may be amended and restated in full and reenacted pursuant to Section 2.12 of the Vancouver City Charter and this amended and restated ordinance is consistent with and relies on the findings of fact stipulated in Ordinance M-4465 and restated here; and

WHEREAS, the City has the authority to adopt an interim zoning ordinance pursuant to RCW 36.70A.390, provided that such action is justified by adopted findings of fact, as provided herein, and a public hearing is scheduled and held concurrently or within 60 days of adoption; and

WHEREAS, this interim zoning ordinance may be effective for a period of one year, if a work plan is developed for related studies providing for such a period, and may be extended for one or more additional six-month periods if a subsequent public hearing is held and findings of fact are made prior to each renewal; and

WHEREAS, pursuant to the Growth Management Act (Chapter 36.70A RCW) the City Council has adopted Title 20 zoning standards (last amended through Ordinance M-4034); and

WHEREAS, the City of Vancouver faces increasing affordable housing challenges and rising housing costs and challenges in providing sufficient housing for all economic segments as documented in the [2016 City of Vancouver Affordable Housing Task Force Report](#) and a March 28, 2022 City Council workshop presentation and discussion; and

WHEREAS, the Washington legislature has amended the Growth Management Act in recent years to establish several new mandates for local government to increase capacity and allowances for additional housing, particularly denser and lower cost housing, through legislation including but not limited to HB 1220, HB 1110 and HB 1337; and

WHEREAS, the City Council conducted duly advertised workshops on July 15, 2024 and duly advertised Communication discussion on March 4, 2024, following which the Council adopted interim ordinance M-4455 on September 9, 2024; and

WHEREAS, on October 14, 2024, following a public hearing, the City Council adopted ordinance M-4465, which updated ordinance M-4455 and included additional minor amendments to zoning code language primarily related to code section numbering and formatting, internal cross referencing, amendments for clarify and application processing, which were identified as necessary to be consistent with Ordinance M-4455; and

WHEREAS, on October 13, 2025, following a public hearing, the City Council adopted this ordinance M? to continue the provisions of ordinance M-4465 to April 13, 2026; and

WHEREAS, the City has developed a work plan for related studies on residential density zoning changes in conjunction with the Comprehensive Plan update currently being conducted by the City.

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF VANCOUVER:

Section 1. Findings of Fact. The City Council adopts the following as findings of fact:

- a. Housing affordability and accessibility is a pressing concern for current and future citizens of the City of Vancouver.
- b. The state of Washington has adopted stringent new housing requirements for local governments, including but not limited to legislation through HB 1220, HB 1110 and HB 1137, requiring cities to

increase allowance for housing types and densities in single-family zones and to provide long term capacity citywide to meet set housing unit targets.

- c. Adopting changes to Vancouver Municipal Code Title 20 to allow two accessory dwelling units (ADUs) or duplexes on single family lots, streamline infill standards and allow smaller infill lots, and amend cottage cluster standards as set forth in this ordinance will facilitate short term housing production, and move towards partial compliance of new requirements prior to adoption of the City's 2025 Comprehensive Plan and associated zoning standards
- d. Additional amendments identified to Ordinance M-4455 correct zoning code formatting, cross referencing, and clarity, but are consistent with and do not significantly expand the policy implications of Ordinance M-4455

Section 2. Workplan. The following workplan and related studies on the associated impacts and proposed locations and land use development standards for increased residential density shall be implemented for final adoption of the interim zoning ordinance on or before September 8, 2025:

- a. 2025 Fourth Quarter – As part of work towards the Comprehensive Plan and related zoning code update, research regulatory options to comply with new GMA requirements and address local housing needs, and conduct Planning Commission and Council workshops and public hearings

Section 3 Zoning Text Amendments. Amend VMC 20.810, VMC 20.410, VMC 20.920, and VMC 20.950 in accordance with the code changes specified in the following attachments to this ordinance, hereby incorporated by reference:

- A)** Attachment A - Amendments to allow two Accessory Dwelling Units or duplexes on single family lots (Chapter 20.810 VMC and Chapter 20.410 VMC)
- B)** Attachment B - Amendments to streamline infill development standards and allow smaller lots (Chapter 20.920 VMC)
- C)** Attachment C - Amendments to allow smaller cottage cluster parent parcels, and make clearer that land divisions are allowed (Chapter 20.950 VMC)

Section 4. Duration. Because a work plan for related studies has been developed, this interim zoning ordinance shall be in effect for one year following the effective date established herein, or as otherwise renewed in accordance with RCW 36.70A.390.

Section 5. Severability. If any clause, sentence, paragraph, section, or part of this ordinance or the application thereof to any person or circumstances shall be adjudged by any court of competent jurisdiction to be invalid, such order or judgment shall be confined in its operation to the controversy in which it was rendered and shall not affect or invalidate the remainder of any parts thereof to any other person or circumstances and to this end the provisions of each clause, sentence paragraph, section or part of this law are hereby declared to be severable.

Section 6. Savings Clause. Ordinance No. M-4465, which is amended and restated by this ordinance, shall remain in force and effect until the effective date of this ordinance.

Section 7. Effective Date. The City Council hereby finds and declares that an emergency exists which necessitates that this interim zoning ordinance become effective immediately in order to preserve the public health, safety, and welfare. This ordinance shall go into effect immediately on passage.

Section 8. Instruction to City Clerk. The City Clerk shall transmit a copy of the revised development code to the Washington Department of Commerce.

DATE OF FINAL PASSAGE by the Vancouver City Council: _____.

SIGNED this _____ day of _____, 2025.

Anne McEnery Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Nena Cook, City Attorney

SUMMARY

ORDINANCE NO. M-

A ZONING ORDINANCE, amending and restating ordinance M-4465 adopted by the City Council on an emergency interim basis on September 9, 2024, relating to zoning for the City of Vancouver and Vancouver Municipal Code (VMC) Title 20; amending VMC 20.410, 20.810, 20.920, and 20.950 pursuant to RCW 36.70A.390; establishing additional findings of fact; establishing an immediate effective date and providing for severability.

The full text of this ordinance will be mailed upon request. Contact public records staff at (360) 487-8480, citypdr@cityofvancouver.us, or via Public Records Request -The City of Vancouver, WA.

Ordinance Attachment A - Amendments to allow two Accessory Dwelling Units or duplexes on single family lots. Ordinance M-4455 amendments highlighted in yellow. Additional amendments incorporated through Ordinance M-4465 highlighted in green.

Chapter 20.810 ACCESSORY DWELLING UNITS

Sections:

20.810.010	Purpose.
20.810.020	Definition.
20.810.030	Applicability.
20.810.040	Development Standards.
20.810.050	Submission Requirements.
20.810.060	Conversion of Existing Accessory Structures.

20.810.010 Purpose.

Purpose. The purpose of these code provisions for accessory dwelling units (ADUs) is to: (1) provide homeowners with flexibility in establishing separate living quarters within or adjacent to their homes for the purpose of caring for seniors, providing housing for their children or obtaining rental income; (2) increase the range of housing choices and the supply of accessible and affordable housing units within the community **consistent with statutory requirements**; and (3) ensure that the development of accessory dwelling units does not cause unanticipated impacts on the character or stability of single-family neighborhoods. (Ord. M-4377 § 2(g), 2022; Ord. M-4209 § 2, 2017; Ord. M-3643, 2004)

20.810.020 Definition.

Accessory Dwelling Unit (ADU). One or more rooms with private bath and kitchen facilities comprising an independent, self-contained dwelling unit within or attached to a single-family dwelling or in a detached building on the same lot as the primary dwelling unit. **An ADU is distinguishable from a duplex in that, unlike a duplex, it is clearly subordinate to the primary dwelling unit, both in use and appearance.** (Ord. M-4377 § 2(g), 2022; Ord. M-4209 § 2, 2017; Ord. M-3931 § 25, 2009; Ord. M-3643, 2004)

20.810.030 Applicability.

A. *Accessory dwelling unit applicability.* ADUs shall be permitted outright in all residential zoning districts that contain a single-family home in all residential zoning districts (R-2, R-4, R-6, R-9, R-17, R-18, R-22, R-30, R-35, and R-50) if in compliance with all of the development standards contained in VMC 20.810.040. ADUs shall not be allowed within nonresidential zoning districts or in the following circumstances:

1. On properties not containing a detached single-family dwelling.

2. On properties containing activities requiring a home occupation permit pursuant to Chapter 20.860 VMC.

B. *Approval process.* A proposed ADU shall be reviewed by means of a Type I procedure, pursuant to VMC 20.210.040, subject to the development standards contained in VMC 20.810.040. An ADU use is not subject to site plan review. (Ord. M-4377 § 2(g), 2022; Ord. M-4209 § 2, 2017)

20.810.040 Development Standards.

Development standards for accessory dwelling units. An ADU shall comply with the following standards:

A. *Configuration.* An ADU may be located either within, attached to, or detached from the primary structure.

B. *Density.* Only one Up to Two ADUs may be created in conjunction with each legal lot containing a single-family residence. single-family residence.

C. *Minimum lot size.* An ADU may be established on any legally established lot meeting applicable standards of this chapter.

D. *Maximum unit size.* The gross floor area, calculated from finished wall to finished wall, ADU shall not exceed 1,000800-square feet of gross floor area, or 50 percent of the primary single-family structure, not including garage and/or detached accessory buildings (whichever is less). ADUs created entirely within existing basements may exceed 800 square feet, provided they are not larger than the size of the remainder of the overall home.

E. *Minimum unit size.* The gross floor area of an ADU shall not be less than the requirements of the Washington State Building Code.

F. *Setbacks, height and lot coverage.* Additions to existing structures, or the construction of new detached structures, associated with the establishment of an ADU shall not exceed the allowable lot coverage, height or encroach into required setbacks as prescribed in the underlying zone. The applicable setbacks and height

shall be the same as those prescribed for the primary structure, not those prescribed for detached accessory structures.

~~G. *Scale and visual subordination.* New detached ADUs, or ADUs extending from existing structures, shall not comprise more than 50 percent of total visible façade area of the primary structure and other outbuildings not including the ADU, as seen from the front of the lot. ADUs shall be subject to a maximum height of 25 feet.~~

G. *Parking.* No additional on-site parking is required in conjunction with the establishment of an ADU.

~~I. *Design and appearance.* ADUs that are separate or extending from existing structures shall be architecturally compatible with the principal dwelling.~~

H. *Construction standards.* The design and construction of the ADU shall conform to all applicable standards in the building, plumbing, electrical, mechanical, fire, health and any other applicable codes. (Ord. M-4377 § 2(g), 2022; Ord. M-4209 § 2, 2017; Ord. M-3959 § 38, 2010; Ord. M-3701 § 24, 2005; Ord. M-3643, 2004)

20.810.050 Submission Requirements.

The following information shall be submitted as part of an application for review:

- A. *Application.* Completed and signed application provided by the planning official.
- B. *Fee.* Fee pursuant to Chapter [20.180](#) VMC.
- C. *Site plan.* To-scale site plan showing the exact location of the primary residence and any accessory structures, parking, landscaping and setbacks.
- D. *Floor plan.* Floor plan, drawn to scale, of entire house and accessory unit within the primary residence or within freestanding accessory structure.
- E. *Elevations.* Elevations drawn to scale of the accessory unit within the primary residence or within freestanding accessory structure. (Ord. M-4377 § 2(g), 2022; Ord. M-4209 § 2, 2017; Ord. M-3643, 2004)

20.810.060 Conversion of Existing Accessory Structures.

- A. *Conversions of an existing structure.* An existing garage structure or other outbuilding may be converted to an ADU; provided, that the structure complies with established setback standards for a primary structure, not accessory structure, as prescribed in the underlying zone, and complies with

applicable building codes, and all other standards of this section. Conversion of such garage shall not result in the elimination of the requirement of one legal on-site parking space to serve the single-family residence.

B. *Conversion of existing garages located in non-conforming setbacks.* Garages constructed before January 1, 2021, that are legally nonconforming as to side or rear yard setback may be eligible to be converted or replaced at their current location; provided, that:

1. All applicable ADU, building, and other standards are met.

~~2. Conversion or replacement structure or portion of the structure located within the setback does not result in it exceeding 15 feet in height or any taller than the existing structure, whichever is greater. Conversions or replacements of garages shall not result in the elimination of the requirement of one legal on-site parking space to serve the single family existing residence.~~

C. *Off-street parking requirements.* The off-street parking requirements for the primary residence shall be provided for elsewhere on the site in conformance with the setback, paving and other development standards described in Chapter [20.945](#) VMC, Parking and Loading. (Ord. M-4377 § 2(g), 2022; Ord. M-4209 § 2, 2017; Ord. M-3701 § 25, 2005; Ord. M-3663 § 20, 2004; Ord. M-3643, 2004)

20.410.030 Uses. {Single Family Zoning Districts}

A. *Types of uses.* For the purposes of this chapter, there are four kinds of use:

1. A permitted (P) use is one that is permitted outright, subject to all of the applicable provisions of this title.
2. A limited (L) use is permitted outright providing it is in compliance with special requirements, exceptions or restrictions.
3. A conditional use (C) is a discretionary use reviewed through the process set forth in Chapters [20.245](#) and [20.210](#) VMC, governing conditional uses and decision-making procedures, respectively.
4. A prohibited use (X) is one that is not permitted in a zoning district under any circumstances.

B. *Use table.* A list of permitted, limited, conditional, and prohibited uses in low-density residential districts is presented in Table 20.410.030-1.

Table 20.410.030-1. Lower-Density Residential Districts Use Table

USE	R-2	R-4	R-6	R-9	R-17

USE	R-2	R-4	R-6	R-9	R-17
RESIDENTIAL					
Household Living	P ¹	P ¹	P ¹	P ¹	P ¹
Group Living	P/X ¹	P/X ¹	P/X ¹	P/X ¹	P/X ¹
Home Occupation	L ²	L ²	L ²	L ²	L ²
Medical Center Residential	L ²³	L ²³	L ²³	L ²³	L ²³
HOUSING TYPES					
Single Dwellings, Attached	L ¹⁸	L ¹⁸	L ¹⁸	L ¹⁸	L ¹⁸
Single Dwellings, Detached	P	P	P	P	P
Accessory Dwelling Units	P ⁴	P ⁴	P ⁴	P ⁴	L ⁴
Duplexes	P ⁴ L ²⁴	P ⁴ L ²⁴	P ⁴ L ²⁴	P ⁴ L ²⁴	L ²⁴
Multi-Dwelling Units	X	X	X	X	L ²⁴
Existing Manufactured Home Developments	L ⁵	L ⁵	L ⁵	L ⁵	L ⁵
Designated Manufactured Homes	L/X ¹⁹	L/X ¹⁹	L/X ¹⁹	L/X ¹⁹	L/X ¹⁹

USE	R-2	R-4	R-6	R-9	R-17
New Manufactured Homes	L ²⁰	L ²⁰	L ²⁰	L ²⁰	L ²⁰
Cottage Cluster Housing	P ²⁵	P ²⁵	P ²⁵	P ²⁵	X
CIVIC (Institutional)					
Basic Utilities	C	C	C	C	C
Colleges	C	C	C	C	C
Community Centers	X	X	X	X	X
Community Recreation	C ⁶	C ⁶	C ⁶	C ⁶	C ⁶
Cultural Institutions	P/C ⁷	P/C ⁷	P/C ⁷	P/C ⁷	P/C ⁷
Day Care					
– Family Day Care Homes	P ⁸	P ⁸	P ⁸	P ⁸	P ⁸
– Child Care Centers	L/C ¹¹	L/C ¹¹	L/C ¹¹	L/C ¹¹	L/C ¹¹
– Adult Day Care	L/C/X ⁹	L/C/X ⁹	L/C/X ⁹	L/C/X ⁹	L/C/X ⁹
Emergency Services (except ambulance services)	L/C ¹¹	L/C ¹¹	L/C ¹¹	L/C ¹¹	L/C ¹¹
Ambulance Services	X	X	X	X	X

USE	R-2	R-4	R-6	R-9	R-17
Medical Centers	X	X	X	X	X
Parks/Open Space					
– Neighborhood Parks	P	P	P	P	P
– Community Parks	P	P	P	P	P
– Regional Parks	C	C	C	C	C
– Trails	P	P	P	P	P
Postal Service	C	C	C	C	C
Religious Institutions	L/C ¹¹	L/C ¹¹	L/C ¹¹	L/C ¹¹	L/C ¹¹
Schools	L/C ¹¹	L/C ¹¹	L/C ¹¹	L/C ¹¹	L/C ¹¹
Social/Fraternal Clubs	X	X	X	X	X
Transportation Facilities	C ¹²	C ¹²	C ¹²	C ¹²	C ¹²
COMMERCIAL					
Commercial and Transient Lodging	L/C/X ¹³	L/C/X ¹³	L/C/X ¹³	L/C/X ¹³	L/C/X ¹³
Eating/Drinking Establishments	X	X	X	X	X
Entertainment-					

USE	R-2	R-4	R-6	R-9	R-17
Oriented					
– Adult Entertainment	X	X	X	X	X
– Indoor Entertainment	X	X	X	X	X
– Major Event Entertainment	X	X	X	X	X
General Retail					
– Sales-Oriented	C ¹⁴	C ¹⁴	C ¹⁴	C ¹⁴	C ¹⁴
– Personal Services	C ¹⁴	C ¹⁴	C ¹⁴	C ¹⁴	C ¹⁴
– Repair-Oriented	X	X	X	X	X
– Bulk Sales	X	X	X	X	X
– Outdoor Sales	X	X	X	X	X
Motor Vehicle Related					
– Motor Vehicle Sales/Rental	X	X	X	X	X
– Motor Vehicle Servicing/Repair	X	X	X	X	X
– Vehicle Fuel Sales	X	X	X	X	X
– EV Basic Charging	P	P	P	P	P

USE	R-2	R-4	R-6	R-9	R-17
Stations (accessory only)					
– EV Rapid Charging Stations (accessory only)	P	P	P	P	P
– EV Battery Exchange Stations	X	X	X	X	X
Offices					
– General	X	X	X	X	X
– Medical	X	X	X	X	X
– Extended	X	X	X	X	X
Nonaccessory Parking	X	X	X	X	X
Self-Service Storage	X	X	X	X	X
Marinas	C	C	C	C	C
INDUSTRIAL					
Bulk Fossil Fuel Storage and Handling Facilities	X	X	X	X	X
Cleaner Fuel Storage and Handling Facilities	X	X	X	X	X

USE	R-2	R-4	R-6	R-9	R-17
Small Fossil Fuel or Cleaner Fuel Storage and Distribution Facilities	X	X	X	X	X
Industrial Services	X	X	X	X	X
Manufacturing and Production	X	X	X	X	X
Railroad Yards	X	X	X	X	X
Research and Development	X	X	X	X	X
Warehouses/Freight Movement	X	X	X	X	X
Wholesale Sales	X	X	X	X	X
Waste-Related	X	X	X	X	X
Major Utility Facilities	X	X	X	X	X
OTHER					
Agriculture/Horticulture	P	P	P	P	P
Airports/Airparks	X	X	X	X	X
Animal Kennels/Shelters	X	X	X	X	X

USE	R-2	R-4	R-6	R-9	R-17
Cemeteries	C ¹⁵	C ¹⁵	C ¹⁵	C ¹⁵	C ¹⁵
Detention and Post-Detention Facilities	X	X	X	X	X
Dog Day Care	X	X	X	X	X
Heliports	X	X	X	X	X
Recreational or Medical Marijuana Facilities	X	X	X	X	X
Medical Marijuana Cooperatives	X	X	X	X	X
Mining	X	X	X	X	X
Rail Lines/Utility Corridors	P	P	P	P	P
Temporary Uses	L ¹⁶	L ¹⁶	L ¹⁶	L ¹⁶	L ¹⁶
Wireless Communication Facilities	L/C/X ¹⁷	L/C/X ¹⁷	L/C/X ¹⁷	L/C/X ¹⁷	L/C/X ¹⁷

1 Residential care homes, state or federally approved, with six or fewer residents and any required on-site residential staff permitted by right; all larger group living uses prohibited.

2 Subject to the provisions of Chapter [20.860](#) VMC, Home Occupations.

3 *Reserved for future use.*

4 Subject to the provisions of Chapter [20.810](#) VMC, Accessory Dwelling Units.

- 5** Subject to the provisions of Chapter [20.880](#) VMC, Manufactured Home Parks. Manufactured home developments established prior to July 1, 2005, are exempt from the standards of VMC [20.410.050\(F\)](#), Criteria for Placement of Manufactured Homes, and may continue to exist and expand within existing previously approved boundaries. An existing manufactured home in a development or subdivision may be replaced or may be relocated either to an approved manufactured home development or an approved manufactured home subdivision.
- 6** Subject to provisions in VMC [20.895.040](#), Community Recreation and Related Facilities.
- 7** Libraries only permitted outright; all other cultural institutions are conditional uses.
- 8** Family day care homes for no more than 12 children are permitted when licensed by the state.
- 9** Adult day care facilities for six or fewer adults allowed as limited uses subject to compliance with the development standards governing home occupations, per VMC [20.860.020\(B\)\(1\)](#) through [\(B\)\(7\)](#); facilities with seven to 12 adults allowed as conditional uses; and larger facilities are prohibited.
- 10** *Repealed by M-4289.*
- 11** Schools, religious institutions, government buildings, fire stations, child care centers, and emergency services facilities that meet all of the criteria contained in VMC [20.410.050\(D\)](#) are permitted by right; all others require conditional use approval. Child care centers permitted by right shall be consistent with Chapter [20.840](#) VMC, Child Care Centers, and be subject to Type II review pursuant to VMC [20.210.050](#).
- 12** Except bus, trolley and streetcar stops, including bus shelters, which are allowed by right.
- 13** One- and two-bedroom bed-and-breakfast facilities are permitted outright and three- to six-bedroom bed-and-breakfast facilities are allowed as conditional uses, with all bed-and-breakfast facilities subject to provisions of Chapter [20.830](#) VMC, Bed and Breakfast Establishments. No more than six bedrooms are allowed under any circumstances. All other commercial lodging is prohibited.
- 14** Retail commercial uses limited to 1,500 gsf per use to a maximum of 5,000 square feet in planned developments of 150 units or more. See VMC [20.260.020\(B\)\(1\)\(b\)\(2\)](#).
- 15** Subject to provisions in VMC [20.895.030](#).
- 16** Subject to provisions in Chapter [20.885](#) VMC, except sales of fireworks which are prohibited in residential zones.
- 17** Building-mounted antennas are allowed by conditional use on nonresidential buildings in single-family residential zones subject to requirements contained in Chapter [20.890](#) VMC, Wireless Communication Facilities.
- 18** Subject to VMC [20.260.020\(B\)\(1\)\(a\)\(2\)](#), planned development, VMC [20.910.050](#), Zero Lot Line Developments, and Chapter [20.920](#) VMC, Infill Development Standards.

19 A “designated manufactured home” is exempt from the development standards of VMC [20.410.050\(F\)](#) and may continue to exist and expand. An existing unit may be replaced or may be relocated either to an approved manufactured home development or an approved manufactured home subdivision. After July 1, 2005, only “new manufactured homes” that also meet the “designated manufactured home” criteria will be permitted on individual lots not part of an existing approved manufactured home development or manufactured home subdivision, except that a new manufactured home placed on an individual lot after July 1, 2005, may be relocated as permitted by this title if within five years of the date of the original placement.

20 Subject to VMC [20.410.050\(F\)](#), Development Standards – Criteria for Placement of Manufactured Homes.

21 ~~Subject to Chapter [20.920](#) VMC, Infill Development Standards.~~ This footnote has been deleted.

22 This footnote has been deleted.

21 ~~Subject to Chapter [20.920](#) VMC, Infill Development Standards.~~

22 ~~Existing duplexes built on lots meeting the minimum infill lot size standards of Table [20.920.060-1](#) shall be considered conforming uses even if not part of an infill development.~~

23 Medical center residential uses, as defined in VMC [20.160.020](#), are permitted outright if approved through a public facilities master plan per VMC [20.680.040](#).

24 Two-family dwellings (duplexes), three-family, or four-family dwellings are permitted subject to density and development standards of the R-17 district.

25 Pursuant to Chapter [20.950](#) VMC, Cottage Cluster Housing.

(Ord. M-4380 § 6, 2022; Ord. M-4377 § 2(a), 2022; Ord. M-4325 § 3, 2020; Ord. M-4289 § 4, 2019; Ord. M-4255 § 6, 2018; Ord. M-4254 § 3(BB), 2018; Ord. M-4187 § 5, 2016; Ord. M-4071 § 7, 2014; Ord. M-4066 § 5, 2013; Ord. M-4035 § 2, 2012; Ord. M-4034 § 10, 2012; Ord. M-4024 § 6, 2012; Ord. M-4002 § 5, 2011; Ord. M-3931 § 9, 2009; Ord. M-3922 § 19, 2009; Ord. M-3840 § 18, 2007; Ord. M-3709 § 4, 2005; Ord. M-3663 § 12, 2004; Ord. M-3643, 2004)

Ordinance Attachment B - Amendments to streamline infill development standards and allow smaller lots. Ordinance M-4455 amendments highlighted in yellow. Additional amendments highlighted in green.

Chapter 20.920

INFILL DEVELOPMENT STANDARDS

Sections:

20.920.010	Purpose.
20.920.020	Applicability.
20.920.030	Relationship to Other Development Standards.
20.920.040	Procedures.
20.920.050	Tier 1 Infill Standards.
20.920.060	Tier 2 Infill Standards.

20.920.010 Purpose.

The intent of the infill ordinance is to encourage the development of underutilized and challenged parcels in the R-9, R-6, R-4, and R-2 zoning districts. The infill ordinance accommodates a variety of housing types including single family detached and single family attached, and duplexes (Ord. M-3643, 2004)

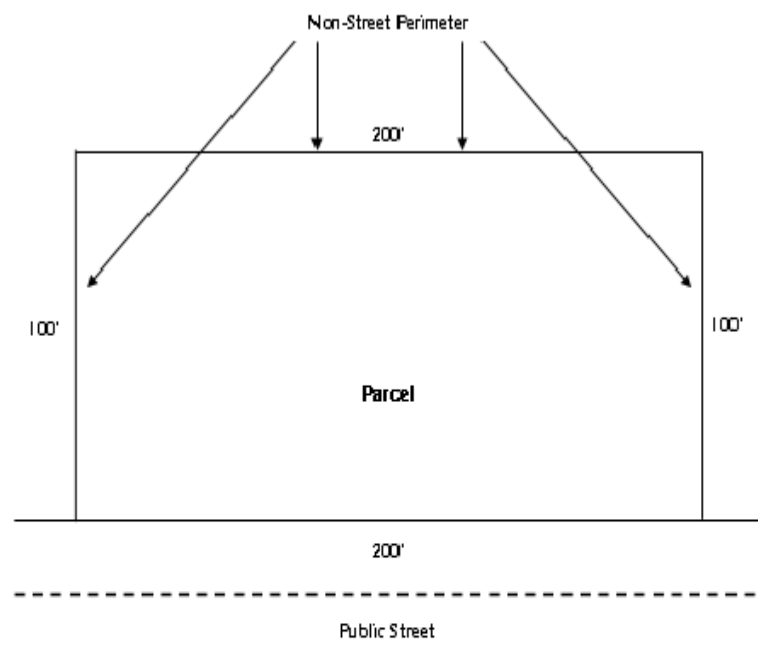
20.920.020 Applicability.

A. *Eligibility Criteria.* This Chapter may be applied to parcels created prior to the adoption date of this ordinance that meet all of the following criteria:

1. The parcel is within the R-9, R-6, R-4, R-2 zoning district; and
2. The net developable area (excluding any critical areas) of the parcel is two and one-half (2.5) acres or smaller in area. An infill parent parcel size may be increased by 5% with approval from the Planning Official; and
3. The proposed development can and will be served by urban services at the time of final plat or development approval. For the purposes of this Chapter, “urban services” shall mean public water and sewer service as described in VMC Title 14; and
4. There is urban development abutting the subject site on at least 50% of its nonstreet perimeter. For the purposes of this section, “nonstreet perimeter” shall mean that portion of the perimeter of the parcel that is not abutting a public street. Where there is no abutting public street, the entire perimeter is used for measurement.

a. For the purposes of this Chapter, “urban development” shall mean a parcel that meets at least one of the following criteria:

1. All parcels with existing nonresidential or multi-family structures that are currently receiving urban services (e.g. public sewer and water); or
2. Tax exempt parcels, regardless of development status; or
3. All plats which have received final or preliminary approval within the last five (5) years; or
4. Parcels two and one-half (2.5) acres (net developable area) or smaller in area which have existing residential structures; or



Non-Street Perimeter Example
 $100' + 200' + 100' = 400'$ total non-street perimeter
 50% of non-street perimeter = $.5 \times 400' = 200'$
required abutting urban development

1. Parcels that are designated on the City of Vancouver Comprehensive Plan for multi-family, commercial, or industrial development; or

2. Parcels that are not developable based on a prior development review determination (e.g. park lands, environmentally sensitive lands, properties with utility easements).

~~B. *Applicability of the Standards.* There are two levels of infill standards and incentives: Tier 1 and Tier 2. The Tier 2 infill standards offer greater incentives but require compliance with design standards and a neighborhood meeting. Application of either the Tier 1 or Tier 2 infill provisions of this Chapter is an option available for parcels that meet the eligibility criteria. However,~~

B. *Applicability of the Standards.* All infill parcels created as a result of the application of this Chapter and the subsequent infill development on those parcels shall be subject to the standards of this Chapter.

For the purposes of this chapter, the following definitions apply:

1. An “infill parent parcel” is the larger parcel of land from which infill parcels are divided.
2. “Infill Land Division” is the division of an infill parent parcel using some or all of the standards of this Chapter. ~~Tier 1 Infill Land Divisions are those divisions that utilize only the Tier 1 standards of this Chapter. Tier 2 Infill Land Divisions are those divisions that utilize one or more of the Tier 2 standards of this Chapter.~~
3. “Infill parcels” are either parcels that meet the eligibility criteria of this Chapter or those parcels created by the land division of an infill parent parcel through the application of the standards in this Chapter. ~~Tier 1 Infill Parcels are created as a result of Tier 1 Land Divisions. Tier 2 Infill Parcels are created as a result of Tier 2 Land Divisions.~~
4. “Infill development” is the subsequent residential development on infill parcels.
5. ~~“Duplex” shall mean a building designed or used for residence purposes by not more than two (2) families, and containing two (2) dwelling units and located on one legal parcel.~~
6. “Infill Development Plan” is a plan that is required to be submitted with infill development which identifies the existing and proposed lot characteristics, including applicable standards and incentives ~~as described under Tier 1 and Tier 2 development as contained in this chapter.~~
7. “Predominant” shall mean the most frequently occurring residential design characteristic along both sides of the road frontage from intersection to intersection (or block face). (Ord. M-3840 § 41, 08/06/2007; Ord. M-3643, 01/26/2004)

20.920.030 Relationship to Other Development Standards.

A. All of the provisions of this code that would apply to a non-infill project shall apply to infill projects except as specifically modified by this chapter. If there is a conflict between the standards of this chapter

and the provisions of any applicable overlay districts or plan districts, the overlay district or plan district standards shall supersede the standards of this chapter.

B. Development applications which meet the eligibility criteria for infill development, as outlined in this chapter, must comply with additional transportation standards as provided for in VMC [11.80.060](#) infill development transportation standards. (Ord. M-4354 § 3(J), 2021; Ord. M-3643, 2004)

20.920.040 Procedures.

A. *Infill Land Divisions.* The subdivisions and short subdivision of an infill parent parcel into nine (9) or fewer parcels shall be subject to Type II review. The subdivision of an infill parent parcel into more than nine (9) parcels shall be subject to Type III review. The proposed development shall comply with all applicable land division procedures and standards unless specifically modified pursuant to this Chapter.

B. *Development on Infill Parcels.* All development on infill parcels created pursuant to this Chapter shall be subject to the standards for Infill Development. The applicable Infill Development Standards shall be recorded as a plat note on the final plat as a condition of approval.

C. *Pre-Application Meeting.* The pre-application conference required pursuant to VMC Section [20.210.080](#) (Decision-Making Procedures. Pre-application Conference) may not be waived for **Tier I and Tier II infill land division and** infill lot development. In addition to the notice requirements of VMC Section [20.210](#) Decision-Making Procedures, the Planning Official or designee shall also mail written notice to all owners of record of property as shown on the most recent property tax assessment roll, located adjacent to and across the street from the subject property. The City shall also notify the appropriate neighborhood association(s) board members. This mailing shall be concurrent with that required by VMC Section [20.210](#) Decision-Making Procedures. Members of the public shall be provided with an opportunity to comment on the proposed project at a specific time during the meeting set aside for public comments. The notice must provide a brief description of the proposed development and a preliminary development plan. (Ord. M-3643, 2004)

20.920.050 ~~Tier I~~ Infill Standards.

Tier I infill parcels, infill land divisions and the subsequent infill development on those Tier I infill parcels shall be subject to the following standards and incentives.

A. *Minimum Parcel Area.* Within an infill land division for single family development, no lot parcel shall be smaller than the minimum parcel area identified in Table 20.920.050-1, provided no lot shall exceed the maximum required by the underlying zoning district. **In Tier I, minimum parcel areas shall not be further**

reduced by a variance procedure in VMC Section 20.290. However, this shall not preclude variances to other standards.

Table 20.920.050-1. Minimum Parcel Area for Single Family Dwellings

Zoning District	Minimum Parcel Area Single Family Detached (sq. feet)
R-9	2,000-4,000 sf
R-6	3,000-6,000 sf
R-4	4,000-8,000 sf
R-2	8,000-16,000 sf

B. Minimum Parcel Width and Depth. Within a Tier 1 infill land division, the minimum parcel width and minimum parcel depth standards of Table 20.410.050-1 (Development Standards In Low Density Residential) may be reduced by up to twenty five percent (20% 50%). However, subsequent development on infill parcels that were created with less than the minimum width and depth required by Table 20.410.050-1 (Development Standards In Low Density Residential), shall not be eligible for a variance to the minimum setback or frontage requirements.

C. Setbacks. Infill parcels developed under provisions of this Chapter shall comply with setback requirements of Table 20.410-3 (Development Standards In Low Density Residential) except that front yard and side yard setbacks in all zones shall be as follows:

1. Minimum Front Yard.

a. Eighteen (18) feet for garage or carport structures or other similar vehicular shelter.

b. Ten (10) feet for all other structures

2. Minimum Side Yard.

a. Side yard shall comply with the standard side setbacks of the applicable zoning district.

D. Common Areas. If provided, Common Areas (e.g. landscaping in private tracts, shared driveways, private alleys, and similar uses) shall be maintained by a homeowners association or governed by another

legal instrument. A copy of the applicable covenants, conditions and restrictions shall be provided to the City for review and acceptance before recording concurrently with the final plat. (Ord. M-3643, 2004)

20.920.060 — Tier 2 Infill Standards.

In addition to the Tier 1 standards and incentives, Tier 2 infill parcels and land divisions and the subsequent development on those Tier 2 infill parcels shall be subject to the following standards and incentives:

B. *Additional Dwelling Types Allowed.* In addition to the uses allowed by VMC Table [20.410.030-1](#) (Lower Density Residential Districts Use Table), single-family attached dwellings are allowed on infill parcels subject to the standards of this chapter:

1. Infill developments of three or fewer parcels may have a duplex on a maximum of one parcel. Infill land divisions which result in more than three parcels may have duplexes on a maximum of one third of the parcels. When the one third calculation contains a fraction of a housing unit, the applicant must round down to the nearest whole unit. Infill parcels for duplex development shall meet the minimum parcel size area requirements in VMC Table 20.920.060-1 and shall be noted on the face of the plat. The maximum parcel size area standards of VMC Table [20.410.040-1](#) (Minimum and Maximum Densities and Lot Sizes) shall not apply to infill parcels for duplex development. Duplex development is not allowed on an infill parcel if it would result in less than the minimum density for the parcel.

12. *Procedures for Single-Family Attached Dwellings.* Development proposals for single-family attached dwellings utilizing the provision of this chapter shall be subject to the following procedures:

- a. Land divisions shall be reviewed according to Chapter [20.320](#) VMC. In addition, if the land is subdivided, development proposals must receive approval of a development plan that demonstrates how the proposal complies with this chapter and all other applicable requirements. The development plan shall be submitted and reviewed in conjunction with the land division application.
- b. Preliminary plats may not be approved without approval of the submitted development plan. Both the development plan and preliminary plat must be fully consistent with standards of this and all other applicable ordinances.
- c. Preliminary plats may be approved only where conditions of approval are established to ensure that subsequent or existing development on the resultant parcels shall occur consistent with the approved development plan.
- d. Building permits may only be approved if consistent with the approved development plan and land division for all units with common walls.

23. *Building Mass Supplemental Standard.* The maximum number of consecutively attached single-family units (i.e., with attached walls at property line) shall not exceed four units.

34. *Existing Public Alley Access.* Single-family attached subdivisions (creation of 10 or more parcels for single-family attached dwellings) shall receive primary vehicle access from a rear alley if a public alley exists within or adjacent to the subdivision.

45. *Pedestrian Pathways.* City may require dedication of right-of-way or easements and construction of pathways between single-family attached parcels (e.g., between building breaks) to provide for pedestrian connectivity between groupings of single-family attached units and from one side of the parcel to another.

6. ~~Common Areas~~—If provided, Common Areas (e.g., landscaping in private tracts, shared driveways, private alleys, and similar uses) shall be maintained by a homeowners association or governed by another legal instrument. A copy of the applicable covenants, conditions and restrictions shall be provided to the city for review and acceptance before recording concurrently with the final plat.

B. ~~Neighborhood Meeting Required.~~ A neighborhood meeting shall be held prior to submission of a Tier 2 infill development application. The applicant shall hold a public meeting to offer owners of property near the affected property an opportunity to participate in the development process. A preapplication conference cannot substitute for the required neighborhood meeting. The applicant shall follow the neighborhood meeting guidelines established by the city.

1. ~~The neighborhood meeting shall be held no earlier than 90 days prior to submittal of the application.~~

2. ~~The applicant shall send a notice of the meeting at least 15 days prior to the neighborhood meeting to:~~

a. ~~The official representative(s) of the city recognized neighborhood association(s), if applicable, in whose boundaries the affected property is located, based on the list of official neighborhood associations kept by the planning official or designee, and~~

b. ~~Neighbors and property owners of record of property within a radius of 500 feet of the subject property. The records of the Clark County assessor shall be used for determining the property owners of record, and~~

c. ~~The city of Vancouver planning official or designee.~~

3. ~~The notice must identify the date, time and place of the meeting and provide a brief description of the proposed development.~~

4. ~~A copy of the notice, the proposed development plan as presented at the meeting, the mailing list, the sign-in sheet, and a meeting summary from the meeting shall be submitted with the application.~~

5. ~~The planning official shall include the meeting summary with the notice of application sent to parties pursuant to VMC [20.210.060\(B\)](#), Notification of Public Hearing.~~

C. Minimum Parcel Size.

1. Infill parcels for single-family development (attached, detached) shall meet minimum parcel area requirements as shown in Table 20.920.0560-1.

Table 20.920.0560-1. Minimum Parcel Area for Single-Family Dwellings

(Detached, Attached and Duplexes)

Zoning District	Minimum Parcel Area Single-Family Detached (sq. feet)	Minimum Parcel Area Single-Family Attached (sq. feet)	Minimum Parcel Area Per Duplex (sq. feet)
R-9	2,000 4,000 sf	1,500 3,000 sf	3,000 6,000 sf
R-6	3,000 5,000 sf	2,000 4,000 sf	4,000 8,000 sf
R-4	4,000 7,000 sf	2,500 5,000 sf	5,000 10,000 sf
R-2	8,000 , 14,000 sf	5,000 10,000 sf	10,000 20,000 sf

2. Parcel area may be varied by the planning official upon request. The planning official may grant a variance for up to one percent for proposed lots.

~~3. Tier 2 infill developments are not eligible to use Chapter 20.940 VMC, On-Site Density Transfers, provisions.~~

~~D. Minimum Parcel Width and Depth. Within a Tier 2 infill land division, the minimum parcel width and minimum parcel depth standards of Table 20.410.050-1 (Development Standards in Lower-Density Residential) shall not apply. However, subsequent development on infill parcels that were created with less than the minimum width and depth required by Table 20.410.050-1 (Development Standards In Lower-Density Residential) shall not be eligible for a variance to the minimum setback or frontage requirements~~

D. Minimum Parcel Width and Depth. Within a Tier 1 infill land division, the minimum parcel width and minimum parcel depth standards of Table 20.410.050-1 (Development Standards In Low-Density Residential) may be reduced by up to twenty fifty-percent (20% 50%). However, subsequent development on infill parcels that were created with less than the minimum width and depth required by Table

20.410.050-1 (Development Standards In Low-Density Residential), shall not be eligible for a variance to the minimum setback or frontage requirements.

E. Maximum Lot Coverage. Maximum lot coverage may be increased 230 percent over the standard for the applicable zone ~~in a Tier 2 infill development~~, as shown in Table 20.920.0560-2.

Table 20.920.0560-2. Maximum Building Coverage

Zoning District	Current Building Coverage Standard	Building Coverage Standard With 320% Increase
R-9	50%	605%
R-6	50%	605%
R-4	50%	605%
R-2	50%	605%

F. Setbacks. Infill parcels developed under provisions of this chapter shall comply with setback requirements of Table 20.410.050-1 (Development Standards In Lower-Density Residential); except that minimum front, ~~and side and rear yard~~ setbacks shall be as follows:

1. *Minimum Front Yard.*

- a. Eighteen feet for garage or carport structures or other similar vehicular shelter.
- b. Ten feet for other buildings.

2. *Minimum Side Yard.*

- a. Single-family attached dwellings – interior side yard between attached buildings may be zero feet.
- b. All other uses shall comply with the standard side setbacks of the applicable zoning district.

~~3. *Rear Yard.* The minimum rear yard setback shall be 10 feet when the rear yard of the proposed infill development abuts parcels with existing single-family dwellings.~~

~~G. *Design Requirements for Tier 2 Development.*~~

1. *Purpose.* The purpose of this requirement is to ensure compatibility of infill development with the character of existing residential structures while allowing higher density. Specific goals are as follows:

a. To encourage new infill development that complements the existing neighborhood character.

b. To ensure new infill development is consistent with the pattern of established residential structures in the immediate vicinity, while allowing a mix of housing types (e.g., single-family attached, duplexes).

c. To provide a process for neighborhood participation in matters of compatibility within the context of these requirements.

2. *Design Criteria.* Tier 2 infill development shall meet the following design criteria as defined by the predominant existing residential character of the block face. The block face shall consist of properties along both sides of the public or private road frontage on which the development is located, from intersection to intersection, or the road end. If no intersection exists within 200 feet from the development site, then the block face shall consist of all properties along both sides of the road frontage within 200 feet of the development. Design requirements as contained in this section shall not apply to multifamily development containing three or more dwelling units. If there is no applicable existing development along a block face, subsections (G)(2)(a) through (G)(2)(f) of this section shall not apply.

a. Building orientation on proposed lots located on the block face shall be the same as the predominant orientation of buildings along the block face.

b. Access and location of off-street parking on proposed lots located on the block face shall be the same as the predominant character for existing development along the block face.

c. Recessed entries or porches shall be incorporated to the extent that they present a predominant feature of existing dwellings along the block face.

d. Proposed residences shall have no more stories than the average number of stories of existing buildings located along the block face. The number of stories shall be that which is visible from the street of the designated block face. When the average results in a fraction of less than .5, it shall be rounded down to the next story; a fraction of .5 or greater shall be rounded up to the next story.

e. Roof pitch shall be within the same roof pitch category as the category within which the highest number of buildings along the block face falls, as follows: flat to slight (0:12 up to 3:12); moderate (greater than 3:12 up to 6:12); or steep (greater than 6:12). Where more than one category contains the highest number of buildings along the block face, the applicant may select from any roof pitch category up to and including the steepest category within which the highest number of buildings along the block face falls. For example, if there are eight homes on the block face and four have a flat to slight roof pitch and four have a moderate roof pitch, new homes may have a roof pitch from either category; however, a roof pitch in the

steep category would not be allowed. (See also Figure 20.920.060-1, Categories of Roof Pitch Used to Determine Tier 2 Infill Predominant Character.)

f. ~~Roof overhangs shall be the same as the predominant character for existing development along the block face.~~

3. ~~*Waiver.* Any of the above compatibility requirements may be waived if 75 percent or more of the residential property owners along both sides of the street of the subject block face agree to alternate design standards.~~

4. ~~Neighborhood meeting (See VMC 20.920.050(B), Tier 2 Infill Standards). In the required neighborhood meeting, the applicant must also discuss and receive input on (but not limited to) the following topics:~~

a. ~~Connected roads and pathways;~~

b. ~~Buffering;~~

c. ~~Landscaping;~~

d. ~~Fencing;~~

e. ~~Facade features;~~

f. ~~Compatibility where there is no applicable existing development.~~

FH. *Expedited Development Review Process.* An applicant may request an expedited review process for infill projects. An expedited infill project shall be contingent upon city staffing and other resource availability. Community development department will endeavor to complete review of an infill project within a 60-day time period from fully complete (FC) to issuance of the land use decision for projects that do not require a hearing; and 80 days for projects that require a hearing.

I. *Infill Development Transportation Standards.* Street standards may be reduced as part of an infill development. See VMC 11.80.060. (Ord. M 4402 §§ 3(Z), 3(AA), 2023; Ord. M 3959 § 47, 2010; Ord. M 3840 § 42, 2007; Ord. M 3730 § 32, 2005; Ord. M 3663 § 24, 2004; Ord. M 3643, 2004)

Ordinance Attachment C - Amendments to allow smaller cottage cluster parent parcels, and make clearer that land divisions are allowed

**Chapter 20.950
COTTAGE CLUSTER HOUSING**

Sections:

- 20.950.010 Purpose.**
- 20.950.020 Applicability.**
- 20.950.030 Site Development and Design Standards.**
- 20.950.040 Approval Process.**

20.950.010 Purpose.

These standards are intended to allow groups of small-scale cottages around common areas in single or multifamily zoning districts in a manner promoting accessible housing and community interaction. The individual homes are smaller and shorter than what is allowed in the underlying zoning district, but they may be built at a higher density. (Ord. M-4377 § 2(d), 2022)

20.950.020 Applicability.

A. *Permitted zones and required minimum project size.* Cottage cluster housing developments shall be allowed on properties ~~2~~**10**,000 square feet or larger in size in the R-17, R-9, R-6, R-4 and R-2 zoning districts. Lot size minimums of the underlying zone are not applicable to cottage cluster developments.

B. *Permitted Uses.* Cottage cluster development uses shall be limited to attached and detached single-family homes and associated outbuildings, public or private open space, and parking areas. Duplexes or attached single-family homes may constitute no more than 20 percent of the total number of units. Home occupations pursuant to Chapter [20.860](#) VMC shall be permitted only if there are no employees residing off site. Accessory dwelling units pursuant to Chapter [20.810](#) VMC shall be permitted only if located entirely within the single-family homes.

C. The narrow lot development standards in Chapter [20.927](#) VMC and R-17 zoning district standards of Chapter [20.410](#) VMC shall not apply to cottage housing developments. **Minimum lot frontage and minimum lot sizes are not applicable to cottage housing developments.** (Ord. M-4438 § 4(L), 2023; Ord. M-4377 § 2(d), 2022)

20.950.030 Site Development and Design Standards.

A. General Standards.

1. Cottage housing developments may be allowed at up to two times the maximum density of the underlying zone, including any accessory dwelling units.
2. Cottage housing developments shall contain a minimum of four and a maximum of 12 units in a cluster; provided, that a cottage development may contain up to two clusters.
3. Each single-family cottage shall not exceed 1,600 square feet in total floor area, and each duplex cottage 3,000 square feet. Floor areas of attached or detached garages and outbuildings shall count towards these size limits, with the exception of the first 200 square feet of garage or outbuilding per single-family cottage, or 400 square feet per duplex. Existing single-family homes may remain on site but will be counted toward the total density.
4. Building heights may not exceed 25 feet within 50 feet of the project site perimeter, and 30 feet elsewhere in the site. Roofs higher than 18 feet shall be pitched at a ratio of at least 6:12.
5. Covered porches shall be at least 60 square feet, with no dimension less than five feet.
6. Buildings shall be set back at least 10 feet from the nearest public or private road, and at least five feet from other buildings. Building setbacks to exterior property lines shall be that of the underlying zoning district.

B. Cottage Orientation. Cottages must be clustered around a common courtyard and must meet the following standards:

1. At least 75 percent of the cottage units shall be located within 25 feet of a common courtyard, and shall have covered porches and main entries which face the common courtyard or an adjacent public street.
2. The planning official may at their discretion grant exceptions as needed to allow cottages abutting a public street at the site perimeter to face the street, and as needed in cases of very narrow or unusually configured project parcels may reduce the required percentage of lots located within 25 feet of the common courtyard to 50 percent.

C. Common Courtyard Design Standards. Each cottage cluster must share a common courtyard in order to provide a sense of openness and community of residents. Common courtyards must meet the following standards:

1. The common courtyard must contain a minimum of 200 square feet of usable open or congregating space per cottage unit within the associated cluster.

2. The common courtyard must be generally square or round, and no narrower than 15 feet wide at its narrowest dimension.
3. The common courtyard shall be developed with a mix of landscaping, lawn area, pedestrian paths, and/or paved courtyard area, and may also include recreational amenities. Impervious elements of the common courtyard shall not exceed 50 percent of the total common courtyard area.
4. Pedestrian paths must be included in a common courtyard. Parking areas, required setbacks, and driveways do not qualify as part of a common courtyard.

D. Required Parking and Parking Design.

1. *Required spaces.* Each dwelling unit shall include at least one parking space within the project area. On-street parking spaces abutting the project area may be counted towards this requirement.
2. *Common Parking Areas.* Parking may be located adjacent to an individual unit or in a common parking area. Common parking areas are subject to the following standards:
 - a. Cottage cluster projects with fewer than 12 cottages are permitted parking clusters of not more than five contiguous spaces.
 - b. Cottage cluster projects with 12 cottages or more are permitted parking clusters of not more than eight contiguous spaces.
 - c. Parking clusters must be separated from other spaces by at least four feet of landscaping.
 - d. Clustered parking areas may be covered.
3. *Parking location, access and screening.*
 - a. Off-street parking areas with five or more spaces shall not be located within 20 feet from any property line that abuts a street other than an alley.
 - b. No off-street parking space or vehicle maneuvering area is permitted between a property line that abuts a street (other than an alley) and the front façade of cottages located closest to that property line.
 - c. No off-street parking space is permitted within 10 feet of any other property line external to the cottage cluster, except property lines abutting an alley. Driveways and drive aisles are permitted within 10 feet of other external property lines.
 - d. Sight-obscurating landscaping, fencing, or walls at least three feet in height shall separate clustered parking areas and parking structures from common courtyards and property lines external to the cottage cluster.

E. *Pedestrian Access.*

1. A pedestrian path must be provided that connects the main entrance of each cottage to the following:
 - a. The common courtyard;
 - b. Shared parking or solid waste storage areas;
 - c. Community buildings; and
 - d. Sidewalks in public rights-of-way abutting the site or rights-of-way if there are no sidewalks.
2. The pedestrian path must be hard-surfaced and a minimum of three feet wide.

F. *Community Buildings.* Cottage cluster projects may include community buildings for the shared use of residents that provide space for accessory uses such as community meeting rooms, guest housing, exercise rooms, day care, community eating areas, community gardens, or picnic shelters. Community buildings must meet the following standards:

1. Each cottage cluster is permitted one community building.
2. The community building shall have a maximum floor area of 1,200 square feet.

G. *Maintenance of Common Areas.* The development application shall include a plan for ongoing maintenance of shared or common areas, including a mechanism for ensuring that the maintenance plan will be implemented.

H. *Solid Waste and Recycling Access and Collection.*

1. An access plan for solid waste and recycling collection service to all dwellings in the development shall be submitted with the application.
2. The access and collection plan shall show either a designated collection point for each lot or a common solid waste storage area for use by all lots and the ability of collection vehicles to maneuver safely to all points of collection. All circulation and turnaround designs must meet the requirements of VMC [11.80.070](#) and the Transportation Standard Details and be feasible using city-provided solid waste truck turning modeling templates and truck specifications. Collection vehicles shall be able to circulate the development and service receptacles with minimal backing required.
3. Collection points and common solid waste storage areas shall be accessible to collection vehicles without requiring backing out of a driveway onto a public street. If only a single access is available to the storage area, adequate turning radius shall be provided to allow collection vehicles to safely exit the site in a forward motion.

4. Where collection is not feasible on each lot, one or more designated common solid waste storage areas, located no further than 150 feet from any dwelling it serves, shall be provided.
 - a. Common outdoor solid waste storage areas must have a smaller gate, door or open walkway entrance for residents in addition to and separate from the service gate(s).
 - b. The dimensions of the common solid waste storage area shall accommodate receptacles consistent with current methods of local collection and allow for pedestrian (driver and residents) access between receptacles. Plans shall show footprints of all intended receptacles using dimensions from city-provided solid waste receptacle standards.
 - c. Outdoor common solid waste storage areas shall be enclosed by a screen comprised of a sight-obscuring wall, fence and/or vegetation. Service gate(s) shall allow access to haulers; they shall be capable of being secured in fully closed and open positions.
 - d. Solid waste storage receptacles shall be clearly labeled to indicate the type of materials accepted.
 - e. Common outdoor solid waste storage areas shall not be located in a side or rear yard setback that abuts property that is not within the same development; i.e., impacts of the location on neighboring properties is an important consideration. Every effort should be made to locate outdoor garbage and recycling areas so as to minimize their impacts on existing neighboring residential properties.
5. Designated collection points shall be located adjacent to alleys or streets but shall not obstruct sidewalks, bike lanes, or vision clearance triangles.
6. Maintenance of any private streets or alleys used for solid waste collection service shall be the responsibility of the property owners, and a maintenance agreement shall be recorded with the plat.
7. Each lot must have adequate storage space for carts when not set out for collection day. If lots do not have garages, driveways, or other suitable features for storing carts, individual or shared enclosure areas must be provided and shown on plans. Receptacles and common storage areas must be screened from view and not located in the right-of-way or adjacent to existing neighboring properties. (Ord. M-4438 § 4(L), 2023; Ord. M-4402 § 3(CC), 2023; Ord. M-4377 § 2(d), 2022)

20.950.040 Approval Process.

Cottage cluster housing projects shall be reviewed under Chapter [20.320](#) VMC, Subdivisions, where individual lots are proposed to be owned separately, or as a Type II review subject to Chapter [20.270](#) VMC, Site Plan Review, where common ownership of lots is proposed. (Ord. M-4377 § 2(d), 2022)

A RESOLUTION relating to the approval of a disposition and development agreement between the City of Vancouver and Palindrome Heights Limited Partnership; establishing the terms and conditions under which the Heights District Site C lot will be developed and ground leased by the City to Palindrome Heights Limited Partnership; and authorizing the City Manager to execute the disposition and development agreement.

Staff Report: 202-25

To: Mayor and City Council
From: City Manager
Date: October 13, 2025

Subject

Heights Site C Disposition and Development Agreement

Key Points

- City staff request City Council to adopt the attached resolution to approve the Disposition and Development Agreement between the City of Vancouver and Palindrome Heights Limited Partnership (Palindrome) for the development of Site C in the Heights District located at E. Mill Plain Boulevard and Devine Road.
- In August 2024, Palindrome was selected as developer for Site C following a Request for Proposals (RFP) process led by the Heights Community Investment Committee.
- Palindrome plans to develop a mixed-use building with 104 affordable housing units, along with a ground floor market hall and onsite resident services.
- City staff and Palindrome have agreed to the terms of the Disposition and Development Agreement which are outlined below, and subject to Council's approval.

Strategic Plan Alignment

Economic Opportunity – a place where a wide variety of businesses of all sizes grow and thrive

Housing and Human Needs – meeting basic needs and partnering with organizations to support the community

Vibrant and Distinct Neighborhoods – a variety of accessible places and spaces

Present Situation

In March 2024, the City and the Heights Community Investment Committee (HCIC) issued a Request for Proposals (RFP) for the first three development sites in the Heights District located along E. Mill Plain Boulevard and Devine Road, known as sites B, C and P. After two months of deliberation, the HCIC selected Palindrome as the lead developer for Site C in August 2024. Thereafter, the City entered into an Exclusive Negotiation Agreement (ENA) with Palindrome that set forth that the parties will negotiate the terms of a Disposition and Development Agreement (DDA) for Site C's development. City staff and Palindrome have negotiated the terms of the DDA which are outlined in this staff report and subject to City Council approval.

Palindrome partnered with Latino Leadership NW to co-develop and co-own the building and are

partnering with Latino Network to deliver onsite resident services. The development team includes Salazar Architects, DOWL, Standridge Engineering and Pacificap Construction.

The development will include the following.

- 104 housing units restricted to households earning 30% to 80% of the Area Median Income (AMI). Unit types range from studios to 1-3 bedrooms and live/work units.
- 7,300 square feet Cohesion Market Hall with taproom as the anchor tenant surrounded by micro retail spaces with 51% of commercial spaces to be leased to businesses owned by local and Black, Indigenous and People of Color (BIPOC).
- Onsite resident services provided by Latino Network tailored to community needs.
- Approximately 111 parking spaces in a podium parking structure.

The substantive terms of the DDA are as follows.

- The property will be ground leased for 99 years with the ground lease estimated to begin in Q1 2027 prior to the commencement of construction. The ground lease terms are outlined below. City staff will return to City Council for review and action on the ground lease around Q4 2026.
- Palindrome is obligated to meet key project milestones such as planning and permitting, award of funding and commencement and completion of construction. Construction is projected to start in Q1 2027 and complete in Q3 2028.
- The housing must be affordable for at least 40 years and the intent is that the housing will remain affordable in perpetuity given the City's ownership of the land and ability to tie discounted ground lease terms to ongoing affordability.
- Palindrome is required to build the street and utility infrastructure necessary to support the project. Contingent upon funding, the City will construct the developer required infrastructure improvements through a federal grant awarded for the Heights Grand Loop project.
- The public benefits of the project include:
 - 104 affordable housing units at 30-80% AMI.
 - Opportunities for small, local and BIPOC businesses in the Market Hall. The Market Hall is located on the ground floor facing the future civic plaza. The DDA includes leasing restrictions to ensure 51% of the tenants are BIPOC and local to Vancouver. The Market Hall will also deliver accessible and affordable commercial rental spaces through the construction of shared facilities, small leasable spaces and flat rental fees.
 - Environmentally friendly features include a fully electric building, a green roof, solar panels and sustainable, durable building materials.
 - Diverse contracting initiatives to maximize opportunities for minority-owned, women-owned and emerging small businesses. Targets have been set that a minimum of 20% of subcontractor contracts are awarded to BIPOC, women-owned, and emerging small businesses and a minimum of 15% of the workforce are apprentices. Where appropriate, the general contractor must right size bid packages and conduct intentional outreach to BIPOC, women-owned and emerging small business firms to offer equal opportunity.

The substantive elements which will be in a forthcoming ground lease agreement (to be reviewed separately by City Council) are as follows.

- 99-year lease term projected to begin in Q1 2027 prior to the construction start date.
- Rent is calculated by multiplying the appraised value of the property (using the value set forth in the February 25, 2025, appraisal prepared for the City by Colliers International) by a 5.7%

cap rate. Rent is adjusted annually by 3%.

- In order to facilitate development of affordable housing, the rent is discounted for the first 40 years of the lease term. Years 1-20 rent is discounted by 90%, years 21–40 rent is gradually discounted every 5 years from 80% to 50%.
- No rent is due for the first 30 months of the lease term during construction and leasing until the project has positive cash flow.
- Rent will be reset at year 41 and will be recalculated based on a re-appraisal of the property and renewal of affordable housing commitments.
- For the first 15 years of the lease term, if the developer falls below a 1.15 debt service coverage ratio, rent will not be due and will be accrued to the next pay period. The developer must provide the City with financial reports as evidence to support the rent accrual.

The total project cost is estimated at approximately \$46 million (\$442,000/unit), supported by significant investment from the City to advance its development. The project also leverages multiple public funding sources, including Low Income Housing Tax Credits and financing from the Washington State Department of Commerce Housing Trust Fund. These are highly competitive programs with annual application cycles, and as such, the construction timeline is contingent upon successful award of these funds. Nevertheless, the project is considered competitive and has a likelihood of securing the necessary funding. The estimated city investments are outlined in the table below.

Land	\$700,000*
Affordable Housing Fund	\$4,100,000
Construction Sales Tax Exemption (City's portion)	\$396,000
Impact Fee Reductions (Parks, Traffic)	\$463,000
Total	\$5,659,000

* Land value of \$1,010,000 less net present value of discounted ground lease of \$306,000

With a total value of non-City investment of \$41 million and a total value of City investment of \$5.66 million, the project achieves a leverage ratio of 7.25:1. In addition to this economic return, the City will realize substantial public benefits as previously described.

Next steps

Separate approvals will be needed for the project to progress including:

- The City's independent regulatory review of land use and engineering and building permits, projected to be completed by the end of 2026.
- City Council's review of the ground lease which is estimated to take place in Q4 2026.

Provided public funding is secured in the 2025/2026 funding cycle, construction can begin in Q1 2027 and be completed in Q3 2028.

Advantage(s)

- Facilitates the implementation of the Heights District Plan.
- Provides affordable housing across a range of income levels, addressing a desperate

community need.

- Offers opportunities for local, minority-owned businesses to grow and thrive, meeting the goals of the City's Economic Development Strategy and Heights Plan.
- Offers opportunities for minority-owned contractors and apprentices.

Challenge(s)

The project requires significant financial commitment from the City to ensure the project's financial viability. The investment is necessary to advance the development of affordable housing and support the implementation of the Heights District Plan.

Budget Impact

The City's estimated investment in the project is approximately \$5.65 million. This figure includes contributions from the Affordable Housing Fund, the value of City-owned land, the City's portion of the construction sales and use tax exemptions, and impact fee reductions, as detailed above. The contribution of land value, as well as the construction and use tax deferrals, both impact future revenues to the City's General Fund. The impact fee reductions will reduce amounts available for future transportation and parks projects.

Prior Council Review

- Council Workshop on August 26, 2024
- Council Meeting on September 16, 2024
- Council Consent on October 6, 2025

Action Requested

On Monday, October 13, 2025, upon second reading and a public hearing, finalize and approve the resolution approving the Disposition and Development Agreement (DDA) between the City of Vancouver and Palindrome Heights Limited Partnership (DDA), and authorize the City Manager, or designee, to execute the agreement, related implementation documents and certain amendments to the DDA.

Staff Contact

Amy Stewart, Real Estate Project Manager, Patrick Quinton, Economic Development Director, amy.stewart@cityofvancouver.us, patrick.quinton@cityofvancouver.us

Attachments:

1. Presentation
2. Resolution
3. Disposition and Development Agreement (Site C)



CITY OF
Vancouver
WASHINGTON

Heights Sites C & P Disposition & Development Agreements

Patrick Quinton, Director
Amy Zoltie, Real Estate Project Manager
Economic Prosperity & Housing
October 13, 2025



Agenda

- Project Teams
- Site Plans and Programs
- DDA Terms
- Public Benefits
- Ground Lease Terms
- City Investments
- Project Timeline and Next Steps



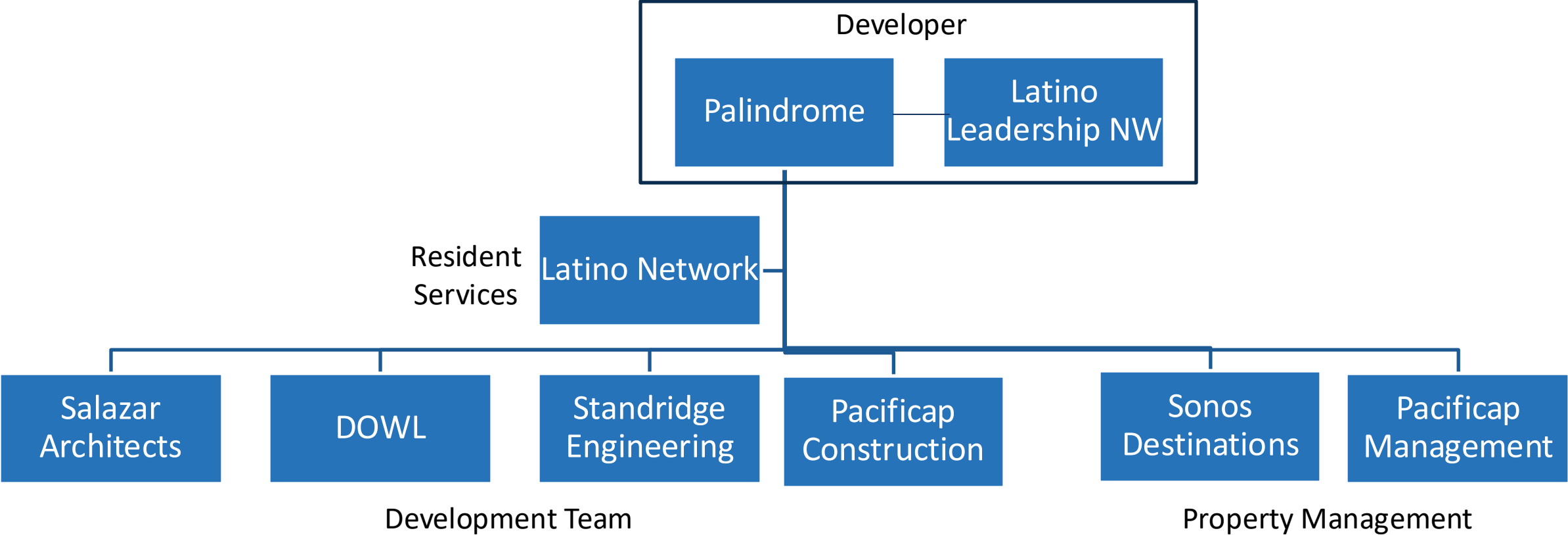
Palindrome – Site C



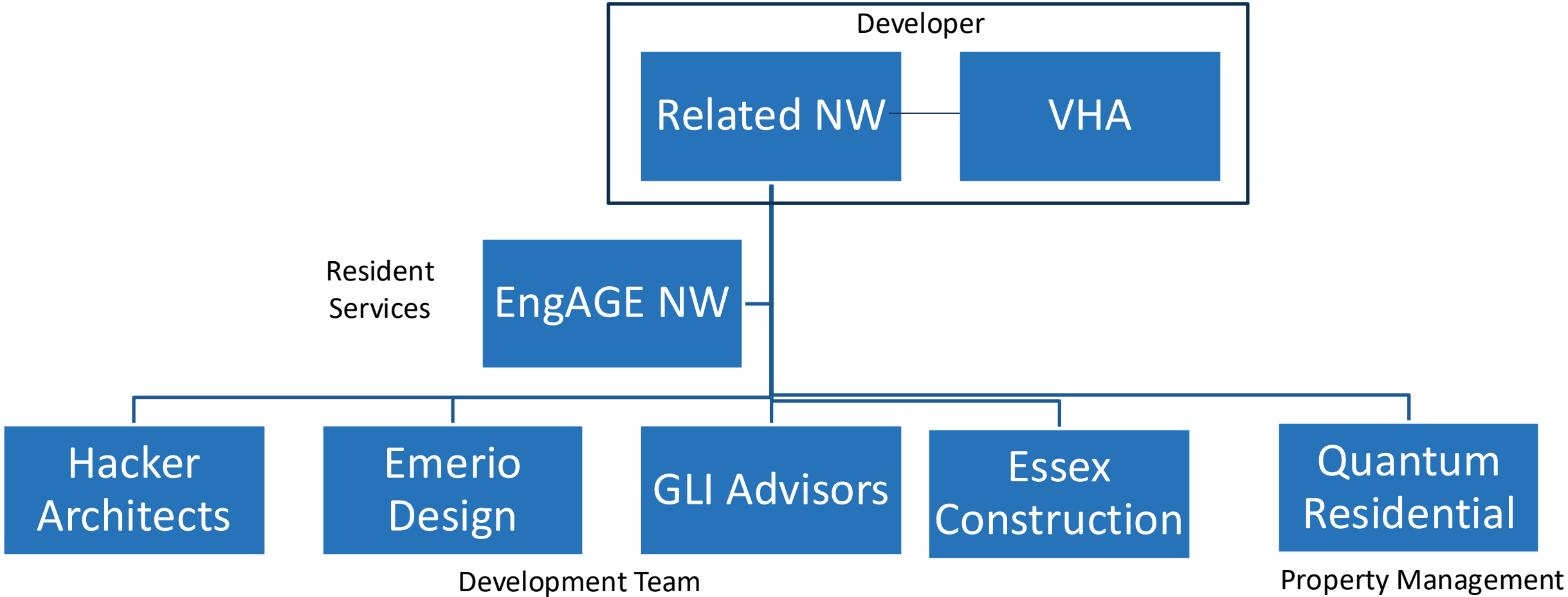
Related NW & VHA – Site P



Palindrome Project Team (Site C)



Related NW/VHA Project Team (Site P)



Proposed Programs

Palindrome (Site C)	Related/VHA Family Bldg (Site P)
• 104 units @ 50-80% Area Median Income (AMI) • 7,300 sf Cohesion Market Hall with taproom and micro retail units for local, BIPOC businesses • Onsite resident services • ~111 parking spaces in podium parking structure	• 80 units @ 30-60% Area Median Income (AMI) • Family housing building • Onsite resident services & programming • ~60 surface parking • Phased building construction



Proposed Unit Mix

	Palindrome - Site C					Related/VHA Family Site P			
Unit Type	Total	30% AMI	50% AMI	60% AMI	80% AMI	Total	30% AMI	50% AMI	60% AMI
Studio	7	1	3	3	0	14	2	2	10
1-bed	49	4	19	19	7	27	4	2	21
2-bed	22	2	9	9	2	23	4	2	17
3-bed	23	3	9	8	3	16	1	3	12
Live/Work	3	0	1	1	1				
Total	104	10 (10%)	41 (39%)	40 (38%)	13 (13%)	80	11 (14%)	9 (11%)	60 (75%)



DDA Terms

Timing

- 10-year DDA term + ongoing obligations also captured in 99-year ground lease
- Close on ground leases by Q2 2027
- Construction 19-24 months

Performance

- Contractual performance dates
- Completion guaranties
- Standard default and termination provisions
- Funding and construction of infrastructure if Grand Loop schedule delays project schedule

Program

- Housing affordable for at least 40 years
- Market Hall leasing requirements for Palindrome (Site C)



Public Benefits

Affordable Housing

- 184 units @ 30-80% AMI

Economic Development

- Site C Market Hall focus on local & BIPOC businesses
- 51% of tenants must be local & BIPOC
- Micro retail spaces with shared facilities and flat rental fees

Resident Services

- Onsite resident services provided by Latino Network and EngAGE NW tailored to community needs

Workforce Initiatives

- 20% minimum DBE participation
- Apprenticeship and local workforce goals

Sustainability

- All electric buildings
- Green roof
- Solar panels
- Minimize construction waste



Ground Lease Terms

Lease Term	99 years. Commencement Date prior to construction start date
Rent Adjustments	3% annually
Rent Abatement	No rent for the first 30 months of lease term
Rent Discount Period	Years 1-40 rent will be discounted. Palindrome: Years 1-20 90% discount, Years 21-40 gradual discount every 5 years 80%-50% Related/VHA: 95% discount
Rent Reset	Rent reset triggered at year 41 with no discounts applied and recalculated based on re-appraisal and renewal of affordability
Rent Accrual (Palindrome Only)	For first 15 years of lease term, if developer falls below 1.15 debt service coverage, rent will not be due and will accrue to next pay period and a lump sum payment will be due. Developer to provide City with annual financial reports.



City Investments

	Palindrome	Related/VHA
Valuation Considerations	Site C	Site P
Land Valuation*	\$1,010,000	\$1,014,000
Net Present Value Market Rate Ground Lease (over 40 years)	\$1,558,000	\$1,400,000
Net Present Value Discounted Ground Lease (over 40 years)	\$306,000	\$87,546
City Investments		
Land	\$700,000**	\$1,312,000**
Affordable Housing Fund	\$4,100,000	\$4,000,000
Construction Sales Tax Exemption (COV only)	\$396,000	\$0
Impact Fee Reductions (Parks & Traffic)	\$463,000	\$351,000
Total	\$5,659,000	\$5,663,000

* Based on February 2025 appraisal

** Land value less NPV of discounted ground lease



Financial Return

	Palindrome	Related/VHA
	Site C	Site P
Project Cost	\$46M	\$38M
Public Investment	\$5.66M	\$5.66M
Leverage Ratio (Non-City/City investment)	7.25:1	5.9:1
Retail Sales Tax (40-year NPV – COV only)	\$312k	\$0
Construction Sales and Use Tax	\$0	\$288k
Utility Tax (40-year NPV – COV only)	\$1.3M	\$918k
Total Tax Revenue (40-year NPV - COV only)	\$1.6M	\$1.2M



Next Steps



Council Action
on DDAs

October 2025



Design &
Permitting

Q2 2025 – Q4 2026



Ground Lease
Approval

Q4 2026



Construction

Q2 2027-Q3 2029



Requested Action

- Approve Disposition and Development Agreements (DDA) between City of Vancouver and selected developers
- Adopt Resolutions authorizing City Manager to execute DDAs on behalf of City Council

10/13/2025

RESOLUTION NO. M- [Resolution Number]

A RESOLUTION relating to the approval of a disposition and development agreement between the City of Vancouver and Palindrome Heights Limited Partnership; establishing the terms and conditions under which the Heights District Site C lot will be developed and ground leased by the City to Palindrome Heights Limited Partnership; and authorizing the City Manager to execute the disposition and development agreement.

WHEREAS, the City owns real property commonly referred to as the Heights District Site C located at 5411 E. Mill Plain Blvd in City of Vancouver, Washington (the “Property”) and represents one of the first redevelopment sites envisioned in the Heights District Plan adopted by City Council in August 2020; and

WHEREAS, on March 11, 2024, the City, in consultation with the Heights Community Investment Committee, issued a “Heights District Request for Proposals” for the Property and, following a thorough public review process, selected Palindrome, an affiliate of Palindrome Heights Limited Partnership as the preferred developer for the Property; and

WHEREAS, on September 19, 2024, the City and Palindrome entered into an Exclusive Negotiation Agreement which was subsequently extended through October 31, 2025; and

WHEREAS, the City and Palindrome have negotiated a disposition and development agreement between the City and Palindrome Heights Limited Partnership that details the terms of the disposition and development of the Property into a mixed-use building with affordable housing and retail; and

RESOLUTION - 1

WHEREAS, a public hearing was duly noticed and held by the City Council on Monday October 13, 2025, regarding the approval of the attached disposition and development agreement.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY OF VANCOUVER:

Section 1. The City Council hereby authorizes the City Manager to execute on behalf of the City the disposition and development agreement in the substantive form, attached hereto as Exhibit "A." The City Manager is authorized to negotiate and execute any documents necessary to implement the agreement, as well as any amendments to the agreement, except those that, modify the financial terms of the agreement, or that are inconsistent with the material substantive terms set forth in SR _____.

ADOPTED at a Regular Meeting of the Vancouver City Council this _____, of _____, 2025.

Anne McEnery-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Nena Cook, City Attorney

RESOLUTION - 2

LAND DISPOSITION AND DEVELOPMENT AGREEMENT

BETWEEN

**CITY OF VANCOUVER, WASHINGTON,
a Washington municipal corporation**

AND

PALINDROME HEIGHTS LIMITED PARTNERSHIP, a Washington limited partnership

October ____ 2025

LAND DISPOSITION AND DEVELOPMENT AGREEMENT

THIS LAND DISPOSITION AND DEVELOPMENT AGREEMENT (this “DDA” or “Agreement”) is made as of October __, 2025 (the “Effective Date”), by and between CITY OF VANCOUVER, a Washington municipal corporation (“City”), and Palindrome Heights Limited Partnership, a Washington limited partnership (the “Developer”), and its permitted successors and assigns. City and Developer are each referred to in this Agreement individually as a “Party” and collectively as the “Parties”.

RECITALS

A. These Recitals refer to and utilize certain capitalized terms that are defined in Article 1 of this Agreement. The Parties intend to refer to those definitions in connection with the use of capitalized terms in these Recitals.

B. City owns the real property commonly referred to as the Heights District, consisting of three development sites generally located at E. Mill Plain Boulevard and Devine Road in Vancouver, Washington. The three project sites are referred to individually as Site B (“B”), Site C (“C”) and Site P (“P”), collectively as the “Sites” and identified in Exhibit A-1. The development of the Sites represents the first phase of redevelopment envisioned in the Heights District Plan (“District Plan”) adopted by the City in August of 2020.

C. On March 11, 2024, the City, in consultation with the Heights Community Investment Committee (“HCIC”), issued a “Heights District Request for Proposals” (the “RFP”) for the Sites and, following a thorough public review process, selected the Developer as the preferred developer for the Property.

D. This DDA is specifically for Site C at 5411 E. Mill Plain Blvd, Vancouver, WA legally described on Exhibit A-2 attached hereto (the “Property”).

E. As provided by the terms of this Agreement, the Parties anticipate that they will enter into a ground lease for the Property under the terms outlined in Section 3.2.

F. Consistent with the Heights District Plan and the current zoning designation for the Property, the Parties desire to cause the construction and development of the Property for the primary purposes of providing affordable housing and retail amenities. The development shall include the construction of a mixed-use building with 104 rent restricted housing units serving households whose income at initial occupancy does not exceed 80% Area Median Income (AMI) or lower together with ground floor retail space, including a 7,300 square foot market hall intended to contain local businesses and a craft brewery taproom (the “Improvements”).

G. The City and HCIC has determined that the Developer has the necessary expertise, skill and ability to carry out the commitments set forth in this Agreement and that this Agreement is in the best interests, and will materially contribute to the City’s economic development goals by the project aligning with the outcomes of the Heights District Plan and Heights Equitable

Development Plan, specifically providing affordable housing and retail space for small, minority owned businesses.

NOW THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by this reference, the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Developer agree as follows:

ARTICLE 1.
DEFINITIONS AND EXHIBITS

Section 1.1 Definitions.

In addition to the terms defined elsewhere in this Agreement, the following definitions apply throughout this Agreement.

(a) “Affordability Requirements” means the affordable housing requirements set forth in the Use provisions below.

(b) “Agreement” or “DDA” means this Land Disposition and Development Agreement, including the attached Exhibits and all subsequent operating memoranda and amendments to this Agreement.

(c) “Certificate of Occupancy” means the final certificate of occupancy issued by the City, or comparable City sign-off, on the completion of construction of the Improvements.

(d) “City” means the City of Vancouver, Washington, a Washington municipal corporation, and its successors and assigns.

(e) “City Council” means the City Council of the City of Vancouver, Washington.

(f) “City Documents” shall mean, collectively, this Agreement, the Ground Lease, and all other documents required to be executed between Developer and City in connection with the transaction contemplated by this Agreement.

(g) “City Event of Default” has the meaning set forth in Section 7.3

(h) “City Indemnitees” includes the City, and its council members, officers, agents, consultants, and employees, each an “Indemnified Party”.

(i) “Closing Date” means the date of execution of the Ground Lease.

(j) “Completion Guaranty Agreement” means the Developer’s construction completion guaranty described in Section 2.5 and provided to the City by PacifiCap, Inc. as Guarantor in substantially the form attached hereto as Exhibit I.

(k) “Construction Plans” means all construction documentation upon which Developer, and Developer’s several contractors, shall rely on in building each and every part of the Improvements and shall include, but not necessarily be limited to, final architectural drawings, landscaping plans and specifications, final elevations, building plans and specifications (also known as “working drawings”) and a time schedule for construction.

(l) “Deposit” means the Good Faith Deposit of Ten Thousand Dollars, made pursuant to the Exclusive Negotiating Agreement.

(m) “Developer” means Palindrome Heights Limited Partnership, a Washington limited partnership and its permitted successors and assigns.

(n) “Developer’s Affiliate” has the meaning set forth in Section 6.1.

(o) “Development” means Heights District Site C and the Improvements thereon.

(p) “Effective Date” has the meaning set forth in the first sentence of this Agreement.

(q) “Escrow” means the escrow established with the Title Company for the purpose of ground leasing the Property to Developer.

(r) “Event of Default” has the meaning set forth in Section 7.4.

(s) “Exclusive Negotiating Agreement” or “ENA” means that certain Exclusive Negotiating Agreement dated as September 19, 2024, between the City, Palindrome Properties Group, LLC and the Developer.

(t) “Frontage Improvements” has the meaning set forth in Section 4.9(b).

(u) “Hazardous Materials” means any substance, material, or waste which is: (1) defined as a “hazardous waste,” “hazardous material,” “hazardous substance,” “extremely hazardous waste,” “restricted hazardous waste”, “pollutant” or any other terms comparable to the foregoing terms under any provision of Washington law or federal law; (2) petroleum and any fraction thereof; (3) asbestos and asbestos containing materials; (4) polychlorinated biphenyls; (5) radioactive materials; (6) mold; (7) Methyl Tertiary Butyl Ether; or (8) determined by Washington, federal or local governmental authority to be capable of posing a risk of injury to health, safety, property, or the environment. Without limiting the foregoing, Hazardous Materials means and includes any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous, toxic or radioactive substance, or other similar term, by any Hazardous Materials Laws including any federal, state or local environmental statute, regulation or ordinance presently in effect that may be promulgated in the future, as such as statutes, regulations and ordinances may be amended from time to time.

(v) “Hazardous Materials Laws” means all federal, state, and local laws, ordinances, regulations, orders and directives governing hazardous waste, hazardous substances, discharges of

pollutants to soil or groundwater, wastewater discharges, drinking water, air emissions, Hazardous Materials releases or reporting requirements, Hazardous Materials use, storage or disposal, and employee or community right-to-know requirements related to Hazardous Materials and the work being performed under this Agreement.

(w) “Improvements” has the meaning set forth in Recital G above.

(x) “Infrastructure Improvements Plan” means the plan set forth in Exhibit G describing the infrastructure improvements that Developer will undertake in accordance with Section 4.9 below.

(y) “Litigation Disclosure” means any pending actions, suits, arbitrations, claims or proceedings the City is subject to as described in Section 8.18(b)(6).

(z) “Memorandum of Disposition and Development Agreement” means the memorandum of Disposition and Development Agreement to be recorded against the Property. The form of the Memorandum of Disposition and Development Agreement is attached as Exhibit D.

(aa) “Memorandum of Ground Lease” means the memorandum of the Ground Lease to be recorded against the Property on the Closing Date. The form of the Memorandum of Ground Lease will be attached as an exhibit to the Ground Lease.

(bb) “Notice of Completion” has the meaning set forth in Section 4.14 below.

(cc) “Parties” means the City and Developer.

(dd) “Planned Public Improvements” means those public infrastructure improvements set forth in the Heights District Plan, including the Grand Loop that, upon securing funding, the City plans to construct as transportation infrastructure surrounding the Property, as depicted on the attached Exhibit E.

(ee) “Property” has the meaning set forth in Recital E.

(ff) “Property Preliminary Title Report” means Title Commitment No. 612896838 dated September 27, 2024.

(gg) “Related Parties” shall mean, with respect to City, its council members, officers, agents, representatives, and employees and, with respect to Developer, its officers, directors, employees, shareholders, agents, and representatives.

(hh) “Release” for the purposes of Section 3.6(e), means any spillage, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping, or disposing into the environment, including but not limited to the abandonment or discharging of barrels, containers, and other closed receptacles containing Hazardous Materials.

(ii) “Released Parties” has the meaning set forth in Section 3.6(d).

(jj) “Schedule of Performance” means the summary schedule of actions to be taken by the Parties pursuant to this Agreement to achieve development of the Improvements and ground leasing the Property to the Developer. The Schedule of Performance is attached to this Agreement and incorporated herein by this reference as Exhibit B. Any dates specified in the Schedule of Performance may be extended by written agreement of the Parties.

(kk) “Schematic Design” has the meaning set forth in Section 2.3 below.

(ll) “Sites” has the meaning set forth in Recital B above.

(mm) “Summary of Sources and Uses” means the summary of sources and uses for the construction of the Improvements on the Property. The Summary of Sources and Uses is attached hereto and incorporated herein as Exhibit C. the Summary of Sources and Uses may be amended by written agreement of the Parties, provided that such subsequent modifications that are agreed upon by the parties shall not require any amendment of this DDA.

(nn) “Term” has the meaning set forth in Section 1.3, below.

(oo) “Title Company” means the Vancouver, Washington office of Chicago Title/Fidelity National Title at 655 West Columbia Way, Suite 200, Vancouver, WA 98660, unless modified pursuant to Section 3.3.

Section 1.2 Exhibits and Schedules.

The following exhibits and schedules are attached to and incorporated in the Agreement:

- Exhibit A-1: Map of Site
- Exhibit A-2: Legal Description of Property
- Exhibit B: Schedule of Performance
- Exhibit C: Summary of Sources and Uses
- Exhibit D: Form of Memorandum of Disposition and Development Agreement
- Exhibit E: Planned Public Improvements
- Exhibit F: Grand Loop Plan
- Exhibit G-1: Infrastructure Improvements Plan
- Exhibit G-2: Depiction of Infrastructure Improvements Plan
- Exhibit G-3: Frontage Improvements
- Exhibit H: Market Hall Leasing Requirements
- Exhibit I: Completion Guaranty Agreement
- Exhibit J: Temporary Construction License Area

Schedule 5.6: City Self-Insurance Certification Letter

Schedule 8.18(b)(6): Litigation Disclosure

Section 1.3 Term.

The “Term” of this Agreement, shall commence on the Effective Date and shall continue for a period of ten (10) years following the Effective Date or the earlier termination of this Agreement.

ARTICLE 2.
PREDISPOSITION REQUIREMENTS

Section 2.1 Conditions Precedent to Ground Leasing the Property.

The requirements set forth in this Article are conditions precedent to the City’s obligations to ground lease the Property to the Developer, and all such conditions precedent must be satisfied in accordance with the dates set forth in the Schedule of Performance attached hereto as Exhibit B, as such times may be extended in writing by either Party. Performance and achievement of the actions set forth in this Article 2 constitute conditions precedent to ground leasing the Property. Satisfaction of these conditions depends on performance by Developer. Only the City can waive satisfaction of the conditions in this Article 2 and any such waiver must be in writing signed by the City Manager and approved as to form by the City Attorney.

Section 2.2 Summary of Sources and Uses.

The Developer shall submit a Summary of Sources and Uses, in a form acceptable to the City. The Parties hereby acknowledge that the Summary of Sources and Uses attached hereto as Exhibit C satisfies the requirements of this Section 2.2 and reflects the Financing Proposal provided by Developer pursuant to the ENA.

Section 2.3 Conceptual Site Plan and Design Considerations.

(a) Following the Effective Date, the Developer must deliver to the City a conceptual site plan and elevation drawings (“Schematic Design”) for the Improvements to be developed on the Property for informational purposes only. While the City and HCIC may provide input or comments in their proprietary roles, formal approval of the Improvements shall occur solely through the applicable City permitting and entitlement processes, and nothing in this Section shall be construed to limit or modify such regulatory discretion.

(b) Any material changes to the Schematic Design must be shared with the City, in its proprietary role and the HCIC for informational purposes and comment. If the unit count or unit mix substantially changes from the Schematic Design the City in its proprietary role and the HCIC must be informed right away and offered an opportunity to comment. Developer shall consider all input in good faith, but final design determinations shall be governed by the applicable permitting process.

(c) For purposes of this Section 2.3, a material change shall mean any change which is expected to (i) substantially alter the appearance of the Development (other than with respect to any planned public art), (ii) change the unit-mix or unit count, (iii) materially reduce the quality of

exterior materials, (iv) materially change the amenities of the Development.

(d) For ease of coordination on the infrastructure improvements, both parties must share their respective design plans in both PDF and AUTOCAD format throughout the design process. Developer must submit its plans to the City to review in its proprietary role prior to planning and permit submission.

(e) For the purposes of this Section, City and HCIC must respond in writing within ten (10) business days from receipt of any plans from the Developer. If no response is delivered within said timeframe, its deemed City and HCIC shall be deemed to approve the design and/or any design changes.

Section 2.4 Financing.

All financing necessary to construct the Improvements shall be closed by or committed to Developer prior to, or simultaneously with, the Closing Date. Developer shall also submit to the City evidence reasonably satisfactory to the City that any conditions to the release or expenditure of funds as the sources of funds to pay the costs of constructing the Improvements have been met or will be met upon the Closing Date and subject to Developer's satisfaction of standard disbursement preconditions required to be satisfied on a periodic basis, for constructing the Improvements. Submission by Developer, and approval by the City, of such evidence of funds availability shall be a condition precedent to the City's obligation to close on the Ground Lease.

Section 2.5 Completion Guaranty Agreement.

Prior to the commencement of construction, Developer shall provide City with a Completion Guaranty Agreement substantially in the form attached as Exhibit I and sufficient to provide assurances made by PacifiCap, Inc. as Guarantor on behalf of Developer, equivalent to a contractor's surety bond for payment of labor and materials and a performance and payment bond for construction of the Improvements and requiring, at the City's option the Guarantor to complete the Improvements at its own expense, or allow the City to complete the project at the Guarantor's expense. No work shall be initiated until the executed Completion Guaranty Agreement or other security has been received and approved by the City.

Section 2.6 Obtain all Applicable Governmental Approvals.

(a) Within the time set forth in the Schedule of Performance, Developer shall use commercially reasonable efforts to obtain all necessary land use and governmental approvals required for the construction and operation of the Improvements ("Applicable Governmental Approvals"), including but not limited to City review and approval of a site plan and building permits. Only upon delivery of evidence of issuance of all applicable Governmental Approvals to the City shall the conditions of this Section be deemed met. If such evidence is not delivered within the time set forth in the Schedule of Performance, this Agreement may be terminated in accordance with the terms of Article 7 (subject to any notice and cure periods set forth therein).

Section 2.7 Building Permits.

(a) No later than the date set forth in the Schedule of Performance, Developer shall apply for a building permit allowing for the construction of the Improvements. After submitting the application for a building permit, Developer shall diligently pursue and obtain a building permit for the Improvements, and no later than the date set forth in the Schedule of Performance, Developer shall deliver evidence to the City that Developer is entitled to issuance of a building permit for the Improvements upon payment of permit fees. The City shall render all reasonable assistance (at no cost to the City) to Developer to obtain the building permit.

(b) Developer acknowledges that execution of this Agreement by the City does not constitute approval by the City of any required permits, applications, or allocations, and in no way limits the discretion of the City in the permit allocation and approval process for any the Improvements. However, City will use best efforts to expediently review and process building permit applications.

Section 2.8 Insurance.

Developer shall furnish to the City evidence of the builders risk insurance coverage meeting the requirements of Section 5.6 below, no later than the date set forth in the Schedule of Performance.

Section 2.9 Inspection of Property.

As of execution of this Agreement, Developer has made all such investigations regarding the Property, the suitability of the Property for development (including but not limited to investigation of environmental hazards, geologic conditions, soils conditions, or water conditions on or about the Property) as was required under the Exclusive Negotiating Agreement. The Developer did not submit an Unsuitability Notice (as defined in the Exclusive Negotiating Agreement) and is hereunder accepting title to the Property in an “as-is” condition as set forth in Section 3.6, hereof.

Section 2.10 Legal Lot.

The City will create a separate legal lot for the Property through a short plat process to create a separate unit of land which complies with all with all requirements of state and local law to be considered a legal lot capable of being separately ground leased. The City shall use commercially reasonable efforts to record the plat by the date set forth in the Schedule of Performance.

ARTICLE 3. DISPOSITION OF PROPERTY

Section 3.1 Conditions for Ground Lease.

Provided the pre-disposition requirements set forth in Article 2 have all been satisfied and the additional closing conditions set forth in Section 3.4 have been satisfied, the City shall ground

lease the Property to the Developer pursuant to the terms, covenants, and conditions of this Agreement.

Section 3.2 General Terms of Ground Lease.

(a) The term of the Ground Lease shall be ninety-nine (99) years commencing from the Closing Date.

(b) The annual Ground Lease rent shall be calculated by multiplying the appraised value of the Property by a cap rate of (5.7%) and discounted for the first forty (40) years of the lease term. As used in this Section 3.2, the “appraised value” means the as-restricted value set forth in the February 25, 2025 appraisal prepared on behalf of City by Colliers International Valuation & Advisory Services as increased annually by three percent (3%).

(c) Rent shall be abated for thirty (30) months from the Commencement Date (as defined in the Ground Lease) and discounted for the first forty (40) years of the term.

(d) Use of the Property subject to the Ground Lease shall be restricted to the Affordability Requirements and developed in accordance with the Schematic Design.

(e) At Closing, the Deposit shall be credited against the Rent in accordance with the ENA.

Section 3.3 Opening Escrow.

The Parties shall establish the Escrow with the Title Company. The Parties shall execute and deliver all written instructions to the Title Company to accomplish the terms hereof, which instructions shall be consistent with this Agreement. The Parties may submit their own escrow instructions to Title Company provided such instructions are consistent with the terms of this Agreement. Upon request by Developer, the Title Company may be changed to a company requested by Developer, provided: (a) Developer makes the request prior to the opening of escrow; and (b) the company is approved by the City.

Section 3.4 Closing.

The Closing Date shall occur within thirty (30) days following the date on which all conditions precedent to ground lease set forth in Article 2 have been satisfied, but in no event later than the date set forth in the Schedule of Performance, and only in the event that all conditions precedent set forth in Article 2 have been satisfied by the party required to perform or waived in writing by the other party as set forth herein.

(a) City Conditions to Closing. In addition to the conditions precedent to the Closing Date set forth in Article 2, the obligation of the City to ground lease the Property pursuant to this Agreement is subject to the satisfaction on or before the Closing Date (or such earlier date as is specifically set forth in this Agreement) of all of the following conditions precedent which conditions are for the benefit of the City only and the satisfaction of which may be waived only in

writing by the City:

(1) Developer shall have furnished the City with evidence of the insurance coverage meeting the general insurance requirements set forth in Section 5.6.

(2) Developer shall have obtained approval of the Construction Plans from the City.

(3) Developer shall have executed and delivered to the City, the Memorandum of Ground Lease, and any other documents and instruments required to be executed and delivered, all in a form and substance satisfactory to the City.

(4) Developer has obtained Governmental Approvals necessary for the construction allowing for the construction of the Improvements as required under Section 2.6 above; provided however the Developer may satisfy this requirement with regards to the building permit, if the Developer provides the City with a permit ready letter from the City Building Department.

(5) There shall exist no condition, event or act which would constitute a material breach or default under this Agreement.

(6) All representations and warranties of Developer contained in any part of this Agreement shall be true and correct in all material respects.

(b) Developer Conditions to Closing. The obligation of Developer to ground lease the Property pursuant to this Agreement is subject to the satisfaction on or before the Closing Date (or such earlier date as is specifically set forth in this Agreement) of all of the following conditions precedent which conditions are for the benefit of Developer only and the satisfaction of which may be waived only in writing by Developer:

(1) Delivery and execution by the City of all instruments and other items required to be delivered by City pursuant to this Agreement;

(2) City's warranties and representations set forth herein shall be true and correct as of the Closing Date;

(3) City shall have fulfilled each and every obligation to be performed by the City pursuant to this Agreement; and

(4) As of the Closing Date, the Title Company shall have issued or shall have committed to issue, upon the sole condition of the payment of its regularly scheduled premium, a Title Policy as set forth in Section 3.5.

Section 3.5 Condition of Title.

(a) On the Closing Date, the Title Company shall be prepared to issue to Developer an

ALTA extended coverage policy of title insurance and all endorsements required by Developer and its investors or lenders insuring Developer's ground leasehold interest to the Property (the "Title Policy"), which shall be free and clear of all liens, encumbrances, clouds and conditions, rights of occupancy or possession, except:

- (1) Applicable building and zoning laws and regulations;
- (2) Any provisions of the Heights District Plan;
- (3) The provisions of this Agreement;
- (4) Any lien for current taxes and assessments or taxes and assessments accruing subsequent to recordation of the Memorandum of Ground Lease;
- (5) Exceptions as listed in the Property Preliminary Title Report that were approved or deemed approved by the Developer pursuant to the terms of the ENA, and Title Company shall be irrevocably committed to issue to the Developer an ALTA extended coverage owner's policy of title insurance conditioned only upon the payment of the insurance premium.

Section 3.6 Condition of Property.

(a) **"AS IS" TRANSACTION. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT TO THE CONTRARY, DEVELOPER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT THE CITY IS GROUND LEASING THE ENTIRE PROPERTY ON AN "AS IS WITH ALL FAULTS" BASIS AND THAT DEVELOPER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM THE CITY AS TO ANY MATTERS CONCERNING THE PROPERTY, INCLUDING WITHOUT LIMITATION: (A) THE QUALITY, NATURE, ADEQUACY AND PHYSICAL CONDITION OF THE PROPERTY (INCLUDING, WITHOUT LIMITATION, TOPOGRAPHY, CLIMATE, AIR, WATER RIGHTS, WATER, GAS, ELECTRICITY, UTILITY SERVICES, GRADING, DRAINAGE, SEWERS, ACCESS TO PUBLIC ROADS AND RELATED CONDITIONS); (B) THE QUALITY, NATURE, ADEQUACY, AND PHYSICAL CONDITION OF SOILS, GEOLOGY AND GROUNDWATER; (C) THE DEVELOPMENT POTENTIAL OF THE PROPERTY, AND THE PROPERTY'S USE, HABITABILITY, MERCHANTABILITY, OR FITNESS, SUITABILITY, VALUE OR ADEQUACY OF THE PROPERTY FOR ANY PARTICULAR PURPOSE; (D) THE ZONING OR OTHER LEGAL STATUS OF THE PROPERTY OR ANY OTHER PUBLIC OR PRIVATE RESTRICTIONS ON THE USE OF THE PROPERTY; (E) THE COMPLIANCE OF THE PROPERTY OR ITS OPERATION WITH ANY APPLICABLE CODES, LAWS, REGULATIONS, STATUTES, ORDINANCES, COVENANTS, CONDITIONS AND RESTRICTIONS OF ANY GOVERNMENTAL OR QUASI-GOVERNMENTAL ENTITY OR OF ANY OTHER PERSON OR ENTITY; AND (F) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS ON, UNDER OR ABOUT THE PROPERTY. DEVELOPER AFFIRMS THAT DEVELOPER HAS NOT RELIED ON**

THE SKILL OR JUDGMENT OF THE CITY OR ANY OF ITS RESPECTIVE AGENTS, EMPLOYEES OR CONTRACTORS TO SELECT OR FURNISH THE PROPERTY FOR ANY PARTICULAR PURPOSE, AND THAT THE CITY MAKES NO WARRANTY THAT THE PROPERTY IS FIT FOR ANY PARTICULAR PURPOSE. DEVELOPER ACKNOWLEDGES THAT IT SHALL USE ITS INDEPENDENT JUDGMENT AND MAKE ITS OWN DETERMINATION AS TO THE SCOPE AND BREADTH OF ITS DUE DILIGENCE INVESTIGATION WHICH IT SHALL MAKE RELATIVE TO THE PROPERTY AND SHALL RELY UPON ITS OWN INVESTIGATION OF THE PHYSICAL, ENVIRONMENTAL, ECONOMIC AND LEGAL CONDITION OF THE PROPERTY (INCLUDING, WITHOUT LIMITATION, WHETHER THE PROPERTY IS LOCATED IN ANY AREA WHICH IS DESIGNATED AS A SPECIAL FLOOD HAZARD AREA, DAM FAILURE INUNDATION AREA, EARTHQUAKE FAULT ZONE, SEISMIC HAZARD ZONE, HIGH FIRE SEVERITY AREA OR WILDLAND FIRE AREA, BY ANY FEDERAL, STATE OR LOCAL AGENCY). DEVELOPER UNDERTAKES AND ASSUMES ALL RISKS ASSOCIATED WITH ALL MATTERS PERTAINING TO THE PROPERTY'S LOCATION IN ANY AREA DESIGNATED AS A SPECIAL FLOOD HAZARD AREA, DAM FAILURE INUNDATION AREA, EARTHQUAKE FAULT ZONE, SEISMIC HAZARD ZONE, HIGH FIRE SEVERITY AREA OR WILDLAND FIRE AREA, BY ANY FEDERAL, STATE OR LOCAL AGENCY.

(b) Survival. The terms and conditions of this Section shall expressly survive the Closing Date. The City is not liable or bound in any manner by any oral or written statements, representations or information pertaining to the Property, or any portion thereof, furnished by any contractor, agent, employee, servant or other person. Developer acknowledges that this as an "as is" transaction and any faults, liabilities, defects or other adverse matters that may be associated with the Property. Developer has fully reviewed the disclaimers and waivers set forth in this Agreement with Developer's counsel and understands the significance and effect thereof.

(c) Acknowledgment. Developer acknowledges and agrees that: (1) to the extent required to be operative, the disclaimers of warranties contained in this Section are "conspicuous" disclaimers for purposes of all applicable laws and other legal requirements; and (2) the disclaimers and other agreements set forth herein are an integral part of this Agreement, that the City would not have agreed to ground lease the Property to Developer pursuant to this Agreement without the disclaimers and other agreements set forth in this Section.

(d) Developer's Release of the City. Developer, on behalf of itself and anyone claiming by, through or under Developer hereby waives its right to recover from and fully and irrevocably releases the City, its council members, board members, employees, officers, directors, representatives, and agents (the "Released Parties") from any and all claims, responsibility and/or liability that Developer may have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to any of the following, except as expressly set forth in this Agreement to the contrary or to the extent directly caused by the willful misconduct or gross negligence of the Released Parties: (1) the condition (including any construction defects, errors, omissions or other conditions, latent or otherwise), valuation, salability or utility of the Property, or its suitability for any purpose whatsoever; (2) any presence of Hazardous Materials; and (3) any information furnished by the

Released Parties under or in connection with this Agreement. Notwithstanding the generality of the foregoing, the foregoing waiver and release does not include any claims, responsibility, or liability to the extent related to the representations and warranties of City in this Agreement and in the Ground Lease.

(e) Scope of Release. The release set forth in this Section includes claims of which Developer is presently unaware or which Developer does not presently suspect to exist which, if known by Developer, would materially affect Developer's release of the Released Parties. Developer specifically waives the provision of any statute or principle of law that provides otherwise. In this connection and to the extent permitted by law, Developer agrees, represents and warrants that Developer realizes and acknowledges that factual matters now unknown to Developer may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and Developer further agrees, represents and warrants that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Developer nevertheless hereby intends to release, discharge and acquit the City from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses, except to the extent related to the representations and warranties of City in this Agreement and in the Ground Lease. Accordingly, Developer, on behalf of itself and anyone claiming by, through or under Developer, hereby assumes the above-mentioned risks and hereby expressly waives any right Developer and anyone claiming by, through or under Developer, may have.

Section 3.7 Delivery upon Closing Date.

The City shall deliver possession of the Property to Developer upon the Closing Date free and clear of all tenants and other occupants.

ARTICLE 4. DEVELOPER CONSTRUCTION REQUIREMENTS AFTER CLOSING

Section 4.1 Construction Pursuant to Plans.

Unless modified by operation of Section 4.2, the Improvements shall be constructed substantially in accordance with the plans approved through the City's permitting process (the "Construction Plans") and the terms and conditions of the land use permits and approvals and building permits, including any variances granted. Any material changes to the Construction Plans that would affect the City's proprietary interests (e.g., affordability mix, unit count, or ground floor commercial use) shall be shared with the City for review and comment but shall not require separate approval outside of the standard City permitting process.

Section 4.2 Change in Construction of Improvements.

(a) If Developer desires to make any material change in the Improvements which are not substantially consistent with the Construction Plans, Developer shall submit the proposed change to the City and HCIC for its approval. No change which is required for compliance with building or zoning codes or other government health and safety regulations shall be deemed

material. If the Improvements, as modified by any such proposed change, will conform to the requirements of this Agreement, and the Construction Plans, the City shall approve the change by notifying Developer in writing. For purposes of this Section 4.2, a material change shall mean any change which is expected to (i) substantially alter the appearance of the Development, (ii) materially changes the unit-mix or unit count, (iii) materially reduces the quality of exterior materials, (iv) materially change the public amenities of the Development. Notwithstanding the foregoing, no change shall be deemed a “material change” if it is (A) required for compliance with building or zoning codes or other governmental health and safety regulations, (B) made in response to a requirement of a public or private lender, investor, or tax credit authority, or (C) a change in internal configurations, finishes, or systems that does not affect exterior appearance, unit count, or public amenities.

(b) Unless a proposed change is rejected by the City and HCIC within ten (10) working days (excluding City and other legal holidays), it shall be deemed approved. If rejected within such time period, the previously approved Construction Plans shall continue to remain in full force and effect. If accepted, the parties acknowledge that the Construction Plans shall be modified as necessary to reflect the accepted change to the Improvements. If the City rejects a proposed change, it shall provide Developer with specific reasons therefor and the Developer shall have the right to revise and resubmit its proposal to the City.

(c) The approval of changes in the Schematic Design and/or the Construction Plans by the City and HCIC pursuant to this Section shall be in addition to any approvals required to be obtained from the City pursuant to building permit requirements or the conditions of approval. Approval of changes in the Schematic Design and/or the Construction Plans by the City in its proprietary role shall not constitute approval of building permit requirements or conditions of approval by the City in its regulatory role and shall in no way limit the City’s discretion in approving changes to the building permits or conditions of approval.

Section 4.3 Commencement of Construction of Improvements.

Developer shall commence construction of the Improvements no later than the date set forth in the Schedule of Performance as such times may be extended in writing by the Parties and subject to any notice and cure provisions hereunder.

Section 4.4 Completion of Construction of Improvements.

Developer shall diligently prosecute to complete the construction of the Improvements no later than the date set forth in the Schedule of Performance as such times may be extended in writing by the Parties and subject to any notice and cure provisions hereunder and subject to Force Majeure as defined in Section 8.24.

Section 4.5 Equal Opportunity and Diverse Workforce Plan.

(a) During the construction and operation of the Development discrimination on the basis of race, color, creed, religion, age, sex, gender, gender identity, gender expression, sexual orientation, marital status, pregnancy, national origin, ancestry, military and veteran status, or

disability in the hiring, firing, promoting, or demoting of any person engaged in the construction or other work at the Property is not allowed.

(b) During the construction of the Development, Developer and the general contractor shall comply with all applicable nondiscrimination laws and policies, and shall create and implement a workforce and contracting plan that seeks to increase opportunities for Black Indigenous and People of Color (BIPOC) and women owned and small emerging businesses. The Developer and general contractor shall make good faith, commercially reasonable efforts to meet the following project-wide participation goals:

(1) General contractor must identify opportunities for smaller businesses and Disadvantaged Business Enterprises (DBEs).

(2) Where appropriate general contractor must create right sized bid packages to ensure accessibility for smaller businesses and DBEs.

(3) General contractor must conduct intentional outreach to BIPOC, women-owned and emerging small business firms prior to and through bidding process to offer equal opportunity.

(4) Minimum of 20% BIPOC, women owned, and emerging small businesses participation.

(5) Minimum of 15% apprenticeship participation.

The Developer shall collaborate with the City in connecting BIPOC, women owned and small emerging businesses using the City's local connections to ensure the above referenced goals are met. Failure to meet the goals shall not, by itself, constitute a default under this Agreement, provided that the Developer demonstrates reasonable, good faith efforts to implement the measures in this Section and reports participation data as required.

Section 4.6 Planned Public Improvements.

Pursuant to the Heights District Plan, the City intends to complete the Planned Public Improvements and coordinate such construction with the Developer as follows:

(a) City will provide a joint utility trench plan for location of all dry utilities and will coordinate the design of the joint utility trench with the Developer and Clark Public Utility District. City and Developer will collaborate on the design to ensure the Improvements' electrical needs are met. The City shall use best efforts to ensure that the Improvements' electrical and utility needs are met without imposing unreasonable additional costs or delays on the Developer.

(b) City plans to design and construct the undergrounding of overhead utility lines on the south side of E. Mill Plain Blvd and Devine Road south of E. Mill Plain Blvd and will seek reimbursement from Developer for their proportionate share of the costs in accordance with Section 4.9(d) below. Timing of this work is to be determined, and City will use its best efforts to

coordinate closely with Developer and will provide at least sixty (60) days advance written notice of the commencement of the work.

(c) City plans to design and construct improvements to the intersection of E. Mill Plain Blvd and Devine Road, including a new traffic signal, new paving, striping, bike and pedestrian facilities. The timing of these improvements is yet to be determined but the City will coordinate closely with the Developer and provide at least sixty (60) days advance written notice prior to commencement of the work.

(d) If any of the City's improvements described in this Section 4.6 and Section 4.9 (d) interfere with access to the Property or impact the operations of the Improvements or causes any damage to the Improvements, City shall reimburse Developer for any resulting, repair costs or other direct impacts, including costs, expenses or direct damages incurred by the Developer resulting from such damage, interference with access to the Property or adverse impact on the construction or operations of the Improvements.

Section 4.7 Compliance with Applicable Law; Prevailing Wage Requirement.

(a) Developer shall cause all construction to be performed in compliance with:

(1) All applicable laws, ordinances, rules and regulations of federal, state, county or municipal governments or agencies in effect as of the Effective Date or that may be enacted hereafter, and

(2) All directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction. The work shall proceed only after the payment of all applicable fees, procurement of each permit, license, or other authorization that may be required by any governmental agency having jurisdiction, and Developer shall be responsible to the City for the procurement and maintenance thereof, as may be required of Developer and all entities engaged in work on the Property, or any portion thereof.

(b) Unless the Improvements will be paid for in whole or in part out of public funds secured by the Developer, the construction required under this Agreement does not constitute a "public work" as none of the Improvements will be paid for in whole or in part by the City and, except for the Frontage Improvements to be constructed by Developer and dedicated to the City, the Developer retains ownership of the Improvements. If and only to the extent the work performed under this Agreement is deemed a public work shall the provisions of this subsection (b) apply. If and only to the extent required by law, the Developer shall and shall cause the contractor and subcontractors to pay prevailing wages in the construction of the Improvements as those wages are determined.

(1) The State of Washington applicable prevailing wage rates for this project, which is located in Clark County, may be found at the following website address of the Department of Labor and Industries:
<https://fortress.wa.gov/lni/wagelookup/prvWagelookup.aspx>.

(2) As applicable, Developer shall require that any construction contract include a requirement for the general contractor and each subcontractor to have on file current project specific “Statement of Intent to Pay Prevailing Wages” with the Washington State Department of Labor and Industries before payment will be made for work performed and require an approved “Affidavit of Wages Paid” form to be filed upon completion of the work performed.

(3) In case any dispute arises as to what the prevailing rates of wages for work of a similar nature are and such dispute cannot be resolved by the parties involved, the matter shall be referred to the director of the Department of Labor and Industries of the State of Washington for arbitration, and the L&I Director’s decision shall be final, conclusive, and binding on all parties involved in the dispute.

(c) Developer shall indemnify, hold harmless and defend (with counsel selected by Developer and reasonably approved by the City) the City Indemnitees against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including Developer, its contractor and subcontractors) to pay prevailing wages as determined pursuant to Chapter 39.12 RCW. The provisions of this Section shall survive expiration of the Term or other termination of this Agreement and shall remain in full force and effect.

Section 4.8 Progress Report.

Until such time as Developer has completed construction, as evidenced by issuance of Certificates of Occupancy by the City for all buildings located on the Property, Developer shall provide the City with quarterly progress reports, or more frequent updates if City reasonably requires, regarding the status of the construction of the Improvements.

Section 4.9 Developer Construction Responsibilities.

(a) It shall be the responsibility of Developer to coordinate and schedule the work to be performed so that commencement and completion of construction will take place in accordance with this Agreement.

(b) Developer shall be solely responsible for all aspects of Developer’s conduct in connection with the Development, including (but not limited to) the quality and suitability of the plans and specifications, the supervision of construction work, and the performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and managers.

(c) As a condition of the Government Approvals, Developer will design and build interim frontage improvements along the Property’s E. Mill Plain Blvd and Devine Road frontages in the area between the existing and future right-of-way (“Frontage Improvements”) as shown in Exhibit G-3. The details of Frontage Improvements will be agreed to through the Governmental Approvals process.

(d) As a condition of Government Approvals, Developer will design and build, at Developer's sole expense (subject to the reimbursement and latecomer agreement provisions set forth in the Infrastructure Improvements Plan in Exhibit G-1), the offsite infrastructure improvements described in the Infrastructure Improvements Plan in Exhibit G-1 and Exhibit G-2. Developer shall not be responsible for constructing any infrastructure improvements beyond the limited scope detailed in Exhibit G-1. The City has designed an enhanced version of the Infrastructure Improvements Plan known as the Grand Loop as detailed in Exhibit F attached hereto. The term "Grand Loop" includes all right-of-way, water, sewer, stormwater, electrical utility improvements and a linear park with decorative and enhanced public realm features that abut the Property and provide access to, utilities and frontage improvements that serve the Property. Contingent upon receipt by the City of sufficient grant funding and in order to facilitate development of affordable housing as a permissible expenditure of public funds pursuant to Article 8, Section 7 of the Washington State Constitution, the City plans to construct the Grand Loop. City anticipates starting construction of the Grand Loop in Quarter 1 2027 and completion in Quarter 3 2028, but no later than December 31, 2028 and will instruct the contractor to prioritize the Grand Loop improvements adjacent to the Property. If the City constructs the Grand Loop as planned, the Developer will not be responsible for constructing the Infrastructure Improvements Plan and the City and Developer will coordinate closely on the construction of the Improvements and Grand Loop ensuring minimal conflicts between construction crews. If the City constructs the Grand Loop the City shall provide Developer with a written, detailed phasing schedule at least sixty (60) days prior to commencement of construction of the Grand Loop, ensuring that Developer's construction activities will not be materially impacted by City's improvements or conflicts between construction crews.

(e) Developer will reimburse the City for its proportionate share of costs related to undergrounding the utility lines along E. Mill Plain Blvd and Devine Road but shall be no more than \$95,000. Payment shall be made by check or in another form agreed to by the Parties and may be paid at the closing of the Ground Lease at Developer's choosing. If payment is made at closing of the Ground Lease, pursuant to RCW 82.02.020, the City will deposit the funds in an interest-bearing reserve account exclusively to fund the undergrounding capital improvement project. If the City has not expended the funds within five years of collection, the City will return the funds with interest to the Developer. The City will provide the Developer a cost estimate prior to the commencement of construction. If payment is not made at closing of the Ground Lease Developer shall reimburse City for its proportionate share of costs within thirty (30) days of receiving a formal, itemized invoice from City, which shall include:

- (i) A breakdown of all actual costs incurred;
- (ii) Developer's proportional share calculation; and
- (iii) Supporting documentation confirming total project costs.

If actual costs exceed the original estimate Developer shall have the right to review and approve any additional expenditures before being obligated to reimburse City.

(f) Any review or inspection undertaken by the City with reference to the Development is solely for the purpose of determining whether Developer is properly discharging its obligations to the City and should not be relied upon by Developer or by any third parties as a warranty or representation by the City as to the quality of the design or construction of the Development.

Section 4.10 Mechanic's Liens, Stop Notices, and Notices of Completion.

(a) If any claim of lien is filed against the Property, or any portion thereof, or the Improvements or a stop notice is issued affecting any portion of the Property, the City in connection with the Development, then Developer shall, within sixty (60) days after such filing or service, either pay and fully discharge the lien or stop notice, effect the release of such lien or stop notice by delivering to the City a surety bond from a surety reasonably acceptable to the City in sufficient form and amount, or provide the City with other assurance reasonably satisfactory to the City that the claim of lien or stop notice will be paid or discharged. Provided, however, that Developer shall have the right to contest in good faith any such liens or stop notice.

(b) If Developer fails to discharge any lien, encumbrance, charge, or claim in the manner required in this Section or obtain a surety bond, then in addition to any other right or remedy, upon prior notice to Developer, the City may (but shall be under no obligation to) discharge such lien, encumbrance, charge, or claim at Developer's expense. Alternatively, the City may require Developer to immediately deposit with the City the amount necessary to satisfy such lien or claim and any costs, pending resolution thereof. The City may use such deposit to satisfy any claim or lien that is adversely determined against Developer; provided, however, that Developer shall be permitted to exercise any rights of appeal of such adverse determination.

Section 4.11 Inspections.

Developer shall permit and facilitate, and shall require its contractors to permit and facilitate, observation and inspection at the Property by the City and by public authorities during reasonable business hours upon forty-eight (48) hours' prior written notice for the purposes of determining compliance with this Agreement.

Section 4.12 Information.

Developer shall provide any information reasonably requested by the City in connection with the Development, provided that Developer shall not be required to disclose any proprietary, confidential, or privileged information. The Developer may condition any disclosure on appropriate confidentiality protections and shall not be obligated to provide information that is protected by applicable law, contractual confidentiality obligations, or that could compromise Developer's competitive position.

Section 4.13 Records.

(a) Developer shall maintain complete, accurate, and current records pertaining to the Development for a period of five (5) years after the creation of such records and shall permit any duly authorized representative of the City to inspect and copy records upon reasonable prior notice to Developer. Such records shall include all invoices, receipts, and other documents related to expenditures associated with the implementation of this Agreement. Records must be kept accurate and current.

(30) The City shall notify Developer of any records it deems insufficient. Developer shall have thirty (30) calendar days after the receipt of such a notice to correct any deficiency in the records specified by the City in such notice, or if a period longer than thirty (30) days is reasonably necessary to correct the deficiency, then Developer shall begin to correct the deficiency within thirty (30) days and complete the correction of the deficiency as soon as reasonably possible.

Section 4.14 Notice of Completion.

(a) Promptly after completion of all of the Improvements on the Property in accordance with the provisions of this Agreement relating solely to the obligations of Developer to construct the Improvements the City shall provide an instrument so certifying the completion of the Improvements (the “Notice of Completion”).

(b) The Notice of Completion shall be conclusive determination that all covenants in this Agreement with respect to the obligations of Developer to construct the Improvements have been met. Issuance of a Notice of Completion by the City, however, shall not constitute evidence of compliance with Developers’ obligation to comply with the requirements of Section 4.9 and shall not terminate the obligations of Developer that survive the termination of this Agreement. The Notice of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any holder of a deed of trust securing money loaned to finance the Improvements.

Section 4.15 Construction Coordination.

(a) Access; Interference. Developer shall comply in all material respects with all applicable City permitting and construction requirements related to street closures, construction disturbances, and the maintenance of access to neighboring facilities and businesses. The Parties shall coordinate in good faith on construction sequencing to avoid conflicts with the Planned Public Improvements. Nothing in this Section shall impose additional permitting or operational obligations on Developer beyond those required under applicable laws or permits.

(b) Construction Traffic. The Parties shall agree to a route for the construction truck traffic to utilize during construction.

(c) Construction Worker Parking. Developer shall provide a construction worker parking plan to City for review and approval (such approval not to be unreasonably withheld, conditioned, or delayed) prior to commencement of construction.

(d) Planned Public Improvements. City shall have the right to occupy and use an agreed-upon area located within the boundaries of Site C and around the perimeter of the Property as depicted within Exhibit J solely for the purposes of constructing the Planned Public Improvements and the Grand Loop (“Temporary Construction License Area”). The City’s access and use shall be strictly limited to the Temporary Construction License Area and the approved scope of work, and shall be conducted in a manner that does not unreasonably interfere with, delay, or increase the cost of the Developer’s construction, operations, or other activities on of the

Property. City shall be responsible, at its sole cost and expense, for repairing or restoring any portion of the Property (including landscaping, improvements, and utilities) disturbed or damaged by its activities to a condition equal to that existed immediately prior to entry, promptly upon completion of its work. The City will provide Developer with at least sixty (60) days advance written notice of the commencement of construction, which notice shall include a detailed schedule, scope of work, site logistics plan, and safety protocols. Prior to any entry, the parties shall meet and confer to coordinate activities, establish access and staging protocols, and agree on measures to avoid interference with the Improvements. The City shall indemnify, defend, and hold harmless the Developer, its affiliates, contractors, and lenders from and against any and all claims, losses, damages, costs, and liabilities (including reasonable attorneys' fees) arising out of or relating to the City's entry, occupancy, or work within the Temporary Construction License Area, except to the extent caused by the gross negligence or willful misconduct of Developer.

ARTICLE 5. ONGOING DEVELOPER OBLIGATIONS

Section 5.1 Applicability.

The conditions and obligations set forth in this Article 5 shall apply throughout the Term of this Agreement and the Ground Lease, unless a different period of applicability is specified for a particular condition or obligation.

Section 5.2 Use.

(a) Developer hereby agrees that, for the entire Term of this Agreement and the Ground Lease (unless the affordability restrictions are otherwise modified pursuant to the terms of the Ground Lease), the Development will be used only for commercial purposes and rent restricted housing serving households whose incomes at initial occupancy are at or below 80% AMI (the "Affordability Requirements").

Developer agrees that Developer will make a good faith attempt using commercially reasonable efforts to operate the market hall through an affiliate or to lease the market hall to a third-party operator who prioritizes and promotes BIPOC and local businesses and adheres to provisions in Exhibit H attached hereto and that any such operator shall endeavor to pay its employees working in the market hall a living wage; provided, that the foregoing shall not prevent Developer from leasing the market hall space to an operator of its choosing for use as a market hall. Notwithstanding the foregoing and for the avoidance of doubt, provided that Developer has made commercially reasonable efforts to operate the market hall substantially in compliance with the requirements set forth in Exhibit H attached hereto, including through an affiliate or by subleasing the market hall to a third-party operator, a failure to comply with the requirements set forth in Exhibit H shall not be a default or an event of default hereunder.

(b) Developer hereby agrees to provide ongoing community services through its non-profit partner, Latino Network, an Oregon nonprofit corporation, or other service provider or non-profit organization selected by the Developer which could include but is not limited to health and wellness, finance, art and culture, legal, employment, mentorship, and early childhood education.

The community services will be offered through on-site activities, workshops and community events; provided, that the foregoing shall not prevent Developer from engaging alternative service providers of its choosing and modifying the scope of ongoing community services to be provided throughout the term of this Agreement and the Ground Lease, and that no City approval of any such service provider or such scope of services shall be required. The Developer is responsible for paying for all costs associated with these ongoing community services.

(c) During the Term, the Developer shall not use any portion of the Property for any prohibited use set forth in the Ground Lease without the prior written consent of the City, which consent shall be granted or denied at the City's sole and absolute discretion.

(d) The use requirements set forth in this Section shall be expressly incorporated into the Ground Lease and shall survive termination of this Agreement.

Section 5.3 Compliance with Covenants.

Developer agrees, for the entire Term of this Agreement, to maintain all interior and exterior improvements, including landscaping, of the Development in first-class condition, repair and sanitary condition (and, as to landscaping, in a healthy condition), and all applicable laws, rules, ordinances, orders, and regulations of all federal, state, municipal, and other governmental agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials. Following the Closing Date, Developer shall comply with all standards and requirements for use, operation, maintenance, management and encumbrances of the Property and the Improvements.

Section 5.4 Taxes and Assessments.

(a) Developer shall pay all real and personal property taxes (to the extent that the Property is not fully exempt from property taxes), assessments, including the Heights Business Improvement Area Assessments detailed below, charges and any income, employment, old age benefit, withholding, sales, and other taxes assessed against it, or payable by it, at such times and in such manner as to prevent any penalty from accruing, or any lien or charge from attaching to any portion of the Property; provided, however, that Developer shall have the right to contest in good faith any such taxes, assessments, or charges. In the event Developer exercises its right to contest any tax, assessment, or charge against it, Developer, on final determination of the proceeding or contest, shall immediately pay or discharge any decision or judgment rendered against it, together with all costs, charges and interest.

(b) The Property is subject to the Heights Businesses Improvement Area (Heights BIA) (per Vancouver Municipal Code (VMC) Section 3.50). Developer will be assessed annually to cover the supplemental service costs for the public spaces in the Heights District (as described in VMC 3.50.030). Assessments will not be charged until the Grand Loop or the civic plaza have been constructed and the Developer has executed the Ground Lease. This levy of assessment is made pursuant to VMC 3.50.040 to finance programs and services within the Heights District that are supplemental to services the City would ordinarily provide. Each property owner and ground lessee within the Heights Business Improvement Area will pay their proportionate share of the

assessments into the Heights Business Improvement Area Fund established pursuant to VMC 3.50.050. Collection of Heights BIA special assessments shall be made in accordance with VMC 3.50.060, commencing in the calendar year in which the construction of the Grand Loop or the civic plaza have been completed and the Developer and the City have executed the Ground Lease, and no sooner than January 1, 2028. Developer will be assessed annually and billed semi-annually in an amount in accordance with VMC 3.50.040 at the then-current rate in effect at the time but projected to be \$0.30 per one lot square feet with annual increases at 3% or per the Portland-Hillsboro-Vancouver Consumer Price Index, whichever is greatest. The City will establish a separate business improvement area entity who will administer the Heights BIA and who will function as the governing body. The Developer will enter into a separate agreement with the Heights BIA entity and such agreement will dictate the administration of the Heights BIA in a similar manner to the terms described in VMC 3.50.

Section 5.5 Hazardous Materials.

(a) Covenants.

(1) No Hazardous Materials Activities. Developer hereby represents and warrants to the City that, at all times from and after the Closing Date, Developer shall not cause or permit any portion of the Property or the Improvements thereon to be used as a site for the use, generation, manufacture, storage, treatment, release, discharge, disposal, transportation or presence of any Hazardous Materials except for Hazardous Materials typically used in the construction and operation of the Development in compliance with Hazard Material Laws.

(2) Hazardous Materials Laws. Developer hereby represents and warrants to the City that, at all times from and after the Closing Date, Developer shall comply and cause the Property and the Improvements thereon, to comply with all applicable Hazardous Materials Laws.

(3) Notices. Developer hereby represents and warrants to the City that, at all times from and after the Closing Date, Developer shall immediately notify the City in writing of: (A) the discovery of any Hazardous Materials on or under the Property, particularly associated with the discovery or any new release of Hazardous Materials on or under the Property, except for Hazardous Materials typically used in the construction and operation of the Development in compliance with Hazard Material Laws; (B) reserved; (C) any knowledge by Developer that the Property does not comply with any Hazardous Materials Laws; (D) any directives, corrective action orders, requests, claims or actions pending or threatened against Developer, the Property, the Improvements thereon, or the City by any Governmental Authorities or any third-party or entity relating to Hazardous Materials or pursuant to any Hazardous Materials Laws, or arising from claims of nuisance, or damage to property or personal injury relating to Hazardous Materials associated with the Property or the Improvements thereon (collectively “Hazardous Materials Claims”).

(4) Remedial Action. In response to the presence of any Hazardous Materials on, under or about the Property, or migrating from the Property, Developer shall

immediately take, at Developer's sole expense, all action to assess, investigate, remedy or remove the Hazardous Material, or take any action required by any Hazardous Materials Laws or to comply with any directives, or corrective action orders, requests, from any Governmental Authority, or to comply with any judgment, consent decree, settlement or compromise with respect to any Hazardous Materials Claims.

(b) Indemnity. At all times from and after the Closing Date, Developer shall indemnify, defend, and hold the City Indemnitees, harmless from and against any and all losses, costs, claims, damages, liability, and judgments, including reasonable attorney's fees, with the counsel of City's choice, and costs incurred to hire environmental consultants incurred by or asserted against any Indemnified Party in connection with, arising out of, in response to, or in any manner relating to the violation of any Hazardous Materials Law, any Release, or threatened Release of Hazardous Materials, any condition of pollution, contamination or Hazardous Materials-related nuisance on, under or from the Property occurring after the Closing Date due to Developer's operations, or arising out of or in response to any Hazardous Materials Claims except as directly caused by the City's willful misconduct or gross negligence. Developer shall have no obligation to indemnify the City for any pre-existing Hazardous Materials present on, under, or from the Property prior to the Closing Date. This obligation to indemnify and defend the City Indemnitees contained in this shall survive termination of this Agreement.

At all times from and after the Closing Date, the City shall indemnify, defend, and hold the Developer, harmless from and against any and all losses, costs, claims, damages, liability, and judgments, including reasonable attorney's fees, with the counsel of Developer's choice, and costs incurred to hire environmental consultants incurred by or asserted against the Developer in connection with, arising out of, in response to, or in any manner relating to the violation of any Hazardous Materials Law, any Release, or threatened Release of Hazardous Materials, any condition of pollution, contamination or Hazardous Materials-related nuisance on, under or from the Adjacent Parcel, or arising out of or in response to any Hazardous Materials Claims. This obligation to indemnify and defend the Developer contained in this shall survive termination of this DDA.

(c) No Limitation. Developer hereby acknowledges and agrees that Developer's duties, obligations and liabilities under this Agreement, including, without limitation, under subsection (b) above, are in no way limited or otherwise affected by any information the City may have concerning the Development and/or the presence within the Development of any Hazardous Materials, whether the City obtained such information from Developer or from its own investigations.

Section 5.6 Insurance Requirements.

(a) Builders Risk. Until final completion of construction of the Improvements, the construction is at the risk of Developer. Developer shall (or shall cause its general contractor to) purchase and maintain Builders Risk insurance upon the work at the site to the full insurable value until completion of construction of the Improvements. Said insurance will insure against the perils customarily insured against in such Builders Risk policies, including flood (if the Development is located within the 100-year flood plain) for physical loss and damage. The insurance shall include

damages, losses and expenses arising out of or resulting from any insured loss or incurred in the repair or replacement of any insured property.

(b) Property Insurance. Following completion of construction, Developer shall, at all times, maintain Cause of Loss – Special Form property insurance upon any buildings and facilities, including any permanent additions and improvements thereto, of which the Property form a part, in an amount equal to the full replacement cost thereof or with lesser limits as agreed by both City and Developer. Such insurance shall contain an agreed valuation provision in lieu of any co-insurance clause, an ordinance and law endorsement, debris removal coverage, business interruption coverage, extra expense coverage and a waiver of subrogation endorsement. Any and all payments from said policies or certificates of insurance, indemnity bonds and similar securities shall be made payable to and deposited with Developer or as required by its mortgagee(s). Further, and to the extent commercially available, all such policies shall contain a provision whereby the same cannot be canceled or modified unless City is given at least thirty (30) Days prior written notice of such cancellation or modification. Developer shall be responsible for the insurance premium and any deductible.

(c) Liability. Developer shall maintain, with financially sound and reputable insurers (see below), commercial general liability insurance written on an “occurrence” policy form with coverage at least as broad as ISO CGL form CG 0001, including contractual liability, against claims for bodily injury, property damage, and personal injury occurring on or about the Property or in any way relating to or arising out of Developer’s use or occupancy of the Property with minimum limits as provided in Section **Error! Reference source not found.** of the Ground Lease, which amount shall be consistent with commercially reasonable insurance standards but in no event shall be less than the Minimum Coverage Amount set forth in Section **Error! Reference source not found.** of the Ground Lease. Developer shall be named as an additional insured with coverage at least as broad as form ISO CG 2026 – Designated Person or Organization, without modification, affording coverage regardless of the additional insureds’ sole or concurrent negligence. Such insurance shall be endorsed to provide that the insurance shall be primary to and not contributory to any similar insurance carried by City and shall contain a severability of interest or cross liability clause.

(d) Business Interruption Insurance. Developer shall maintain business interruption insurance through the Term of the Ground Lease. Coverage will include payment to the City of the amount of annual Rent then payable to City for a period of at least six (6) months.

(e) Miscellaneous.

(1) Insurance Carrier Requirements. Developer’s insurance carrier(s), for all insurance referenced in the Ground Lease, shall be a reputable insurance company licensed to do business in the State of Washington. Developer’s insurance carrier(s) shall have a minimum A-VIII rating as determined by the then current edition of Best’s Insurance Reports published by A.M. Best Co.

(2) Certificates of Insurance. To establish that Developer’s insurance obligations have been met, Developer shall provide City with certificates of insurance prior to or at the Lease Term Commencement Date and renewals thereof prior to expiration of

existing policies. Certificates of insurance shall have a copy of additional insured endorsement in favor of Lessor attached and, to the extent commercially available, provide that the policies are not subject to cancellation or material change without at least thirty (30) Days advance written notice to City.

(3) Umbrella or Blanket Coverage. Developer shall be entitled to provide insurance coverage which it is obligated to carry pursuant to the terms of the Ground Lease under a blanket or umbrella insurance policy.

(4) Workers Comp and Employers Liability. At all times that Developer directly retains employees, Developer shall provide workers' compensation coverage, pursuant to statutory requirements. Developer further agrees to maintain Employers Liability Act ("ELA") or Stop Gap coverage as required by law of at least the Minimum Coverage Amount set forth in the Ground Lease.

(5) Automobile Liability. At all times that Developer owns at least one automobile, Developer shall provide Automobile Liability insurance with coverage at least as broad as Business Automobile Liability ISO form CA 0001, covering all owned, non-owned and hired automobiles brought on the Property, with coverage of at least the Minimum Coverage Amount set forth in the Ground Lease.

(6) Waiver of Subrogation. Notwithstanding anything in this Agreement to the contrary, neither party, nor its Related Parties is, nor, in case of Agreement, its assignees, shall be liable to the other party or to any insurance company (by way of subrogation or otherwise) insuring the other party, for any loss or damage to any building, structure or other property (whether real or personal) arising from any cause that (i) would be insured against under the terms of any property insurance required to be carried hereunder (or, with respect to City, which a reasonably prudent owner of real property similar in size, type, use, location, and quality as the Property would carry), or (ii) is insured against under the terms of any property insurance actually carried, regardless of whether the same is required hereunder, even though such loss or damage might have been occasioned by the negligence of such party or its Related Parties. Each party shall notify their respective insurance companies of this waiver of any rights of subrogation that such companies may have against Lessor or Lessee, as the case may be and shall obtain any necessary endorsement to avoid such waiver's invalidating the policy in whole or in part. Further, neither party nor the Related Parties shall be liable for: (1) any such damage caused by other lessees or persons in, upon or about the Property, or caused by operations in construction of any private, public or quasi-public work; or (2) consequential damages, including lost profits, of either party or any person claiming through or under Developer or City as applicable.

(7) Failure to Maintain. City shall have the right to force place any insurance required to be maintained by Developer hereunder if Developer fails to obtain same within thirty (30) Days of receipt of written notice of such failure, and the costs of such force placed insurance shall be an Additional Charge.

(f) City Insurance. City shall maintain in effect at all times insurance coverage consistent with the coverage customarily carried by ground lessors of property comparable in size, type, quality and location as the Property, including but not limited to (1) commercial general liability insurance with limits of no less than Ten Million and 00/100 Dollars (\$10,000,000) per occurrence and annual aggregate, which may be comprised of both primary and excess layers, and (2) pollution liability insurance with limits of not less than One Million and 00/100 Dollars (\$1,000,000.00) per claim and Two Million and 00/100 Dollars (\$2,000,000.00) aggregate. Such insurance carriers shall have an A.M. Best rating of not less than “A-” and Financial Size Category Rating of not less than “VIII” according to the latest edition of Best’s Key Rating Guide. Notwithstanding the foregoing, City self-insures consistent with the parameters set forth in Schedule 5.6. So long as City complies with Schedule 5.6, City shall be deemed to comply with this section.

Section 5.7 Audits.

Upon five (5) business days’ prior written notice from the City, the Developer shall make available for examination at reasonable intervals and during normal business hours to the City all books, accounts, reports, files, and other papers or property with respect to all matters covered by this Agreement, and shall permit the City to audit, examine, and make excerpts or transcripts from such records. The City may make audits of any conditions relating to this Agreement. The City agrees to treat information obtained from the Developer during any audit with confidentiality, subject to the City’s legal obligations including under the Public Records Act. Disclosure of information by the City shall not be prohibited if that disclosure is of information that is or becomes a matter of public record or public knowledge as a result of the closing of the transaction or from sources other than the City or its agents, employees, contractors, consultants or attorneys.

ARTICLE 6. RESTRICTIONS ON ASSIGNMENT

Section 6.1 Permitted Assignment.

Developer is permitted to partially or wholly assign this Agreement, and the rights of Developer in connection therewith to a “Developer’s Affiliate” without the prior written consent of City, provided that Developer shall be afforded no consideration for such assignment and provided that Developer delivers written notice no later than ten (10) days prior to the effective date of such assignment, which notice shall provide reasonable evidence to City that the assignee is a “Developer Affiliate” as defined herein. For purposes of this section, “Developer’s Affiliate” means (a) any entity that directly or indirectly controls, is controlled by, or is under common control with Developer; or (b) any entity at least a majority of whose economic interest is owned by Developer, with the term “control” meaning the power to direct the day-to-day management of such entity through voting rights, ownership, or contractual obligations.

Section 6.2 Prohibited Assignment.

Except as otherwise provided in this Article, Developer shall not assign its rights under this Agreement without the prior written consent of City, which consent may be granted, denied

or conditioned in City's sole and absolute discretion. Notwithstanding the foregoing, no assignment or transfer shall relieve the assigning Party from its obligations under this Agreement unless expressly agreed to in writing by City.

ARTICLE 7. DEFAULT AND REMEDIES

Section 7.1 General Applicability.

The provisions of this Article shall govern the Parties' remedies for breach or failure of this Agreement.

Section 7.2 No Fault of Parties Prior to Closing.

(a) Developer, despite good faith and diligent efforts, is unable to satisfy all of the conditions precedent to the City's obligation to ground lease the Property as set forth in Article 2 by the dates set forth in the Schedule of Performance; or

(b) The City, despite good faith and diligent efforts, is unable to ground lease the Property to Developer by the dates set forth in the Schedule of Performance solely for reasons that could not have been foreseen, limited or avoided by the City and Developer is otherwise entitled to ground lease the Property.

(c) At the election of either party, this Agreement may be terminated by written notice to the other party. After termination, neither party shall have any rights against or liability to the other under this Agreement, except that the waiver and indemnification provisions of this Agreement that recite that they survive termination of the Term or of this Agreement shall survive such termination and remain in full force and effect.

(d) If Developer fails to secure funding by the date set forth in the Schedule of Performance the parties can agree to either extend the performance milestone dates in the Schedule of Performance allowing the Developer to secure funding through another funding cycle or can agree to terminate this Agreement. If the parties agree to the former, the Developer is awarded one more funding cycle for a total of two funding rounds to satisfy Section 2.4. If Developer fails to satisfy Section 2.4 on a second attempt, this Agreement may be terminated at the election of either party by written notice to the other party.

Section 7.3 Fault of City.

(a) Except as to events constituting a basis for termination under Section 7.2, the following events each constitute a City Event of Default (subject to any applicable notice and cure period) and a basis for Developer to take action against the City:

(1) The City, without good cause, fails to ground lease the Property to Developer within the time and in the manner set forth in this Agreement and Developer is otherwise entitled by this Agreement to such transaction; or

(2) The City breaches any other material provision of this Agreement.

(b) Upon the happening of any of the above-described events, Developer shall first notify the City in writing of its purported breach or failure, giving the City forty-five (45) days from receipt of such notice to cure or, if cure cannot be accomplished within forty-five (45) days, to commence to cure such breach, failure, or act. In the event the City does not then so cure within said forty-five (45) days, or if the breach or failure is of such a nature that it cannot be cured within forty-five (45) days, the City fails to commence to cure within such forty-five (45) days and thereafter diligently complete such cure within a reasonable time thereafter but in no event later than one hundred twenty (120) days, then Developer shall be afforded the following exclusive remedies and shall be entitled to a return of the Deposit:

(1) Terminating in writing this Agreement, however, that the waiver and indemnification provisions of this Agreement that recite that they survive termination of the Term or of this Agreement shall survive such termination and remain in full force and effect; or

(2) Prosecuting an action for specific performance.

Notwithstanding anything to the contrary set forth in this Agreement:

- (i) If all conditions precedent to the City's obligation to enter into the Ground Lease under Article 2 have been waived or satisfied and the City despite its good faith efforts and for reasons beyond its reasonable control, is unable to ground lease the Property to Developer, then, in lieu of any other remedies, the Developer shall be entitled to reimbursement from the City of its reasonable, documented, out-of-pocket costs and expenses directly incurred in connection with the Development, including without limitation permitting fees, application fees, design fees, and consultant costs associated with the design and permitting of the Development, to the extent actually paid by Developer prior to termination.
- (ii) If all such conditions have been waived or satisfied and the City, without good cause, willfully fails to ground lease the Property to Developer, and if the remedy of specific performance is not available to Developer as a practical matter (e.g., City has conveyed the Property to a third party), then Developer may pursue any remedies available at law and or in equity, including an award of monetary damages.

Section 7.4 Fault of Developer.

(a) Except as to events constituting a basis for termination under Section 7.2, the following events each constitute an Event of Default (subject to any applicable notice and cure period) and a basis for the City to take action against Developer:

(1) Developer fails to exercise good faith and diligent efforts to satisfy, within the time set forth in the Schedule of Performance and in the manner set forth in Article 2, one or more of the conditions precedent to the City's obligation to ground lease

the Property to Developer pursuant to this Agreement; or

(2) Developer has satisfied all preconditions set forth in this Agreement to commencement of construction of the Improvements by the Closing Date but refuses to close on the Ground Lease within the time periods and under the terms set forth in Article 3; or

(3) Developer constructs or attempts to construct the Improvements in violation of Article 4; or

(4) Developer upon execution of a Ground Lease abandons or suspends construction of the Improvements prior to completion of all construction for a period of sixty (60) days after written notice by the City of such abandonment or suspension; or forth in Article 4; or

(5) Developer fails to substantially comply with any obligation or requirement set forth in this Agreement; or

(6) A transfer or assignment of this Agreement or the rights of Developer in connection therewith occurs, either voluntarily or involuntarily, in violation of Article 6;

(7) Any representation or warranty contained in this Agreement (including those listed in Section 8.18) or in any application, financial statement, certificate or report submitted to the City in connection with this Agreement proves to have been incorrect in any material and adverse respect when made; or

(8) A court having jurisdiction shall have made or entered any decree or order: (i) adjudging Developer to be bankrupt or insolvent; (ii) approving as properly filed petition seeking its reorganization of Developer or seeking any arrangement for Developer under the bankruptcy law or any other applicable debtor's relief law or statute of the United States or any state or other jurisdiction; (iii) appointing a receiver, trustee, liquidator, or assignee of Developer in bankruptcy or insolvency or for any of their properties; or (iv) directing the winding up or liquidation of Developer, if any such decree or order described in clauses (i) to (iv), inclusive, shall have continued unstayed or undischarged for a period of ninety (90) days unless a lesser time period is permitted for cure under any other mortgage on the Property, in which event such lesser time period will apply under this subsection (9) as well; or Developer has admitted in writing its inability to pay its debts as they fall due or shall have voluntarily submitted to or filed a petition seeking any decree or order of the nature described in clauses (i) to (iv), inclusive; or

(9) Developer shall have been dissolved or shall have voluntarily suspended its business; or

(10) Developer breaches any other material provision of this Agreement and any applicable cure period for such breach shall have expired.

(b) Upon the happening of any of the above-described events, the City shall first notify Developer in writing of its purported breach, failure or act above described, giving Developer in writing forty-five (45) days from receipt of such notice to cure, or, if cure cannot be accomplished within said forty-five (45) days, to commence to cure such breach, failure, or act. In the event Developer fails to cure within said forty-five (45) days, or if such breach is of a nature that it cannot be cured within forty-five (45) days, Developer fails to commence to cure within said forty-five (45) days and diligently complete such cure within a reasonable time thereafter but in no event later than one hundred twenty (120) days, then the City shall be afforded all of its rights at law or in equity, including an award of monetary damages, and the right to exercise any or all of the following remedies:

(1) Termination of this Agreement by written notice to Developer; provided, however, that the City's remedies pursuant to this Article 7 or any other City Document and the waiver and indemnification provisions of this Agreement that recite that they survive termination of the Term or of this Agreement shall survive such termination and remain in full force and effect;

(2) Prosecuting an action for damages or specific performance; and

(3) If the uncured default occurs prior to the issuance of a Certificate of Occupancy for the Improvements, exercising the City's rights under the Completion Guaranty Agreement; it being understood that the remedies secured by the Completion Guaranty Agreement will automatically terminate after the issuance of a Certificate of Occupancy for the Improvements.

Section 7.9 Remedies Cumulative.

No right, power, or remedy given by the terms of this Agreement is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy shall be cumulative and in addition to every other right, power, or remedy given by the terms of any such instrument, or by any statute or otherwise. Neither the failure nor any delay to exercise any such rights and remedies shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise of such right or remedy, or any other right or remedy.

Section 7.10 Waiver of Terms and Conditions.

No waiver of any default or breach by Developer hereunder shall be implied from any omission by the City to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver, and such waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by the City to or of any act by Developer requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act. The exercise of any right,

power, or remedy shall in no event constitute a cure or a waiver of any default under this Agreement nor shall it invalidate any act done pursuant to notice of default, or prejudice the City in the exercise of any right, power, or remedy hereunder or under this Agreement, unless in the exercise of any such right, power, or remedy all obligations of Developer to City are paid and discharged in full.

Section 7.11 Assignment of Plans.

If this Agreement is terminated pursuant to Section 7.2 or Section 7.4 and City requests copies of plans, specifications and/or third party reports obtained in connection with the Development, (collectively, the “Section 7.11 Documents”), Developer shall promptly deliver to the City, within ten (10) days of City’s request, copies of the requested Section 7.11 Documents but only upon full reimbursement by the City of the costs incurred by Developer in connection with the preparation, acquisition, and development of the requested Section 7.11 Documents. To the maximum extent permitted under such documents or any applicable security instrument, the delivery of the Section 7.11 Documents shall be accompanied by an assignment in the form of an assignment agreement approved by the City, of Developer’s right, title and interest in the Section 7.11 Documents; provided however, that that such documents shall be delivered strictly on an “AS-IS” basis, without representation or warranty of any kind, express or implied, as to their accuracy, completeness, validity, quality, or fitness for any particular purpose and any use of the Section 7.11 Documents by the City or any other person shall be without liability of any kind to Developer, its consultants or its employees as to the quality, validity, or usability of the Section 7.11 Documents.

Section 7.12 No Consequential Damages.

Notwithstanding anything to the contrary elsewhere in this agreement or provided for under any applicable law, neither City or Developer shall, in any event, be liable to the other party, either in contract, tort or otherwise, for any consequential, incidental, indirect, special or punitive damages from such other person, including loss of future revenue, income or profits, diminution of value or loss of business reputation or opportunity relating to the default or alleged breach hereof, whether or not the possibility of such damages has been disclosed to the other party in advance or could have been reasonably foreseen by such other party.

ARTICLE 8. GENERAL PROVISIONS

Section 8.1 Notices, Demands and Communications.

Formal notices, demands, and communications between the City and Developer shall be sufficiently given if and shall not be deemed given unless dispatched by registered or certified mail/return receipt, or delivered personally, to the principal offices of the City and Developer as follows:

CITY:

City of Vancouver

PO Box 1995
Vancouver, WA 98668-1995
ATTN: Patrick Quinton, Economic Prosperity & Housing Director
Email: Patrick.Quinton@cityofvancouver.us

WITH A COPY TO:
City of Vancouver
PO Box 1995
Vancouver, WA 98668-1995
ATTN: Becky Rude, Deputy City Attorney
Email: Becky.Rude@cityofvancouver.us

DEVELOPER:

Palindrome Properties Group, LLC
412 NW 5th Avenue, Suite 200
Portland, OR 97209
ATTN: Heather Boyd, Vice President
Email: hboyd@palindromecreates.com

WITH A COPY TO:

Kantor Taylor PC
1200 Fifth Avenue, Suite 1910
Seattle, WA 98101
ATTN: Mike Decina
Email: mdecina@kantortaylor.com

Such written notices, demands and communications may be sent in the same manner to such other addresses as the affected party may from time to time designate by mail as provided in this Section 8.1. No party shall evade or refuse delivery of any notice.

Section 8.2 No Personal Liability.

No member, official, employee or agent of the City shall be personally liable to Developer, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to Developer or successor or on any obligation under the terms of this Agreement.

No partner, director, employee or agent of the Developer shall be personally liable to City, or any successor in interest, in the event of any default or breach by the Developer or for any amount which may become due to City or successor or on any obligation under the terms of this Agreement.

Section 8.3 Conflict of Interest.

No member, official, employee or agent of the City shall make any decision relating to this Agreement which affects their personal interests or the interest of any corporation, partnership, association in which they are directly or indirectly interested in.

Section 8.4 Enforced Delay.

In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; protests, strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of god; acts of the public enemy; epidemics or pandemics; quarantine restrictions; freight embargoes; governmental restrictions or priority; litigation (including suits filed by third parties concerning or arising out of this Agreement); weather or soils conditions which, in the opinion of Developer's contractor, will necessitate delays; inability to secure necessary labor, materials or tools; acts of the other party; acts or failure to act of any public or governmental agency or entity (other than the acts or failure to act of the City); or any other causes (other than Developer's inability to obtain financing for the Improvements) beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time for any cause will be deemed granted if notice by the party claiming such extension is sent to the other within fifteen (15) days from the date the party seeking the extension first discovered the cause and such extension of time is not rejected in writing by the other party within fifteen (15) days of receipt of the notice. Times of performance under this Agreement may also be extended in writing by the City and Developer. In no event shall the cumulative delays exceed one hundred eighty (180) days, unless otherwise agreed to by the Parties in writing.

Section 8.5 Inspection of Books and Records.

Upon request, Developer shall permit the City to inspect at reasonable times during business hours and on a confidential basis those books, records and all other documents of Developer necessary to determine Developer's compliance with the terms of this Agreement. Developer also has the right at all reasonable times during business hours to inspect the public books, records and all other documentation of the City pertaining to its obligations under this Agreement.

Section 8.6 Title of Parts and Sections.

Any titles of the articles, sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any part of its provision.

Section 8.7 General Indemnification.

Each Party (the "Indemnifying Party") agrees to indemnify, protect, hold harmless and defend (by counsel reasonably satisfactory to the other Party) the Other Party (the "Indemnified Party"), from all suits, actions, claims, causes of action, administrative proceedings, arbitrations, enforcement actions, costs, demands, judgments and liens arising out of Indemnifying Party's

performance or non-performance under this Agreement, or any other agreement executed pursuant to this Agreement, or arising out of acts or omissions of any of Indemnifying Party's contractors, subcontractors, or persons claiming under any of the aforesaid, except to the extent directly caused by the Indemnified Party's willful misconduct or gross negligence or breach of this Agreement. The provisions of this Section shall survive expiration of the Term or other termination of this Agreement and shall remain in full force and effect.

Section 8.8 Applicable Law.

This Agreement shall be interpreted under and pursuant to the laws of the State of Washington.

Section 8.9 Venue.

In the event any legal action is commenced to interpret or to enforce the terms of this Agreement or to collect damages as a result of any breach thereof, the venue for such action shall be the Superior Court of the County of Clark, or where otherwise appropriate, exclusively in the United States District Court, Western District of Washington

Section 8.10 No Brokers.

The City represents that it has not had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any real estate broker or other person who can claim a right to a commission or finder's fee except as agreed to in writing by the City and Developer. Developer represents, warrants, and agrees that it has not engaged or otherwise had dealings regarding the Property with a real estate broker that Developer is obligated to pay any real estate commission in connection with the transactions contemplated by this Agreement. If any broker or finder makes a claim for a commission or finder's fee based upon a contact, dealings, or communications, Developer shall indemnify, defend with counsel of the City's choice, and hold the City harmless from all expense, loss, damage and claims, including the City's attorneys' fees, if necessary, arising out of the broker's or finder's claim, except as directly cause by the City's willful misconduct or gross negligence. The provisions of this Section shall survive expiration of the Term or other termination of this Agreement and shall remain in full force and effect.

Section 8.11 Severability.

If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

Section 8.12 Binding Upon Successors.

(a) This Agreement shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors in interest and assigns of each of the parties hereto except

that there shall be no transfer of any interest by any of the parties hereto except pursuant to the terms of this Agreement. Any reference in this Agreement to a specifically named party shall be deemed to apply to any successor, heir, administrator, executor or assign of such party who has acquired an interest in compliance with the terms of this Agreement, or under law.

(b) The covenants and restrictions set forth in this Agreement shall run with the land and shall bind all successors in title to the Property. However, on the termination of this Agreement, such covenants and restrictions shall expire. Each and every contract, deed, or other instrument hereafter executed covering any portion of the Property shall be held conclusively to have been executed, delivered, and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed, or other instrument, unless the City expressly releases any portion of the Property from the requirements of this Agreement.

Section 8.13 Independent Parties; No Joint Venture.

Nothing in this Agreement is intended to or does establish the parties as partners, a joint venture, or principal and agent with one another.

Section 8.14 No Third-Party Beneficiaries.

No person or entity other than the City, Developer, and their permitted successors and assigns shall have any right of action under this Agreement

Section 8.15 Time of the Essence.

In all matters under this Agreement, the parties agree that time is of the essence.

Section 8.16 Action by the City.

Except as may be otherwise specifically provided in this Agreement or any another City Documents, whenever any approval, notice, direction, finding, consent, request, waiver, or other action by the City is required or permitted under this Agreement or any other City Documents, such action may be given, made, or taken by the City Manager, or by any person who shall have been designated in writing to Developer by the City Manager, without further approval by the City Council. Any such action shall be in writing in a form approved by the City Attorney.

Section 8.17 Discretion Retained by City.

The City's execution of this Agreement does not constitute approval by the City and in no way limits the discretion of the City in the permit and approval process in connection with development of the Improvements.

Section 8.18 Representations and Warranties.

(a) Developer Representations and Warranties. Developer hereby represents

and warrants to the City as follows as of the Effective Date and throughout the Term, unless otherwise specified below:

(1) Organization. Developer is a duly formed, validly existing limited partnership, and is in good standing under the laws of the State of Washington and has the power and authority to own its property and carry on its business as now being conducted.

(2) Authority of Developer. Developer has full power and authority to execute and deliver this Agreement, and all other documents and instruments to be executed and delivered, pursuant to this Agreement, and to perform and observe the terms and provisions of all of the above.

(3) Authority of Persons Executing Documents. This Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement have been executed and delivered by persons who are duly authorized to execute and deliver the same for and on behalf of Developer, and all actions required under Developer's organizational documents and applicable governing law for the authorization, execution, delivery and performance of this Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement, have been duly taken.

(4) Valid Binding Agreements. This Agreement and all other documents or instruments which have been executed and delivered pursuant to or in connection with this Agreement constitute or, if not yet executed or delivered, will when so executed and delivered constitute, legal, valid and binding obligations of Developer enforceable against it in accordance with their respective terms.

(5) No Breach of Law or Agreement. Neither the execution nor delivery of this Agreement or of any other documents or instruments executed and delivered, or to be executed or delivered, pursuant to this Agreement, nor the performance of any provision, condition, covenant or other term hereof or thereof, will conflict with or result in a breach of any statute, rule or regulation, or any judgment, decree or order of any court, board, commission or agency whatsoever binding on Developer, or any provision of the organizational documents of Developer, or will conflict with or constitute a breach of or a default under any agreement to which Developer is a party, or will result in the creation or imposition of any lien upon any assets or property of Developer, other than liens permitted or established pursuant hereto.

(6) Compliance with Laws; Consents and Approvals. The construction of the Improvements will comply with all applicable laws, ordinances, rules and regulations of federal, state and local governments and agencies and with all applicable directions, rules and regulations of the fire marshal, health officer, building inspector and other officers of any such government or agency.

(7) Pending Proceedings. Developer is not in default under any law or regulation or under any order of any court, board, commission or agency whatsoever, and

there are no claims, actions, suits or proceedings pending or, to the knowledge of Developer, threatened against or affecting Developer, at law or in equity, before or by any court, board, commission or agency whatsoever which might, if determined adversely to Developer, materially affect Developer's ability to develop and operate the Improvements as required under this Agreement.

(8) Financial Statements. The financial statements of Developer and other financial data and information furnished by Developer to the City fairly present the information contained therein. As of the date of this Agreement, there has not been any adverse, material change in the financial condition of Developer from that shown by such financial statements and other data and information.

(9) Sufficient Funds. As of the Closing Date, the Developer holds sufficient funds or binding commitments for sufficient funds to enter into the Ground Lease and complete the construction of the Improvements on the Property in accordance with this Agreement.

(10) No Reliance on Planned Public Improvements. Developer is entering into this Agreement for the purpose of constructing the Improvements and accessing the Ground Lease and is not relying on the City being required to deliver the Planned Public Improvements as a condition of Developer's performance hereunder, subject to the reimbursement and latecomer agreement provisions set forth in the Infrastructure Improvements Plan in Exhibit G-1. The Infrastructure Improvements Plan allows the Developer to complete the Improvements irrespective of the Planned Public Improvements.

(b) City's Representations and Warranties. City represents and warrants to Developer as follows:

(1) That this Agreement constitutes the valid and binding obligation of City and, upon approval by the Vancouver City Council, is enforceable against City in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting the enforcement of creditors' rights generally and general equitable principles.

(2) City is a Washington first-class charter city, validly formed and duly established as a Washington municipal corporation under the laws of the State of Washington.

(3) Pursuant to approval by the Vancouver City Council, City has full power and authority to enter into and perform this Agreement.

(4) The execution and delivery of this Agreement, delivery of money and all required documents, City's performance of this Agreement and the transaction contemplated hereby have been duly authorized by the requisite action on the part of City.

(5) Neither the execution nor delivery of this Agreement, nor the

transaction contemplated by this Agreement will, to City's knowledge, conflict in any material respect or constitute a breach under any agreement or instrument by which City or the Property is bound.

(6) Except as disclosed in writing to Developer at or before Closing on Schedule 8.18(b)(6) (the "Litigation Disclosure") attached hereto, there are no pending actions, suits, arbitrations, claims or proceedings, at law or in equity, including without limitation, any action or proceeding for condemnation, affecting the Property or in which City is, or, to the best of City's knowledge, will be, a party by reason of City's ownership of the Property.

Section 8.19 Complete Understanding of the Parties.

This Agreement and the attached exhibits constitute the entire understanding and agreement of the parties with respect to the matters set forth in this Agreement.

Section 8.20 Entry by the City.

Developer shall permit the City, through its officers, agents, or employees, at all reasonable times during business hours, and upon at least 48 hours prior written notice to Developer, to enter into the Development: (a) to inspect the work of construction to determine that the same is in conformity with the requirements of this Agreement; and (b) following completion of construction and subject to the rights of tenants under their leases and any applicable landlord tenant laws, including without limitation rights of tenants to receive prior written notice with respect to inspection of residential units, to inspect the ongoing operation and management of the Development to determine that the same is in conformance with the requirements of this Agreement. Developer reserves the right to have a representative of Developer accompany City during any inspection by City. Developer acknowledges that the City is under no obligation to supervise, inspect, or inform Developer of the progress of construction, or operations and Developer shall therefore not rely upon the City for that purpose. Any inspection by the City during the construction is entirely for its purposes in determining whether Developer is in compliance with this Agreement and is not for the purpose of determining or informing Developer of the quality or suitability of construction. Developer shall rely entirely upon its own supervision and inspection in determining the quality and suitability of the materials and work, and the performance of architects, subcontractors, and material suppliers.

Section 8.21 Amendments.

The Parties can amend this Agreement only by means of a writing executed by all Parties.

Section 8.22 Implementation Agreements.

The Parties acknowledge that the provisions of this Agreement require a close degree of cooperation and that new information and future events may demonstrate that changes are appropriate with respect to the details of performance of the Parties under this Agreement. The Parties desire, therefore, to retain a certain degree of flexibility with respect to the details of

performance for those items covered in general terms under this Agreement. If and when, from time to time, the Parties find that mutually acceptable refinements or adjustments are desirable, such refinements or adjustments shall be accomplished through operating memoranda or implementation agreements approved by the Parties which, after execution shall be attached to this Agreement as addenda and become a part hereof. Operating memoranda or implementation agreements may be executed on the City's behalf by the City Manager, or the City Manager's designee. In the event a particular subject requires notice or hearing, such notice or hearing shall be appropriately given. Notwithstanding the foregoing, nothing in this Section shall be deemed to require the City to consider any request by Developer for a waiver of any particular obligation as set forth herein.

Section 8.23 Multiple Originals; Counterparts.

This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

Section 8.24 Force Majeure.

If, after the Effective Date of this Agreement, either Party is prevented or delayed from performing any act or discharging any obligation under this Agreement, excluding any monetary obligations, when and to the extent such failure or delay is caused by or results from acts beyond either Party's reasonable control, including pandemics, epidemics or similar global infection outbreaks; fire, flood, earthquake or explosion; strikes or labor disputes; materials or equipment embargoes or blockades; acts of God; war, invasion, or hostile government actions; civil commotion or other casualty; legal actions attacking the validity of this Agreement, the City's authority to develop the Property, or the Developer's occupancy of the Property, or any other similar casualties beyond the reasonable control of the Party affected, except casualties directly or indirectly resulting from the acts or omissions of that Party ("Force Majeure"), the Party impacted shall be excused from performance of the act for the period of the delay, and the period for performance of the act shall be extended for a period equivalent to the period of the delay. If the party claiming excuse or delay of performance by Force Majeure fails to notify the other party and provide appropriate evidence of such qualifying event within thirty (30) days of commencement of the Force Majeure event, that party shall not be exempted from its liability for failure of performance or complete performance, or the necessity of delay in fulfilling its obligations. The party affected by Force Majeure shall make reasonable efforts to reduce the consequences of the Force Majeure and resume the performance of all relevant obligations as soon as possible after the termination of Force Majeure. If the party affected by Force Majeure fails to resume performance of the relevant obligations after the reasons for the temporary exemption from performance of the obligations due to Force Majeure cease, such party shall be liable to the other party in this regard.

[Remainder of Page Intentionally Blank; Signatures Follow]

IN WITNESS WHEREOF, the City and Developer have executed this Agreement in triplicate on or as of the Effective Date.

DEVELOPER:

Palindrome Heights Limited Partnership, a Washington limited partnership

By: Palindrome Heights Manager, LLC, a Washington limited liability company
Its General Partner

By: _____
By: Chad I. Rennaker, President

STATE OF WASHINGTON)
) ss.
County of Clark)

On this ____ day of _____, 2025, before me personally appeared Chad I. Rennaker, to me known to be the President Palindrome Heights Manager, LLC, a Washington limited liability company, as the General Partner of Palindrome Heights Limited Partnership, a Washington limited partnership, which has executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

(Signature of Notary Public)

(Printed Name of Notary Public)

(Place of Residence of Notary Public)

(notary seal or stamp)

My Commission Expires: _____

CITY:

CITY OF VANCOUVER, WASHINGTON,
a Washington municipal corporation

By: _____

By: Lon Pluckhahn, City Manager

ATTEST:

By: _____

By: Natasha Ramras, City Clerk (or Designee)

APPROVED AS TO FORM:

By: _____

By: Nena Cook, City Attorney

STATE OF WASHINGTON)
) ss.
County of Clark)

On this ____ day of _____, 2025, before me personally appeared Lon Pluckhahn, to me known to be the City Manager of the City of Vancouver, a Washington municipal corporation, which has executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

(Signature of Notary Public)

(Printed Name of Notary Public)

(Place of Residence of Notary Public)

(notary seal or stamp)

My Commission Expires: _____

EXHIBIT A-1

MAP OF SITE

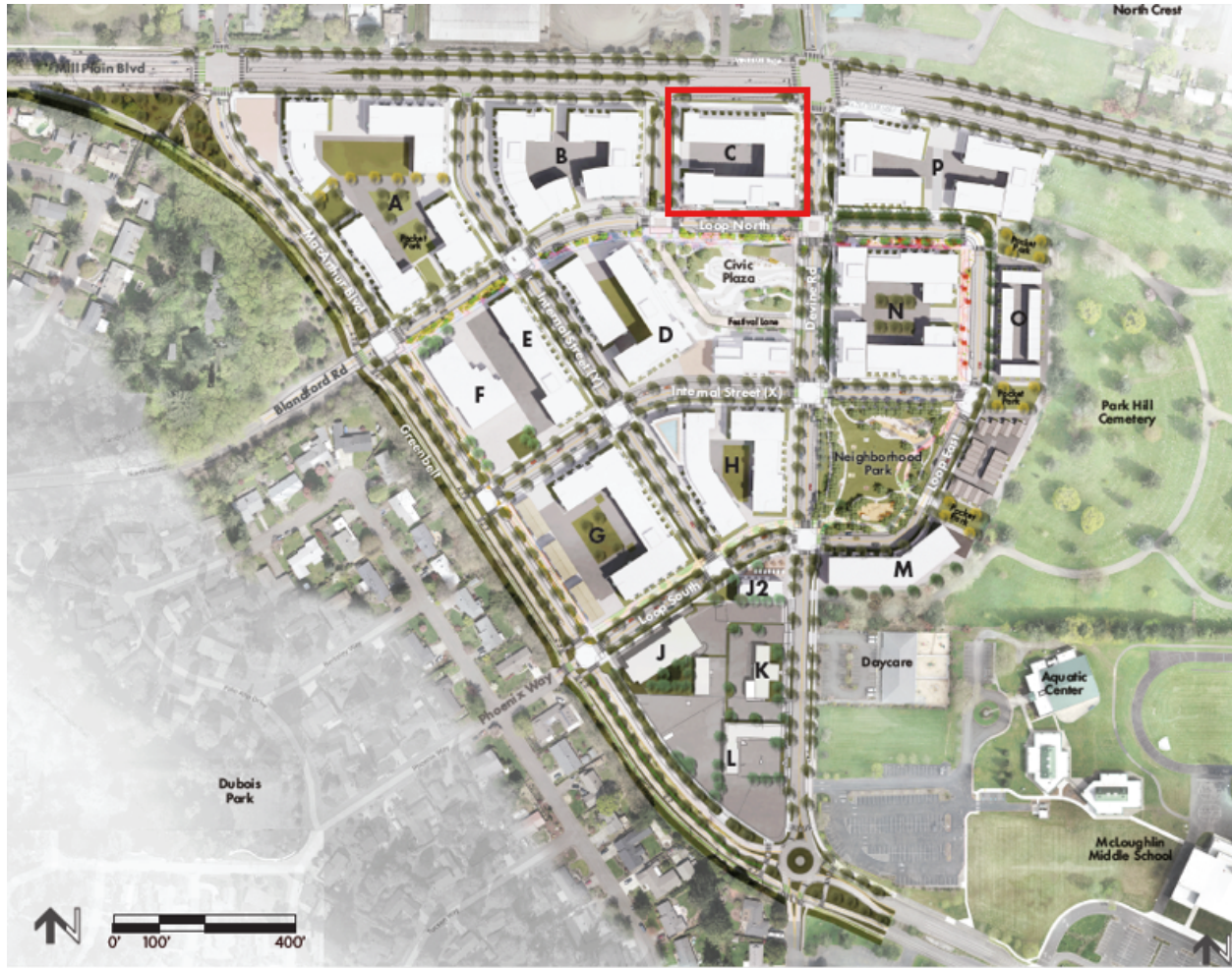


EXHIBIT A-2

LEGAL DESCRIPTION OF THE PROPERTY



City of Vancouver Property Description
Parcel "C"
Legal Description

Being a portion of that tract of land conveyed to the City of Vancouver as described in Auditor's File Number 5419742, Clark County Deed Records, and being a portion of the John Nye Donation Land Claim located in the Southwest one-quarter of Section 30, Township 2 North, Range 2 East of the Willamette Meridian, City of Vancouver, Clark County, Washington and being more particularly described as follows:

COMMENCING FROM the Northeast corner of Lot 3 of that Short Plat recorded in Book 2, Page 243, Short Plat Records of Clark County, Washington;

Thence North 01°30'02" East, along the westerly right-of-way line of Devine Road, 519.07 feet to a point on the Easterly line (also being the westerly right-of-way line of Devine Road) of said parcel described in Auditor's File Number 5419742;

Thence North 88°29'58" West, leaving said Easterly line, 12.50 feet to the **TRUE POINT OF BEGINNING** of the herein described property;

Thence North 88°29'58" West, along a proposed right-of-way line, 253.36 feet to an angle point;

Thence North 01°10'07" East, continuing along said proposed right-of-way line, 218.40 feet to an angle point, said point being 14.50 feet southerly of when measured perpendicular to the Southerly right-of-way line of E. Mill Plain Boulevard;

Thence South 88°49'53" East, continuing along said proposed right-of-way line (said line being 14.50 feet Southerly of and parallel with the Southerly right-of-way line of E. Mill Plain Boulevard), 219.90 feet to the beginning of an 1868.50 feet radius curve to the right;

Thence continuing along said proposed right-of-way line and the arc of said 1868.50-foot radius curve to the right, through a central angle of 00°43'43" (the chord of which bears South 88°28'01" East, 23.76 feet) an arc distance of 23.76 feet to a point of non-tangency;

Thence South 49°38'05" East, continuing along said proposed right-of-way line, 14.09 feet to an angle point, said point being 12.50 feet westerly of when measured perpendicular to the Westerly right-of-way line of Devine Road;

Thence South 01°30'02" West, continuing along said proposed right-of-way line (said line being 11.50 feet Westerly of and parallel with the Westerly right-of-way line of Devine Road), 210.82 feet to the **TRUE POINT OF BEGINNING** of the herein described property;

Contains in all 55,608 square feet, more or less.

Together with and/or subject to easements of record as applicable.

See Exhibit Map attached hereto



SHEET 1 OF 1

EXHIBIT B

SCHEDULE OF PERFORMANCE¹

Milestone	Date
Land Use Approval	March 31, 2026
Permit Application	September 1, 2026
Permit Approval	November 1, 2026
Award of Funding	November 30, 2026
Closing Date	By or before January 31, 2027
Issuance of Certificate of Insurance	By or before February 28, 2027
Plat Recordation	By or before November 1, 2026
Commencement of Construction of Improvements	By or before February 28, 2027
Completion of Construction of Improvements	September 30, 2028

¹ Dates can be extended by 12-months pursuant to section 7.2(d).

EXHIBIT C
SUMMARY OF SOURCES AND USES
[TO BE INSERTED]

EXHIBIT D

FORM OF MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Vancouver

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

MEMORANDUM OF LAND DISPOSITION AND DEVELOPMENT AGREEMENT

THIS MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT (the "Memorandum") is made as of [DATE], by and between the City of Vancouver, Washington, a Washington municipal corporation, and [ENTITY NAME] [ENTITY STATE AND TYPE]. The parties entered into that certain Land Disposition and Development Agreement, dated as of [DATE], as such may be amended from time to time (the "Agreement").

The Agreement imposes certain conditions (including but not limited to, construction requirements, operating and use restrictions and covenants, and transfer restrictions) on the real property described in Exhibit A attached hereto and incorporated herein (the "Property"). The Agreement is a public document and may be reviewed at the office of the City Clerk.

This Memorandum shall incorporate herein all of the terms and provisions of the Agreement as though fully set forth herein. This Memorandum is solely for recording purposes, and shall not be construed to alter, modify, amend or supplement the Agreement, of which this is a memorandum.

This Memorandum may be executed in counterparts, each of which shall be deemed an original.

[Remainder of Page Intentionally Blank; Signatures Follow]

IN WITNESS WHEREOF, the parties have caused this Memorandum to be duly executed as of the date first above written.

DEVELOPER:

[ENTITY] [ENTITY STATE AND TYPE],

By: _____
[NAME/TITLE]

CITY:

CITY OF VANCOUVER, WASHINGTON,
a Washington municipal corporation

By: _____
By: Lon Pluckhahn, City Manager

ATTEST:

By: _____
By: Natasha Ramras, City Clerk (or Designee)

APPROVED AS TO FORM (CITY ATTORNEY'S OFFICE:

By: _____
Name: _____
Title: _____

[SIGNATURES MUST BE NOTARIZED]

MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT
EXHIBIT A – LEGAL DESCRIPTION OF THE PROPERTY

The land is situated in the City of Vancouver, County of Clark, State of Washington, and is described as follows:

[TO BE INSERTED]

EXHIBIT E PLANNED PUBLIC IMPROVEMENTS



EXHIBIT F

GRAND LOOP PLAN

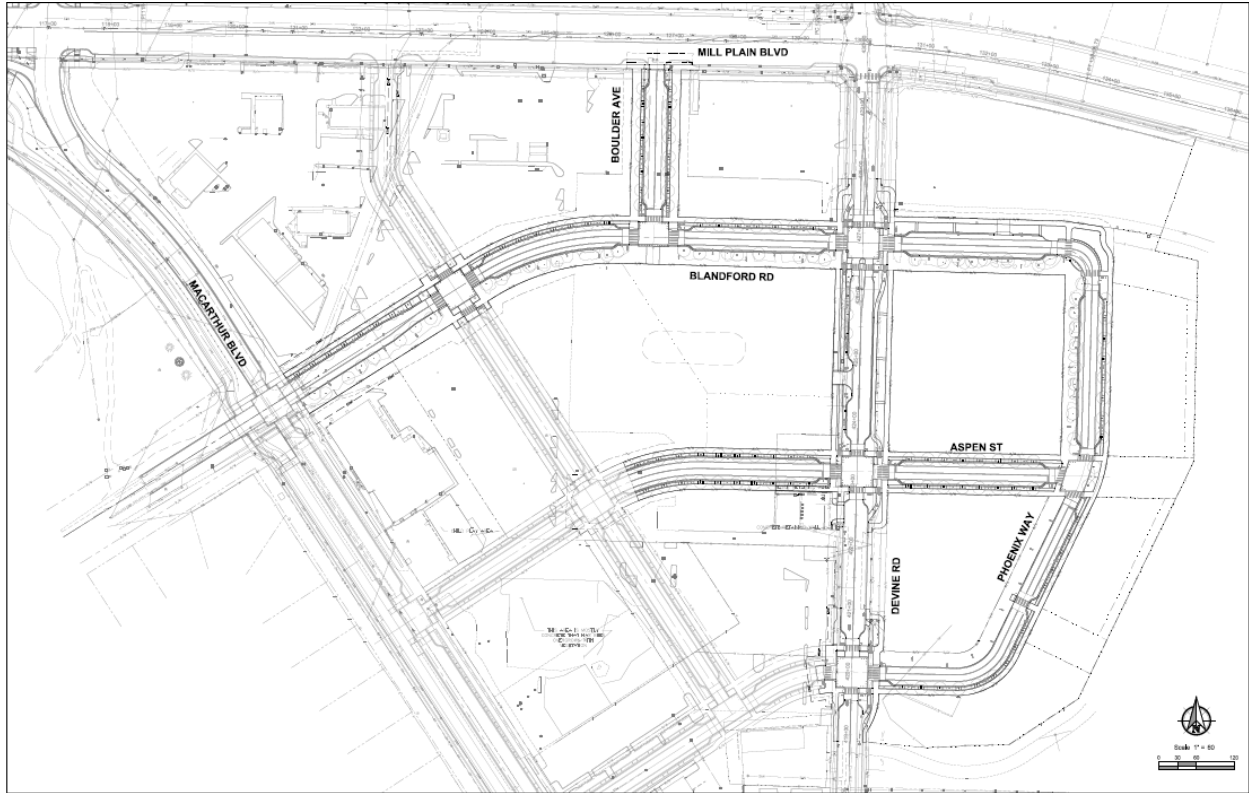


EXHIBIT G-1

INFRASTRUCTURE IMPROVEMENTS PLAN

This Infrastructure Improvements Plan sets forth the conditions and parameters under which Developer is required to undertake the design and construction of certain infrastructure improvements adjacent to and necessary for the development of Site C (“Infrastructure Work”). Subject to securing the federal RAISE grant funding, the City plans to construct the Infrastructure Work on behalf of the Developer to facilitate the development of affordable housing as detailed in Section 4.9(d).

1. Trigger for Implementation.

The City will keep the Developer updated on all progress related to the federal RAISE grant but if by September 1, 2026 the City has not secured the RAISE grant funds and/or uncertainty remains on when the City can complete the Grand Loop improvements the City must provide written notice to the Developer of such and Developer must implement this Infrastructure Plan. If such notice is not provided, or if the City confirms that it will proceed with the Grand Loop on a timeline consistent with Site C’s schedule, this Infrastructure Improvements Plan shall not apply.

2. Scope of Infrastructure Work., The Developer is responsible for designing and constructing the following Infrastructure Work:

- Installation of wet and dry utility connections, including water, sewer, stormwater, power, and telecommunications, sufficient to serve Site C;
- Full street improvements on Blandford Drive along Site C's boundaries up to the curb on the other side of the street;
- Full street improvements on Boulder Lane up to the curb on the other side of the street adjacent to Site B;
- Temporary intersection improvements at Blandford Drive and Devine Road and Blandford Drive and Boulder Lane as shown in black cross-hatched in Exhibit G-2.

3. Standard of Completion.

The Infrastructure Work shall be constructed to City standards and subject to City inspection and approval and need not include decorative or enhanced public realm elements (e.g., decorative lighting, special paving, or complete Grand Loop features).

4. City Support and Coordination.

The City shall coordinate closely with Developer on permitting, inspections, and utility coordination. The City shall provide all necessary rights of entry, permits, and access to public rights-of-way under its control as well as copies of the City’s design standards to enable Developer to complete the Infrastructure Work.

5. Reimbursement And Latecomers Agreement

Developer and City will enter into a latecomers agreement to document the reimbursement of Developer's costs associated with the construction of the half street improvements up to the curb on the south side of Blandford Drive and west side of Boulder Lane as shown in red hatched in Exhibit G-2. Developer will be reimbursed for those half street improvement costs by the developer of the adjacent lot benefitting from the Infrastructure Work upon commencement of construction of the adjacent sites; provided, that with respect to the construction of the half street improvements up to the curb on the south side of Blandford Drive, Developer will be reimbursed for those half street improvement costs by the City upon commencement of construction by the City of the plaza on the adjacent site to the south benefitting from the Infrastructure Work.

6. No Obligation for Enhanced Improvements.

Developer shall not be responsible for the cost or construction of the City's Grand Loop improvements with the enhanced features exceeding the scope outlined in this Exhibit G-1. Any future enhancements desired by the City shall be constructed and funded by the City.

EXHIBIT G-2

DEPICTION OF INFRASTRUCTURE IMPROVEMENTS PLAN

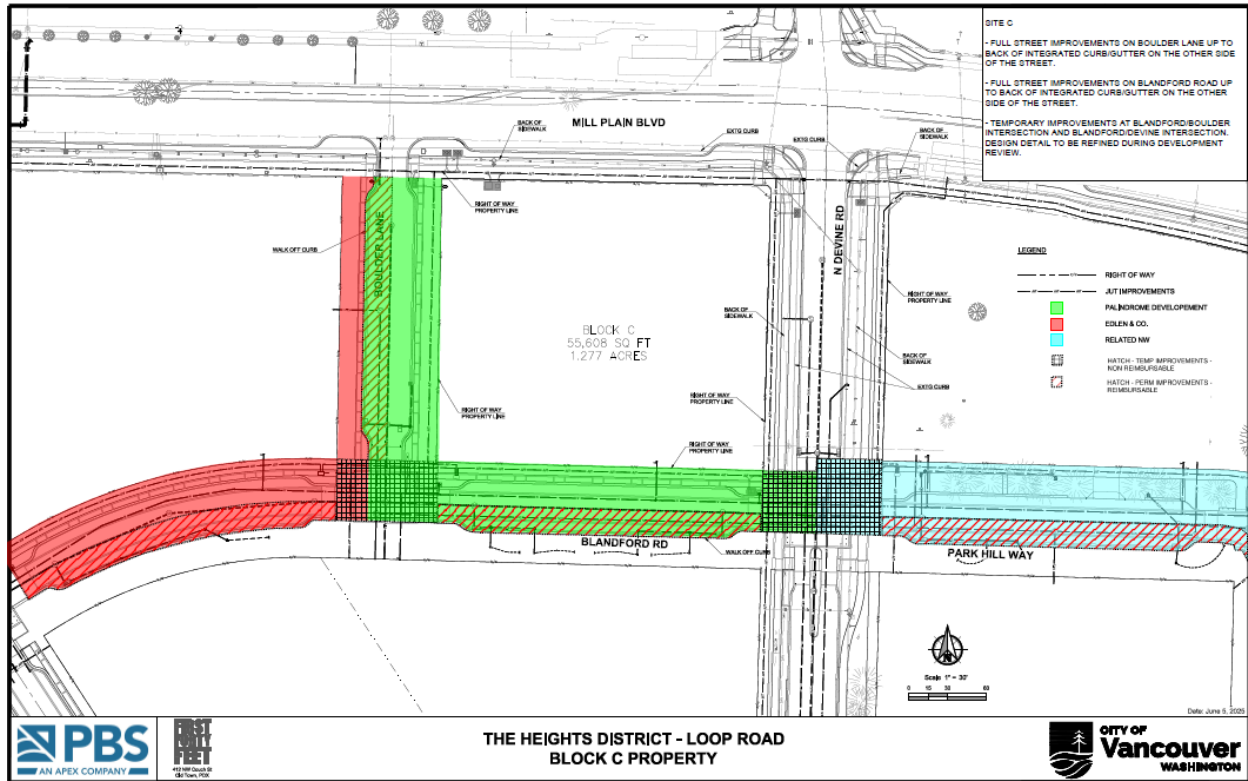


EXHIBIT G-3

FRONTAGE IMPROVEMENTS

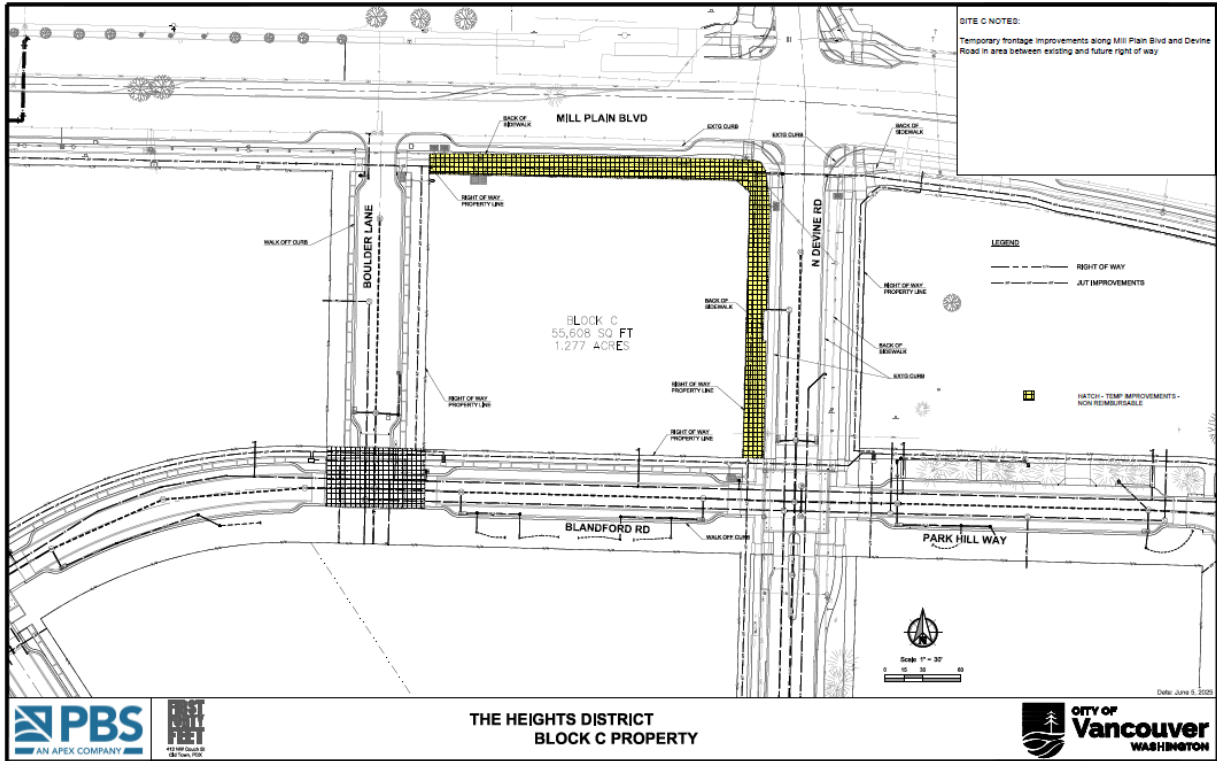


EXHIBIT H

MARKET HALL LEASING REQUIRMENTS

The mission of the Market Hall is to promote the inclusion of and provide opportunities for local and minority owned businesses. While the Developer owns and manages the Improvements, Developer will make a good faith commercially reasonable effort to operate (or to cause a subtenant to operate) the commercial space as a market hall in substantial compliance with the requirements set forth in this Exhibit H and will not be in default under Section 7.4 of this Agreement if it fails to meet these requirements despite using commercially reasonable efforts. If the Development Agreement and/or the Ground Lease is assigned to a third-party that's not an affiliate of the Developer, the provisions of this Exhibit H shall not apply.

Tenant Eligibility Criteria

- At least 51% of the micro tenants must be from Vancouver. For the purposes of this agreement, "from Vancouver" is defined as a business that has a majority owner that lives within the City of Vancouver.
- Tenants must embrace the current and growing cultural diversity of the city. At least 51% of the micro tenants must be businesses owned (50% or more), by a socially and economically disadvantaged U.S. citizen or legal resident who belongs to one or more of the following categories: African American/Black, Hispanic, Asian Pacific, Subcontinent Asian, Native, women or any other historically underserved or excluded group.

Marketing/Tenanting

Developer agrees to collaborate with the City and/or a Vancouver community-based organization(s) that supports small businesses from historically underserved or excluded communities in recruiting tenants of the micro units. The Developer and the community-based organization will collaborate on a process for outreach, marketing, and working with prospective tenants to lease the commercial spaces.

Design

The Market Hall will be initially designed and constructed with the following elements.

- Micro spaces with a minimum of 10 units.
- Shared facilities, including but not limited to bathrooms, storage, some level of refrigeration and dishwashers.
- Beyond a warm shell condition, including but not limited to a painted unit with all essential services like HVAC, lighting and plumbing installed. For micro-restaurant spaces only, grease traps and hoods will be installed for micro-restaurant use.

Lease Terms

All leases will have a flat rental fee with an additional common area charge to provide services that benefit the tenant.

EXHIBIT I

FORM OF COMPLETION GUARANTY AGREEMENT

This **COMPLETION GUARANTY** (“**Guaranty**”) is given as of _____, by **PacifiCap, Inc.**, a Nevada corporation (“**PacifiCap**” or “**Guarantor**”) to and for the benefit of the **City of Vancouver**, a Washington municipal corporation (“**City**”).

R E C I T A L S:

A. The Guarantor has agreed to execute and deliver this Guaranty to the City in connection with that certain Land Disposition and Development Agreement (the “**DDA**”) dated as of _____, and executed by and between the City and Palindrome Heights Limited Partnership, a Washington limited partnership (“**Owner**”), pursuant to which the City will transfer certain real property generally located at 5411 E. Mill Plain Blvd, Vancouver, WA, known as Site C (the “**Property**”) to the Owner to develop, construct and operate a mixed-use multifamily housing development, including the Improvements defined in the DDA (collectively, the “**Project**”).

B. The City has relied on the obligations of the Guarantor to be performed under this Guaranty and the Guarantor has determined that executing and delivering this Guaranty is in the Guarantor’s interest and to the financial benefit of the Guarantor.

C. The Guarantor acknowledges that the City is the intended beneficiary of this Guaranty and that this Guaranty is a condition of the City’s conveyance of the Property to the Owner pursuant to a ground lease for the development of the Project.

D. Initially capitalized words that are used but not otherwise defined herein shall have the meanings given them in the DDA.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor hereby irrevocably and unconditionally promises, covenants, guarantees, and agrees as follows:

1. Term and Obligations.

- a. The Guarantor does hereby unconditionally and irrevocably guarantee the due and punctual performance of all obligations of the Owner with respect to the timely completion of the construction of the Project substantially in accordance with the Construction Plans and the terms of the DDA in a good and workmanlike manner, without substantial deviation therefrom unless approved by the City in writing, free of construction or similar liens (“**Guaranteed Obligations**”). This Guaranty is a continuing guaranty of performance throughout the term stated in Section 1(c). The Guarantor unconditionally agrees that if for any reason it fails to perform the Guaranteed Obligations, then upon written demand by the City the Guarantor will take corrective actions to perform such obligations and further guarantees the satisfaction of any financial and other obligations necessary.

- b. If Guarantor does not perform such responsibilities and obligations as described herein on or before the times such matters are to be completed by the Owner under the DDA, or if, prior to the expiration of the time limits for construction completion set forth in the DDA, construction of the Project should cease or be halted prior to completion and the cessation or halt constitutes an uncured Event of Default under the DDA, the City may then elect to take any actions it reasonably believes necessary to complete the construction of the Project in accordance with the Construction Plans, but with the further right to suspend or terminate such actions at any time. No such actions by the City will release or limit the liability of the Guarantor hereunder. In such event the Guarantor shall repay the City any amounts reasonably expended by the City in undertaking any actions it reasonably believes necessary to perform the Guaranteed Obligations, together with interest on all amounts expended at the rate of eight percent (8%) per annum from the date of expenditure, and all reasonable expenses actually incurred in enforcing this Guaranty, including but not limited to attorneys' fees and any expenses incurred in connection with any trial, appeal, arbitration, or bankruptcy proceedings. Such obligation of reimbursement is in addition to Guarantor's obligations under other provisions of this Guaranty ("**Repayment Obligation**").
- c. This Guaranty shall automatically expire upon the issuance of the final certificate of occupancy issued by the City, or comparable City sign-off, on the completion of construction of the Project.

2. Provisions of Guaranty

- a. If the Guarantor fails to perform any of its obligations under this Guaranty, the Guarantor shall be responsible for any and all damages resulting to the City from such breach.
- b. This is a guarantee of performance and not of collection. The Guarantor waives any right to require that any action be brought against any other person (including the Owner) liable for performance or payment of any obligations or that resort first be made to any other security.
- c. Prior to filing an action against the Guarantor, the City will give the Guarantor a reasonable period of notice with an opportunity to cure any failure to perform as required, which shall be at least 30 days except in case of emergency. If the Guarantor fails to pay any amount owing under this Guaranty, the City shall have all of the rights and remedies provided by law, the DDA or under any other agreement relating to the Project. These rights and remedies shall be cumulative and not exclusive.

3. Nature of Guaranty. The Guarantor's liability for performance of the Guaranteed Obligations and payment of the Repayment Obligation guaranteed hereunder shall be a primary obligation and shall be absolute and unconditional. The Guarantor agrees that none of the following acts, omissions, or occurrences shall diminish or impair the liability of the Guarantor in any respect (all of which acts, omissions, or occurrences may be done or occur without notice to the Guarantor):

- a. Any extension, modification, indulgence, compromise, settlement or variation of any of the terms of the Guaranteed Obligations or Repayment Obligation;

- b. The discharge or release of any obligations of any Guarantor or any other person now or hereafter liable on the Guaranteed Obligations or Repayment Obligation, by reason of bankruptcy or insolvency laws or otherwise;
- c. The acceptance or release by the City of any collateral, security, or other guaranty or any settlement, compromise, or extension with respect to any collateral, security, or other guaranty;
- d. The application or allocation by the City of payments, collections, or credits on the Repayment Obligation;
- e. The creation of any new indebtedness by Owner;
- f. The making of a demand, or absence of demand, for payment of the amounts owing under the Guaranty, or giving, or failing to give, any notice of dishonor, protest, presentment, or non-payment or any other notice;
- g. Any failure, omission, or delay on the part of the Guarantor or any other person now or hereafter liable on the Guaranteed Obligations or Repayment Obligation, or anyone claiming by or through any of them, to comply with any instrument or agreement relating to any of the Guaranteed Obligations or Repayment Obligation;
- h. To the extent permitted by law, any release or discharge by operation of law of the Guarantor from the performance or observance of any obligation, covenant, or agreement contained in this Guaranty;
- i. Any merger or consolidation of the Guarantor, or any other person now or hereafter liable on the Guaranteed Obligations or Repayment Obligation, into or with any other corporation or other entity or any sale, lease, or transfer of any of the assets of the Guarantor to any other person or entity; or
- j. Any other occurrence or circumstance (other than payment hereunder) which might otherwise constitute a legal or equitable defense or discharge of the liabilities of a Guarantor or surety or which might otherwise limit recourse against the Guarantor.

The obligations of the Guarantor set forth in this Guaranty constitute full recourse obligations of the Guarantor, enforceable against the Guarantor to the full extent of the Guarantor's assets and properties. The Guarantor's liability under this Guaranty is independent of the Guarantor's liability under any other guaranty previously or subsequently executed by the Guarantor as to all or any part of the Guaranteed Obligations or the Repayment Obligation and may be enforced for the full amount of this Guaranty regardless of the Guarantor's liability under any other guaranty.

4. Sufficient Consideration. The Guarantor acknowledges that the Guarantor has received good, valuable, and sufficient consideration for the making of this Guaranty and expressly agrees that recourse may be had against the Guarantor's properties and assets for all obligations hereunder and further agree that any and all of the Guarantor's properties and assets shall be subject to execution for a judgment rendered against the Guarantor on this Guaranty by a court of competent jurisdiction.

5. Waiver of Rights. The Guarantor agrees to waive:

- a. Notice of acceptance of this Guaranty;
- b. Any and all other notices to which the Guarantor might otherwise be entitled except as this document requires;

- c. Any and all defenses arising by reason of any disability of the Guarantor or any defense of any other person;
- d. Any and all rights to extension, composition, or election with respect to any collateral under any provision of the Federal Bankruptcy Code, as now existing or hereafter amended from time to time, or any other debtor's or guarantor's remedy thereunder or under any other federal or state law affecting creditors' rights;
- e. Diligence in any attempt to enforce the obligations guaranteed under this Guaranty, to realize upon any other security, or to collect from anyone any amount, the payment of which is guaranteed under this Guaranty, and any right to require that any action be brought against any other person or to require that resort first be had to any such security;
- f. Protection of any such security for the payment of the obligations guaranteed under this Guaranty;
- g. The observance of any and all formalities that might otherwise be required to charge any Guarantor with liability under this Guaranty;
- h. Any right of subrogation to the rights of the City against Owner; and
- i. Any notice or demand, any action that the City takes regarding Owner, anyone else, any collateral, or any Guaranteed Obligations or Repayment Obligation, which the Guarantor might be entitled to by law or under any other agreement.

The City may waive or delay enforcing any of its rights without losing those rights.

6. Representations and Warranties. The Guarantor represents and warrants to the City as follows:

- a. The execution and delivery of this Guaranty, and the performance of the obligations imposed under this Guaranty, do not violate any law and do not conflict with any agreement by which the Guarantor is bound, and no consent or approval of any governmental authority or any third party is required in connection with the execution or delivery of this Guaranty and the performance of the obligations imposed under this Guaranty, and this Guaranty is a valid and binding agreement, enforceable according to its terms.
- b. There are no actions, suits or proceedings, and no proceedings before any arbitrator or by or before any governmental commission, board, bureau or other administrative agency, pending or, to the best knowledge of the Guarantor, threatened against or affecting the Guarantor, or any properties or rights of the Guarantor, which, if adversely determined, could have a materially adverse effect upon the financial condition of the Guarantor that would materially impair the Guarantor's ability to perform its obligations under this Guaranty.
- c. The Guarantor assumes full responsibility for obtaining any further information concerning the status of the Guaranteed Obligations or Repayment Obligation or any other matter which the Guarantor may deem necessary or appropriate (now or later). The Guarantor waives any duty on the part of the City, and agrees that the Guarantor is not relying upon nor expecting the City to disclose to the Guarantor any fact now or later known by the City, whether relating to the operations or condition of Owner as owner of the Project, the existence or the occurrence of any default with respect to the Guaranteed Obligations or Repayment Obligation, or otherwise, notwithstanding any effect such fact may have upon the undersigned's risk under this Guaranty.

- d. The Guarantor is satisfied with the means that the Guarantor has for obtaining from Owner, on a continuing basis, financial and other information pertaining to its condition as owner of the Project.

7. Reinstatement. This Guaranty shall continue to be effective, or shall be automatically reinstated, as the case may be, if at any time performance or payment of all or any part of the Guaranteed Obligations or Repayment Obligation, as the case may be, is rescinded or must otherwise be restored or returned by the City upon the insolvency, bankruptcy, dissolution, liquidation, or reorganization of Owner, or upon, or as a result of, the appointment of a custodian, receiver, trustee, or other officer with similar powers with respect to Owner or any substantial part of Owner's property, or for any other reason, all as though such payments had not been made. If an event permitting the acceleration of any of the Guaranteed Obligations or Repayment Obligation shall at any time have occurred and be continuing and such acceleration of the obligations shall at such time be prevented by reason of the pendency against Owner of a case or proceeding under a bankruptcy or insolvency law, the Guarantor agrees that, for purposes of this Guaranty and the Guarantor's obligations under this Guaranty, the Guaranteed Obligations or Repayment Obligation shall be deemed to have been declared in default and accelerated with the same effect as if the obligations had been declared in default and accelerated in accordance with the terms thereof, and the Guarantor shall immediately pay the amounts specified by the City to be paid in accordance with the documents evidencing the Guaranteed Obligations or Repayment Obligation.

8. Notice. Formal notices, demands, and communications between the City and Guarantor shall be sufficiently given if and shall not be deemed given unless dispatched by registered or certified mail/return receipt, or delivered personally, to the principal offices of the City and Guarantor as follows:

GUARANTOR:

PacifiCap, Inc.
2360 East Cheyenne
North Las Vegas, NV, 89030
ATTN: Rebecca Velarde

CITY:

City of Vancouver
PO Box 1995
Vancouver, WA 98668-1995
ATTN: Patrick Quinton, Economic Development & Housing Director
Email: Patrick.Quinton@cityofvancouver.us

WITH A COPY TO:

City of Vancouver
PO Box 1995
Vancouver, WA 98668-1995
ATTN: Becky Rude, Deputy City Attorney
Email: Becky.Rude@cityofvancouver.us

Such written notices, demands and communications may be sent in the same manner to such other addresses as the affected party may from time to time designate by mail as provided in this Section 8. No party shall evade or refuse delivery of any notice.

9. Miscellaneous.

- a. This Guaranty shall be construed and interpreted in accordance with Washington law. In the event of legal action resulting from a dispute hereunder, the parties agree that the State and federal courts of the State of Washington shall have jurisdiction and that the proper forum for such action shall be the Superior Court for Clark County or the United States District Court for the Western District of Washington respectively.
- b. This Guaranty shall be binding on the successors and assigns, legal representatives, and other transferees of the Guarantor. This Guaranty shall not be assignable or transferable by the Guarantor without the prior written consent of the City. This Guaranty shall inure to the benefit of the City's successors, assigns, and legal representatives.
- c. Any amendment of this Guaranty shall be in writing and shall require the signature of the Guarantor and the City.
- d. The invalidity or unenforceability of any provision of this Guaranty shall not affect the validity or enforceability of the remaining provisions of this Guaranty.
- e. Any reference in this Guaranty to attorneys' fees shall refer to reasonable attorneys' fees, charges, costs, and expenses of in-house and outside attorneys and paralegals, whether or not a suit or proceeding is instituted, and whether incurred at the trial court level, on appeal, in a bankruptcy, administrative, or probate proceeding, in consultation with counsel, or otherwise.
- f. The descriptive headings of this Guaranty are for convenience only and shall not be deemed to affect the meaning of any provision.
- g. As used herein, the term "person" includes a human being, a public or private corporation, an unincorporated association or organization, a partnership or any other for-profit or non-profit entity.
- h. Whenever the context so requires, the masculine includes the feminine and neuter, the singular includes the plural, and the plural includes the singular.

10. WAIVER OF JURY TRIAL. THE GUARANTOR ACKNOWLEDGES THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. THE GUARANTOR, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF CHOICE, KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO,

THIS GUARANTY.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be duly executed as
of the
date noted above.

PACIFICAP:

PacifiCap, Inc., a Nevada corporation

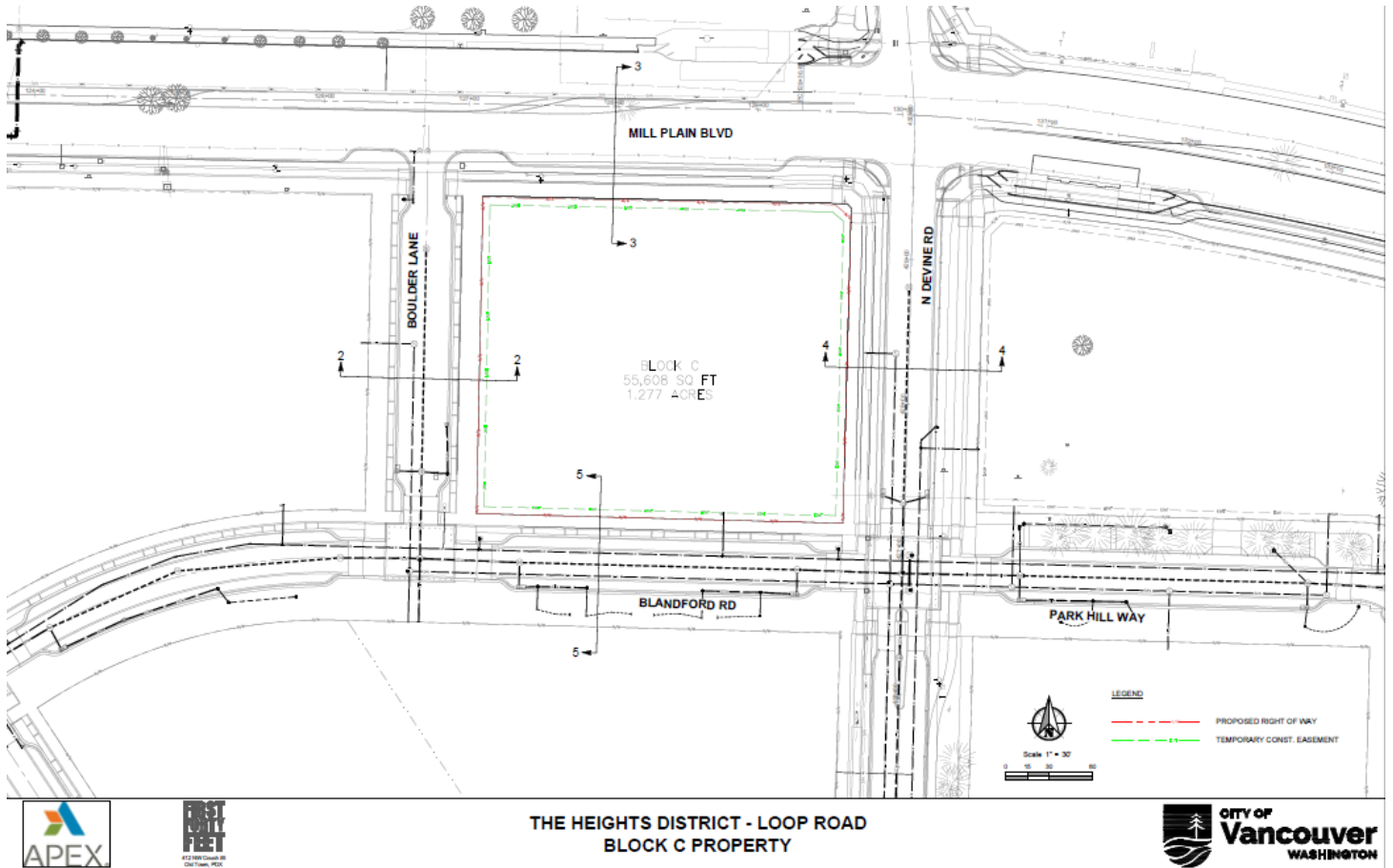
By: _____

Name: Chad I. Rennaker

Title: President

EXHIBIT J

TEMPORARY CONSTRUCTION LICENSE AREA DEPICTION



SCHEDULE 5.6

CITY SELF-INSURANCE CERTIFICATION LETTER



Risk and Safety Department

Re: Certification of Self-Insurance
To Whom It May Concern:

Please allow this letter to confirm the City of Vancouver is currently self-insured up to One Million Dollars (\$1,000,000 SIR) for bodily injury and/or property damage to third parties for accidents stemming from City operations. Additionally, the City purchases excess liability coverage beyond the \$1M SIR totaling Twenty Million Dollars (\$20,000,000). The current policy term is 10/1/2024 through 9/30/2025.

The City of Vancouver also carries an Inland Marine auto policy. Our current policy maintains limited liability of \$10,000,000 for City owned equipment and \$250,000 for leased or rented equipment. Our current auto policy is written by AGCS Marine Insurance Company, policy number MXL93045147.

Furthermore, this letter is also to serve as confirmation that the City of Vancouver is currently self-insured up to Two Million Dollars (\$2,000,000 SIR) for Workers' Compensation. Additionally, the City purchases excess Workers' Compensation coverage beyond the \$2M SIR.

If additional information is required, please contact the undersigned at brent.waddle@cityofvancouver.us.

Regards,

A handwritten signature in black ink, appearing to read "Brent Waddle".

Brent Waddle
Risk and Safety Manager

P.O. Box 1995 | Vancouver, WA 98668-1995 | 360-487-8000 | TTY: 711 | cityofvancouver.us

SCHEDULE 8.18(B)(6)

LITIGATION DISCLOSURE

[TO BE UPDATED BY CITY AT CLOSING]

A RESOLUTION relating to the approval of a disposition and development agreement between the City of Vancouver and Vancouver Heights Family Development Co., LLC; establishing the terms and conditions under which the Heights District Site P lot will be developed and ground leased by the City to Vancouver Heights Family Development Co., LLC; and authorizing the City Manager to execute the disposition and development agreement.

Staff Report: 203-25

To: Mayor and City Council
From: City Manager
Date: October 13, 2025

Subject

Heights Site P Family Building Disposition and Development Agreement

Key Points

- City staff request City Council to adopt the attached resolution to approve the Disposition and Development Agreement between the City of Vancouver and Vancouver Heights Family Development Co., LLC for the development of part of Site P in the Heights District.
- In August 2024, following a public review process led by the Heights Community Investment Committee, Related/Northwest Development LLC and Vancouver Housing Authority were selected as the preferred developer for Site P.
- The project is located at E. Mill Plain Boulevard and Devine Road adjacent to Park Hill Cemetery and consists of a mixed-use building with 80 affordable housing units and community serving commercial space.
- The terms of the Disposition and Development Agreement have been agreed to, which are outlined below, and subject to City Council's approval.

Strategic Plan Alignment

Housing and Human Needs – meeting basic needs and partnering with organizations to support the community

Vibrant and Distinct Neighborhoods – a variety of accessible places and spaces

Present Situation

In March 2024, the City and the Heights Community Investment Committee (HCIC) issued a Request for Proposals (RFP) for the first three development sites in the Heights District located along E. Mill Plain Boulevard and Devine Road, known as Sites B, C and P. After two months of deliberation, the HCIC selected Related/Northwest Development LLC and Vancouver Housing Authority's (VHA) proposal for Site P in August 2024. The proposed project included 131-units of affordable housing across two buildings – one 80-unit building for families with household incomes at 50-60% of the Area Median Income and one 51-unit building for seniors with household incomes at 30-60% of the Area Median Income. The City entered into an Exclusive Negotiation Agreement (ENA) with Related/Northwest Development LLC and VHA that set forth that the parties will negotiate the terms of Disposition and Development Agreements (DDAs) for Site P's development. The site will be subdivided into two lots, one for each building, and the development of each building will be governed

by a separate development agreement and ground leases. Due to funding constraints, the development and construction of Site P will focus first on the family housing building. The terms of the family housing DDA have been negotiated, which are outlined in this staff report, and subject to City Council review. Staff will return to City Council for action on the senior housing development agreement by early 2026.

Vancouver Heights Family Development Co., LLC, a single purpose entity with Related Northwest/Development LLC and VHA as members of the company, will co-develop and co-own the building. They will partner with a local non-profit, EngAGE NW, to deliver onsite resident services and a variety of onsite activities and programs tailored to community needs. The development team includes Hacker Architects, Emerio Design, GLI Advisors and Essex Construction. The buildings will be managed by Quantum Residential.

The family housing project will include the following:

- 80 housing units restricted to households earning 30% to 60% of the Area Median Income (AMI). Unit types range from studios to 1-3 bedrooms.
- Onsite resident services and activities provided by local non-profit, EngAGE NW, tailored to community needs.

The substantive terms of the DDA are as follows:

- The property will be ground leased for 99 years with the ground lease projected to begin in Q3 2027 at the beginning of construction. The ground lease terms are outlined below. City staff will return to City Council for review of the ground lease in Q4 2026.
- The developer is obligated to meet key project milestones such as planning and permitting, award of funding and commencement and completion of construction. Construction is projected to start in Q3 2027 and complete by or before Q3 2029.
- The housing must be affordable for at least 40 years. However, given the City's ownership of the property and ability to negotiate the terms of the ground lease, the intent is that the housing will remain affordable in perpetuity.
- The developer is required to build the street and utility infrastructure necessary to support the project. However, contingent upon funding, the City will construct the developer required infrastructure improvements through the federal grant awarded Grand Loop project.
- The public benefits of the project include:
 - 80 affordable housing units at 30-60% AMI.
 - Environmentally friendly features include a fully electric building, and sustainable, durable building materials.
 - Contracting initiatives to maximize opportunities for minority-owned, women-owned and emerging small businesses. A minimum of 20% of subcontractor contracts will be awarded to minority-owned, women-owned, and emerging small businesses and a minimum of 15% of the workforce will be apprentices. Where appropriate, the general contractor will right size bid packages and conduct intentional outreach to minority-owned, women-owned and emerging small business firms to offer equal opportunity.

The substantive elements, which will be in a forthcoming ground lease agreement (to be reviewed separately by City Council), are as follows.

- 99-year lease term estimated to begin in Q3 2027 prior to the construction start date.
- Rent is calculated by multiplying the appraised value of the property (using the value set forth

in the February 25, 2025, appraisal prepared for the City by Colliers International) by a 5.7% cap rate. Rent is adjusted annually by 3%.

- In order to facilitate development of affordable housing, ground lease rent is discounted by 95% for the first 40 years of the lease term.
- No rent is due for the first 30 months of the lease term during construction and leasing until the project has positive cash flow.
- Rent will be reset at year 41 and will be recalculated based on a re-appraisal of the property and renewal of affordable housing commitments.

The total cost for the family housing project is estimated at \$38 million (\$475,000/unit), supported by significant investment from the City to advance its development. The project also leverages multiple public funding sources, including Low Income Housing Tax Credits and financing from the Washington State Department of Commerce Housing Trust Fund. These state funding programs are highly competitive with annual application cycles, and as such, the construction timeline is contingent upon successful award of these funds. Nevertheless, the project is considered competitive and has reasonable prospects of securing the necessary funding. The approximate city investments for the family housing project are outlined in the table below.

Land	\$1,312,000*
Affordable Housing Fund	\$4,000,000
Impact Fee Reductions (Parks, traffic)	\$351,000
Total	\$5,663,000

* Based on family project's share of February 2025 appraisal. \$1,014,000 less net present value of the discounted ground lease of \$87,546.

With a total project cost of \$38 million and a total value of public investment of \$5.6 million, the project achieves a leverage of non-City to City resources of 5.9:1. In addition to this economic return, the City will realize substantial public benefits as described above.

Next steps

Separate approvals will be needed for the project to progress including:

- The City's independent regulatory review of land use, engineering and building permits, projected to be completed by Q2 2027.
- City Council's review of and approval of the ground lease in Q4 2026 according current project schedule.

Provided public funding is secured in the 2025/2026 funding cycle, construction can begin in Q3 2027 and be completed by Q3 2029.

Advantage(s)

- Facilitates the implementation of the Heights District Plan.
- Provides affordable housing across a range of income levels, addressing a desperate community need.
- Offers opportunities for minority-owned contractors and apprentices.

Challenge(s)

The project requires significant financial commitment from the City to ensure the project's financial viability and develop new affordable housing in the Heights District. This project must also compete with other desirable affordable housing projects for scarce State of Washington subsidies.

Budget Impact

The City's estimated investment in the project is approximately \$5.65 million. This figure includes contributions from the Affordable Housing Fund, the value of the land and impact fee reductions, as detailed above. The contribution of land value will impact future revenues to the City's General Fund. The impact fee reductions will reduce amounts available for future transportation and parks projects.

Prior Council Review

- Workshop on August 26, 2024
- Council Meeting on September 16, 2024
- Council Consent on October 6, 2025

Action Requested

On Monday, October 13, 2025, upon second reading and a public hearing, finalize and approve the resolution to adopt the resolution approving the Disposition and Development Agreement between the City of Vancouver and Vancouver Heights Family Development Co., LLC (DDA), and authorize the City Manager, or designee, to execute the agreement in its substantive form, related implementation documents and certain amendments to the DDA.

Staff Contact

Amy Stewart, Real Estate Project Manager, Patrick Quinton, Economic Development Director, amy.stewart@cityofvancouver.us, patrick.quinton@cityofvancouver.us

Attachments:

1. Resolution
2. Disposition and Development Agreement (Site P)

10/13/2025

RESOLUTION NO. M- [Resolution Number]

A RESOLUTION relating to the approval of a disposition and development agreement between the City of Vancouver and Vancouver Heights Family Development Co., LLC; establishing the terms and conditions under which the Heights District Site P lot will be developed and ground leased by the City to Vancouver Heights Family Development Co., LLC; and authorizing the City Manager to execute the disposition and development agreement.

WHEREAS, the City owns real property commonly referred to as the Heights District Site P located at E. Mill Plain Blvd and Devine Road in City of Vancouver, Washington part of Clark County Tax Parcel 37909805 (the “Property”) and represents one of the first redevelopment sites envisioned in the Heights District Plan adopted by City Council in August 2020; and

WHEREAS, on March 11, 2024, the City, in consultation with the Heights Community Investment Committee, issued a “Heights District Request for Proposals” for the Property and, following a thorough public review process, selected Related/Northwest Development LLC and Vancouver Housing Authority, affiliates of Vancouver Heights Family Development Co., LLC as the preferred developer for the Property; and

WHEREAS, on September 27, 2024, the City and Related/Northwest Development LLC and Vancouver Housing Authority entered into an Exclusive Negotiation Agreement which was subsequently extended through October 31, 2025; and

WHEREAS, the City and Related/Northwest Development LLC and Vancouver Housing Authority have negotiated a disposition and development agreement between the City and Vancouver Heights Family Development Co., LLC that details the terms of the disposition and

RESOLUTION - 1

development of the Property into a mixed-use building with affordable housing and community serving commercial space; and

WHEREAS, a public hearing was duly noticed and held by the City Council on Monday October 13, 2025, regarding the approval of the attached disposition and development agreement.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY OF VANCOUVER:

Section 1. The City Council hereby authorizes the City Manager to execute on behalf of the City the disposition and development agreement in substantially the form attached hereto as Exhibit "A." The City Manager is authorized to negotiate and execute any supplemental documents necessary to implement the agreement, as well as any amendments to the agreement, except those that extend deadlines for more than 180 days, modify the financial terms of the agreement, or that are inconsistent with the material substantive terms set forth in SR _____.

ADOPTED at a Regular Meeting of the Vancouver City Council this _____, of _____, 2025.

Anne McEnery-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Nena Cook, City Attorney

RESOLUTION - 2

LAND DISPOSITION AND DEVELOPMENT AGREEMENT

BETWEEN

**CITY OF VANCOUVER, WASHINGTON,
a Washington municipal corporation**

AND

**VANCOUVER HEIGHTS FAMILY DEVELOPMENT CO., LLC,
a Californian limited liability company**

OCTOBER ____, 2025

LAND DISPOSITION AND DEVELOPMENT AGREEMENT

THIS LAND DISPOSITION AND DEVELOPMENT AGREEMENT (this “DDA” or “Agreement”) is made as of October ____, 2025 (the “Effective Date”), by and between CITY OF VANCOUVER, a Washington municipal corporation (“City”), and VANCOUVER HEIGHTS FAMILY DEVELOPMENT CO., LLC, a Californian limited liability company (“Developer”), and its permitted successors and assigns. City and Developer are each referred to in this Agreement individually as a “Party” and collectively as the “Parties”.

RECITALS

A. These Recitals refer to and utilize certain capitalized terms that are defined in Article 1 of this Agreement. The Parties intend to refer to those definitions in connection with the use of capitalized terms in these Recitals.

B. City owns the real property commonly referred to as the Heights District, consisting of three development sites generally located at E. Mill Plain Boulevard and Devine Road in Vancouver, Washington. The three project sites are referred to individually as Site B (“B”), Site C (“C”) and Site P (“P”), collectively as the “Sites” and identified in Exhibit A-1. The development of the Sites represents the first phase of redevelopment envisioned in the Heights District Plan (“District Plan”) adopted by the City in August of 2020.

C. On March 11, 2024, the City, in consultation with the Heights Community Investment Committee (“HCIC”), issued a “Heights District Request for Proposals” (the “RFP”) for the Sites and, following a thorough public review process, selected the Developer as the preferred developer for Site P.

D. This DDA is specifically for a portion of Site P, approximately 47,966 square foot site located at E. Mill Plain Blvd and Devine Road, Vancouver, WA part of Clark County Tax Parcel 37909805 (the “Property”). Site P is legally described on Exhibit A-2 attached hereto and the Property is depicted in Exhibit A-3 attached hereto.

E. As provided by the terms of this Agreement, the Parties anticipate that they will enter into a ground lease for the Property under the terms outlined in the Section 3.2

F. Consistent with the Heights District Plan and the current zoning designation for the Property, the Parties desire to cause the construction and development of the Property for the primary purposes of providing low-income housing and community amenities. The development shall include the construction of one mixed-use building with approximately 80 rent restricted housing units together with ground floor community serving commercial space (the “Improvements”). The Parties acknowledge that another mixed-use building with approximately 51 rent restricted housing units for seniors aged 55 years and over will be developed on the remainder of Site P by an affiliate of the Developer (“Senior Housing Project”) at a later date. The City will enter into a separate disposition and development agreement for the Senior Housing Project with the Developer’s affiliate and anticipates both buildings being developed on Site P in

phases with the Improvements constructed first, followed by the Senior Housing Project.

G. The City and HCIC has determined that the Developer has the necessary expertise, skill and ability to carry out the commitments set forth in this Agreement and that this Agreement is in the best interests, and will materially contribute to the City's economic development goals by the project aligning with the outcomes of the Heights District Plan and Heights Equitable Development Plan, specifically providing low income housing.

NOW THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by this reference, the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Developer agree as follows:

ARTICLE 1. DEFINITIONS AND EXHIBITS

Section 1.1 Definitions.

In addition to the terms defined elsewhere in this Agreement, the following definitions apply throughout this Agreement.

(a) "Affordability Requirements" means the affordable housing requirements set forth in the Use provisions below.

(b) "Agreement" or "DDA" means this Land Disposition and Development Agreement, including the attached Exhibits and all subsequent operating memoranda and amendments to this Agreement.

(c) "Certificate of Occupancy" means the final certificate of occupancy issued by the City, or comparable City sign-off, on the substantial completion of construction of the Improvements.

(d) "City" means the City of Vancouver, Washington, a Washington municipal corporation, and its successors and assigns.

(e) "City Council" means the City Council of the City of Vancouver, Washington.

(f) "City Documents" shall mean, collectively, this Agreement, the Ground Lease, and all other documents required to be executed between Developer and City in connection with the transaction contemplated by this Agreement.

(g) "City Event of Default" has the meaning set forth in Section 7.3.

(h) "City Indemnitees" includes the City, and its council members, officers, agents, consultants, and employees, each an "Indemnified Party".

- (i) “Closing Date” means the date of execution of the Ground Lease.
- (j) “Construction Bonds” means the Developer’s labor and surety bonds described in Section 2.5.
- (k) “Construction Plans” means all construction documentation upon which Developer, and Developer’s several contractors, shall rely on in building each and every part of the Improvements and shall include, but not necessarily be limited to, final architectural drawings, landscaping plans and specifications, final elevations, building plans and specifications (also known as “working drawings”) and a time schedule for construction.
- (l) “Deposit” means the Good Faith Deposit of Ten Thousand Dollars, made r pursuant to the Exclusive Negotiating Agreement.
- (m) “Developer” means Vancouver Heights Family Development Co., LLC (“Developer”) and its permitted successors and assigns.
- (n) “Developer’s Affiliate” has the meaning set forth in Section 6.1.
- (o) “Development” means Heights District Site P and the Improvements thereon.
- (p) “Effective Date” has the meaning set forth in the first sentence of this Agreement.
- (q) “Escrow” means the escrow established with the Title Company for the purpose of ground leasing the Property to Developer.
- (r) “Event of Default” has the meaning set forth in Section 7.4.
- (s) “Exclusive Negotiating Agreement” or “ENA” means that certain Exclusive Negotiating Agreement dated as September 27, 2024, between the City and Related/Northwest Development LLC and Vancouver Housing Authority, affiliates of the Developer.
- (t) “Frontage Improvements” has the meaning set forth in Section 4.9(b).
- (u) “Hazardous Materials” means any substance, material, or waste which is: (1) defined as a “hazardous waste,” “hazardous material,” “hazardous substance,” “extremely hazardous waste,” “restricted hazardous waste”, “pollutant” or any other terms comparable to the foregoing terms under any provision of Washington law or federal law; (2) petroleum and any fraction thereof; (3) asbestos and asbestos containing materials; (4) polychlorinated biphenyls; (5) radioactive materials; (6) mold; (7) Methyl Tertiary Butyl Ether; or (8) determined by Washington, federal or local governmental authority to be capable of posing a risk of injury to health, safety, property, or the environment. Without limiting the foregoing, Hazardous Materials means and includes any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous, toxic or radioactive substance, or other similar term, by any Hazardous Materials Laws including any federal, state or local environmental statute, regulation

or ordinance presently in effect that may be promulgated in the future, as such as statutes, regulations and ordinances may be amended from time to time.

(v) “Hazardous Materials Laws” means all federal, state, and local laws, ordinances, regulations, orders and directives governing hazardous waste, hazardous substances, discharges of pollutants to soil or groundwater, wastewater discharges, drinking water, air emissions, Hazardous Materials releases or reporting requirements, Hazardous Materials use, storage or disposal, and employee or community right-to-know requirements related to Hazardous Materials and the work being performed under this Agreement.

(w) “Improvements” has the meaning set forth in Recital G above.

(x) “Infrastructure Improvements Plan” means the plan set forth in Exhibit G describing the infrastructure improvements that Developer will undertake in accordance with Section 4.9 below.

(y) “Litigation Disclosure” means any pending actions, suits, arbitrations, claims or proceedings the City is subject to as described in Section 8.18(b)(6).

(z) “Memorandum of Disposition and Development Agreement” means the memorandum of Disposition and Development Agreement to be recorded against the Property. The form of the Memorandum of Disposition and Development Agreement is attached as Exhibit D.

(aa) “Memorandum of Ground Lease” means the memorandum of the Ground Lease to be recorded against the Property on the Closing Date. The form of the Memorandum of Ground Lease will be attached as an exhibit to the Ground Lease.

(bb) “Notice of Completion” has the meaning set forth in Section 4.14 below.

(cc) “Parties” means the City and Developer.

(dd) “Planned Public Improvements” means those public infrastructure improvements set forth in the Heights District Plan, including the Grand Loop that, upon securing funding, the City plans to construct as transportation infrastructure surrounding the Property, as depicted on the attached Exhibit E.

(ee) “Property” has the meaning set forth in Recital E.

(ff) “Related Parties” shall mean, with respect to City, its council members, officers, agents, representatives, and employees and, with respect to Developer, its officers, directors, employees, shareholders, agents, and representatives.

(gg) “Release” for the purposes of Section 3.6(e), means any spillage, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping, or disposing into the environment, including but not limited to the abandonment or discharging of barrels, containers, and other closed receptacles containing Hazardous Materials.

(hh) “Released Parties” has the meaning set forth in Section 3.6(d).

(ii) “Schedule of Performance” means the summary schedule of actions to be taken by the Parties pursuant to this Agreement to achieve development of the Improvements and ground leasing the Property to the Developer. The Schedule of Performance is attached to this Agreement and incorporated herein by this reference as Exhibit B. Any dates specified in the Schedule of Performance may be extended by written agreement of the Parties.

(jj) “Schematic Design” has the meaning set forth in Section 2.3 below.

(kk) “Senior Housing Project” has the meaning set forth in Recital G above.

(ll) “Sites” has the meaning set forth in Recital B above.

(mm) “Summary of Sources and Uses” means the summary of sources and uses for the construction of the Improvements on the Property. The Summary of Sources and Uses is attached hereto and incorporated herein as Exhibit C. The Summary of the Sources and Uses may be amended by written agreement of the Parties, provided that such subsequent modifications that are agreed upon by the parties shall not require any amendment of this DDA.

(nn) “Term” has the meaning set forth in Section 1.3, below.

(oo) “Title Company” means the Vancouver, Washington office of Chicago Title/Fidelity National Title at 655 West Columbia Way, Suite 200, Vancouver, WA 98660, unless modified pursuant to Section 3.3.

Section 1.2 Exhibits and Schedules.

The following exhibits and schedules are attached to and incorporated in the Agreement:

Exhibit A-1: Map of Site
Exhibit A-2: Legal Description of Site P
Exhibit A-3: Depiction of Property
Exhibit B: Schedule of Performance
Exhibit C: Summary of Sources and Uses
Exhibit D: Form of Memorandum of Disposition and Development Agreement
Exhibit E: Planned Public Improvements
Exhibit F: Grand Loop Plan
Exhibit G-1: Infrastructure Improvements Plan
Exhibit G-2: Depiction of Infrastructure Improvements Plan
Exhibit H: Temporary Construction License Area

Schedule 5.6: City Self-Insurance Certification Letter
Schedule 7.11: Assignment of Plans Agreements

Schedule 8.18(b)(6): Litigation Disclosure

Section 1.3 Term.

The “Term” of this Agreement, shall commence on the Effective Date and shall continue for a period of ten (10) years following the Effective Date or the earlier termination of this Agreement.

ARTICLE 2.
PREDISPOSITION REQUIREMENTS

Section 2.1 Conditions Precedent to Ground Leasing the Property.

The requirements set forth in this Article are conditions precedent to the City’s obligations to ground lease the Property to the Developer, and all such conditions precedent must be satisfied in accordance with the dates set forth in the Schedule of Performance attached hereto as Exhibit B, as such times may be extended in writing by either Party. Performance and achievement of the actions set forth in this Article 2 constitute conditions precedent to ground leasing the Property. Satisfaction of these conditions depends on performance by Developer. Only the City can waive satisfaction of the conditions in this Article 2 and any such waiver must be in writing signed by the City Manager and approved as to form by the City Attorney.

Section 2.2 Summary of Sources and Uses.

The Developer shall submit a Summary of Sources and Uses, in a form acceptable to the City. The Parties hereby acknowledge that the Summary of Sources and Uses attached hereto as Exhibit C satisfies the requirements of this Section 2.2 and reflects the Financing Proposal provided by Developer pursuant to the ENA.

Section 2.3 Conceptual Site Plan and Design Considerations.

(a) As of the Effective Date and pursuant to the Schematic Plan and Master Plan provisions of the ENA, the Developer has delivered to the City, and the City has approved, a conceptual site plan and elevation drawings (“Schematic Design”) for the Improvements to be developed on the Property for informational purposes only. While the City and HCIC may provide input or comments in their proprietary roles, formal approval of the Improvements shall occur solely through the applicable City permitting and entitlement processes, and nothing in this Section shall be construed to limit or modify such regulatory discretion.

(b) Any material changes to the Schematic Design must be shared with the City, in its proprietary role and the HCIC for informational purposes and comment. If the unit count or unit mix substantially changes from the Schematic Design the City in its proprietary role and the HCIC must be informed right away and offered an opportunity to comment. Developer shall consider all input in good faith, but final design determinations shall be governed by the applicable permitting process.

(c) For purposes of this Section 2.3, a material change shall mean any change which is expected to (i) substantially alter the appearance of the Development, (ii) change the unit-mix or unit count, (iii) materially reduce the quality of exterior materials, (iv) materially reduce the quality of amenities of the Development.

(d) For ease of coordination on the infrastructure improvements, both parties must share their respective design plans in both PDF and AUTOCAD format throughout the design process. Developer must submit its plans to the City to review in its proprietary role prior to planning and permit submission.

(e) For the purposes of this Section, City and HCIC must respond in writing within ten (10) business days from receipt of any plans from the Developer. If no response is delivered within said timeframe, its deemed City and HCIC shall be deemed to approve the design and/or any design changes.

Section 2.4 Financing.

All financing necessary to construct the Improvements shall be closed by or committed to Developer prior to, or simultaneously with, the Closing Date. Developer shall also submit to the City evidence reasonably satisfactory to the City that any conditions to the release or expenditure of funds as the sources of funds to pay the costs of constructing the Improvements have been met or will be met upon the Closing Date and subject to Developer's satisfaction of standard disbursement preconditions required to be satisfied on a periodic basis, for constructing the Improvements. Submission by Developer, and approval by the City, of such evidence of funds availability shall be a condition precedent to the City's obligation to close on the Ground Lease.

Section 2.5 Construction Bonds.

No later than the date set forth in the Schedule of Performance, Developer shall obtain a contractor's surety bond for payment of labor and materials and a performance and payment bond for construction of the Improvements, each in an amount equal to one hundred percent (100%) of the scheduled cost of construction of the Improvements (collectively, the "Construction Bonds"). Each bond shall name the City as co-obligee and shall be issued by a reputable insurance company licensed to do business in Washington with a minimum "Best" Insurance Guide rating of "A-VII" and otherwise reasonably acceptable to the City. The form of the surety bond and the performance bond shall be subject to the City's prior review and written approval, which shall not be unreasonably withheld, conditioned or delayed. Only upon final approval shall this condition be met. No work shall be initiated until approval of the Construction Bonds or other security has been received.

Section 2.6 Obtain all Applicable Governmental Approvals.

(a) Within the time set forth in the Schedule of Performance, Developer shall use commercially reasonable efforts to obtain all necessary land use and governmental approvals required for the construction and operation of the Improvements ("Governmental Approvals"), including but not limited to City review and approval of a site plan and building permits. Only

upon delivery of evidence of issuance of all applicable Governmental Approvals to the City shall the conditions of this Section be deemed met. If such evidence is not delivered within the time set forth in the Schedule of Performance, this Agreement may be terminated in accordance with the terms of Article 7 (subject to any notice and cure periods set forth therein).

Section 2.7 Building Permits.

(a) No later than the date set forth in the Schedule of Performance, Developer shall apply for a building permit allowing for the construction of the Improvements. After submitting the application for a building permit, Developer shall diligently pursue and obtain a building permit for the Improvements, and no later than the date set forth in the Schedule of Performance, Developer shall deliver evidence to the City that Developer is entitled to issuance of a building permit for the Improvements upon payment of permit fees. The City shall render all reasonable assistance (at no cost to the City) to Developer to obtain the building permit.

(b) Developer acknowledges that execution of this Agreement by the City does not constitute approval by the City of any required permits, applications, or allocations, and in no way limits the discretion of the City in the permit allocation and approval process for any the Improvements. However, City will use best efforts to expediently review and process building permit applications.

Section 2.8 Insurance.

Developer shall furnish to the City evidence of the builders risk insurance coverage meeting the requirements of Section 5.6 below, no later than the date set forth in the Schedule of Performance.

Section 2.9 Inspection of Property.

As of execution of this Agreement, Developer has made all such investigations regarding the Property, the suitability of the Property for development (including but not limited to investigation of environmental hazards, geologic conditions, soils conditions, or water conditions on or about the Property) as was required under the Exclusive Negotiating Agreement. The Developer did not submit an Unsuitability Notice (as defined in the Exclusive Negotiating Agreement) and is hereunder accepting title to the Property in an “as-is” condition as set forth in Section #, hereof.

Section 2.10 Legal Lot.

The City will create a separate legal lot for the Property through a short plat process to create a separate unit of land which complies with all requirements of state and local law to be considered a legal lot capable of being ground leased. The Developer will present the configuration of the parcel as a to-be-created legal lot to the City for its review and approval. Thereafter, the City, at no cost to the Developer, will complete the platting process to deliver a new legal lot to the Developer. The City shall use commercially reasonable efforts to record the plat by the date set forth in the Schedule of Performance.

ARTICLE 3.
DISPOSITION OF PROPERTY

Section 3.1 Conditions for Ground Lease.

Provided the pre-disposition requirements set forth in Article 2 have all been satisfied and the additional closing conditions set forth in Section 3.4 have been satisfied, the City shall ground lease the Property to the Developer pursuant to the terms, covenants, and conditions of this Agreement.

Section 3.2 General Terms of Ground Lease.

(a) The term of the Ground Lease shall be ninety-nine (99) years commencing from the Closing Date.

(b) The annual Ground Lease rent shall be calculated by multiplying the appraised value of the Property by a cap rate of (5.7%) and discounted for the first forty (40) years of the lease term. As used in this Section 3.2, the “appraised value” means the as-restricted value set forth in the February 25, 2025 appraisal prepared on behalf of City by Colliers International Valuation & Advisory Services as increased annually by three percent (3%).

(c) Rent shall be abated for the first thirty (30) months from the Commencement Date (as defined in the Ground Lease) and discounted for the first forty (40) years of the term.

(d) Use of the Property subject to the Ground Lease shall be restricted to the Affordability Requirements and developed in accordance with the Schematic Design.

(e) At Closing, the Deposit shall be credited against the Rent in accordance with the ENA.

Section 3.3 Opening Escrow.

The Parties shall establish the Escrow with the Title Company. The Parties shall execute and deliver all written instructions to the Title Company to accomplish the terms hereof, which instructions shall be consistent with this Agreement. The Parties may submit their own escrow instructions to Title Company provided such instructions are consistent with the terms of this Agreement. Upon request by Developer, the Title Company may be changed to a company requested by Developer, provided: (a) Developer makes the request prior to the opening of escrow; and (b) the company is approved by the City.

Section 3.4 Closing.

The Closing Date shall occur within thirty (30) days following the date on which all

conditions precedent to ground lease set forth in Article 2 have been satisfied, but in no event later than the date set forth in the Schedule of Performance, and only in the event that all conditions precedent set forth in Article 2 have been satisfied by the party required to perform or waived in writing by the other party as set forth herein.

(a) City Conditions to Closing. In addition to the conditions precedent to the Closing Date set forth in Article 2, the obligation of the City to ground lease the Property pursuant to this Agreement is subject to the satisfaction on or before the Closing Date (or such earlier date as is specifically set forth in this Agreement) of all of the following conditions precedent which conditions are for the benefit of the City only and the satisfaction of which may be waived only in writing by the City:

(1) Developer shall have furnished the City with evidence of the insurance coverage meeting the general insurance requirements set forth in Section 5.6.

(2) Developer shall have obtained approval of the Construction Plans from the City.

(3) Developer shall have executed and delivered to the City, the Memorandum of Ground Lease, and any other documents and instruments required to be executed and delivered, all in a form and substance satisfactory to the City.

(4) Developer has obtained Governmental Approvals necessary for the construction allowing for the construction of the Improvements as required under Section 2.6 above; provided however the Developer may satisfy this requirement with regards to the building permit, if the Developer provides the City with a permit ready letter from the City Building Department.

(5) There shall exist no condition, event or act which would constitute a material breach or default under this Agreement.

(6) All representations and warranties of Developer contained in any part of this Agreement shall be true and correct in all material respects.

(b) Developer Conditions to Closing. The obligation of Developer to ground lease the Property pursuant to this Agreement is subject to the satisfaction on or before the Closing Date (or such earlier date as is specifically set forth in this Agreement) of all of the following conditions precedent which conditions are for the benefit of Developer only and the satisfaction of which may be waived only in writing by Developer:

(1) Delivery and execution by the City of all instruments and other items required to be delivered by City pursuant to this Agreement;

(2) City's warranties and representations set forth herein shall be true and correct as of the Closing Date;

(3) City shall have performed each and every obligation to be performed by the City pursuant to this Agreement; and

(4) As of the Closing Date, the Title Company shall have issued or shall have committed to issue, upon the sole condition of the payment of its regularly scheduled premium, a Title Policy as set forth in Section 3.5.

Section 3.5 Condition of Title.

(a) On the Closing Date, the Title Company shall be prepared to issue to Developer an ALTA extended coverage policy of title insurance and all endorsements required by Developer and its investors or lenders insuring Developer's ground leasehold title to the Property (the "Title Policy"), which shall be free and clear of all liens, encumbrances, clouds and conditions, rights of occupancy or possession, except:

(1) Applicable building and zoning laws and regulations;

(2) Any provisions of the Heights District Plan;

(3) The provisions of this Agreement;

(4) Any lien for current taxes and assessments or taxes and assessments accruing subsequent to recordation of the Memorandum of Ground Lease;

(5) Exceptions as listed in the Property preliminary title report and Title Company shall be irrevocably committed to issue to the Developer an ALTA extended coverage owner's policy of title insurance conditioned only upon the payment of the insurance premium.

Section 3.6 Condition of Property.

(a) **"AS IS" TRANSACTION. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT TO THE CONTRARY, DEVELOPER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT THE CITY IS GROUND LEASING THE ENTIRE PROPERTY ON AN "AS IS WITH ALL FAULTS" BASIS AND THAT DEVELOPER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM THE CITY AS TO ANY MATTERS CONCERNING THE PROPERTY, INCLUDING WITHOUT LIMITATION: (A) THE QUALITY, NATURE, ADEQUACY AND PHYSICAL CONDITION OF THE PROPERTY (INCLUDING, WITHOUT LIMITATION, TOPOGRAPHY, CLIMATE, AIR, WATER RIGHTS, WATER, GAS, ELECTRICITY, UTILITY SERVICES, GRADING, DRAINAGE, SEWERS, ACCESS TO PUBLIC ROADS AND RELATED CONDITIONS); (B) THE QUALITY, NATURE, ADEQUACY, AND PHYSICAL CONDITION OF SOILS, GEOLOGY AND GROUNDWATER; (C) THE DEVELOPMENT POTENTIAL OF THE PROPERTY, AND THE PROPERTY'S USE, HABITABILITY, MERCHANTABILITY, OR**

FITNESS, SUITABILITY, VALUE OR ADEQUACY OF THE PROPERTY FOR ANY PARTICULAR PURPOSE; (D) THE ZONING OR OTHER LEGAL STATUS OF THE PROPERTY OR ANY OTHER PUBLIC OR PRIVATE RESTRICTIONS ON THE USE OF THE PROPERTY; (E) THE COMPLIANCE OF THE PROPERTY OR ITS OPERATION WITH ANY APPLICABLE CODES, LAWS, REGULATIONS, STATUTES, ORDINANCES, COVENANTS, CONDITIONS AND RESTRICTIONS OF ANY GOVERNMENTAL OR QUASI- GOVERNMENTAL ENTITY OR OF ANY OTHER PERSON OR ENTITY; AND (F) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS ON, UNDER OR ABOUT THE PROPERTY. DEVELOPER AFFIRMS THAT DEVELOPER HAS NOT RELIED ON THE SKILL OR JUDGMENT OF THE CITY OR ANY OF ITS RESPECTIVE EMPLOYEES OR CONTRACTORS TO SELECT OR FURNISH THE PROPERTY FOR ANY PARTICULAR PURPOSE, AND THAT THE CITY MAKES NO WARRANTY THAT THE PROPERTY IS FIT FOR ANY PARTICULAR PURPOSE. DEVELOPER ACKNOWLEDGES THAT IT SHALL USE ITS INDEPENDENT JUDGMENT AND MAKE ITS OWN DETERMINATION AS TO THE SCOPE AND BREADTH OF ITS DUE DILIGENCE INVESTIGATION WHICH IT SHALL MAKE RELATIVE TO THE PROPERTY AND SHALL RELY UPON ITS OWN INVESTIGATION OF THE PHYSICAL, ENVIRONMENTAL, ECONOMIC AND LEGAL CONDITION OF THE PROPERTY (INCLUDING, WITHOUT LIMITATION, WHETHER THE PROPERTY IS LOCATED IN ANY AREA WHICH IS DESIGNATED AS A SPECIAL FLOOD HAZARD AREA, DAM FAILURE INUNDATION AREA, EARTHQUAKE FAULT ZONE, SEISMIC HAZARD ZONE, HIGH FIRE SEVERITY AREA OR WILDLAND FIRE AREA, BY ANY FEDERAL, STATE OR LOCAL AGENCY). DEVELOPER UNDERTAKES AND ASSUMES ALL RISKS ASSOCIATED WITH ALL MATTERS PERTAINING TO THE PROPERTY'S LOCATION IN ANY AREA DESIGNATED AS A SPECIAL FLOOD HAZARD AREA, DAM FAILURE INUNDATION AREA, EARTHQUAKE FAULT ZONE, SEISMIC HAZARD ZONE, HIGH FIRE SEVERITY AREA OR WILDLAND FIRE AREA, BY ANY FEDERAL, STATE OR LOCAL AGENCY.

(b) Survival. The terms and conditions of this Section shall expressly survive the Closing Date. The City is not liable or bound in any manner by any oral or written statements, representations or information pertaining to the Property, or any portion thereof, furnished by any contractor, agent, employee, servant or other person. Developer acknowledges that this as an "as is" transaction and any faults, liabilities, defects or other adverse matters that may be associated with the Property. Developer has fully reviewed the disclaimers and waivers set forth in this Agreement with Developer's counsel and understands the significance and effect thereof.

(c) Acknowledgment. Developer acknowledges and agrees that: (1) to the extent required to be operative, the disclaimers of warranties contained in this Section are "conspicuous" disclaimers for purposes of all applicable laws and other legal requirements; and (2) the disclaimers and other agreements set forth herein are an integral part of this Agreement, that the City would not have agreed to ground lease the Property to Developer pursuant to this Agreement without the disclaimers and other agreements set forth in this Section.

(d) Developer's Release of the City. Developer, on behalf of itself and anyone claiming by, through or under Developer hereby waives its right to recover from and fully and irrevocably releases the City, its council members, board members, employees, officers, directors, representatives, and agents (the "Released Parties") from any and all claims, responsibility and/or liability that Developer may have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to any of the following, except as expressly set forth in this Agreement to the contrary or to the extent directly caused by the willful misconduct or gross negligence of the Released Parties: (1) the condition (including any construction defects, errors, omissions or other conditions, latent or otherwise), valuation, salability or utility of the Property, or its suitability for any purpose whatsoever; (2) any presence of Hazardous Materials; and (3) any information furnished by the Released Parties under or in connection with this Agreement. Notwithstanding the generality of the foregoing, the foregoing waiver and release does not include any claims, responsibility, or liability to the extent related to the representations and warranties of City in this Agreement and in the Ground Lease.

(e) Scope of Release. The release set forth in this Section includes claims of which Developer is presently unaware or which Developer does not presently suspect to exist which, if known by Developer, would materially affect Developer's release of the Released Parties. Developer specifically waives the provision of any statute or principle of law that provides otherwise. In this connection and to the extent permitted by law, Developer agrees, represents and warrants that Developer realizes and acknowledges that factual matters now unknown to Developer may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and Developer further agrees, represents and warrants that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Developer nevertheless hereby intends to release, discharge and acquit the City from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses, except to the extent related to the representations and warranties of City in this Agreement and in the Ground Lease. Accordingly, Developer, on behalf of itself and anyone claiming by, through or under Developer, hereby assumes the above-mentioned risks and hereby expressly waives any right Developer and anyone claiming by, through or under Developer, may have.

Section 3.7 Delivery upon Closing Date.

The City shall deliver possession of the Property to Developer upon the Closing Date free and clear of all tenants and other occupants.

ARTICLE 4.

DEVELOPER CONSTRUCTION REQUIREMENTS AFTER CLOSING

Section 4.1 Construction Pursuant to Plans.

Unless modified by operation of Section 4.2, the Improvements shall be constructed substantially in accordance with the plans approved through the City's permitting process (the "Construction Plans") and the terms and conditions of the land use permits and approvals and

building permits, including any variances granted. Any material changes to the Construction Plans that would affect the City's proprietary interests (e.g., affordability mix, unit count, or ground floor commercial use) shall be shared with the City for review and comment, but shall not require separate approval outside of the standard City permitting process.

Section 4.2 Change in Construction of Improvements.

(a) If Developer desires to make any material change in the Improvements which are not substantially consistent with the Construction Plans Developer shall submit the proposed change to the City and HCIC for its approval, which approval shall not be unreasonably withheld, conditioned or delayed. No change which is required for compliance with building or zoning codes or other government health and safety regulations shall be deemed material. If the Improvements, as modified by any such proposed change, will conform to the requirements of this Agreement, and the Construction Plans, the City shall approve the change by notifying Developer in writing. For purposes of this Section 4.2, a material change shall mean any change which is expected to (i) substantially alter the appearance of the Development, (ii) materially changes the unit-mix or unit count, (iii) materially reduces the quality of exterior materials, (iv) materially change the public amenities of the Development. Notwithstanding the foregoing, no change shall be deemed a "material change" if it is (A) required for compliance with building or zoning codes or other governmental health and safety regulations, (B) made in response to a requirement of a public or private lender, investor, or tax credit authority, or (C) a change in internal configurations, finishes, or systems that does not affect exterior appearance, unit count, or public amenities.

(b) Unless a proposed change is rejected by the City and HCIC within ten (10) working days (excluding City and other legal holidays), it shall be deemed approved. If rejected within such time period, the previously approved Construction Plans shall continue to remain in full force and effect. If accepted, the parties acknowledge that the Construction Plans shall be modified as necessary to reflect the accepted change to the Improvements. If the City rejects a proposed change, it shall provide Developer with specific reasons therefor and the Developer shall have the right to revise and resubmit its proposal to the City.

(c) The approval of changes in the Schematic Design and/or the Construction Plans by the City and HCIC pursuant to this Section shall be in addition to any approvals required to be obtained from the City pursuant to building permit requirements or the conditions of approval. Approval of changes in the Schematic Design and/or the Construction Plans by the City in its proprietary role shall not constitute approval of building permit requirements or conditions of approval by the City in its regulatory role and shall in no way limit the City's discretion in approving changes to the building permits or conditions of approval.

Section 4.3 Commencement of Construction of Improvements.

Developer shall commence construction of the Improvements no later than the date set forth in the Schedule of Performance as such times may be extended in writing by the Parties and subject to any notice and cure provisions hereunder.

Section 4.4 Completion of Construction of Improvements.

Developer shall diligently prosecute to complete the construction of the Improvements no later than the date set forth in the Schedule of Performance as such times may be extended in writing by the Parties and subject to any notice and cure provisions hereunder and subject to Force Majeure as defined in Section 8.24.

Section 4.5 Equal Opportunity and Diverse Workforce Plan.

(a) During the construction and operation of the Development discrimination on the basis of race, color, creed, religion, age, sex, gender, gender identity, gender expression, sexual orientation, marital status, pregnancy, national origin, ancestry, military and veteran status, or disability in the hiring, firing, promoting, or demoting of any person engaged in the construction or other work at the Property is not allowed.

(b) During the construction of the Development, Developer and the general contractor shall comply with all applicable nondiscrimination laws and policies, and shall create and implement a workforce and contracting plan that seeks to increase opportunities for Black Indigenous and People of Color (BIPOC) and women owned and small emerging businesses The Developer and general contractor shall make good faith, commercially reasonable efforts to meet the following project-wide participation goals:

(1) General contractor must identify opportunities for smaller businesses and Disadvantaged Business Enterprises (DBEs).

(2) Where appropriate general contractor must create right sized bid packages to ensure accessibility for smaller businesses and DBEs.

(3) General contractor must conduct intentional outreach to BIPOC, women-owned and emerging small business firms prior to and through bidding process to offer equal opportunity.

(4) Minimum of 20% BIPOC, women owned, and emerging small businesses participation.

(5) Minimum of 15% apprenticeship participation.

The Developer is required to work with the City in connecting BIPOC, women owned and small emerging businesses using the City's local connections to ensure the above referenced goals are met. The City and Developer shall review performance relative to these goals at regular intervals. Failure to meet the goals shall not, by itself, constitute a default under this Agreement, provided that the Developer demonstrates reasonable, good faith efforts to implement the measures in this Section and reports participation data as required.

Section 4.6 Planned Public Improvements.

Pursuant to the Heights District Plan, the City intends to complete the Planned Public

Improvements and coordinate such construction with the Developer as follows:

- (a) City will provide a joint utility trench plan for location of all dry utilities and will coordinate the design of the joint utility trench with Developer and Clark Public Utility District. City and Developer will collaborate on the design to ensure the Improvements' electrical needs are met. The City shall ensure that the Improvements' electrical and utility needs are met without imposing material additional costs or delays on the Developer.
- (b) City plans to design and construct the undergrounding of overhead utility lines on the south side of E. Mill Plain Blvd and Devine Road south of E. Mill Plain Blvd and will seek reimbursement from Developer for their proportionate share of the costs in accordance with Section 4.9(e) below. Timing of this work is to be determined and City will use its best efforts to coordinate closely with Developer and will provide at least sixty (60) days advance written notice of the commencement of the work.
- (c) City plans to design and construct improvements to the intersection of E. Mill Plain Blvd and Devine Road, including a new traffic signal, new paving, striping, bike and pedestrian facilities. The timing of these improvements is yet to be determined but the City will coordinate closely with the Developer and provide at least sixty (60) days advance written notice prior to commencement of the work.
- (d) If any of the City's improvements described in this Section 4.6 and Section 4.9 (d) interfere with access to the Property or impact the operations of the Improvements or causes any damage to the Improvements, City shall promptly reimburse Developer for any resulting, repair costs, delay costs, or other direct impacts, including costs, expenses or direct damages incurred by the Developer resulting from such damage, interference with access to the Property or adverse impact on the construction or operations of the Improvements.

Section 4.7 Compliance with Applicable Law; Prevailing Wage Requirement.

- (a) Developer shall cause all construction to be performed in compliance with:
 - (1) All applicable laws, ordinances, rules and regulations of federal, state, county or municipal governments or agencies in effect as of the Effective Date or that may be enacted hereafter, and
 - (2) All directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction. The work shall proceed only after the payment of all applicable fees, procurement of each permit, license, or other authorization that may be required by any governmental agency having jurisdiction, and Developer shall be responsible to the City for the procurement and maintenance thereof, as may be required

of Developer and all entities engaged in work on the Property, or any portion thereof.

(b) Unless the Improvements will be paid for in whole or in part out of public funds secured by the Developer, the construction required under this Agreement does not constitute a “public work” as none of the Improvements will be paid for in whole or in part by the City and, except for the Frontage Improvements to be constructed by Developer and dedicated to the City, the Developer retains ownership of the Improvements. If and only to the extent the work performed under this Agreement is deemed a public work shall the provisions of this subsection (b) apply. If and only to the extent required by law, the Developer shall, and shall cause the contractor and subcontractors, to pay prevailing wages in the construction of the Improvements as those wages are determined.

(1) The State of Washington applicable prevailing wage rates for this project, which is located in Clark County, may be found at the following website address of the Department of Labor and Industries: <https://fortress.wa.gov/lni/wagelookup/prvWagelookup.aspx>.

(2) As applicable, Developer shall require that any construction contract include a requirement for the general contractor and each subcontractor to have on file current project specific “Statement of Intent to Pay Prevailing Wages” with the Washington State Department of Labor and Industries before payment will be made for work performed and require an approved “Affidavit of Wages Paid” form to be filed upon completion of the work performed.

(3) In case any dispute arises as to what the prevailing rates of wages for work of a similar nature are and such dispute cannot be resolved by the parties involved, the matter shall be referred to the director of the Department of Labor and Industries of the State of Washington for arbitration, and the L&I Director’s decision shall be final, conclusive, and binding on all parties involved in the dispute.

(c) Developer shall indemnify, hold harmless and defend (with counsel selected by Developer and reasonably approved by the City) the City Indemnitees against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including Developer, its contractor and subcontractors) to pay prevailing wages as determined pursuant to Chapter 39.12 RCW. The provisions of this Section shall survive expiration of the Term or other termination of this Agreement and shall remain in full force and effect.

Section 4.8 Progress Report.

Until such time as Developer has completed construction as evidenced by issuance of Certificates of Occupancy by the City for all buildings located on the Property, Developer shall provide the City with quarterly progress reports, or more frequent updates if City reasonably requires, regarding the status of the construction of the Improvements.

Section 4.9 Developer Construction Responsibilities.

(a) It shall be the responsibility of Developer to coordinate and schedule the work to be performed so that commencement and completion of construction will take place in accordance with this Agreement.

(b) Developer shall be solely responsible for all aspects of Developer's conduct in connection with the Development, including (but not limited to) the quality and suitability of the plans and specifications, the supervision of construction work, and the performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and managers.

(c) As a condition of the Government Approvals, Developer will design and build interim frontage improvements along the Property's E. Mill Plain Blvd and Devine Road frontages in the area between the existing and future right-of-way ("Frontage Improvements"). The details of the Frontage Improvements will be agreed to through the Governmental Approvals process.

(d) As a condition of Government Approvals, Developer will design and build, at Developer's sole expense, the offsite infrastructure improvements described in the Infrastructure Improvements Plan in Exhibit G-1 and Exhibit G-2. Developer shall not be responsible for constructing any infrastructure improvements beyond the limited scope detailed in Exhibit G-1. The City has designed an enhanced version of the Infrastructure Improvements Plan known as the Grand Loop as detailed in Exhibit F attached hereto. The term "Grand Loop" includes all right-of-way, water, sewer, stormwater, electrical utility improvements and a linear park with decorative and enhanced public realm features that abut the Property and provide access to, utilities and frontage improvements that serve the Property. Contingent upon receipt by the City of sufficient grant funding and in order to facilitate development of affordable housing as a permissible expenditure of public funds pursuant to Article 8, Section 7 of the Washington State Constitution, the City plans to construct the Grand Loop. City anticipates starting construction of the Grand Loop in Quarter 1 2027 and completion in Quarter 3 2028, but no later than December 31, 2028 and will instruct the contractor to prioritize the Grand Loop improvements adjacent to the Property. If the City constructs the Grand Loop as planned, the Developer will not be responsible for constructing the Infrastructure Improvements Plan and the City and Developer will coordinate closely on the construction of the Improvements and Grand Loop ensuring minimal conflicts between construction crews. If the City constructs the Grand Loop the City shall provide Developer with a written, detailed phasing schedule at least sixty (60) days prior to commencement of construction of the Grand Loop, ensuring that Developer's construction activities will not be materially impacted by City's improvements or conflicts between construction crews.

(e) Developer will reimburse the City for its proportionate share of costs related to undergrounding the utility lines along E. Mill Plain Blvd and Devine Road but shall be no more than \$155,000.00. Payment shall be made by check or in another form agreed to by the Parties at closing of the Ground Lease. Pursuant to RCW 82.02.020, the City will deposit the funds in an interest-bearing reserve account exclusively to fund the undergrounding capital improvement project. If the City has not expended the funds within five years of collection, the City will return the funds with interest to the Developer. The City will provide the Developer a cost estimate for the work prior to the commencement of construction. Upon the Developer's written request the

City will provide the Developer a formal, itemized invoice which shall include:

- (i) A breakdown of all actual costs incurred;
- (ii) Developer's proportional share calculation; and
- (iii) Supporting documentation confirming total project costs.

If actual costs exceed the original estimate Developer shall have the right to review and approve any additional expenditures before being obligated to reimburse City.

(f) Any review or inspection undertaken by the City with reference to the Development is solely for the purpose of determining whether Developer is properly discharging its obligations to the City and should not be relied upon by Developer or by any third parties as a warranty or representation by the City as to the quality of the design or construction of the Development.

Section 4.10 Mechanic's Liens, Stop Notices, and Notices of Completion.

(a) If any claim of lien is filed against the Property, or any portion thereof, or the Improvements or a stop notice is issued affecting any portion of the Property, the City in connection with the Development, then Developer shall, within sixty (60) days after such filing or service, either pay and fully discharge the lien or stop notice, effect the release of such lien or stop notice by delivering to the City a surety bond from a surety reasonably acceptable to the City in sufficient form and amount, or provide the City with other assurance reasonably satisfactory to the City that the claim of lien or stop notice will be paid or discharged. Provided, however, that Developer shall have the right to contest in good faith any such liens or stop notice.

(b) If Developer fails to discharge any lien, encumbrance, charge, or claim in the manner required in this Section or obtain a surety bond, then in addition to any other right or remedy, upon prior notice to Developer, the City may (but shall be under no obligation to) discharge such lien, encumbrance, charge, or claim at Developer's expense. Alternatively, the City may require Developer to immediately deposit with the City the amount necessary to satisfy such lien or claim and any costs, pending resolution thereof. The City may use such deposit to satisfy any claim or lien that is adversely determined against Developer; provided, however, that Developer shall be permitted to exercise any rights of appeal of such adverse determination

Section 4.11 Inspections.

Developer shall permit and facilitate, and shall require its contractors to permit and facilitate, observation and inspection at the Property by the City and by public authorities during reasonable business hours upon forty-eight (48) hours' prior written notice for the purposes of determining compliance with this Agreement.

Section 4.12 Information.

Developer shall provide any information reasonably requested by the City in connection with the Development; provided that Developer shall not be required to disclose any proprietary, confidential, or privileged information. The Developer may condition any disclosure on appropriate confidentiality protections and shall not be obligated to provide information that is

protected by applicable law, contractual confidentiality obligations, or that could compromise Developer's competitive position.

Section 4.13 Records.

(a) Developer shall maintain complete, accurate, and current records pertaining to the Development for a period of five (5) years after the creation of such records and shall permit any duly authorized representative of the City to inspect and copy records upon reasonable prior notice to Developer. Such records shall include all invoices, receipts, and other documents related to expenditures associated with the implementation of this Agreement. Records must be kept accurate and current.

(30) The City shall notify Developer of any records it deems insufficient. Developer shall have thirty (30) calendar days after the receipt of such a notice to correct any deficiency in the records specified by the City in such notice, or if a period longer than thirty (30) days is reasonably necessary to correct the deficiency, then Developer shall begin to correct the deficiency within thirty (30) days and complete the correction of the deficiency as soon as reasonably possible.

Section 4.14 Notice of Completion.

(a) Promptly after completion of all of the Improvements on the Property in accordance with the provisions of this Agreement relating solely to the obligations of Developer to construct the Improvements the City shall provide an instrument so certifying the completion of the Improvements (the "Notice of Completion").

(b) The Notice of Completion shall be conclusive determination that all covenants in this Agreement with respect to the obligations of Developer to construct the Improvements have been met. Issuance of a Notice of Completion by the City, however, shall not constitute evidence of compliance with Developers' obligation to comply with the requirements of Section 4.9 and shall not terminate the obligations of Developer that survive the termination of this Agreement. The Notice of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any holder of a deed of trust securing money loaned to finance the Improvements.

Section 4.15 Construction Coordination.

(a) Access; Interference. Developer shall comply in all material respects with all applicable City permitting and construction requirements related to street closures, construction disturbances, and the maintenance of access to neighboring facilities and businesses. The Parties shall coordinate in good faith on construction sequencing to avoid conflicts with the Planned Public Improvements. Nothing in this Section shall impose additional permitting or operational obligations on Developer beyond those required under applicable laws or permits.

(b) Construction Traffic. The Parties shall agree to a route for the construction truck traffic to utilize during construction.

(c) Construction Worker Parking. Developer shall provide a construction worker parking plan to City for review and approval (such approval not to be unreasonably withheld, conditioned, or delayed) prior to commencement of construction.

(d) Planned Public Improvements. The City shall have the right to occupy and use an agreed-upon area located within the boundaries of Site P around the perimeter of the Property as depicted within Exhibit H solely for the purposes of constructing the Planned Public Improvements and the Grand Loop (“Temporary Construction License Area”). The City’s access and use shall be strictly limited to the Temporary Construction License Area and the approved scope of work, and shall be conducted in a manner that does not unreasonably interfere with, delay, or increase the cost of the Developer’s construction, operations, or other activities on the Property. The City shall be responsible, at its sole cost and expense, for repairing or restoring any portion of the Property (including landscaping, improvements, and utilities) disturbed or damaged by its activities to a condition equal to that existed immediately prior to entry, promptly upon completion of its work. The City shall provide the Developer with no less than sixty (60) days’ prior written notice of the commencement of construction, which notice shall include a detailed schedule, scope of work, site logistics plan, and safety protocols. Prior to any entry, the parties shall meet and confer to coordinate activities, establish access and staging protocols, and agree on measures to avoid interference with the Improvements. The City shall indemnify, defend, and hold harmless the Developer, its affiliates, contractors, and lenders from and against any and all claims, losses, damages, costs, and liabilities (including reasonable attorneys’ fees) arising out of or relating to the City’s entry, occupancy, or work within the Temporary Construction License Area, except to the extent caused by the gross negligence or willful misconduct of Developer.

ARTICLE 5. ONGOING DEVELOPER OBLIGATIONS

Section 5.1 Applicability.

The conditions and obligations set forth in this Article 5 shall apply throughout the Term of this Agreement and the Ground Lease, unless a different period of applicability is specified for a particular condition or obligation.

Section 5.2 Use.

(a) Developer hereby agrees that, for the entire Term of this Agreement and the Ground Lease (unless the affordability restrictions are otherwise modified pursuant to the terms of the Ground Lease), the Development will be used only for a community center and rent restricted housing with all units serving incomes at or below 80% Area Median Income(the “Affordability Requirements”).

(b) Developer hereby agrees to provide ongoing community services through its non-profit partner, EngAGE, Inc, a Californian nonprofit corporation, or another nonprofit reasonably acceptable to the City (the “Service Provider”), including but not limited to health and wellness, finance, art and culture. The community services will be offered, first and foremost, to the residents

free of charge and may be made available to the wider community from the dedicated ground floor service space of each building through regular activities, workshops and community events –. The Developer and/or Service Provider are responsible for paying for all costs associated with these ongoing community services.

(c) During the Term, the Developer shall not use any portion of the Property for any prohibited use set forth in the Ground Lease without the prior written consent of the City, which consent shall be granted or denied at the City’s sole and absolute discretion.

(d) The use requirements set forth in this Section shall be expressly incorporated into the Ground Lease and shall survive termination of this Agreement.

Section 5.3 Compliance with Covenants.

Developer agrees, for the entire Term of this Agreement, to maintain all interior and exterior improvements, including landscaping, of the Development in first-class condition, repair and sanitary condition (and, as to landscaping, in a healthy condition), and all applicable laws, rules, ordinances, orders, and regulations of all federal, state, municipal, and other governmental agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials. Following the Closing Date, Developer shall comply with all standards and requirements for use, operation, maintenance, management and encumbrances of the Property and the Improvements.

Section 5.4 Taxes and Assessments.

(a) Developer shall pay all real and personal property taxes (to the extent that the Property is not fully exempt from property taxes), assessments, including the Heights Business Improvement Area Assessments detailed below, charges and any income, employment, old age benefit, withholding, sales, and other taxes assessed against it, or payable by it, at such times and in such manner as to prevent any penalty from accruing, or any lien or charge from attaching to any portion of the Property; provided, however, that Developer shall have the right to contest in good faith any such taxes, assessments, or charges. In the event Developer exercises its right to contest any tax, assessment, or charge against it, Developer, on final determination of the proceeding or contest, shall immediately pay or discharge any decision or judgment rendered against it, together with all costs, charges and interest.

(b) The Property is subject to the Heights Businesses Improvement Area (Heights BIA) (per Vancouver Municipal Code (VMC) Section 3.50). Developer will be assessed annually to cover the supplemental service costs for the public spaces in the Heights District (as described in VMC 3.50.030). Assessments will not be charged until the Grand Loop or the civic plaza have been constructed, and the Developer has executed the Ground Lease. This levy of assessment is made pursuant to VMC 3.50.040 to finance programs and services within the Heights District that are supplemental to services the City would ordinarily provide. Each property owner and ground lessee within the Heights Business Improvement Area will pay their proportionate share of the assessments into the Heights Business Improvement Area Fund established pursuant to VMC 3.50.050. Collection of Heights BIA special assessments shall be made in accordance with VMC

3.50.060, commencing in the calendar year in which the construction of the Grand Loop or the civic plaza have been completed and the Developer and the City have executed the Ground Lease, and no sooner than January 1, 2028. Developer will be assessed annually and billed semi-annually in an amount in accordance with VMC 3.50.040 at the then-current rate in effect at the time but projected to be \$0.30 per one lot square feet with annual increases at 3% or per the Portland-Hillsboro-Vancouver Consumer Price Index, whichever is greatest. The City will establish a separate business improvement area entity who will administer the Heights BIA and who will function as the governing body. The Developer will enter into a separate agreement with the Heights BIA entity and such agreement will dictate the administration of the Heights BIA in a similar manner to the terms described in VMC 3.50.

Section 5.5 Hazardous Materials.

(a) Covenants.

(1) No Hazardous Materials Activities. Developer hereby represents and warrants to the City that, at all times from and after the Closing Date, Developer shall not cause or permit any portion of the Property or the Improvements thereon to be used as a site for the use, generation, manufacture, storage, treatment, release, discharge, disposal, transportation or presence of any Hazardous Materials except for Hazardous Materials typically used in the construction and operation of the Development in compliance with Hazard Material Laws.

(2) Hazardous Materials Laws. Developer hereby represents and warrants to the City that, at all times from and after the Closing Date, Developer shall comply and cause the Property and the Improvements thereon, to comply with all applicable Hazardous Materials Laws.

(3) Notices. Developer hereby represents and warrants to the City that, at all times from and after the Closing Date, Developer shall immediately notify the City in writing of: (A) the discovery of any Hazardous Materials on or under the Property, particularly associated with the discovery or any new release of Hazardous Materials on or under the Property except for Hazardous Materials typically used in the construction and operation of the Development in compliance with Hazard Material Laws.; (B)reserved;; (C) any knowledge by Developer that the Property does not comply with any Hazardous Materials Laws; (D) any directives, corrective action orders, requests, claims or actions pending or threatened against Developer, the Property, the Improvements thereon, or the City by any Governmental Authorities or any third-party or entity relating to Hazardous Materials or pursuant to any Hazardous Materials Laws, or arising from claims of nuisance, or damage to property or personal injury relating to Hazardous Materials associated with the Property or the Improvements thereon (collectively “Hazardous Materials Claims”).

(4) Remedial Action. In response to the presence of any Hazardous Materials on, under or about the Property, or migrating from the Property, Developer shall immediately take, at Developer’s sole expense, all action to assess, investigate, remedy or remove the Hazardous Material, or take any action required by any Hazardous Materials

Laws or to comply with any directives, or corrective action orders, requests, from any Governmental Authority, or to comply with any judgment, consent decree, settlement or compromise with respect to any Hazardous Materials Claims.

(b) Indemnity. At all times from and after the Closing Date, Developer shall indemnify, defend, and hold the City Indemnitees, harmless from and against any and all losses, costs, claims, damages, liability, and judgments, including reasonable attorney's fees, with the counsel of City's choice, and costs incurred to hire environmental consultants incurred by or asserted against any Indemnified Party in connection with, arising out of, in response to, or in any manner relating to the violation of any Hazardous Materials Law, any Release, or threatened Release of Hazardous Materials, any condition of pollution, contamination or Hazardous Materials-related nuisance on, under or from the Property occurring after the Closing Date due to Developer's operations, or arising out of or in response to any Hazardous Materials Claims except as directly caused by the City's willful misconduct or gross negligence. Developer shall have no obligation to indemnify the City for any pre-existing Hazardous Materials present on, under, or from the Property prior to the Closing Date. This obligation to indemnify and defend the City Indemnitees contained in this shall survive termination of this Agreement.

At all times from and after the Closing Date, the City shall indemnify, defend, and hold the Developer, harmless from and against any and all losses, costs, claims, damages, liability, and judgments, including reasonable attorney's fees, with the counsel of Developer's choice, and costs incurred to hire environmental consultants incurred by or asserted against the Developer in connection with, arising out of, in response to, or in any manner relating to the violation of any Hazardous Materials Law, any Release, or threatened Release of Hazardous Materials, any condition of pollution, contamination or Hazardous Materials-related nuisance on, under or from the Adjacent Parcel, or arising out of or in response to any Hazardous Materials Claims. This obligation to indemnify and defend the Developer contained in this shall survive termination of this DDA.

(c) No Limitation. Developer hereby acknowledges and agrees that Developer's duties, obligations and liabilities under this Agreement, including, without limitation, under subsection (b) above, are in no way limited or otherwise affected by any information the City may have concerning the Development and/or the presence within the Development of any Hazardous Materials, whether the City obtained such information from Developer or from its own investigations.

Section 5.6 Insurance Requirements.

(a) Builders Risk. Until final completion of construction of the Improvements, the construction is at the risk of Developer. Developer shall (or shall cause its general contractor to) purchase and maintain Builders Risk insurance upon the work at the site to the full insurable value until completion of construction of the Improvements. Said insurance will insure against the perils customarily insured against in such Builders Risk policies, including flood (if the Development is located within the 100-year flood plain) for physical loss and damage. The insurance shall include damages, losses and expenses arising out of or resulting from any insured loss or incurred in the repair or replacement of any insured property.

(b) Property Insurance. Following completion of construction, Developer shall, at all times, maintain Cause of Loss – Special Form property insurance upon any buildings and facilities, including any permanent additions and improvements thereto, of which the Property form a part, in an amount equal to the full replacement cost thereof or with lesser limits as agreed by both City and Developer. Such insurance shall contain an agreed valuation provision in lieu of any co-insurance clause, an ordinance and law endorsement, debris removal coverage, business interruption coverage, extra expense coverage and a waiver of subrogation endorsement. Any and all payments from said policies or certificates of insurance, indemnity bonds and similar securities shall be made payable to and deposited with Developer or as required by its mortgagee(s). Further, and to the extent commercially available, all such policies shall contain a provision whereby the same cannot be canceled or modified unless City is given at least thirty (30) Days prior written notice of such cancellation or modification. Developer shall be responsible for the insurance premium and any deductible.

(c) Liability. Developer shall maintain, with financially sound and reputable insurers (see below), commercial general liability insurance written on an “occurrence” policy form with coverage at least as broad as ISO CGL form CG 0001, including contractual liability, against claims for bodily injury, property damage, and personal injury occurring on or about the Property or in any way relating to or arising out of Developer’s use or occupancy of the Property with minimum limits as provided in the Ground Lease, which amount shall be consistent with commercially reasonable insurance standards but in no event shall be less than the Minimum Coverage Amount set forth in the Ground Lease. Developer shall be named as an additional insured with coverage at least as broad as form ISO CG 2026 – Designated Person or Organization, without modification, affording coverage regardless of the additional insureds’ sole or concurrent negligence. Such insurance shall be endorsed to provide that the insurance shall be primary to and not contributory to any similar insurance carried by City and shall contain a severability of interest or cross liability clause.

(d) Business Interruption Insurance. Developer shall maintain business interruption insurance through the Term of the Ground Lease. Coverage will include payment to the City of the amount of annual Rent then payable to City for a period of at least six (6) months.

(e) Miscellaneous.

(1) Insurance Carrier Requirements. Developer’s insurance carrier(s), for all insurance referenced in the Ground Lease, shall be a reputable insurance company licensed to do business in the State of Washington. Developer’s insurance carrier(s) shall have a minimum A-VIII rating as determined by the then current edition of Best’s Insurance Reports published by A.M. Best Co.

(2) Certificates of Insurance. To establish that Developer’s insurance obligations have been met, Developer shall provide City with certificates of insurance prior to or at the Lease Term Commencement Date and renewals thereof prior to expiration of existing policies. Certificates of insurance shall have a copy of additional insured endorsement in favor of Lessor attached and, to the extent commercially available, provide that the policies are not subject to cancellation or material change without at least thirty

(30) Days advance written notice to City.

(3) Umbrella or Blanket Coverage. Developer shall be entitled to provide insurance coverage which it is obligated to carry pursuant to the terms of the Ground Lease under a blanket or umbrella insurance policy.

(4) Workers Comp and Employers Liability. At all times that Developer directly retains employees, Developer shall provide workers' compensation coverage, pursuant to statutory requirements. Developer further agrees to maintain Employers Liability Act ("ELA") or Stop Gap coverage as required by law of at least the Minimum Coverage Amount set forth in the Ground Lease.

(5) Automobile Liability. At all times that Developer owns at least one automobile, Developer shall provide Automobile Liability insurance with coverage at least as broad as Business Automobile Liability ISO form CA 0001, covering all owned, non-owned and hired automobiles brought on the Property, with coverage of at least the Minimum Coverage Amount set forth in the Ground Lease.

(6) Waiver of Subrogation. Notwithstanding anything in this Agreement to the contrary, neither party, nor its Related Parties is, nor, in case of Agreement, its assignees, shall be liable to the other party or to any insurance company (by way of subrogation or otherwise) insuring the other party, for any loss or damage to any building, structure or other property (whether real or personal) arising from any cause that (i) would be insured against under the terms of any property insurance required to be carried hereunder (or, with respect to City, which a reasonably prudent owner of real property similar in size, type, use, location, and quality as the Property would carry), or (ii) is insured against under the terms of any property insurance actually carried, regardless of whether the same is required hereunder, even though such loss or damage might have been occasioned by the negligence of such party or its Related Parties. Each party shall notify their respective insurance companies of this waiver of any rights of subrogation that such companies may have against Lessor or Lessee, as the case may be and shall obtain any necessary endorsement to avoid such waiver's invalidating the policy in whole or in part. Further, neither party nor the Related Parties shall be liable for: (1) any such damage caused by other lessees or persons in, upon or about the Property, or caused by operations in construction of any private, public or quasi-public work; or (2) consequential damages, including lost profits, of either party or any person claiming through or under Developer or City as applicable.

(7) Failure to Maintain. City shall have the right to force place any insurance required to be maintained by Developer hereunder if Developer fails to obtain same within thirty (30) Days of receipt of written notice of such failure, and the costs of such force placed insurance shall be an Additional Charge.

(f) City Insurance. City shall maintain in effect at all times insurance coverage consistent with the coverage customarily carried by ground lessors of property comparable in size, type, quality and location as the Property, including but not limited to (1) commercial general

liability insurance with limits of no less than Ten Million and 00/100 Dollars (\$10,000,000) per occurrence and annual aggregate, which may be comprised of both primary and excess layers, and (2) pollution liability insurance with limits of not less than One Million and 00/100 Dollars (\$1,000,000.00) per claim and Two Million and 00/100 Dollars (\$2,000,000.00) aggregate. Such insurance carriers shall have an A.M. Best rating of not less than “A-” and Financial Size Category Rating of not less than “VIII” according to the latest edition of Best’s Key Rating Guide. Notwithstanding the foregoing, City self-insures consistent with the parameters set forth in Schedule 5.6. So long as City complies with Schedule 5.6, City shall be deemed to comply with this section.

Section 5.7 Audits.

Upon five (5) business days’ prior written notice from the City, the Developer shall make available for examination at reasonable intervals and during normal business hours to the City all books, accounts, reports, files, and other papers or property with respect to all matters covered by this Agreement, and shall permit the City to audit, examine, and make excerpts or transcripts from such records. The City may make audits of any conditions relating to this Agreement. The City agrees to treat information obtained from the Developer during any audit with confidentiality, subject to the City’s legal obligations including under the Public Records Act. Disclosure of information by the City shall not be prohibited if that disclosure is of information that is or becomes a matter of public record or public knowledge as a result of the closing of the transaction or from sources other than the City or its agents, employees, contractors, consultants or attorneys.

ARTICLE 6. RESTRICTIONS ON ASSIGNMENT

Section 6.1 Permitted Assignment.

Developer is permitted to partially or wholly assign this Agreement, and the rights of Developer in connection therewith to a “Developer’s Affiliate” without the prior written consent of City, provided that Developer shall be afforded no consideration for such assignment and provided that Developer delivers written notice no later than ten (10) days prior to the effective date of such assignment, which notice shall provide reasonable evidence to City that the assignee is a “Developer Affiliate” as defined herein. For purposes of this section, “Developer’s Affiliate” means (a) any entity that directly or indirectly controls, is controlled by, or is under common control with Developer; or (b) any entity at least a majority of whose economic interest is owned by Developer, with the term “control” meaning the power to direct the day-to-day management of such entity through voting rights, ownership, or contractual obligations.

Section 6.2 Prohibited Assignment.

Except as otherwise provided in this Article, Developer, shall not assign its rights under this Agreement without the prior written consent of City, which consent may be granted, denied or conditioned in City’s sole and absolute discretion. Notwithstanding the foregoing, no assignment or transfer shall relieve the assigning Party from its obligations under this Agreement unless expressly agreed to in writing by City.

ARTICLE 7.
DEFAULT AND REMEDIES

Section 7.1 General Applicability.

The provisions of this Article shall govern the Parties' remedies for breach or failure of this Agreement.

Section 7.2 No Fault of Parties Prior to Closing.

(a) Developer, despite good faith and diligent efforts, is unable to satisfy all of the conditions precedent to the City's obligation to ground lease the Property as set forth in Article 2 by the dates set forth in the Schedule of Performance.

(b) At the election of either party, this Agreement may be terminated by written notice to the other party. After termination, neither party shall have any rights against or liability to the other under this Agreement, except that the waiver and indemnification provisions of this Agreement that recite that they survive termination of the Term or of this Agreement shall survive such termination and remain in full force and effect.

(c) If Developer fails to secure funding by the date set forth in the Schedule of Performance the parties can agree to either extend the performance milestone dates in the Schedule of Performance allowing the Developer to secure funding through another funding cycle or can agree to terminate this Agreement. If the parties agree to the former, the Developer is awarded one more funding cycle for a total of two funding rounds to satisfy Section 2.4. If Developer fails to satisfy Section 2.4 on a second attempt, this Agreement may be terminated at the election of either party by written notice to the other party.

Section 7.3 Fault of City.

(a) Except as to events constituting a basis for termination under Section 7.2, the following events each constitute a City Event of Default (subject to any applicable notice and cure period) and a basis for Developer to take action against the City:

(1) The City, without good cause, fails to ground lease the Property to Developer within the time and in the manner set forth in this Agreement and Developer is otherwise entitled by this Agreement to such transaction; or

(2) The City breaches any other material provision of this Agreement.

(b) Upon the happening of any of the above-described events, Developer shall first notify the City in writing of its purported breach or failure, giving the City forty-five (45) days from receipt of such notice to cure or, if cure cannot be accomplished within forty-five (45) days, to commence to cure such breach, failure, or act. In the event the City does not then so cure within said forty-five (45) days, or if the breach or failure is of such a nature that it cannot be cured within

forty-five (45) days, the City fails to commence to cure within such forty-five (45) days and thereafter diligently complete such cure within a reasonable time thereafter but in no event later than one hundred twenty (120) days, then Developer shall be afforded the following exclusive remedies and shall be entitled to a return of the Deposit:

- (1) Terminating in writing this Agreement, however, that the waiver and indemnification provisions of this Agreement that recite that they survive termination of the Term or of this Agreement shall survive such termination and remain in full force and effect; or
- (2) Prosecuting an action for specific performance

Notwithstanding anything to the contrary set forth in this Agreement:

(i) If all conditions precedent to the City's obligation to enter into the Ground Lease under Article 2 have been waived or satisfied, and the City, despite its good faith efforts and for reasons beyond its reasonable control, is unable to ground lease the Property to Developer, then, in lieu of any other remedies, the Developer shall be entitled to reimbursement from the City of its reasonable, documented, out-of-pocket costs and expenses directly incurred in connection with the Development, including without limitation permitting fees, application fees, design fees, and consultant costs associated with the design and permitting of the Development, to the extent actually paid by Developer prior to termination.

(ii) If all such conditions have been waived or satisfied and the City, without good cause, willfully fails to ground lease the Property to Developer, then Developer may pursue any remedies available at law or in equity, including an award of monetary damages.

Section 7.4 Fault of Developer.

(a) Except as to events constituting a basis for termination under Section 7.2, the following events each constitute an Event of Default (subject to any applicable notice and cure period) and a basis for the City to take action against Developer:

- (1) Developer fails to exercise good faith and diligent efforts to satisfy, within the time set forth in the Schedule of Performance and in the manner set forth in Article 2 one or more of the conditions precedent to the City's obligation to ground lease the Property to Developer pursuant to this Agreement; or
- (2) Developer has satisfied all preconditions set forth in this Agreement to commencement of construction of the Improvements by the Closing Date but refuses to close on the Ground Lease within the time periods and under the terms set forth in Article 3; or
- (3) Developer constructs or attempts to construct the Improvements in

violation of Article 4; or

(4) Developer upon execution of a Ground Lease abandons or suspends construction of the Improvements prior to completion of all construction for a period of sixty (60) days after written notice by the City of such abandonment or suspension; or forth in Article 4; or

(5) Developer fails to substantially comply with any obligation or requirement set forth in this Agreement; or

(6) A transfer or assignment of this Agreement or the rights of Developer in connection therewith occurs, either voluntarily or involuntarily, in violation of Article 6;

(7) Any representation or warranty contained in this Agreement (including those listed in Section 8.18) or in any application, financial statement, certificate or report submitted to the City in connection with this Agreement proves to have been incorrect in any material and adverse respect when made; or

(8) A court having jurisdiction shall have made or entered any decree or order: (i) adjudging Developer to be bankrupt or insolvent; (ii) approving as properly filed petition seeking its reorganization of Developer or seeking any arrangement for Developer under the bankruptcy law or any other applicable debtor's relief law or statute of the United States or any state or other jurisdiction; (iii) appointing a receiver, trustee, liquidator, or assignee of Developer in bankruptcy or insolvency or for any of their properties; or (iv) directing the winding up or liquidation of Developer, if any such decree or order described in clauses (i) to (iv), inclusive, shall have continued unstayed or undischarged for a period of ninety (90) days unless a lesser time period is permitted for cure under any other mortgage on the Property, in which event such lesser time period will apply under this subsection (9) as well; or Developer has admitted in writing its inability to pay its debts as they fall due or shall have voluntarily submitted to or filed a petition seeking any decree or order of the nature described in clauses (i) to (iv), inclusive; or

(9) Developer shall have been dissolved or shall have voluntarily suspended its business; or

(10) Developer breaches any other material provision of this Agreement and any applicable cure period for such breach shall have expired.

(b) Upon the happening of any of the above-described events, the City shall first notify Developer in writing of its purported breach, failure or act above described, giving Developer in writing forty-five (45) days from receipt of such notice to cure, or, if cure cannot be accomplished within said forty-five (45) days, to commence to cure such breach, failure, or act. In the event Developer fails to cure within said forty-five (45) days, or if such breach is of a nature that it cannot be cured within forty-five (45) days, Developer fails to commence to cure within said forty-five (45) days and diligently complete such cure within a reasonable time thereafter but in no event

later than one hundred twenty (120) days, then the City shall be afforded all of its rights at law or in equity, including an award of monetary damages, and the right to exercise any or all of the following remedies:

(1) Termination of this Agreement by written notice to Developer; provided, however, that the City's remedies pursuant to this Article 7 or any other City Document and the waiver and indemnification provisions of this Agreement that recite that they survive termination of the Term or of this Agreement shall survive such termination and remain in full force and effect;

(2) Prosecuting an action for damages or specific performance; and

(3) If the uncured default occurs prior to the issuance of a Certificate of Occupancy for the Improvements, exercising the City's rights under the Construction Bonds; it being understood that the remedies secured by the Construction Bonds will automatically terminate after the issuance of a Certificate of Occupancy for the Improvements.

Section 7.9 Remedies Cumulative.

No right, power, or remedy given by the terms of this Agreement is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy shall be cumulative and in addition to every other right, power, or remedy given by the terms of any such instrument, or by any statute or otherwise. Neither the failure nor any delay to exercise any such rights and remedies shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise of such right or remedy, or any other right or remedy.

Section 7.10 Waiver of Terms and Conditions.

No waiver of any default or breach by Developer hereunder shall be implied from any omission by the City to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver, and such waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by the City to or of any act by Developer requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act. The exercise of any right, power, or remedy shall in no event constitute a cure or a waiver of any default under this Agreement nor shall it invalidate any act done pursuant to notice of default, or prejudice the City in the exercise of any right, power, or remedy hereunder or under this Agreement, unless in the exercise of any such right, power, or remedy all obligations of Developer to City are paid and discharged in full.

Section 7.11 Assignment of Plans.

If this Agreement is terminated pursuant to Section 7.2 or Section 7.4, and City requests copies of plans, specifications and/or third party reports obtained in connection with the Development, (collectively, the “Section 7.11 Documents”), Developer shall promptly deliver to the City, within ten (10) days of City’s request, copies the requested Section 7.11 Documents but only upon full reimbursement by the City of the costs incurred by Developer in connection with the preparation, acquisition, and development of the requested Section 7.11 Documents. To the maximum extent permitted under such documents or any applicable security instrument, the delivery of the Section 7.11 Documents shall be accompanied by an assignment in a the form of an assignment agreement approved by the City, of Developer’s right, title and interest in the Section 7.11 Documents; provided however, that that such documents shall be delivered strictly on an “AS-IS” basis, without representation or warranty of any kind, express or implied, as to their accuracy, completeness, validity, quality, or fitness for any particular purpose and any use of the Section 7.11 Documents by the City or any other person shall be without liability of any kind to Developer, its consultants or its employees as to the quality, validity, or usability of the Section 7.11 Documents. The City acknowledges and accepts the form CAD/BIM electronic file transfer agreements provided by the Architect and Civil Engineer, copies of which are attached as Schedule 7.11 (“Assignment of Plans Agreements”). The Parties agree to execute such forms or substantially similar documents at the time of file exchange, and to comply with the usage and indemnity conditions set forth therein.

Section 7.12 No Consequential Damages.

Notwithstanding anything to the contrary elsewhere in this agreement or provided for under any applicable law, neither City or Developer shall, in any event, be liable to the other party, either in contract, tort or otherwise, for any consequential, incidental, indirect, special or punitive damages from such other person, including loss of future revenue, income or profits, diminution of value or loss of business reputation or opportunity relating to the default or alleged breach hereof, whether or not the possibility of such damages has been disclosed to the other party in advance or could have been reasonably foreseen by such other party.

ARTICLE 8.
GENERAL PROVISIONS

Section 8.1 Notices, Demands and Communications.

Formal notices, demands, and communications between the City and Developer shall be sufficiently given if and shall not be deemed given unless dispatched by registered or certified mail/return receipt, or delivered personally, to the principal offices of the City and Developer as follows:

CITY:

City of Vancouver
PO Box 1995
Vancouver, WA 98668-1995
ATTN: Patrick Quinton, Economic Prosperity & Housing Director
Email: Patrick.Quinton@cityofvancouver.us

WITH A COPY TO:
City of Vancouver
PO Box 1995
Vancouver, WA 98668-1995
ATTN: Becky Rude, Deputy City Attorney
Email: Becky.Rude@cityofvancouver.us

DEVELOPER:

Vancouver Heights Family Development Co., LLC
208 SW 1st Avenue, Suite 240
Portland, OR 97204
ATTN: Stef Kondor
Email: SKondor@related.com

WITH A COPY TO:

Such written notices, demands and communications may be sent in the same manner to such other addresses as the affected party may from time to time designate by mail as provided in this Section 8.1. No party shall evade or refuse delivery of any notice.

Section 8.2 No Personal Liability.

No member, official, employee or agent of the City shall be personally liable to Developer, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to Developer or successor or on any obligation under the terms of this Agreement.

No partner, director, employee or agent of the Developer shall be personally liable to City, or any successor in interest, in the event of any default or breach by the Developer or for any amount which may become due to City or successor or on any obligation under the terms of this Agreement.

Section 8.3 Conflict of Interest.

No member, official, employee or agent of the City shall make any decision relating to this Agreement which affects their personal interests or the interest of any corporation, partnership, association in which they are directly or indirectly interested in.

Section 8.4 Enforced Delay.

In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; protests, strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of god; acts of the public enemy; epidemics or pandemics; quarantine restrictions; freight embargoes; governmental restrictions or priority; litigation (including suits filed by third parties concerning or arising out of this Agreement); weather or soils conditions which, in the opinion of Developer's contractor, will necessitate delays; inability to secure necessary labor, materials or tools; acts of the other party; acts or failure to act of any public or governmental agency or entity (other than the acts or failure to act of the City); or any other causes (other than Developer's inability to obtain financing for the Improvements) beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time for any cause will be deemed granted if notice by the party claiming such extension is sent to the other within fifteen (15) days from the date the party seeking the extension first discovered the cause and such extension of time is not rejected in writing by the other party within fifteen (15) days of receipt of the notice. Times of performance under this Agreement may also be extended in writing by the City and Developer. In no event shall the cumulative delays exceed one hundred eighty (180) days, unless otherwise agreed to by the Parties in writing.

Section 8.5 Inspection of Books and Records.

Upon request, Developer shall permit the City to inspect at reasonable times during business hours and on a confidential basis those books, records and all other documents of Developer necessary to determine Developer's compliance with the terms of this Agreement. Developer also has the right at all reasonable times during business hours to inspect the public books, records and all other documentation of the City pertaining to its obligations under this Agreement.

Section 8.6 Title of Parts and Sections.

Any titles of the articles, sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any part of its provision.

Section 8.7 General Indemnification.

Each Party (the "Indemnifying Party") agrees to indemnify, protect, hold harmless and defend (by counsel reasonably satisfactory to the other Party) the Other Party (the "Indemnified Party") from all suits, actions, claims, causes of action, administrative proceedings, arbitrations, enforcement actions, costs, demands, judgments and liens arising out of Indemnifying Party's performance or non-performance under this Agreement, or any other agreement executed pursuant to this Agreement, or arising out of acts or omissions of any of Indemnifying Party's contractors, subcontractors, or persons claiming under any of the aforesaid, except to the extent directly caused by the Indemnified Party's willful misconduct or gross negligence or breach of this Agreement. The provisions of this Section shall survive expiration of the Term or other termination of this Agreement and shall remain in full force and effect.

Section 8.8 Applicable Law.

This Agreement shall be interpreted under and pursuant to the laws of the State of Washington.

Section 8.9 Venue.

In the event any legal action is commenced to interpret or to enforce the terms of this Agreement or to collect damages as a result of any breach thereof, the venue for such action shall be the Superior Court of the County of Clark, or where otherwise appropriate, exclusively in the United States District Court, Western District of Washington

Section 8.10 No Brokers.

The City represents that it has not had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any real estate broker or other person who can claim a right to a commission or finder's fee except as agreed to in writing by the City and Developer. Developer represents, warrants, and agrees that it has a real estate broker that Developer is obligated to pay any real estate commission in connection with the transactions contemplated by this Agreement. If any broker or finder makes a claim for a commission or finder's fee based upon a contact, dealings, or communications, Developer shall indemnify, defend with counsel of the City's choice, and hold the City harmless from all expense, loss, damage and claims, including the City's attorneys' fees, if necessary, arising out of the broker's or finder's claim, except as directly caused by the City's willful misconduct or gross negligence. The provisions of this Section shall survive expiration of the Term or other termination of this Agreement and shall remain in full force and effect.

Section 8.11 Severability.

If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

Section 8.12 Binding Upon Successors.

(a) This Agreement shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors in interest and assigns of each of the parties hereto except that there shall be no transfer of any interest by any of the parties hereto except pursuant to the terms of this Agreement. Any reference in this Agreement to a specifically named party shall be deemed to apply to any successor, heir, administrator, executor or assign of such party who has acquired an interest in compliance with the terms of this Agreement, or under law.

(b) The covenants and restrictions set forth in this Agreement shall run with the land and shall bind all successors in title to the Property. However, on the termination of this

Agreement, such covenants and restrictions shall expire. Each and every contract, deed, or other instrument hereafter executed covering any portion of the Property shall be held conclusively to have been executed, delivered, and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed, or other instrument, unless the City expressly releases any portion of the Property from the requirements of this Agreement.

Section 8.13 Independent Parties; No Joint Venture.

Nothing in this Agreement is intended to or does establish the parties as partners, a joint venture, or principal and agent with one another.

Section 8.14 No Third-Party Beneficiaries.

No person or entity other than the City, Developer, and their permitted successors and assigns shall have any right of action under this Agreement

Section 8.15 Time of the Essence.

In all matters under this Agreement, the parties agree that time is of the essence.

Section 8.16 Action by the City.

Except as may be otherwise specifically provided in this Agreement or any another City Documents, whenever any approval, notice, direction, finding, consent, request, waiver, or other action by the City is required or permitted under this Agreement or any other City Documents, such action may be given, made, or taken by the City Manager, or by any person who shall have been designated in writing to Developer by the City Manager, without further approval by the City Council. Any such action shall be in writing in a form approved by the City Attorney.

Section 8.17 Discretion Retained by City.

The City's execution of this Agreement does not constitute approval by the City and in no way limits the discretion of the City in the permit and approval process in connection with development of the Improvements.

Section 8.18 Representations and Warranties.

(a) Developer Representations and Warranties. Developer hereby represents and warrants to the City as follows as of the Effective Date and throughout the Term, unless otherwise specified below:

(1) Organization. Developer is a duly organized, validly existing limited liability partnership, or such other entity approved by the City, and is in good standing under the laws of the State of California and has the power and authority to own its property and carry on its business as now being conducted.

(2) Authority of Developer. Developer has full power and authority to execute and deliver this Agreement, and all other documents and instruments to be executed and delivered, pursuant to this Agreement, and to perform and observe the terms and provisions of all of the above.

(3) Authority of Persons Executing Documents. This Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement have been executed and delivered by persons who are duly authorized to execute and deliver the same for and on behalf of Developer, and all actions required under Developer's organizational documents and applicable governing law for the authorization, execution, delivery and performance of this Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement, have been duly taken.

(4) Valid Binding Agreements. This Agreement and all other documents or instruments which have been executed and delivered pursuant to or in connection with this Agreement constitute or, if not yet executed or delivered, will when so executed and delivered constitute, legal, valid and binding obligations of Developer enforceable against it in accordance with their respective terms.

(5) No Breach of Law or Agreement. Neither the execution nor delivery of this Agreement or of any other documents or instruments executed and delivered, or to be executed or delivered, pursuant to this Agreement, nor the performance of any provision, condition, covenant or other term hereof or thereof, will conflict with or result in a breach of any statute, rule or regulation, or any judgment, decree or order of any court, board, commission or agency whatsoever binding on Developer, or any provision of the organizational documents of Developer, or will conflict with or constitute a breach of or a default under any agreement to which Developer is a party, or will result in the creation or imposition of any lien upon any assets or property of Developer, other than liens permitted or established pursuant hereto.

(6) Compliance with Laws; Consents and Approvals. The construction of the Improvements will comply with all applicable laws, ordinances, rules and regulations of federal, state and local governments and agencies and with all applicable directions, rules and regulations of the fire marshal, health officer, building inspector and other officers of any such government or agency.

(7) Pending Proceedings. Developer is not in default under any law or regulation or under any order of any court, board, commission or agency whatsoever, and there are no claims, actions, suits or proceedings pending or, to the knowledge of Developer, threatened against or affecting Developer, at law or in equity, before or by any court, board, commission or agency whatsoever which might, if determined adversely to Developer, materially affect Developer's ability to develop and operate the Improvements as required under this Agreement.

(8) Financial Statements. The financial statements of Developer and other financial data and information furnished by Developer to the City fairly present the information contained therein. As of the date of this Agreement, there has not been any adverse, material change in the financial condition of Developer from that shown by such financial statements and other data and information.

(9) Sufficient Funds. As of the Closing Date, the Developer will hold sufficient funds or binding commitments for sufficient funds to enter into the Ground Lease and complete the construction of the Improvements on the Property in accordance with this Agreement.

(10) No Reliance on Planned Public Improvements. Developer is entering into this Agreement for the purpose of constructing the Improvements and accessing the Ground Lease and is not relying on the City being required to deliver the Planned Public Improvements as a condition of Developer's performance hereunder. The Infrastructure Improvements Plan allows the Developer to complete the Improvements irrespective of the Planned Public Improvements.

(b) City's Representations and Warranties. City represents and warrants to Developer as follows:

(1) That this Agreement constitutes the valid and binding obligation of City and, upon approval by the Vancouver City Council, is enforceable against City in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting the enforcement of creditors' rights generally and general equitable principles.

(2) City is a Washington first-class charter city, validly formed and duly established as a Washington municipal corporation under the laws of the State of Washington.

(3) Pursuant to approval by the Vancouver City Council, City has full power and authority to enter into and perform this Agreement.

(4) The execution and delivery of this Agreement, delivery of money and all required documents, City's performance of this Agreement and the transaction contemplated hereby have been duly authorized by the requisite action on the part of City.

(5) Neither the execution nor delivery of this Agreement, nor the transaction contemplated by this Agreement will, to City's knowledge, conflict in any material respect or constitute a breach under any agreement or instrument by which City or the Property is bound.

(6) Except as disclosed in writing to Developer at or before Closing on Schedule 8.18(b)(6) (the "Litigation Disclosure") attached hereto, there are no pending actions, suits, arbitrations, claims or proceedings, at law or in equity, including without limitation, any action or proceeding for condemnation, affecting the Property or in which

City is, or, to the best of City's knowledge, will be, a party by reason of City's ownership of the Property.

Section 8.19 Complete Understanding of the Parties.

This Agreement and the attached exhibits constitute the entire understanding and agreement of the parties with respect to the matters set forth in this Agreement.

Section 8.20 Entry by the City.

Developer shall permit the City, through its officers, agents, or employees, at all reasonable times during business hours, and upon at least 48 hours prior written notice to Developer, to enter into the Development: (a) to inspect the work of construction to determine that the same is in conformity with the requirements of this Agreement; and (b) following completion of construction and subject to the rights of tenants under their leases and any applicable landlord tenant laws, including without limitation rights of tenants to receive prior written notice with respect to inspection of residential units, to inspect the ongoing operation and management of the Development to determine that the same is in conformance with the requirements of this Agreement. Developer reserves the right to have a representative of Developer accompany City during any inspection by City. Developer acknowledges that the City is under no obligation to supervise, inspect, or inform Developer of the progress of construction, or operations and Developer shall therefore not rely upon the City for that purpose. Any inspection by the City during the construction is entirely for its purposes in determining whether Developer is in compliance with this Agreement and is not for the purpose of determining or informing Developer of the quality or suitability of construction. Developer shall rely entirely upon its own supervision and inspection in determining the quality and suitability of the materials and work, and the performance of architects, subcontractors, and material suppliers.

Section 8.21 Amendments.

The Parties can amend this Agreement only by means of a writing executed by all Parties.

Section 8.22 Implementation Agreements.

The Parties acknowledge that the provisions of this Agreement require a close degree of cooperation and that new information and future events may demonstrate that changes are appropriate with respect to the details of performance of the Parties under this Agreement. The Parties desire, therefore, to retain a certain degree of flexibility with respect to the details of performance for those items covered in general terms under this Agreement. If and when, from time to time, the Parties find that mutually acceptable refinements or adjustments are desirable, such refinements or adjustments shall be accomplished through operating memoranda or implementation agreements approved by the Parties which, after execution shall be attached to this Agreement as addenda and become a part hereof. Operating memoranda or implementation agreements may be executed on the City's behalf by the City Manager, or the City Manager's designee. In the event a particular subject requires notice or hearing, such notice or hearing shall be appropriately given. Notwithstanding the foregoing, nothing in this Section shall be deemed to

require the City to consider any request by Developer for a waiver of any particular obligation as set forth herein.

Section 8.23 Multiple Originals; Counterparts.

This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

Section 8.24 Force Majeure.

If, after the Effective Date of this Agreement, either Party is prevented or delayed from performing any act or discharging any obligation under this Agreement, excluding any monetary obligations, when and to the extent such failure or delay is caused by or results from acts beyond either Party's reasonable control, including, without limitation, pandemics, epidemics or similar global infection outbreak; fire, flood, earthquake or explosion; strikes or labor disputes; materials or equipment embargoes or blockades; acts of God; war, invasion, or hostile government actions, civil commotion or other casualty; legal actions attacking the validity of this Agreement, the City's authority to develop the Property, or the Developer's occupancy of the Property, or any other similar casualties beyond the reasonable control of the Party affected, except casualties directly or indirectly resulting from the acts or omissions of that Party ("Force Majeure"), the Party impacted shall be excused from performance of the act for the period of the delay, and the period for performance of the act shall be extended for a period equivalent to the period of the delay. If the party claiming excuse or delay of performance by Force Majeure fails to notify the other party and provide appropriate evidence of such qualifying event within thirty (30) days of commencement of the Force Majeure event, that party shall not be exempted from its liability for failure of performance or complete performance, or the necessity of delay in fulfilling its obligations. The party affected by Force Majeure shall make reasonable efforts to reduce the consequences of the Force Majeure and resume the performance of all relevant obligations as soon as possible after the termination of Force Majeure. If the party affected by Force Majeure fails to resume performance of the relevant obligations after the reasons for the temporary exemption from performance of the obligations due to Force Majeure cease, such party shall be liable to the other party in this regard.

[Remainder of Page Intentionally Blank; Signatures Follow]

IN WITNESS WHEREOF, the City and Developer have executed this Agreement in triplicate on or as of the Effective Date.

DEVELOPER:

VANCOUVER HEIGHTS FAMILY HOUSING PARTNERS LIMITED PARTNERSHIP,
a Washington limited liability limited partnership

BY: RELATED/VANCOUVER HEIGHTS FAMILY DEVELOPMENT CO., LLC,
a California limited liability company, its general partner

By: _____
By: Ann Silverberg, President

STATE OF WASHINGTON)
) ss.
County of Clark)

On this ____ day of _____, 2025, before me personally appeared Ann Silverberg, to me known to be the President of the Related Vancouver Heights Family Development Co., LLC, a California limited liability company, as the General Partner of Vancouver Heights Family Housing Partners Limited Partnership, a Washington limited liability limited partnership, which has executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

(Signature of Notary Public)

(Printed Name of Notary Public)

(Place of Residence of Notary Public)

(notary seal or stamp)

My Commission Expires: _____

CITY:

CITY OF VANCOUVER, WASHINGTON,
a Washington municipal corporation

By: _____

By: Lon Pluckhahn, City Manager

ATTEST:

By: _____

By: Natasha Ramras, City Clerk (or Designee)

APPROVED AS TO FORM:

By: _____

By: Nena Cook, City Attorney

STATE OF WASHINGTON)
) ss.
County of Clark)

On this _____ day of _____, 2025, before me personally appeared Lon Pluckhahn, to me known to be the City Manager of the City of Vancouver, a Washington municipal corporation, which has executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

(Signature of Notary Public)

(Printed Name of Notary Public)

(Place of Residence of Notary Public)

(notary seal or stamp)

My Commission Expires: _____

EXHIBIT A-1

MAP OF SITE

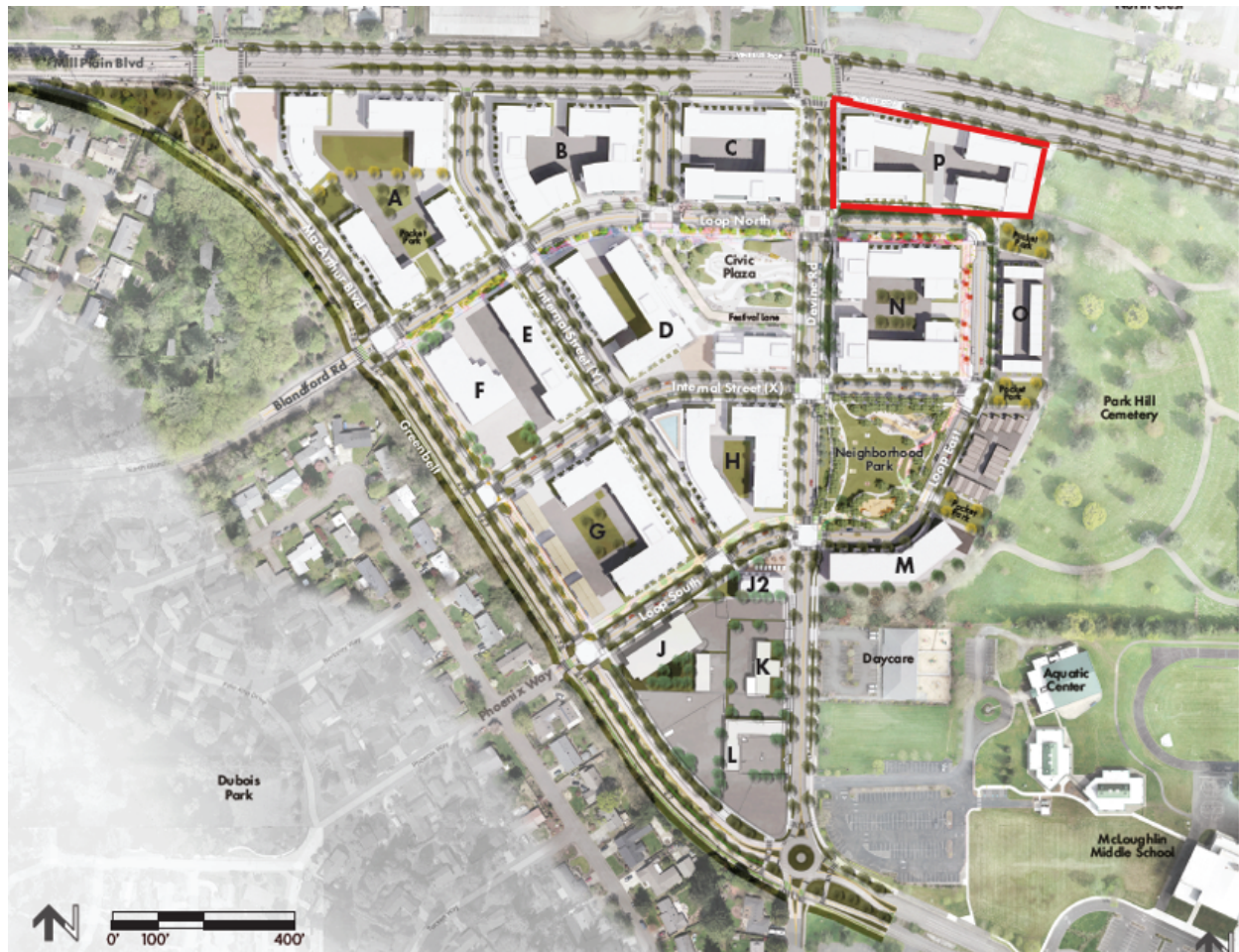


EXHIBIT A-2

LEGAL DESCRIPTION OF THE SITE P

City of Vancouver Property Description
Parcel "P"
Legal Description

Being a portion of that tract of land conveyed to the City of Vancouver as described in Auditor's File Number 5505392, Clark County Deed Records, and being a portion of the John Nye Donation Land Claim located in the Southwest one-quarter of Section 30, Township 2 North, Range 2 East of the Willamette Meridian, City of Vancouver, Clark County, Washington and being more particularly described as follows:

COMMENCING FROM the Northeast corner of Lot 3 of that Short Plat recorded in Book 2, Page 243, Short Plat Records of Clark County, Washington;

Thence North 01°30'02" East, along the westerly right-of-way line of Devine Road, 529.07 feet to a point;

Thence South 88°29'58" East, leaving said Westerly right-of-way line, 60.00 feet to a point on the Westerly line (also being a point on the easterly right-of-way line of Devine Road) of that parcel described in said Auditor's File Number 5505392;

Thence continuing South 88°29'58" East, leaving said Westerly line, 19.50 feet to an angle point on a proposed right-of-way line and the **TRUE POINT OF BEGINNING** of the herein described property;

Thence continuing South 88°29'58" East, along said proposed right-of-way line, 270.00 feet to an angle point;

Thence South 81°31'15" East, continuing along said proposed right-of-way line and its Easterly extension thereof, 155.73 feet to a point on the Easterly line of that parcel described in said Auditor's File Number 5505392;

Thence North 19°54'58" East, along the Easterly line of said parcel, 150.88 feet to a point on a proposed right-of-way line;

Thence North 75°53'25" West, along said proposed right-of-way line (said line being 64.50 feet southerly of when measured parallel with the centerline of E. Mill Plain Boulevard), 185.40 feet to the beginning of an 1868.50 foot radius curve to the left;

Thence continuing along said proposed right-of-way line and the arc of said 1868.50-foot radius curve to the left (said arc being 64.50 feet southerly of when measured parallel with the centerline of E. Mill Plain Boulevard), through a central angle of 08°42'14" (the chord of which

bears North 80°14'32" West, 283.12 feet) an arc distance of 283.39 feet to a point of non-tangency;

Thence South 45°23'00" West, continuing along said proposed right-of-way line, 16.05 feet to an angle point, said point being 19.50 feet Easterly of when measured perpendicular to the Easterly right-of-way line of Devine Road;

Thence South 01°30'02" West, continuing along said proposed right-of-way line (said line being 19.50 feet Easterly of and parallel with the Easterly right-of-way line of Devine Road), 193.80 feet to the **TRUE POINT OF BEGINNING** of the herein described property;

Contains in all 80,172 square feet, more or less.

Together with and/or subject to easements of record as applicable.

See Exhibit Map attached hereto

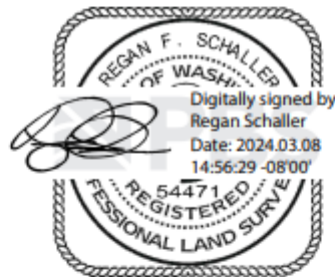


EXHIBIT A-3
DEPICTION OF PROPERTY

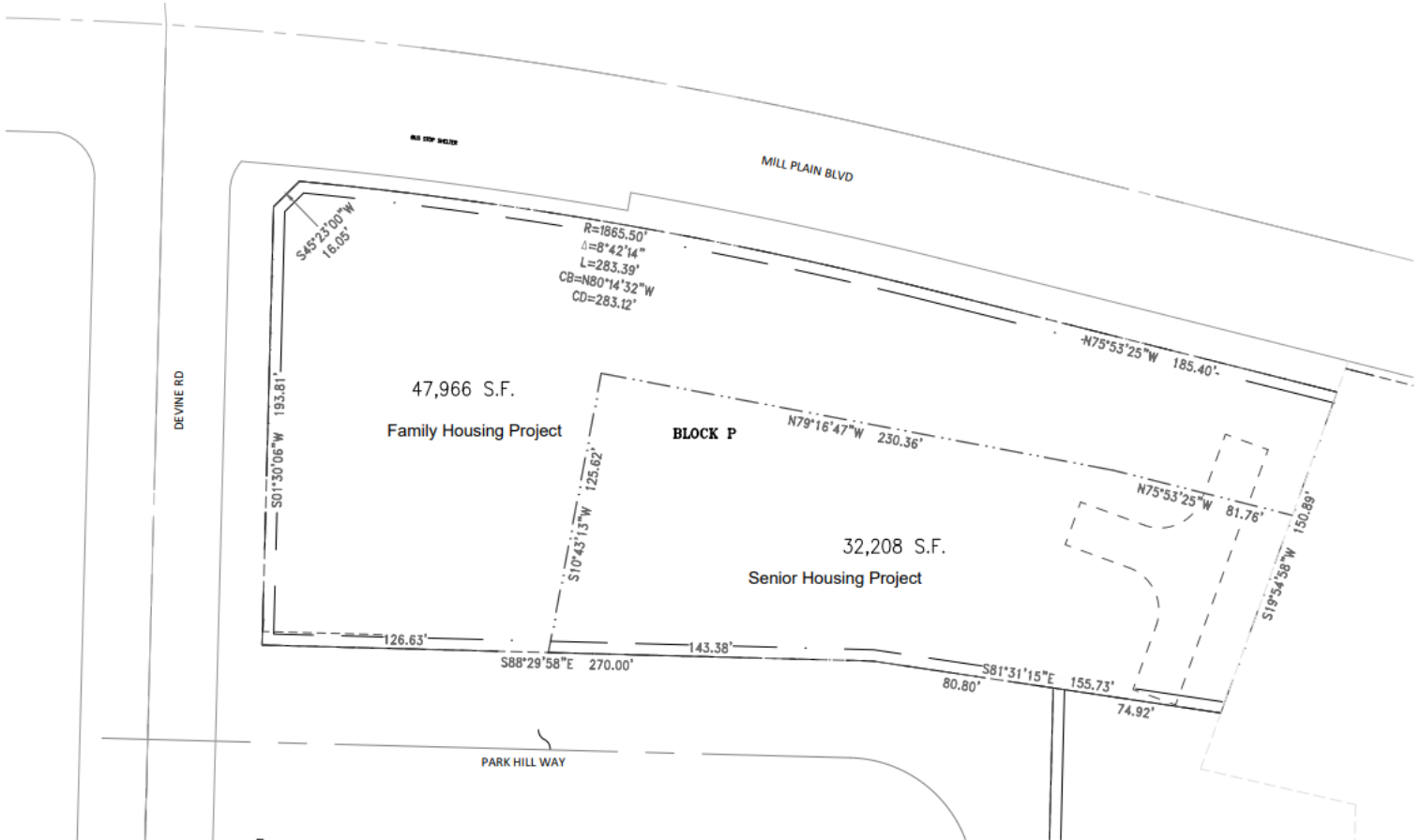


EXHIBIT B

SCHEDULE OF PERFORMANCE¹

Milestone	Date
Land Use Application	By or before June 31, 2026
Land Use Approval	By or before November 30, 2026
Permit Application	By or before December 31, 2026
Permit Approval	By or before May 31, 2027
Award of all funding	By or before March 31, 2027
Closing Date	By or before July 31, 2027
Obtain Construction Bonds	By or before June 30, 2027
Issuance of Certificate of Insurance	By or before June 30, 2027
Plat Recordation	By or before November 30, 2026
Commencement of Construction	By or before July 31, 2027
Completion of Construction	By or before July 31, 2029

¹ Dates can be extended by 12-months pursuant to section 7.2(d).

EXHIBIT C
SUMMARY OF SOURCES AND USES
[TO BE INSERTED]

EXHIBIT D

FORM OF MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Vancouver

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

MEMORANDUM OF LAND DISPOSITION AND DEVELOPMENT AGREEMENT

THIS MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT (the "Memorandum") is made as of [DATE], by and between the City of Vancouver, Washington, a Washington municipal corporation, and [ENTITY NAME] [ENTITY STATE AND TYPE]. The parties entered into that certain Land Disposition and Development Agreement, dated as of [DATE], as such may be amended from time to time (the "Agreement").

The Agreement imposes certain conditions (including but not limited to, construction requirements, operating and use restrictions and covenants, and transfer restrictions) on the real property described in Exhibit A attached hereto and incorporated herein (the "Property"). The Agreement is a public document and may be reviewed at the office of the City Clerk.

This Memorandum shall incorporate herein all of the terms and provisions of the Agreement as though fully set forth herein. This Memorandum is solely for recording purposes, and shall not be construed to alter, modify, amend or supplement the Agreement, of which this is a memorandum.

This Memorandum may be executed in counterparts, each of which shall be deemed an original.

[Remainder of Page Intentionally Blank; Signatures Follow]

IN WITNESS WHEREOF, the parties have caused this Memorandum to be duly executed as of the date first above written.

DEVELOPER:

[ENTITY] [ENTITY STATE AND TYPE],

By: _____
[NAME/TITLE]

CITY:

CITY OF VANCOUVER, WASHINGTON,
a Washington municipal corporation

By: _____
By: Lon Pluckhahn, City Manager

ATTEST:

By: _____
By: Natasha Ramras, City Clerk (or Designee)

APPROVED AS TO FORM (CITY ATTORNEY'S OFFICE:

By: _____
Name: _____
Title: _____

[SIGNATURES MUST BE NOTARIZED]

**MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT
EXHIBIT A – LEGAL DESCRIPTION OF THE PROPERTY**

The land is situated in the City of Vancouver, County of Clark, State of Washington, and is described as follows:

[TO BE INSERTED]

EXHIBIT E

PLANNED PUBLIC IMPROVEMENTS



EXHIBIT F

GRAND LOOP IMPROVEMENTS

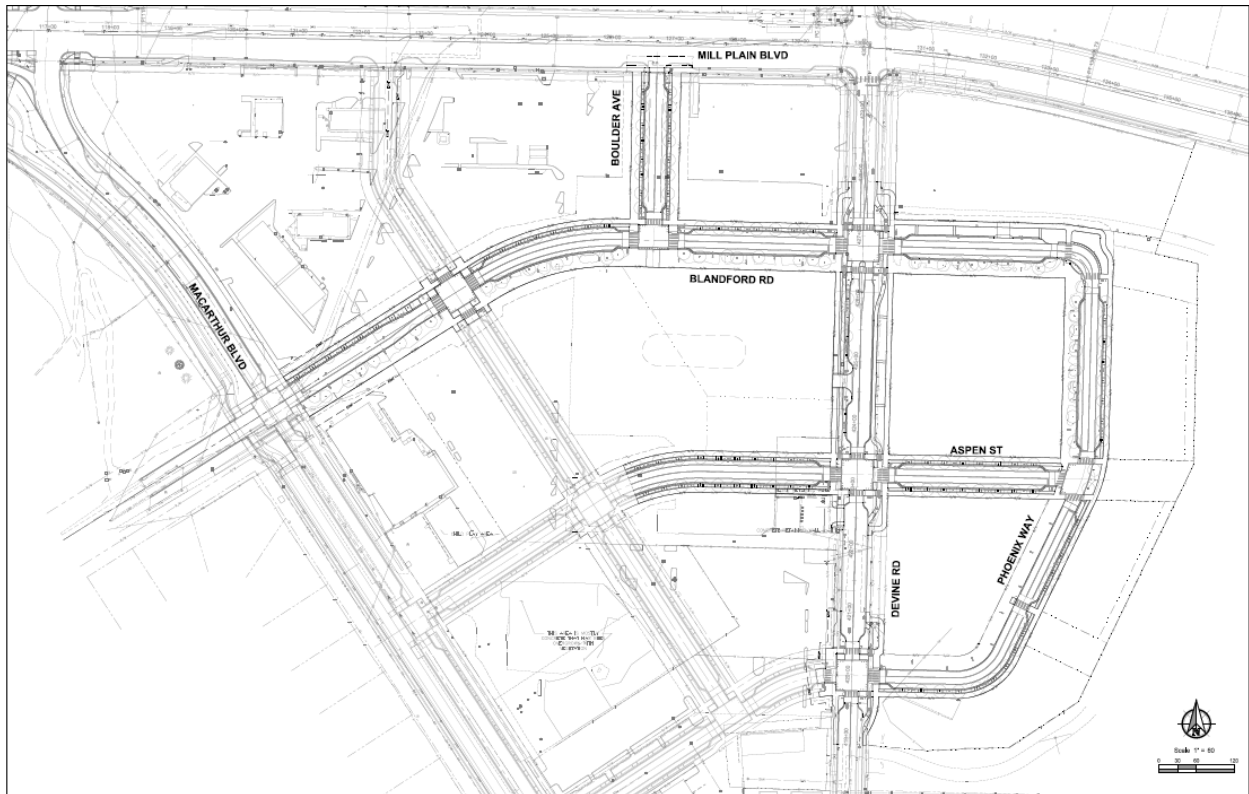


EXHIBIT G-1

INFRASTRUCTURE IMPROVEMENTS PLAN

This Infrastructure Improvements Plan sets forth the conditions and parameters under which Developer is required to undertake the design and construction of certain infrastructure improvements adjacent to and necessary for the development of Site P (“Infrastructure Work”). Subject to securing the federal RAISE grant funding, the City plans to construct the Infrastructure Work on behalf of the Developer to facilitate the development of affordable housing as detailed in Section 4.9(d).

1. Trigger for Implementation.

The City will keep the Developer updated on all progress related to the federal RAISE grant but if by June 1, 2026 the City has not secured the RAISE grant funds and/or uncertainty remains on when the City can complete the Grand Loop improvements the City must provide written notice to the Developer of such and Developer is required to implement this Infrastructure Improvements Plan. If such notice is not provided, or if the City confirms that it will proceed with the Grand Loop on a timeline consistent with the development of Site P, this Infrastructure Improvements Plan shall not apply.

2. Scope of Infrastructure Work.

If the Infrastructure Improvements Plan is implemented, the Developer is responsible for designing and constructing the following Infrastructure Work:

- Installation of wet and dry utility connections, including water, sewer, stormwater, power, and telecommunications, sufficient to serve Site P;
- Full street improvements on Park Hill Way along Site P's boundaries up to the curb on the other side of the street
- Temporary intersection improvements at Devine and Park Hill Way intersection as shown in black cross-hatched in Exhibit G-2.

3. Standard of Completion.

The Infrastructure Work shall be constructed to City standards and subject to City inspection and approval, and need not include decorative or enhanced public realm elements (e.g., decorative lighting, special paving, or complete Grand Loop features).

4. City Support and Coordination.

The City shall coordinate closely with Developer on permitting, inspections, and utility coordination. The City shall provide all necessary rights of entry, permits, and access to public rights-of-way under its control as well as copies of the City's design standards to enable Developer to complete the Infrastructure Work.

5. Reimbursement And Latecomers Agreement

Developer and City will enter into a latecomers agreement to document the reimbursement of Developer's costs associated with the construction of the half street improvements up to the curb on the south side of Park Hill Way adjacent to development block N as shown in red hatched in Exhibit G-2. Developer will be reimbursed for those costs by developer of block N upon development of that site.

6. No Obligation for Enhanced Improvements.

Developer shall not be responsible for the cost or construction of the City's Grand Loop improvements with the enhanced features exceeding the scope outlined in this Exhibit G-1. Any future enhancements desired by the City shall be constructed and funded by the City.

EXHIBIT G-2

DEPICTION OF INFRASTRUCTURE IMPROVEMENTS PLAN

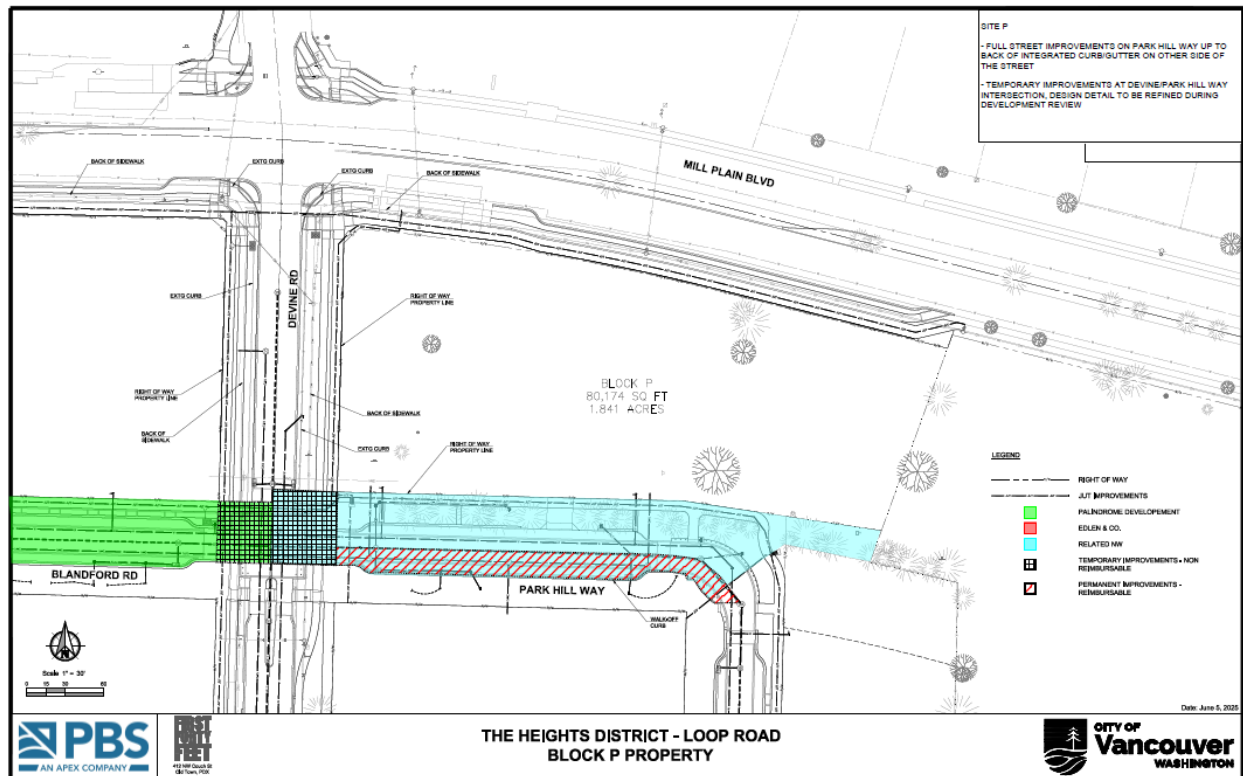


EXHIBIT G-3
FRONTAGE IMPROVEMENTS

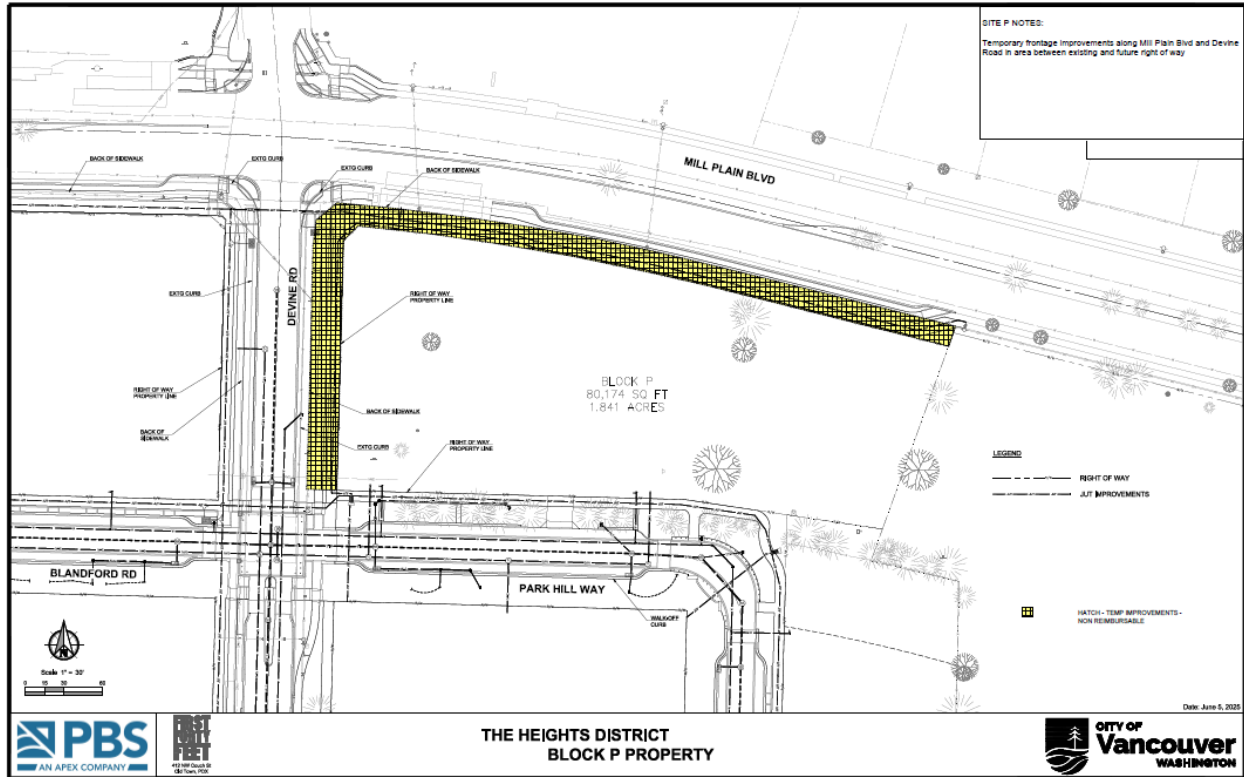
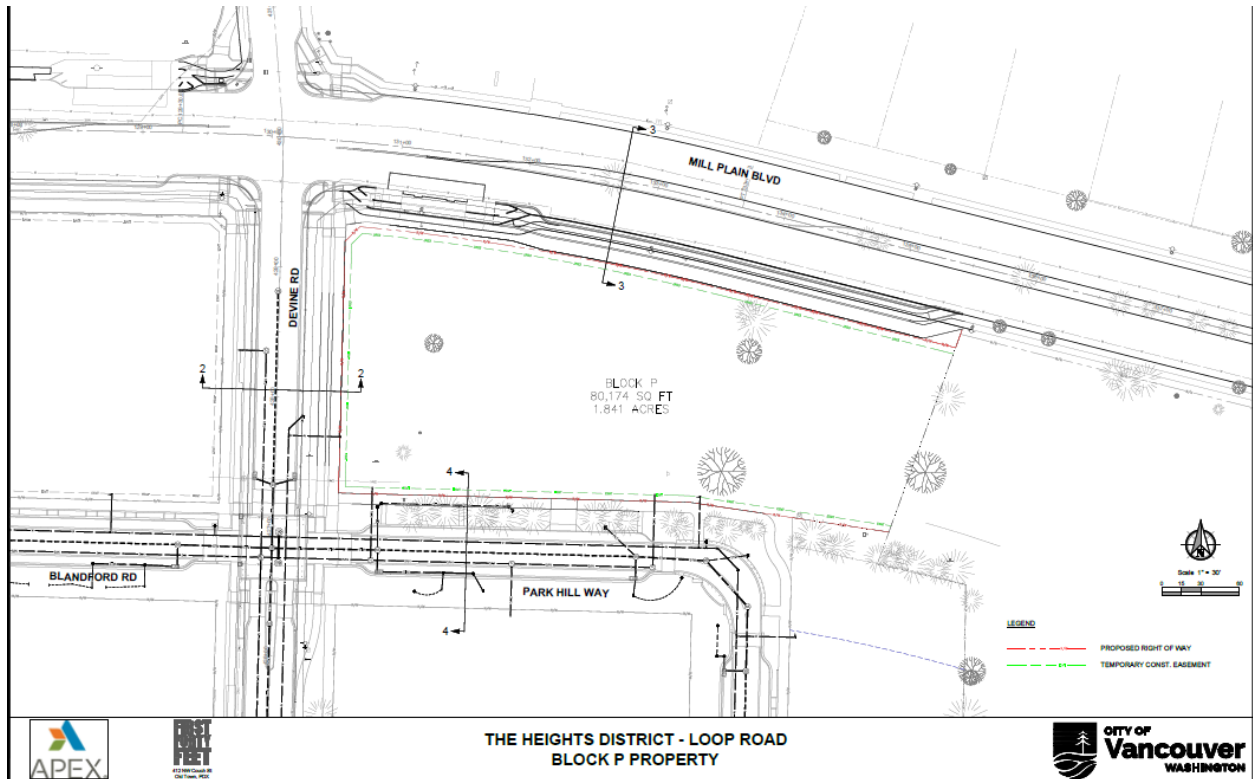


EXHIBIT H

TEMPORARY CONSTRUCTION LICENSE AREA DEPICTION



SCHEDULE 5.6

CITY SELF-INSURANCE CERTIFICATION LETTER



Risk and Safety Department

Re: Certification of Self-Insurance
To Whom It May Concern:

Please allow this letter to confirm the City of Vancouver is currently self-insured up to One Million Dollars (\$1,000,000 SIR) for bodily injury and/or property damage to third parties for accidents stemming from City operations. Additionally, the City purchases excess liability coverage beyond the \$1M SIR totaling Twenty Million Dollars (\$20,000,000). The current policy term is 10/1/2024 through 9/30/2025.

The City of Vancouver also carries an Inland Marine auto policy. Our current policy maintains limited liability of \$10,000,000 for City owned equipment and \$250,000 for leased or rented equipment. Our current auto policy is written by AGCS Marine Insurance Company, policy number MX193045147.

Furthermore, this letter is also to serve as confirmation that the City of Vancouver is currently self-insured up to Two Million Dollars (\$2,000,000 SIR) for Workers' Compensation. Additionally, the City purchases excess Workers' Compensation coverage beyond the \$2M SIR.

If additional information is required, please contact the undersigned at brent.waddle@cityofvancouver.us.

Regards,

A handwritten signature in black ink, appearing to read "Brent Waddle".

Brent Waddle
Risk and Safety Manager

P.O. Box 1995 | Vancouver, WA 98668-1995 | 360-487-8000 | TTY: 711 | cityofvancouver.us

SCHEDULE 7.11

ASSIGNMENT OF PLANS AGREEMENTS

- 7.11.1 Emerio Electronic File Release
- 7.11.2 Ground Workshop CAD Transfer Agreement
- 7.11.3 Hacker Architects CAD/BIM Transfer Agreement

SCHEDULE 8.18(B)(6)

LITIGATION DISCLOSURE

[TO BE UPDATED BY CITY AT CLOSING]

AN AMENDED AND RESTATED ORDINANCE in the public interest relating to construction for the public use of transportation and streets and sidewalks; declaring the public necessity for and providing for the acquisition by the City of Vancouver by eminent domain of certain property and a temporary construction easement, located in the City limits at 5300 MacArthur Boulevard and described herein, required to construct such public street improvements and related facilities within the City of Vancouver, Washington; taking final action to authorize condemnation of such property; authorizing the City Attorney to prosecute eminent domain proceedings and to stipulate in mitigation of damages; providing for payment of just compensation in exchange for such property; and providing for an immediate effective date.

Staff Report: 204-25

To: Mayor and City Council
From: City Manager
Date: October 13, 2025

Subject

Amended and Restated Condemnation Ordinance

Key Points

- City Council adopted Ordinance M-4464 on October 7, 2024 (the Ordinance), authorizing the City to use its statutory eminent domain authority and proceed with a condemnation action to acquire a portion of land and property rights from the parcel located at 5300 MacArthur Blvd to construct a public transportation infrastructure project, known as the Grand Loop in the Heights District.
- The design of the Grand Loop has progressed since the adoption of the Ordinance and the extent of a required temporary construction easement has since been defined.
- The Ordinance needs to be amended to include the temporary construction easement to allow the City to proceed with the condemnation action and lawfully construct the right of way.

Strategic Plan Alignment

Transportation and Mobility – a safe, future-ready and convenient transportation system

Housing and Human Needs – meeting basic needs and partnering with organizations to support the community

Present Situation

The City has completed the design and secured funding for the north and east sections of the Grand Loop, a new multimodal road and linear park that is an extension of North Blandford Drive and Phoenix Way and loops around the Tower Mall Redevelopment Area in the Heights District Plan area. The Grand Loop provides public access and utilities to the development parcels and is a priority piece of public transportation infrastructure to support development and facilitate the implementation of the Heights District Plan.

As evidenced by City Council Resolution M-4222 adopted May 15, 2023, the City Council finds that the Grand Loop project presents a public use, necessity and convenience for the City of Vancouver.

City Council adopted Ordinance M-4464 on October 7, 2024 (the Ordinance), authorizing the City to use its statutory eminent domain authority to acquire a portion of land and property rights from the parcel located at 5300 MacArthur Blvd (Subject Property) to construct the Grand Loop. Despite the City's extensive efforts to reach agreement with the property owner, no agreement has been reached, and the City has filed a condemnation suit. The City continues to advance the condemnation process to acquire the property and property rights by eminent domain, and an amendment to the Ordinance is required to proceed with the legal action. Since the adoption of the Ordinance, the design of the Grand Loop has been refined and the necessity of a temporary construction easement (TCE) has been realized.

A Temporary Construction Easement (TCE) is a standard property right that allows contractors to access private property for construction purposes. It is limited in duration and only remains in effect for the length of the construction period.

In this case, the TCE encompasses approximately 3,925 square feet of land located on both the north and south sides of the Subject Property. All impacts to the Subject Property are limited to those described herein, and property access will be maintained throughout construction.

Any damage to the Subject Property and required mitigation resulting from construction activities will be the City's responsibility and expense.

The property owner will receive compensation from the City for the TCE and any anticipated impacts to the Subject Property. This compensation is based on the land valuation determined by a certified appraiser and in accordance with Washington State Department of Transportation (WSDOT) guidelines.

The City will continue to negotiate in good faith with the Subject Property owner for contractual acquisition of the property and temporary construction easement rights.

Advantage(s)

By adopting the amended condemnation ordinance, this allows the City the option to exercise its statutory eminent domain authority and proceed with the condemnation action to obtain a court order for the City to purchase the property necessary for right-of-way and advance the public transportation infrastructure project to construction.

Challenge(s)

The condemnation ordinance authorizes the City to engage in legal action for property acquisition. The outcome of any legal action cannot be predicted with certainty.

Budget Impact

Compensation consisting of \$402,000 was offered as the purchase price for the land acquisition based on the certified appraisal of the land. Compensation for the TCE is based on the length of time the City needs to access the property during construction in accordance with WSDOT requirements. Therefore, compensation for the TCE would be no more than \$27,475. The City has calculated the total costs for the land acquisition, TCE and associated expenses amount to \$430,225, which is included in the approved project budget for the Heights.

Prior Council Review

- City Council Ordinance M-4464 adopted October 7, 2024

- City Council Resolution M-4222 adopted May 15, 2023
- Council Consent on October 6, 2025

Action Requested

On Monday, October 13, 2025, upon second reading and a public hearing, finalize and approve the ordinance.

Staff Contact

Ryan Lopossa, Streets and Transportation Manager, Amy Stewart, Real Estate Project Manager, Hassan Abdalla, Engineering Manager, ryan.lopossa@cityofvancouver.us, amy.stewart@cityofvancouver.us, hassan.abdalla@cityofvancouver.us

Attachments:

1. Presentation
2. Amended and Restated Condemnation Ordinance
3. Ordinance Exhibit A
4. Ordinance Exhibits B and C
5. Ordinance Exhibit D
6. Property Owner Notice
7. Ordinance M-4464



Amended Condemnation Ordinance

Ryan Lopossa

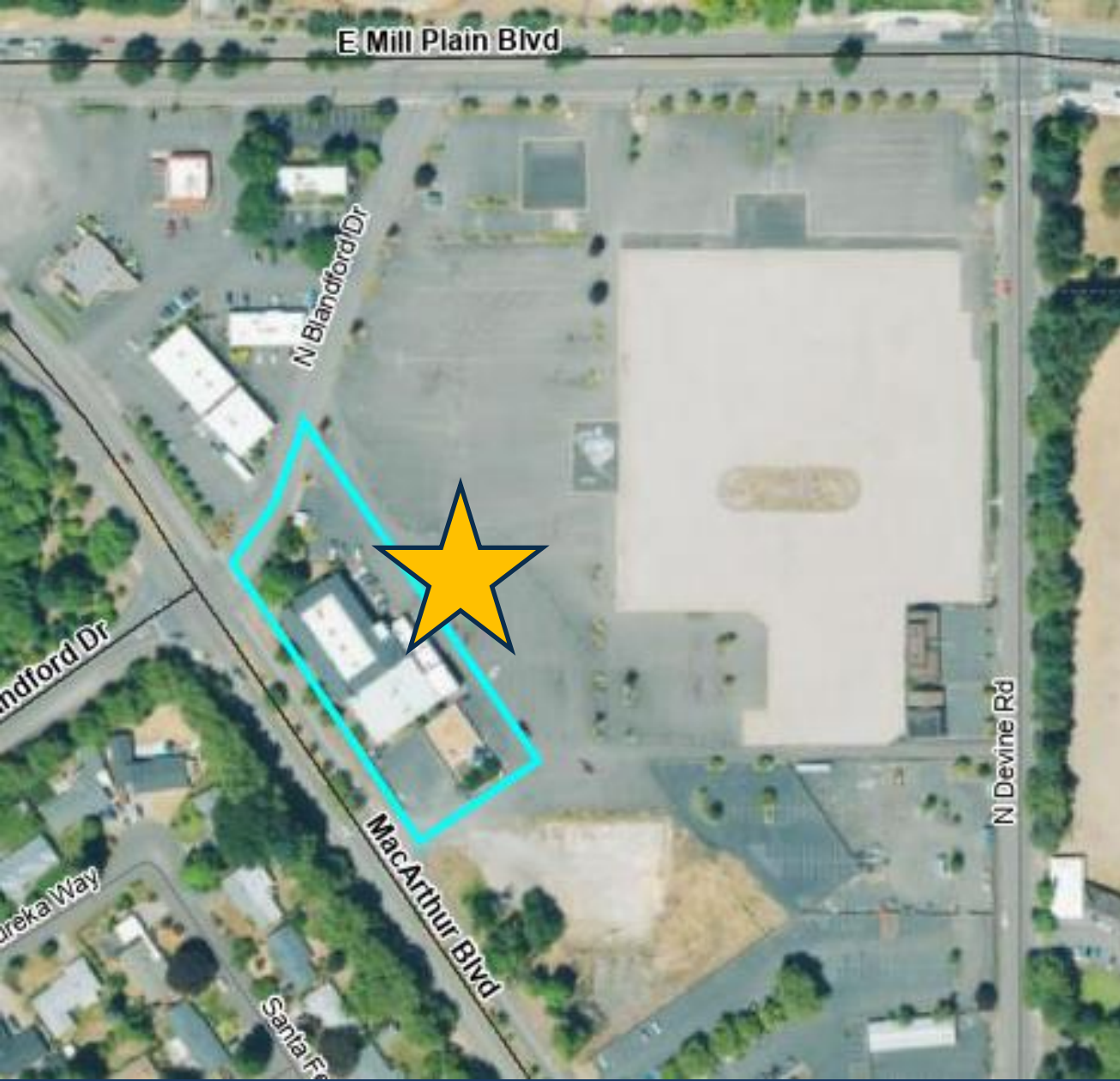
Transportation Manager

October 13, 2025



Agenda

- Key points
- Recap of right of way acquisition needs
- Review negotiations history
- Review amendment to condemnation ordinance
- Next steps
- Q&A

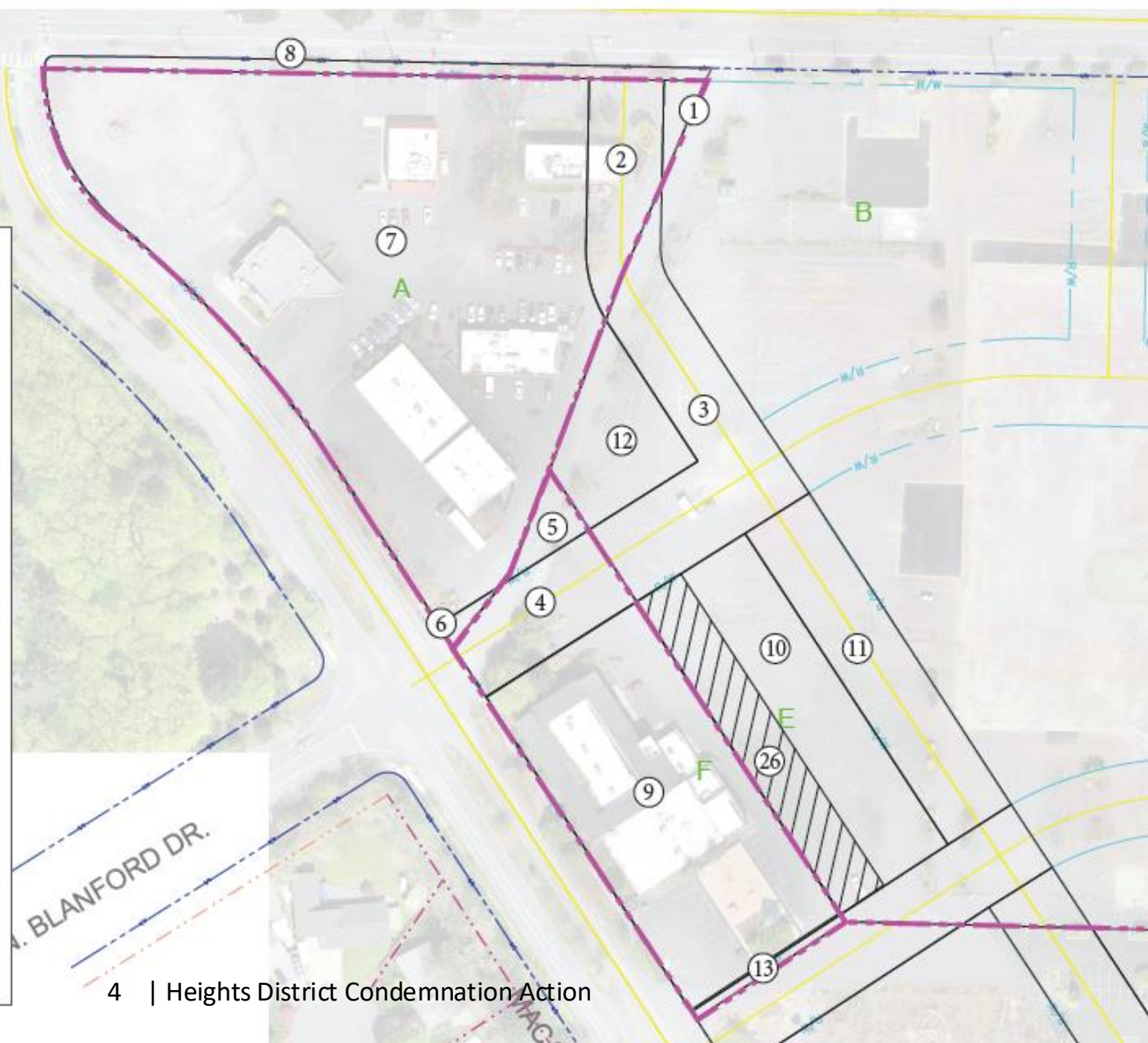


Key Points

- Private property acquisition required for Grand Loop Road construction
- Existing parking easement over former mall property needs to be extinguished to proceed with development
- Council adopted condemnation ordinance 10/7/24
- Grand Loop design defined extent of required Temporary Construction Easement (TCE)
- Condemnation ordinance needs amended to include TCE to exercise City's eminent domain authority

Right of way Acquisition

- Property acquisition includes a total of 15,125 sq ft
- \$402,000 offered as purchase price based on certified appraisal
- Offer includes termination of existing easement and offer of replacement parking easement
- City Council adopted condemnation ordinance 10/7/24



Negotiations History

Fall 2023-Summer 2024	Fall 2024	Winter 2024-Summer 2025	Fall 2025
• City issued offer • Negotiation attempts	• City Council adoption of condemnation ordinance	• Advancement of Grand Loop design • Continued negotiation attempts	• Ordinance amendment • Continue negotiations with property owner





Amendment to Condemnation Ordinance

- Road design advanced since condemnation ordinance adoption
- Extent of required Temporary Construction Easement (TCE) now defined
- Ordinance requires amendment to include TCE



Temporary Construction Easement

TCE is standard property access right for construction purposes

- TCE encompasses 3,925 square feet located on north and south sides of property
- Property owner will be compensated for TCE in addition to land compensation
- TCE included as part of ongoing negotiations with the property owner
- Any damage to property will be repaired at City's expense



Next Steps

City Council	Civil Court	Civil Court
Adopt amended ordinance following a public hearing establishing that property and TCE are required to fulfill a necessary public use	Petition in Clark County Superior Court to establish payment of “just compensation” in exchange for taking property	Obtain judgment fixing compensation and final decree transferring title after payment is made

Continue to negotiate settlement



Action Requested

Approve Amended and Restated Ordinance declaring the public use and necessity for, and requires the acquisition by eminent domain for just compensation of portions of real property, property rights and temporary construction easement located at 5300 MacArthur Blvd to construct street improvements; and authorizing City Attorney to prosecute eminent domain proceedings



Discussion



Thank You



www.beheardvancouver.org/heights-district-plan



10/06/25 (Date of First Reading)
10/13/25 (Date of Public Hearing)

ORDINANCE NO. _____

AN AMENDED AND RESTATED ORDINANCE in the public interest relating to construction for the public use of transportation and streets and sidewalks; declaring the public necessity for and providing for the acquisition by the City of Vancouver by eminent domain of certain property and a temporary construction easement, located in the City limits at 5300 MacArthur Boulevard and described herein, required to construct such public street improvements and related facilities within the City of Vancouver, Washington; taking final action to authorize condemnation of such property; authorizing the City Attorney to prosecute eminent domain proceedings and to stipulate in mitigation of damages; providing for payment of just compensation in exchange for such property; and providing for an immediate effective date.

WHEREAS, the Washington State Constitution (Article 1, Section 16) and Title 8 of the Revised Code of Washington authorizes the City of Vancouver to acquire private property necessary for public use following due process of law and payment of just compensation and such legal proceedings to purchase private property are called condemnation actions; and

WHEREAS, the City's eminent domain authority includes acquisition of real property in fee title as well as interests in real property, such as easements; and

WHEREAS, the City of Vancouver Public Works Department has developed right-of way plans, approved by City Council on May 15, 2023 through Resolution M-4222, that indicate which portions of parcels and property interests are necessary to be acquired for the Heights District Plan Grand Loop road public transportation infrastructure construction project; and

WHEREAS, the City has negotiated in good faith as to the amount of compensation due to the property owner and has based its offer compensation package, including a perpetual parking

ORDINANCE - 1

easement, and land valuation price for the acquisition and temporary construction easement on a licensed MAI certified appraiser; and

WHEREAS, the statutorily required notice has been provided to the property owner pursuant to RCW 8.12.005 and RCW 8.25.290 of the City's intent to take final action authorizing condemnation of the subject property; and

WHEREAS, good faith negotiations have not yet resulted in an agreement between the parties; and

WHEREAS, the City Council is exercising its independent discretion to take final action authorizing the City to commence a condemnation proceeding and confirming the City's right to acquire such property as in the public interest and necessary to fulfill a public purpose, and to settle the amount of just compensation owing to the property owner.

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF VANCOUVER:

Section 1. Findings.

A. *Public Interest*. As described in Staff Report ____-25 and as evidenced by City Council Resolution M-4222 adopted May 15, 2023, the Vancouver City Council finds that the public interest necessitates the acquisition of certain portions of a parcel of real property and a construction easement located within the right of way of N. Blandford Drive east of MacArthur Boulevard, for a public use in the construction of certain public transportation improvements and related facilities ("Project").

B. *Subject Property*. The property ("Subject Property") to be taken pursuant to this Ordinance includes the fee interest in portions of one parcel listed at Exhibit A, and specifically described in the attached Exhibits B and C and a temporary construction easement described in the

attached Exhibit D. Acquisition of the Subject Property and the temporary construction easement is necessary for completion of the Project.

C. Prior Good Faith Negotiation. The City of Vancouver, by and through its Economic Prosperity and Housing Department and Public Works Department, has actively worked in good faith to acquire the Subject Property by negotiated sale. Honest differences of opinion exist between the City of Vancouver and the owner of the Subject Property.

E. Public Use. The City of Vancouver's Public Works Department has a Six-Year Transportation Improvement Program, which indicates that the Project is in the public interest and the Subject Property must be acquired for the construction of these street and utility infrastructure improvements within the Heights District Plan (Tower Mall Redevelopment) area.

F. Necessity for Subject Property. Due to the public need to construct the public transportation infrastructure improvements to accommodate future growth in the Heights District Plan area, development and traffic demands, the public use and public interest necessitates the City to initiate the acquisition of the Subject Property and payment of just compensation by exercise of the power of eminent domain through a condemnation proceeding. Acquisition of the Subject Property will not change its current use and enjoyment nor require any tenant relocation.

G. Location. The Subject Property to be acquired by negotiated sale or by eminent domain proceedings authorized by this Ordinance are within the city limits of the City of Vancouver, Clark County, Washington and are necessary for construction of the Project.

Section 2. Payment of Compensation The Subject Property to be acquired and the temporary construction easement to be obtained pursuant to the City's power of eminent domain shall be acquired and exercised only after just compensation has been made or paid into the Clark County Superior Court registry or special account for the benefit of the owner or owners in

a manner provided by law.

Section 3. Source of Funds. All just compensation, fees, and costs associated with the acquisition by eminent domain proceedings of the Subject Property, shall be paid from the City of Vancouver Transportation Project fund, and if this fund were insufficient, from the City's general fund or other funds then available for such purposes.

Section 4. Authority of Attorney. The City Attorney is hereby authorized to begin and prosecute the actions and proceedings in the manner provided by law to condemn, take, damage and appropriate all lands and other properties as necessary to carry out the provisions of this Ordinance. The City Attorney is also authorized to enter into stipulations for the purpose of minimizing damages, including all stipulations authorized by Chapter 8.25 RCW.

Section 5. Effective Date. As discussed in Staff Report ____-25, and the findings of this Ordinance, there is an immediate need to initiate eminent domain proceedings to acquire the Subject Property to accommodate the Project; an emergency is hereby declared; and this Ordinance shall go into effect immediately upon final passage.

DATE OF FINAL PASSAGE by the Vancouver City Council: October ____, 2025.

ORDINANCE - 4

SIGNED this _____ day of _____ October 2025.

Anne McEnery-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Nena Cook, City Attorney

SUMMARY

ORDINANCE NO. _____

AN AMENDED AND RESTATED ORDINANCE in the public interest relating to construction for the public use of transportation and streets and sidewalks; declaring the public necessity for and providing for the acquisition by the City of Vancouver by eminent domain of certain property and construction easement rights, located in the City limits at 5300 MacArthur Boulevard and described herein, required to construct such public street improvements and related facilities within the City of Vancouver, Washington; taking final action to authorize condemnation of such property; authorizing the City Attorney to prosecute eminent domain proceedings and to stipulate in mitigation of damages; providing for payment of just compensation in exchange for such property; and providing for an immediate effective date.

The full text of this ordinance will be mailed upon request. Contact public records staff at (360) 487-8480, citypdr@cityofvancouver.us, or via [Public Records Request -The City of Vancouver, WA](#).

EXHIBIT A

ABC Homes Property Legal Description

That portion of Section 30, Township 2 North, Range 2 East of the Willamette Meridian, Clark County, Washington, lying within the John Nye Donation Land Claim, described as follows:

BEGINNING at a concrete monument set at the intersection of the center lines of Macarthur Boulevard and Blandford Drive as described in Exhibit "A" under Exception, attached to Quit Claim Deed to Tower Mall L.L.C. recorded December 02, 2003 under Auditor's File No. 3761409 records of said County; thence North 34°29'58" East 53.89 feet to a point on the North line of Macarthur Boulevard; thence South 34°42'02" East 10.70 feet along the North line of said Macarthur Boulevard to the most Southerly corner of the Exception as described in said Quit Claim Deed and the TRUE POINT OF BEGINNING; thence continuing along said North line South 34°42'02" East 391.76 feet to Westerly corner of T. B. Bruno property as conveyed by deed recorded in Volume "D-34", Page 174, under Auditor's File No. G 213157 and being that portion of Short Plat Lot 2 recorded in Book 2 of Short Plats at Page 243, records of said County; thence along the Northerly line of said T. B. Bruno property and said Lot 2 North 55°17'58" East 157.14 feet; thence parallel with the North line of said Macarthur Boulevard North 34°42'02" West 476.77 feet to a point on the Southerly line of above described Exception; thence along said Southerly line South 19°02'58" West 98.34 feet; thence continuing along said line South 36°48'28" West 62.89 feet; thence continuing along said line South 34°29'58" West 19.46 feet to the TRUE POINT OF BEGINNING.



EXHIBIT B

ABC Homes LLC Right-of-Way acquisition Legal Description

Being a portion of Parcel II conveyed to ABC Homes, LLC, a Washington Limited Liability company as described in Auditor's File Number 4807596, Clark County Deed Records, and being a portion of the John Nye Donation Land Claim located in the Southwest one-quarter of Section 30, Township 2 North, Range 2 East of the Willamette Meridian, City of Vancouver, Clark County, Washington and being more particularly described as follows:

COMMENCING FROM the Westerly most corner of Lot 2 of that Short Plat recorded in Book 2, Page 243, Short Plat Records of Clark County, Washington;

Thence North $33^{\circ}07'37''$ West, along the Westerly line of said Parcel II (also being the easterly right-of-way line of MacArthur Boulevard), 339.25 feet to the TRUE POINT OF BEGINNING of the herein described right-of-way acquisition;

Thence continuing North $33^{\circ}07'37''$ West, along the Westerly line of said Parcel II, 52.58 feet to the Westerly-most corner of said Parcel II;

Thence North $36^{\circ}11'55''$ East, along the Northerly line of said parcel II, 19.29 feet to an angle point;

Thence North $38^{\circ}22'29''$ East, continuing along said Northerly line, 62.86 feet to an angle point;

Thence North $20^{\circ}37'49''$ East, continuing along said Northerly line, 98.36 feet to the Northmost corner of said Parcel II;

Thence South $33^{\circ}07'37''$ East, along the Easterly line of said Parcel II (said line being parallel with, when measured perpendicular to the Westerly line of said Parcel II), 139.90 feet to a point;

Thence South $57^{\circ}45'27''$ West, 157.01 feet to the TRUE POINT OF BEGINNING.

Contains in all 13,935 square feet, more or less.

Together with and/or subject to easements of record as applicable.

See Exhibit Map attached hereto



3.17.25

EXHIBIT MAP

RIGHT-OF-WAY ACQUISITION

MARCH 14, 2025

PIN 37910148
OWNER: CITY OF
VANCOUVER

FUTURE ROW
ACQUISITION

PIN 37910109/
149/150/151
OWNER: TOWER MALL
PROPERTIES LLC

MACARTHUR
BLVD

FUTURE ROW
ACQUISITION

N38°22'29"E 62.86'

N36°11'55"E
19.29'

N33°07'37"W
52.58'

POINT OF
BEGINNING

N20°37'49"E
98.36'

S33°07'37"E
139.90'

FUTURE ROW
ACQUISITION

RIGHT-OF-WAY
ACQUISITION
13,935 SQ. FT.
0.320 ACRES

AF #4807596

PIN 37910163/986035736
OWNER: ABC HOMES LLC

S57°45'27"W
157.01'

N33°07'37"W 339.25'

POINT OF
COMMENCEMENT
WEST CORNER
LOT 2- SP 2/243

2

Scale 1" = 60'



DRAWN BY: RFS

SCALE: 1"=60'

3.14.25

CHECKED BY: TLG

JOB NO.: 71595.000

SHEET 1 OF 1



EXHIBIT C

ABC Homes LLC right-of-way acquisition Legal Description

Being a portion of Parcel II conveyed to ABC Homes, LLC, a Washington Limited Liability company as described in Auditor's File Number 4807596, Clark County Deed Records, and being a portion of the John Nye Donation Land Claim located in the Southwest one-quarter of Section 30, Township 2 North, Range 2 East of the Willamette Meridian, City of Vancouver, Clark County, Washington and being more particularly described as follows:

BEGINNING AT the Westerly most corner of Lot 2 of that Short Plat recorded in Book 2, Page 243, Short Plat Records of Clark County, Washington and the **TRUE POINT OF BEGINNING** of the herein described right-of-way acquisition;

Thence North $33^{\circ}07'37''$ West, along the Westerly line of said Parcel II (also being the easterly right-of-way line of MacArthur Boulevard), 7.92 feet to a point;

Thence North $56^{\circ}57'33''$ East, leaving said Westerly line, 156.99 feet to a point on the Easterly line of said Parcel II;

Thence South $33^{\circ}07'37''$ East, along said Easterly line (said line being parallel with, when measured perpendicular to the Westerly line of said Parcel II), 7.60 feet to the northern most corner of Lot 2 of said Short Plat recorded in Book 2, Page 243;

Thence South $56^{\circ}50'44''$ West, 156.99 feet to the TRUE POINT OF BEGINNING.

Contains in all 1,218 square feet, more or less.

Together with and/or subject to easements of record as applicable.

See Exhibit Map attached hereto



3.17.25

EXHIBIT MAP

RIGHT-OF-WAY ACQUISITION

MARCH 14, 2025

AF #4807596

PIN 37910163/986035736

OWNER: ABC HOMES LLC

VARIES

**FUTURE ROW
ACQUISITION**

RIGHT-OF-WAY
ACQUISITION
1,218 SQ. FT.
0.027 ACRES

N56°57'33"E 156.99'
S56°50'44"W 156.99'

NORTHERLY LINE
LOT 2

POINT OF
BEGINNING
WESTERN
MOST CORNER
LOT 2- SP 2/243

N33°07'37"W
7.92'

50'

PIN 37910132
OWNER: DAWK
ENTERPRISES LLC

2

"SHORT PLAT
2-243"

Scale 1" = 40'



DRAWN BY: RFS

SCALE: 1"=40'

3.14.25

CHECKED BY: TLG

JOB NO.: 71595.000

SHEET 1 OF 1



ABC Homes LLC
Temporary Construction Easement
Legal Description

Being a portion of Parcel II conveyed to ABC Homes, LLC, a Washington Limited Liability company as described in Auditor's File Number 4807596, Clark County Deed Records, and being a portion of the John Nye Donation Land Claim located in the Southwest one-quarter of Section 30, Township 2 North, Range 2 East of the Willamette Meridian, City of Vancouver, Clark County, Washington and being more particularly described as follows:

COMMENCING FROM the Westerly most corner of Lot 2 of that Short Plat recorded in Book 2, Page 243, Short Plat Records of Clark County, Washington;

Thence North 33°07'37" West, along the Westerly line of said Parcel II (also being the easterly right-of-way line of MacArthur Boulevard), 7.92 feet to a proposed right-of-way line and the **TRUE POINT OF BEGINNING "A"** of the herein described temporary construction easement;

Thence continuing North 33°07'37" West, along the Westerly line of said Parcel II, 5.00 feet to a point;

Thence North 56°57'33" East, 156.99 feet to the East line of said Parcel II;

Thence South 33°07'37" East, along said East line, 5.00 feet to the aforementioned proposed right-of-way line;

Thence South 56°57'33" West, along said proposed right-of-way line, 156.99 feet to the **TRUE POINT OF BEGINNING "A"**.

Contains 785 square feet, more or less.

ALSO INCLUDING:

COMMENCING FROM the Westerly most corner of Lot 2 of that Short Plat recorded in Book 2, Page 243, Short Plat Records of Clark County, Washington;

Thence North 33°07'37" West, along the Westerly line of said Parcel II (also being the easterly right-of-way line of MacArthur Boulevard), 319.25 feet to the **TRUE POINT OF BEGINNING "B"** of the herein described temporary construction easement;

Thence continuing North 33°07'37" West, along the Westerly line of said Parcel II, 20.00 feet to a proposed right-of-way line;

Thence North 57°45'27" East, along the said proposed right-of-way line, 157.01 feet to the East line of said Parcel II;

Thence South 33°07'37" East, along said East line, 20.00 feet to a point;

Thence South 57°45'27" West, 157.01 feet to the **TRUE POINT OF BEGINNING "B"**.

Contains 3,140 square feet, more or less.

Together with and/or subject to easements of record as applicable.

See Exhibit Map attached hereto



9.5.25

EXHIBIT MAP

TEMPORARY
CONSTRUCTION
EASEMENT

SEPTEMBER 3, 2025

AF #4807596

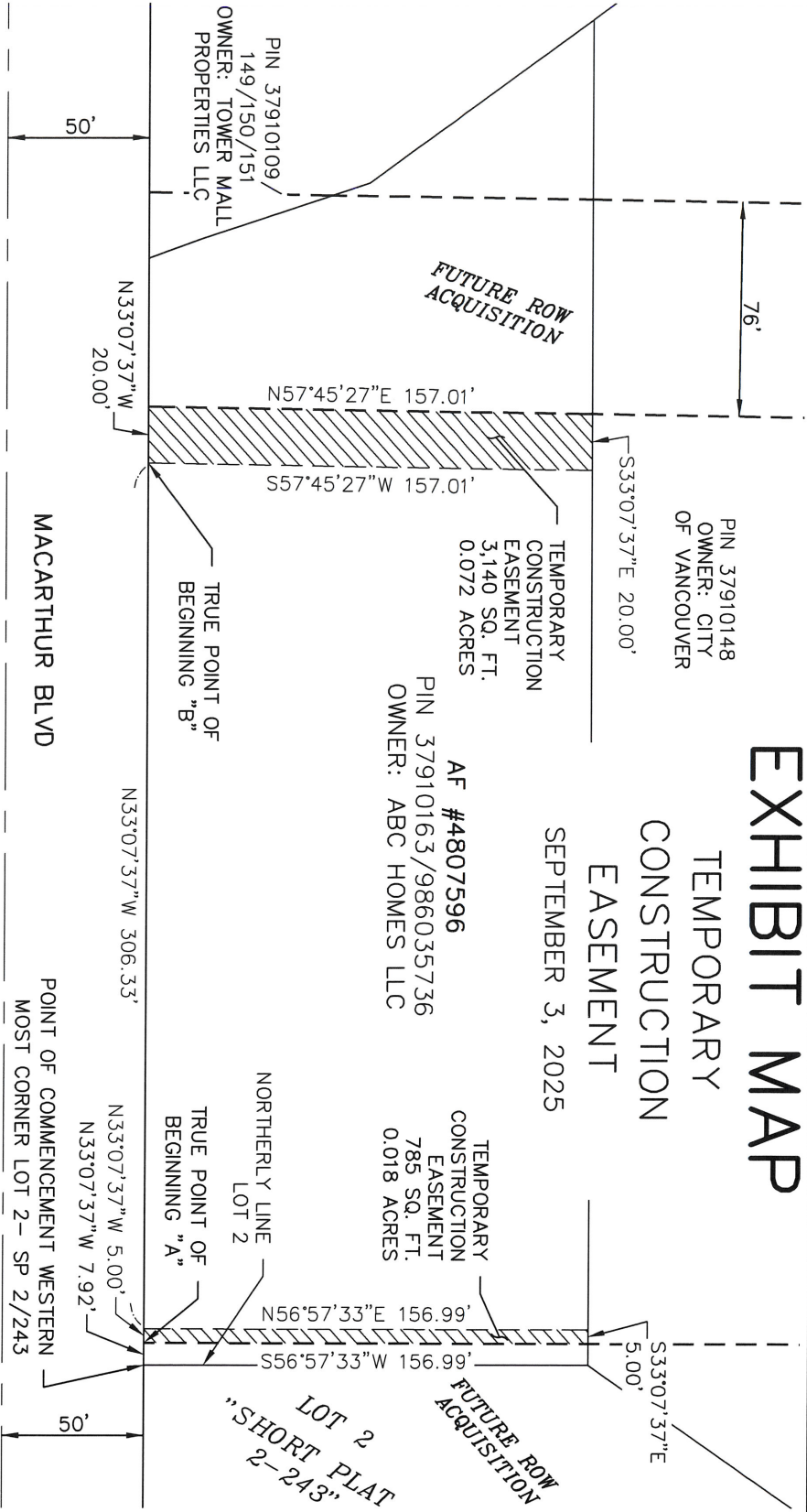
PIN 37910163/986035736
OWNER: ABC HOMES LLC

TEMPORARY
CONSTRUCTION
EASEMENT
785 SQ. FT.
0.018 ACRES

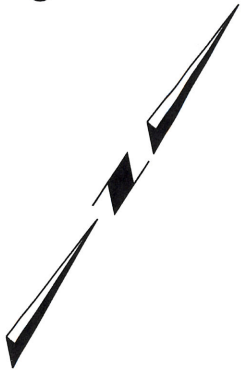
TEMPORARY
CONSTRUCTION
EASEMENT
3,140 SQ. FT.
0.072 ACRES

PIN 37910148
OWNER: CITY
OF VANCOUVER

PIN 37910109/
149/150/151
OWNER: TOWER MALL
PROPERTIES LLC



Scale 1" = 60'



PBS

DRAWN BY: RFS	SCALE: 1"=60'	9.3.25
CHECKED BY: TLG	JOB NO.: 71595.000	SHEET 1 OF 1



ABC Homes, LLC, a Washington limited liability company
Attn: Justin Lawrence
1914 NW 112th Circle
Vancouver WA 98685

September 16, 2025

**RE: Notice of Final Action on Condemnation of Real Property Located at 5300
MacArthur Blvd, Vancouver WA 98661**

Dear Mr. Lawrence:

This letter is being sent via certified mail pursuant to RCW 8.25.290 to notify you that the Vancouver City Council will consider taking action on an Amended and Restated Ordinance to authorize, through the exercise of the City's eminent domain authority under Chapter 8.12 RCW, the acquisition of certain real property with the street address 5300 MacArthur Boulevard, Vancouver, WA 98661 as necessary to a public use and required for public benefit by condemnation upon payment of just compensation.

The proposed Amended and Restated Ordinance amends the ordinance City Council adopted on October 7, 2024, a copy of which is attached hereto, regarding the condemnation of real property identified in Exhibit B and the condemnation of property rights identified in Exhibit C (the "Property") to include a temporary construction easement identified in Exhibit D. The Amended and Restated Ordinance regarding the condemnation of the Property will be read for the first time by the City

Council on **Monday, October 6, 2025 at 6:30pm** during a public meeting held at City Hall, Council Chambers, 415 W 6th Street (2nd Floor), Vancouver, Washington, 98668.

If approved and set for hearing after the first reading, **City Council will hold a public hearing and take final action to adopt the Ordinance, authorizing commencement of legal proceedings to condemn the Property, on Monday, October 13, 2025 at 6:30pm,** during a public meeting held at City Hall, Council Chambers, 415 West 6th Street (2nd Floor), Vancouver, Washington, 98668.

You are encouraged to attend and comment on the proposed action.

Sincerely,

A handwritten signature in cursive script, appearing to read "P. Quinton".

Patrick Quinton, Economic Development Director
Economic Prosperity and Housing

cc: Lon Pluckhahn, City Manager
Nena Cook, City Attorney
Ryan Lopossa, Transportation Division Manager, Public Works

09/16/24
10/07/24

ORDINANCE NO. M-4464

AN ORDINANCE in the public interest relating to construction for the public use of transportation and streets and sidewalks; declaring the public necessity for and providing for the acquisition by the City of Vancouver by eminent domain of certain property, located in the City limits at 5300 MacArthur Boulevard and described herein, required to construct such public street improvements and related facilities within the City of Vancouver, Washington; taking final action to authorize condemnation of such property; authorizing the City Attorney to prosecute eminent domain proceedings and to stipulate in mitigation of damages; providing for payment of just compensation in exchange for such property; and providing for an immediate effective date.

WHEREAS, the Washington State Constitution (Article 1, Section 16) and Title 8 of the Revised Code of Washington authorizes the City of Vancouver to acquire private property necessary for public use following due process of law and payment of just compensation and such legal proceedings to purchase private property are called condemnation actions; and

WHEREAS, the City's eminent domain authority includes acquisition of real property in fee title as well as interests in real property, such as easements; and

WHEREAS, the City of Vancouver Public Works Department has developed right-of way plans, approved by City Council on May 15, 2023 through Resolution M-4222, that indicate which portions of parcels and property interests are necessary to be acquired for the Heights District Plan Grand Loop road public transportation infrastructure construction project; and

WHEREAS, the City has negotiated in good faith as to the amount of compensation due to the property owner and has based its offer compensation package, including a perpetual parking

easement, and land valuation price on a licensed MAI certified appraiser; and

WHEREAS, the statutorily required notice has been provided to the property owner pursuant to RCW 8.12.005 and RCW 8.25.290 of the City's intent to take final action authorizing condemnation of the subject property; and

WHEREAS, good faith negotiations have not yet resulted in an agreement between the parties; and

WHEREAS, the City Council is exercising its independent discretion to take final action authorizing the City to commence a condemnation proceeding and confirming the City's right to acquire such property as in the public interest and necessary to fulfill a public purpose, and to settle the amount of just compensation owing to the property owner.

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF VANCOUVER:

Section 1. Findings.

A. Public Interest. As described in Staff Report 191-24 and as evidenced by City Council Resolution M-4222 adopted May 15, 2023, the Vancouver City Council finds that the public interest necessitates the acquisition of certain portions of a parcel of real property and an easement located within the right of way of N. Blandford Drive east of MacArthur Boulevard, for a public use in the construction of certain public transportation improvements and related facilities ("Project").

B. Subject Property. The property ("Subject Property") to be taken pursuant to this Ordinance includes the fee interest in portions of one parcel listed at Exhibit "A", as well as replacement and relocation of certain permanent parking easement interest. The Subject Property to be taken for the Project is specifically described in the attached Exhibits B and C. Acquisition of the

ORDINANCE - 2

Subject Property is necessary to completion of the Project.

C. Prior Good Faith Negotiation. The City of Vancouver, by and through its Economic Prosperity and Housing Department and Public Works Department, has actively worked in good faith to acquire the Subject Property by negotiated sale. Honest differences of opinion exist between the City of Vancouver and the owner of the Subject Property.

E. Public Use. The City of Vancouver's Public Works Department has a Six-Year Transportation Improvement Program, which indicates that the Project is in the public interest and the Subject Property must be acquired for the construction of these street and utility infrastructure improvements within the Heights District Plan (Tower Mall Redevelopment) area.

F. Necessity for Subject Property. Due to the public need to construct the public transportation infrastructure improvements to accommodate future growth in the Heights District Plan area, development and traffic demands, the public use and public interest necessitates the City to initiate the acquisition of the Subject Property and payment of just compensation by exercise of the power of eminent domain through a condemnation proceeding. Acquisition of the Subject Property will not change its current use and enjoyment nor require any tenant relocation.

G. Location. The Subject Property to be acquired by negotiated sale or by eminent domain proceedings authorized by this Ordinance are within the city limits of the City of Vancouver, Clark County, Washington and are necessary for construction of the Project.

Section 2. Payment of Compensation The Subject Property to be acquired pursuant to the City's power of eminent domain shall be acquired only after just compensation has been made or paid into the Clark County Superior Court registry or special account for the benefit of the owner or owners in a manner provided by law.

Section 3. Source of Funds. All just compensation, fees, and costs associated with the

ORDINANCE - 3

acquisition by eminent domain proceedings of the Subject Property, shall be paid from the City of Vancouver Transportation Project fund, and if this fund were insufficient, from the City's general fund or other funds then available for such purposes.

Section 4. Authority of Attorney. The City Attorney is hereby authorized to begin and prosecute the actions and proceedings in the manner provided by law to condemn, take, damage and appropriate all lands and other properties as necessary to carry out the provisions of this Ordinance. The City Attorney is also authorized to enter into stipulations for the purpose of minimizing damages, including all stipulations authorized by Chapter 8.25 RCW.

Section 5. Effective Date. As discussed in Staff Report 191-24, and the findings of this Ordinance, there is an immediate need to initiate eminent domain proceedings to acquire the Subject Property to accommodate the Project; an emergency is hereby declared; and this Ordinance shall go into effect immediately upon final passage.

DATE OF FINAL PASSAGE by the Vancouver City Council: October 7, 2024.

SIGNED this 7th day of October 2024.

DocuSigned by:

 6C89D9089EC5424...
 Anne McEnery-Ogle, Mayor

Attest:
 DocuSigned by:

 493E940414AE4BD...
 Natasha Ramras, City Clerk

Approved as to form:
 DocuSigned by:

 9A7DC2E31F694A2...
 Jonathan Young, City Attorney

SUMMARY

ORDINANCE NO. M-4464

AN ORDINANCE in the public interest relating to construction for the public use of transportation and streets and sidewalks; declaring the public necessity for and providing for the acquisition by the City of Vancouver by eminent domain of certain property, located in the City limits at 5300 MacArthur Boulevard and described herein, required to construct such public street improvements and related facilities within the City of Vancouver, Washington; taking final action to authorize condemnation of such property; authorizing the City Attorney to prosecute eminent domain proceedings and to stipulate in mitigation of damages; providing for payment of just compensation in exchange for such property; and providing for an immediate effective date.

The full text of this ordinance will be mailed upon request. Contact public records staff at (360) 487-8480, citypdr@cityofvancouver.us, or via [Public Records Request -The City of Vancouver, WA](#).

EXHIBIT B
Right-of-Way Acquisition Legal Descriptions
and Maps



ABC Homes LLC right-of-way acquisition
Legal Description

Being a portion of Parcel II conveyed to ABC Homes, LLC, a Washington Limited Liability company as described in Auditor's File Number 4807596, Clark County Deed Records, and being a portion of the John Nye Donation Land Claim located in the Southwest one-quarter of Section 30, Township 2 North, Range 2 East of the Willamette Meridian, City of Vancouver, Clark County, Washington and being more particularly described as follows:

COMMENCING FROM the Westerly most corner of Lot 2 of that Short Plat recorded in Book 2, Page 243, Short Plat Records of Clark County, Washington;

Thence North 33°07'37" West, along the Westerly line of said Parcel II (also being the easterly right-of-way line of MacArthur Boulevard), 391.83 feet to the Westerly-most corner of said Parcel II;

Thence North 36°11'55" East, along the Northerly line of said Parcel II, 19.29 feet to an angle point;

Thence North 38°22'29" East, continuing along said Northerly line, 49.24 feet to the TRUE POINT OF BEGINNING of the herein described property acquisition;

Thence North 38°22'29" East, continuing along said Northerly line, 13.62 feet to an angle point;

Thence North 20°37'49" East, continuing along said Northerly line, 98.36 feet to the Northerly most corner of said Parcel II;

Thence South 33°07'37" East, along the Easterly line of said Parcel II (said line being parallel with, when measured perpendicular to the Westerly line of said Parcel II), 63.89 feet to a point;

Thence South 57°45'27" West, along the Northerly line of a proposed right-of-way acquisition, 92.25 feet to the TRUE POINT OF BEGINNING.

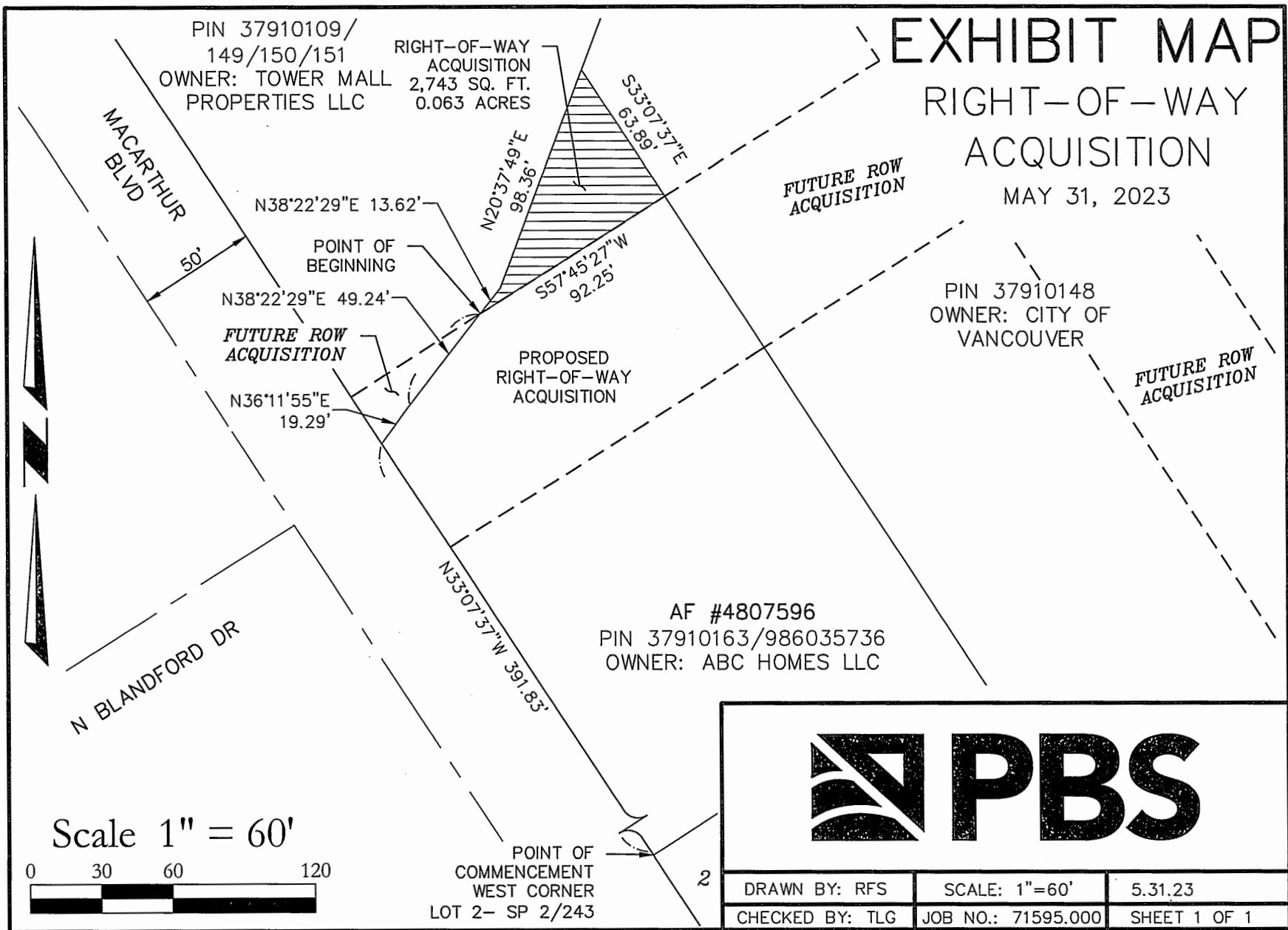
Contains in all 2,743 square feet, more or less.

Together with and/or subject to easements of record as applicable.

See Exhibit Map attached hereto



5.31.23





ABC Homes LLC right-of-way acquisition
Legal Description

Being a portion of Parcel II conveyed to ABC Homes, LLC, a Washington Limited Liability company as described in Auditor's File Number 4807596, Clark County Deed Records, and being a portion of the John Nye Donation Land Claim located in the Southwest one-quarter of Section 30, Township 2 North, Range 2 East of the Willamette Meridian, City of Vancouver, Clark County, Washington and being more particularly described as follows:

COMMENCING FROM the Westerly most corner of Lot 2 of that Short Plat recorded in Book 2, Page 243, Short Plat Records of Clark County, Washington;

Thence North 33°07'37" West, along the Westerly line of said Parcel II (also being the easterly right-of-way line of MacArthur Boulevard), 339.25 feet to the TRUE POINT OF BEGINNING of the herein described right-of-way acquisition;

Thence continuing North 33°07'37" West, along the Westerly line of said Parcel II, 52.58 feet to the Westerly-most corner of said Parcel II;

Thence North 36°11'55" East, along the Northerly line of said parcel II, 19.29 feet to an angle point;

Thence North 38°22'29" East, continuing along said Northerly line, 49.24 feet to a point;

Thence North 57°45'27" East, 92.25 feet to a point on the Easterly line of said Parcel II;

Thence South 33°07'37" East, along said Easterly line (said line being parallel with, when measured perpendicular to the Westerly line of said Parcel II), 76.01 feet to a point;

Thence South 57°45'27" West, 157.01 feet to the TRUE POINT OF BEGINNING.

Contains in all 11,193 square feet, more or less.

Together with and/or subject to easements of record as applicable.

See Exhibit Map attached hereto



EXHIBIT MAP

RIGHT-OF-WAY ACQUISITION

MAY 31, 2023

PIN 37910148
OWNER: CITY OF
VANCOUVER

FUTURE ROW
ACQUISITION

FUTURE ROW
ACQUISITION

PIN 37910109/
149/150/151
OWNER: TOWER MALL
PROPERTIES LLC

MACARTHUR
BLVD

N38°22'29"E 49.24'
FUTURE ROW
ACQUISITION

N36°11'55"E 19.29'

N33°07'37"W 52.58'

POINT OF
BEGINNING

50'

N33°07'37"W 339.25'

POINT OF
COMMENCEMENT
WEST CORNER
LOT 2- SP 2/243

RIGHT-OF-WAY
ACQUISITION
11,193 SQ. FT.
0.257 ACRES

AF #4807596

PIN 37910163/986035736
OWNER: ABC HOMES LLC

N57°45'27"E 92.25'

S33°07'37"E 76.01'

S57°45'27"W 157.01'

N BLANDFORD DR

Scale 1" = 60'



DRAWN BY: RFS

SCALE: 1"=60'

5.31.23

CHECKED BY: TLG

JOB NO.: 71595.000

SHEET 1 OF 1

ABC Homes LLC right-of-way acquisition
Legal Description

Being a portion of Parcel II conveyed to ABC Homes, LLC, a Washington Limited Liability company as described in Auditor's File Number 4807596, Clark County Deed Records, and being a portion of the John Nye Donation Land Claim located in the Southwest one-quarter of Section 30, Township 2 North, Range 2 East of the Willamette Meridian, City of Vancouver, Clark County, Washington and being more particularly described as follows:

BEGINNING AT the Westerly most corner of Lot 2 of that Short Plat recorded in Book 2, Page 243, Short Plat Records of Clark County, Washington and the **TRUE POINT OF BEGINNING** of the herein described right-of-way acquisition;

Thence North 33°07'37" West, along the Westerly line of said Parcel II (also being the easterly right-of-way line of MacArthur Boulevard), 7.68 feet to a point;

Thence North 56°55'35" East, leaving said Westerly line, 156.99 feet to a point on the Easterly line of said Parcel II;

Thence South 33°07'37" East, along said Easterly line (said line being parallel with, when measured perpendicular to the Westerly line of said Parcel II), 7.46 feet to the northern most corner of Lot 2 of said Short Plat recorded in Book 2, Page 243;

Thence South 56°50'44" West, 156.99 feet to the **TRUE POINT OF BEGINNING**.

Contains in all 1,189 square feet, more or less.

Together with and/or subject to easements of record as applicable.

See Exhibit Map attached hereto

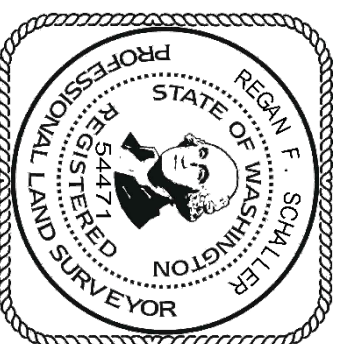


EXHIBIT MAP

RIGHT-OF-WAY ACQUISITION

AUGUST 31, 2023

AF #4807596
PIN 37910163/986035736
OWNER: ABC HOMES LLC

VARIES

FUTURE ROW
ACQUISITION

RIGHT-OF-WAY
ACQUISITION
1,189 SQ. FT.
XX ACRES

N56°55'35"E 156.99'
S56°50'44"W 156.99'

NORTHERLY LINE
LOT 2

N33°07'37"W
7.68'

POINT OF
BEGINNING
WESTERN
MOST CORNER
LOT 2- SP 2/243

50'

PIN 37910132
OWNER: DAWK
ENTERPRISES LLC

2

"SHORT PLAT
2-243"

Scale 1" = 60'



DRAWN BY: RFS

SCALE: 1"=40'

8.31.23

CHECKED BY: TLG

JOB NO.: 71595.000

SHEET 1 OF 1

EXHIBIT "C"
Legal Description
Easement Condemnation
Portion of Tax Lot 037910-148

A portion of the easement for ingress, egress and parking, as described in the document recorded under Auditor's File Number 4151938 EAS, records of Clark County Washington, that exists over a tract of land conveyed to the City of Vancouver as described in Special Warranty Deed filed under Auditor's File Number 5419742, records of Clark County, Washington, being a portion of the John Nye Donation Land Claim and located in the West half of Section 30, Township 2 North, Range 2 East of the Willamette Meridian, City of Vancouver, Clark County, Washington, being described more particularly as follows:

BEGINNING AT A POINT which is South 551.89 feet and East 1714.11 feet of the West Quarter Corner of Section 30, Township 2 North, Range 2 East of the Willamette Meridian, Clark County Washington, said point being on the West line of Devine Road, and at the Northeast corner of the T. B. Bruno property, as conveyed by deed recorded in Volume D-34, Page 174, Under Auditor's File Number G213157, records of Clark County Washington; THENCE North 0° 04' 02" West 27.81 feet to a point on the West line of Devine Road and the Southeast corner of the Harry M. Poliear tract, as conveyed by deed recorded in Volume D-34, Page 396, under Auditor's Number G213675, records of Clark County, Washington; THENCE South 89° 55' 58" West, a distance of 99.10 feet; THENCE North 0° 04' 02" West 150.00 feet; THENCE North 89° 55' 58" East, a distance of 99.10 feet to a point of the West line of Devine Road; THENCE along the West line of Devine Road, North 0° 04' 02" West a distance of 555.69 feet to a point at the beginning of a curve having a radius of 20.15 feet, a central angle of 89° 30' 10" and a bearing to the northwest; THENCE along the arc of said curve for a distance of 31.47 feet to a point on compound curve having a radius of 1880.00 feet, a central angle of 0° 50' 20" and a bearing westerly; THENCE along the arc of a curve, a distance of 27.53 feet to a point on the south line of Mill Plain Boulevard; THENCE South 89° 35' 28" West, a distance of 1073.80 feet along the South line of Mill Plain Boulevard to a point; THENCE South 89° 06' 28" West, 60.70 feet along the South side of Mill Plain Boulevard to the beginning of a curve having a radius of 25.00 feet, a central angle of 123° 48' 30" and bearing to the southeast; THENCE along the arc of said curve, a distance of 54.02 feet to a point on the North line of MacArthur Boulevard; THENCE South 34° 42' 02" East 967.30 feet along the North line of MacArthur Boulevard to the westerly corner of said T.B. Bruno tract; THENCE along the Northerly line thereof, North 55° 17' 58" East, a distance of 157.14 feet; THENCE North 89° 59' 58" East, a distance of 523.14 feet to the Point OF BEGINNING.

EXCEPT that portion lying westerly of a line drawn parallel to and 10 feet easterly of the following described line:

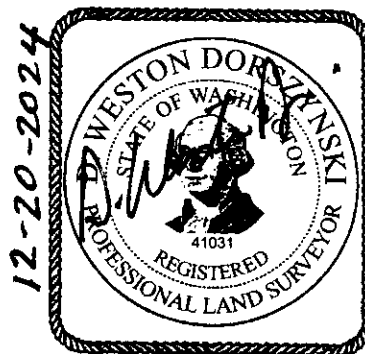
Beginning at a point on the North line of MacArthur Boulevard, said point being North 34° 29' 58" East, 53.49 feet from a concrete monument set at the intersection of the centerlines of MacArthur Boulevard and Blandford drive; THENCE North 34° 29' 58" East, 15.86 feet; THENCE North 36° 48' 28" East, 61.53 feet; THENCE North 19° 02' 58" East, 276.83 feet; THENCE North 21° 07' 28" East, 184.00 feet; THENCE North 28° 04' 28" East, 13.61 feet to a point on the South line of Mill Plain Boulevard.

ALSO EXCEPT that portion thereof conveyed to Michael R Mastro by Quit Claim Deed recorded November 4, 2005, under Auditor's file Number 4077324.

ALSO EXCEPT a portion of this parcel more particularly described as follows:

COMMENCING From the westerly corner of T. B. Bruno property as conveyed by deed recorded in Volume D-34, Page 174, under Auditor's File Number G213157, records of Clark County Washington, said point also being the westerly corner of Lot 2 of that Short Plat recorded in Book 2, Page 243, Short Plat records of Clark County, Washington; THENCE along the North line of said T. B. Bruno property and said Lot 2, North 55° 17' 58" East, 157.14 feet to an angle point in the north line of said Lot 2; THENCE northwesterly, parallel with the northerly line of MacArthur Boulevard, bearing being defined as North 33° 07' 37" West, 7.46 feet to the TRUE POINT OF BEGINNING of the described exception; THENCE continuing northwesterly, parallel with said northerly line of MacArthur Boulevard, 329.28 feet; THENCE North 57° 45' 27" East, 113.02 feet; THENCE southeasterly, parallel with said northerly line of MacArthur Boulevard, 327.65 feet; THENCE South 56° 55' 35" West, 113.01 feet to the TRUE POINT OF BEGINNING.

This exception contains 37,120 square feet, more or less.



EXCEPT that portion lying westerly of a line drawn parallel to and 10 feet easterly of the following described line:

Beginning at a point on the North line of MacArthur Boulevard, said point being North 34° 29' 58" East, 53.49 feet from a concrete monument set at the intersection of the centerlines of MacArthur Boulevard and Blandford drive; THENCE North 34° 29' 58" East, 15.86 feet; THENCE North 36° 48' 28" East, 61.53 feet; THENCE North 19° 02' 58" East, 276.83 feet; THENCE North 21° 07' 28" East, 184.00 feet; THENCE North 28° 04' 28" East, 13.61 feet to a point on the South line of Mill Plain Boulevard.

ALSO EXCEPT that portion thereof conveyed to Michael R Mastro by Quit Claim Deed recorded November 4, 2005, under Auditor's file Number 4077324.

ALSO EXCEPT a portion of this parcel more particularly described as follows:

COMMENCING From the westerly corner of T. B. Bruno property as conveyed by deed recorded in Volume D-34, Page 174, under Auditor's File Number G213157, records of Clark County Washington, said point also being the westerly corner of Lot 2 of that Short Plat recorded in Book 2, Page 243, Short Plat records of Clark County, Washington; THENCE along the North line of said T. B. Bruno property and said Lot 2, North 55° 17' 58" East, 157.14 feet to an angle point in the north line of said Lot 2; THENCE northwesterly, parallel with the northerly line of MacArthur Boulevard, bearing being defined as North 33° 07' 37" West, 7.46 feet to the TRUE POINT OF BEGINNING of the described exception; THENCE continuing northwesterly, parallel with said northerly line of MacArthur Boulevard, 329.28 feet; THENCE North 57° 45' 27" East, 113.02 feet; THENCE southeasterly, parallel with said northerly line of MacArthur Boulevard, 327.65 feet; THENCE South 56° 55' 35" West, 113.01 feet to the TRUE POINT OF BEGINNING.

This exception contains 37,120 square feet, more or less.

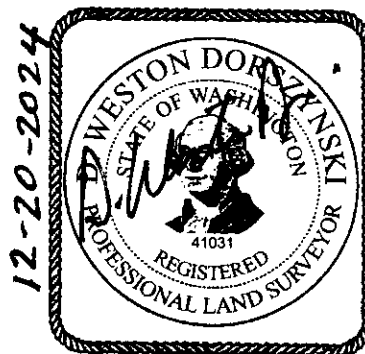




Exhibit D

ABC Homes LLC
Temporary Construction Easement
Legal Description

Being a portion of Parcel II conveyed to ABC Homes, LLC, a Washington Limited Liability company as described in Auditor's File Number 4807596, Clark County Deed Records, and being a portion of the John Nye Donation Land Claim located in the Southwest one-quarter of Section 30, Township 2 North, Range 2 East of the Willamette Meridian, City of Vancouver, Clark County, Washington and being more particularly described as follows:

COMMENCING FROM the Westerly most corner of Lot 2 of that Short Plat recorded in Book 2, Page 243, Short Plat Records of Clark County, Washington;

Thence North 33°07'37" West, along the Westerly line of said Parcel II (also being the easterly right-of-way line of MacArthur Boulevard), 7.92 feet to a proposed right-of-way line and the **TRUE POINT OF BEGINNING "A"** of the herein described temporary construction easement;

Thence continuing North 33°07'37" West, along the Westerly line of said Parcel II, 5.00 feet to a point;

Thence North 56°57'33" East, 156.99 feet to the East line of said Parcel II;

Thence South 33°07'37" East, along said East line, 5.00 feet to the aforementioned proposed right-of-way line;

Thence South 56°57'33" West, along said proposed right-of-way line, 156.99 feet to the **TRUE POINT OF BEGINNING "A"**.

Contains 785 square feet, more or less.

ALSO INCLUDING:

COMMENCING FROM the Westerly most corner of Lot 2 of that Short Plat recorded in Book 2, Page 243, Short Plat Records of Clark County, Washington;

Thence North 33°07'37" West, along the Westerly line of said Parcel II (also being the easterly right-of-way line of MacArthur Boulevard), 319.25 feet to the **TRUE POINT OF BEGINNING "B"** of the herein described temporary construction easement;

Thence continuing North 33°07'37" West, along the Westerly line of said Parcel II, 20.00 feet to a proposed right-of-way line;

Thence North 57°45'27" East, along the said proposed right-of-way line, 157.01 feet to the East line of said Parcel II;

Thence South 33°07'37" East, along said East line, 20.00 feet to a point;

Thence South 57°45'27" West, 157.01 feet to the **TRUE POINT OF BEGINNING "B"**.

Contains 3,140 square feet, more or less.

Together with and/or subject to easements of record as applicable.

See Exhibit Map attached hereto



9.5.25

EXHIBIT MAP

TEMPORARY CONSTRUCTION EASEMENT

SEPTEMBER 3, 2025

AF #4807596

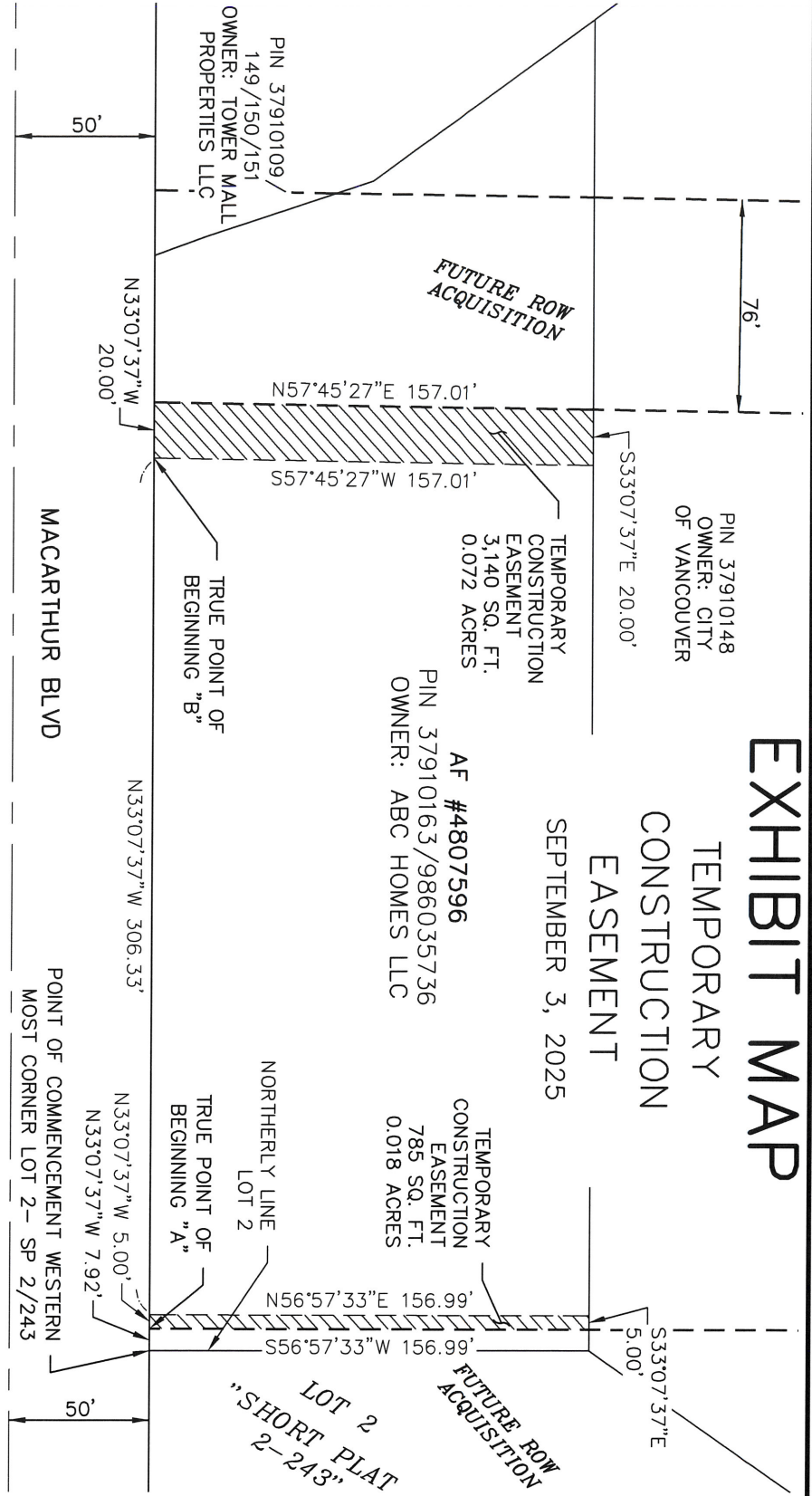
PIN 37910163/986035736
OWNER: ABC HOMES LLC

TEMPORARY
CONSTRUCTION
EASEMENT
785 SQ. FT.
0.018 ACRES

TEMPORARY
CONSTRUCTION
EASEMENT
3,140 SQ. FT.
0.072 ACRES

PIN 37910148
OWNER: CITY
OF VANCOUVER

PIN 37910109/
149/150/151
OWNER: TOWER MALL
PROPERTIES LLC



Scale 1" = 60'



PBS

DRAWN BY: RFS	SCALE: 1"=60'	9.3.25
CHECKED BY: TLG	JOB NO.: 71595.000	SHEET 1 OF 1

09/16/24
10/07/24

ORDINANCE NO. M-4464

AN ORDINANCE in the public interest relating to construction for the public use of transportation and streets and sidewalks; declaring the public necessity for and providing for the acquisition by the City of Vancouver by eminent domain of certain property, located in the City limits at 5300 MacArthur Boulevard and described herein, required to construct such public street improvements and related facilities within the City of Vancouver, Washington; taking final action to authorize condemnation of such property; authorizing the City Attorney to prosecute eminent domain proceedings and to stipulate in mitigation of damages; providing for payment of just compensation in exchange for such property; and providing for an immediate effective date.

WHEREAS, the Washington State Constitution (Article 1, Section 16) and Title 8 of the Revised Code of Washington authorizes the City of Vancouver to acquire private property necessary for public use following due process of law and payment of just compensation and such legal proceedings to purchase private property are called condemnation actions; and

WHEREAS, the City's eminent domain authority includes acquisition of real property in fee title as well as interests in real property, such as easements; and

WHEREAS, the City of Vancouver Public Works Department has developed right-of way plans, approved by City Council on May 15, 2023 through Resolution M-4222, that indicate which portions of parcels and property interests are necessary to be acquired for the Heights District Plan Grand Loop road public transportation infrastructure construction project; and

WHEREAS, the City has negotiated in good faith as to the amount of compensation due to the property owner and has based its offer compensation package, including a perpetual parking

easement, and land valuation price on a licensed MAI certified appraiser; and

WHEREAS, the statutorily required notice has been provided to the property owner pursuant to RCW 8.12.005 and RCW 8.25.290 of the City's intent to take final action authorizing condemnation of the subject property; and

WHEREAS, good faith negotiations have not yet resulted in an agreement between the parties; and

WHEREAS, the City Council is exercising its independent discretion to take final action authorizing the City to commence a condemnation proceeding and confirming the City's right to acquire such property as in the public interest and necessary to fulfill a public purpose, and to settle the amount of just compensation owing to the property owner.

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF VANCOUVER:

Section 1. Findings.

A. Public Interest. As described in Staff Report 191-24 and as evidenced by City Council Resolution M-4222 adopted May 15, 2023, the Vancouver City Council finds that the public interest necessitates the acquisition of certain portions of a parcel of real property and an easement located within the right of way of N. Blandford Drive east of MacArthur Boulevard, for a public use in the construction of certain public transportation improvements and related facilities ("Project").

B. Subject Property. The property ("Subject Property") to be taken pursuant to this Ordinance includes the fee interest in portions of one parcel listed at Exhibit "A", as well as replacement and relocation of certain permanent parking easement interest. The Subject Property to be taken for the Project is specifically described in the attached Exhibits B and C. Acquisition of the

ORDINANCE - 2

Subject Property is necessary to completion of the Project.

C. Prior Good Faith Negotiation. The City of Vancouver, by and through its Economic Prosperity and Housing Department and Public Works Department, has actively worked in good faith to acquire the Subject Property by negotiated sale. Honest differences of opinion exist between the City of Vancouver and the owner of the Subject Property.

E. Public Use. The City of Vancouver's Public Works Department has a Six-Year Transportation Improvement Program, which indicates that the Project is in the public interest and the Subject Property must be acquired for the construction of these street and utility infrastructure improvements within the Heights District Plan (Tower Mall Redevelopment) area.

F. Necessity for Subject Property. Due to the public need to construct the public transportation infrastructure improvements to accommodate future growth in the Heights District Plan area, development and traffic demands, the public use and public interest necessitates the City to initiate the acquisition of the Subject Property and payment of just compensation by exercise of the power of eminent domain through a condemnation proceeding. Acquisition of the Subject Property will not change its current use and enjoyment nor require any tenant relocation.

G. Location. The Subject Property to be acquired by negotiated sale or by eminent domain proceedings authorized by this Ordinance are within the city limits of the City of Vancouver, Clark County, Washington and are necessary for construction of the Project.

Section 2. Payment of Compensation The Subject Property to be acquired pursuant to the City's power of eminent domain shall be acquired only after just compensation has been made or paid into the Clark County Superior Court registry or special account for the benefit of the owner or owners in a manner provided by law.

Section 3. Source of Funds. All just compensation, fees, and costs associated with the

ORDINANCE - 3

acquisition by eminent domain proceedings of the Subject Property, shall be paid from the City of Vancouver Transportation Project fund, and if this fund were insufficient, from the City's general fund or other funds then available for such purposes.

Section 4. Authority of Attorney. The City Attorney is hereby authorized to begin and prosecute the actions and proceedings in the manner provided by law to condemn, take, damage and appropriate all lands and other properties as necessary to carry out the provisions of this Ordinance. The City Attorney is also authorized to enter into stipulations for the purpose of minimizing damages, including all stipulations authorized by Chapter 8.25 RCW.

Section 5. Effective Date. As discussed in Staff Report 191-24, and the findings of this Ordinance, there is an immediate need to initiate eminent domain proceedings to acquire the Subject Property to accommodate the Project; an emergency is hereby declared; and this Ordinance shall go into effect immediately upon final passage.

DATE OF FINAL PASSAGE by the Vancouver City Council: October 7, 2024.

SIGNED this 7th day of October 2024.

DocuSigned by:

 6C89D9089EC5424...
 Anne McEnery-Ogle, Mayor

Attest:
 DocuSigned by:

 493E940414AE4BD...
 Natasha Ramras, City Clerk

Approved as to form:
 DocuSigned by:

 9A7DC2E31F694A2...
 Jonathan Young, City Attorney

SUMMARY

ORDINANCE NO. M-4464

AN ORDINANCE in the public interest relating to construction for the public use of transportation and streets and sidewalks; declaring the public necessity for and providing for the acquisition by the City of Vancouver by eminent domain of certain property, located in the City limits at 5300 MacArthur Boulevard and described herein, required to construct such public street improvements and related facilities within the City of Vancouver, Washington; taking final action to authorize condemnation of such property; authorizing the City Attorney to prosecute eminent domain proceedings and to stipulate in mitigation of damages; providing for payment of just compensation in exchange for such property; and providing for an immediate effective date.

The full text of this ordinance will be mailed upon request. Contact public records staff at (360) 487-8480, citypdr@cityofvancouver.us, or via [Public Records Request -The City of Vancouver, WA](#).