

## MEMORANDUM OF AGREEMENT

Between

A Regional Coalition for Housing, by City of Bellevue, its Administering Agency

And

City of North Bend, Washington

For the Purposes of

Monitoring Affordable MFTE Rental Units at the Traverse North Bend Apartments

Entered into December, 2023

Whereas, the City of North Bend (“City”) has need for monitoring of approximately 28 Affordable Rental Units, at the Traverse North Bend Apartments, benefiting from its Multi Family Tax Exemption (MFTE) program, beginning to come available for rent in September of 2023; and

Whereas, the City has requested the assistance of A Regional Coalition for Housing (“ARCH”) in providing monitoring of these units, following ARCH standard operating procedures and per the scope of which is defined in the attached exhibit; and

Whereas, ARCH has the available staffing, systems, and technical procedures for performing the administrative function requested by the City; and

Whereas, the ARCH Executive Board, at its September 14, 2023, meeting, voted to approve entering into a Memorandum of Agreement (“MOA”) with the City for the monitoring of rental units to include income verification, annual reporting, and audit assistance consistent with the City’s MFTE program on a fee for services basis, subject to their review of that MOA; and

Whereas, the North Bend City Council at its December, 2023, meeting also approved entering into this MOA; and

NOW, THEREFORE, in consideration of the promises, provisions, payments, and mutual agreements set forth in this MOA, the Parties hereby agree as follows:

Section 1. Purpose. This MOA provides for a partnership between ARCH and the City of North Bend with respect to the monitoring of approximately 28 affordable rental units at the Traverse North Bend Apartments that benefit from the City’s MFTE program, as detailed in Exhibit A (Scope of Services) and Exhibit B (Fee Schedule).

The partnership is intended to advance the following stated goals and policies: (1) ARCH and the City’s shared goal of promoting long-term affordable housing opportunities for residents with low and moderate incomes; (2) ARCH’s Interlocal Agreement, which provides for ARCH “to enter into agreements to provide technical assistance to other public entities on a reimbursable basis”; and (3) the mission of ARCH to preserve and increase the supply of housing for low and moderate income households in East King County.

Section 2. Duration of Agreement/Termination. This MOA shall remain in effect for five (5) years and will automatically renew for an additional five (5) year term unless either party provides written notice before the expiration of the original term of their intent to not renew the MOA. This MOA may be terminated for the convenience of either party by giving a minimum of sixty (60) days' written notice. Additionally, this MOA shall terminate if the tax exemption provided to the units should expire or be cancelled for any reason. In the event of any cancellation of a tax exemption, the City shall provide written notice of the same to ARCH.

Section 3. Indemnity. Each Party shall, indemnify and hold the other party, their officers, officials, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of that Party's wrongful acts or omissions in connection with the performance of its obligation under this MOA, except to the extent the injuries or damages are caused by another third-party. In the event of any recovery due to the aforementioned circumstances, the Party responsible for any such wrongful acts or omissions shall pay any judgment or lien arising therefrom, including any and all costs and reasonable attorneys' fees as part thereof. In the event more than one Party is held to be at fault, the obligation to indemnify and to pay costs and attorney fees, shall be only to the extent of the percentage of fault allocated to each respective party by a final judgment of the court.

Should a court determine that this MOA is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of a party hereto (including without limitation the party serving as, and act in its capacity as, ARCH's Administering Agency), its officers, officials, employees, and volunteers, the party's liability hereunder shall be only to the extent of the party's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the party's waiver of immunity under Industrial Insurance Title 51 RCW, solely for the purpose of this indemnification. This waiver has been mutually negotiated by the parties.

Section 4. Severability. The invalidity of any clause, sentence, paragraph, section, or portion thereof, shall not affect the validity of the remaining provisions of the MOA.

Section 5. Survivability. Notwithstanding any termination of this MOA the indemnity, severability, and venue provisions shall remain operative and in full force and effect.

Section 6. Venue. Venue for any action related to this MOA shall be in the Superior Court in and for King County, Washington at Seattle.

Section 7. Notices. Any notices or communication required for the successful administration of this MOA shall be given to the parties respective designees at the following addresses:

<u>City of North Bend</u>	<u>ARCH</u>
Rebecca Deming, Community and Economic Development Director  <u><a href="mailto:rdeming@northbendwa.gov">rdeming@northbendwa.gov</a></u>	Lindsay Masters, Executive Director  <u><a href="mailto:lmasters@bellevuewa.gov">lmasters@bellevuewa.gov</a></u>

IN WITNESS WHEREOF, ARCH and the City of North Bend hereby enter into this Memorandum of Agreement as detailed above and outlined in the Scope of Service (Exhibit A) and Fee Schedule (Exhibit B), attached hereto:

CITY OF NORTH BEND

DocuSigned by:  
By: Mary Miller  
C208AC46D48D486...  
Mary Miller, Mayor  
Date: 1/25/2024

ARCH

by the City of Bellevue, the Administrative Agency pursuant to that certain Amended and Restated Interlocal Agreement for ARCH dated July 1, 2010 and chapter 39.34 RCW.

DocuSigned by:  
By: Diane Carlson  
7CB8C27856F040D...  
Its: Acting City Manager  
Date: 1/4/2024

Approved as to Form:

City of North Bend Attorney:

DocuSigned by:  
Kendra Rosenberg  
A0FA3FF980E74DA...

Approved as to Form

Kathryn L. Gerla, Bellevue City Attorney:

DocuSigned by:  
By: Soojin Kim  
B446610DE4CD4D8...  
Soojin Kim, Assistant City Attorney

## **EXHIBIT A**

### **SCOPE OF SERVICES**

All services are to be performed in accordance with ARCH's standard policies and procedures, unless otherwise agreed to in advance, in writing, by the City and ARCH.

ARCH agrees to:

**Training.** Make initial and ongoing compliance training available to management staff working on behalf of the Project Owner, River Run Ventures, LLC ("Owner"), to ensure they are informed of ARCH policies and procedures, including how to certify household eligibility.

**Final Certificate.** Review the Owner's request for a Final Certificate and evaluate any information necessary to determine the Project's eligibility for its Final Certificate, and provide such information to the City along with a recommendation to the City as to whether the Final Certificate complies with RCW 84.14.100 and NBMC 3.78.110. The City shall remain responsible for issuance of any final certificate.

#### **Compliance Monitoring.**

- A. Collect and Review Annual Project Certifications from the Owner, including certifications due every 90 days until 90% of the rental units in the Project are occupied, and ongoing annual compliance certifications due on or around March 31<sup>st</sup>, to confirm the Project is in compliance with its MFTE contract and covenant.
- B. If any instances of compliance violations are discovered, then ARCH will identify the error to Project staff to correct the violations, and also report any failure to correct the violations to the City. The City shall be responsible for any enforcement of its applicable codes or the contract and covenant with the Owner.

**State Reporting and Auditing.** Complete all City monitoring and reporting requirements consistent with Chapter 84.14 RCW and all applicable law for the term of the Multi-Family Tax Exemption. The yearly reporting requirements will comply with and include all necessary information under RCW 84.14.100 and NBMC 3.78.110. Assist the City with any audit related to the Multi-Family Tax Exemption for this Project.

CITY agrees to:

**Administration:** The City shall be responsible for the administration of its MFTE program, including review and approval of applications; issuance of Final Certificates, including extensions; drafting, executing, and enforcing the provisions of any MFTE contract or covenant; and providing timely direction to ARCH in the event there are questions related to the interpretation/application of the City's MFTE code, contract, and/or covenants.

## **EXHIBIT B**

### **FEE SCHEDULE**

ARCH shall be reimbursed by the City on an hourly basis for actual work performed under the approved scope of services outlined in Exhibit A. The applicable hourly rate shall be \$92/hour for all work performed consistent with Exhibit A, adjusted annually on July 1st to account for inflation, based on the Seattle-Tacoma-Bellevue Washington Consumer Price Index published by the U.S. Bureau of Labor Statics for the preceding year.

ARCH shall maintain time and expense records and submit invoices to the City for payment of work performed. Invoices shall be in a format acceptable to the City. The City shall pay all invoices from ARCH within 30 days of receipt of a properly completed invoice.