

**AMENDMENT TO LOAN AGREEMENT  
BETWEEN LEWIS COUNTY AND  
THE EAST LEWIS COUNTY PUBLIC DEVELOPMENT AUTHORITY**

This amendment to the Loan Agreement between Lewis County and the East Lewis County Public Development Authority (“ELCPDA”) dated October 26, 2009, is now made and entered into by Lewis County and the ELCPDA as to the conditions for repayment of monies loaned pursuant to said loan agreement.

**I.**

**PURPOSE**

On June 22, 2009, Lewis County resolved to provide funding to the ELCPDA in the aggregate amount of \$600,000.00 for the purpose of funding the Packwood Business Park, Phase II. This funding came in the form of a grant in the sum of \$300,000.00, and also a loan from Lewis County to the ELCPDA in the amount of \$300,000.00 (said loan was made from the Distressed Counties Fund, .09% funding category).

In order to allow the ELCPDA to secure addition funding from other sources, on March 7, 2011 Lewis County consented to an assignment of Lessee’s right in lease agreement and assignment of rents for collateral purposes between the Lending Network and the ELCPDA. This assignment of Lessee’s right in lease agreement and assignment of rents for collateral purposes was subsequently transferred to Craft3, which is the current assignee.

The ELCPDA has a remaining balance due to Lewis County of \$246,647.72 on the 2009 loan, and in order to assist the ELCPDA with maintain its financial viability, both Lewis County and the ELCPDA agree to an amended repayment agreement as set forth herein below:

**II.**

**ELCPDA’S RESPONSIBILITIES**

Upon approval of application by the Lewis County Commissioners, ELCPDA agrees that:

1. The pending December 1, 2019 scheduled payment to Lewis County shall be suspended as to both principal and interest. Beginning in 2020, and for the next five years thereafter, or until the above-referenced loan obligation to Craft3 is satisfied in full, whichever occurs first, ELCPDA shall make interest only annual payments to Lewis County in the amount of \$4,932.95. Thereafter, the ELCPDA shall resume making annual payments in the amount of \$23,322.91, consisting of both principal and interest, until such time as ELCPDA’s debt obligation to Lewis County is satisfied in full.
2. ELCPDA shall exercise its best efforts to generate revenues, and shall actively recruit suitable tenants in furtherance of this goal. The ELCPDA shall furnish semi-annual progress reports to the Lewis County Board of County Commissioners that describe in

detail its efforts to secure suitable tenants and generate revenue. Failure to provide progress reports or sufficient report information shall constitute a material breach of this agreement.

3. ELCPDA shall remain in full compliance with repayment of ELCDPA's above-referenced debt to Craft3.
4. At such times as the Lewis County Board of Commissioners deems necessary for reasonable cause, ELCPDA shall permit the County to inspect and audit all pertinent books and records of ELCPDA. The books and records are to be made available at reasonable times at such reasonable location as County selects. At Lewis County's request, the applicant shall supply County with, or shall permit County to make a copy of, any books and records and any portion thereof.
5. ELCPDA shall comply with all federal, state, and local laws, ordinances, rules, regulations, and lawful order of public authorities applicable to these debt obligations and to its overall operations.

### **III.**

#### **FUTURE SUPPORT**

Lewis County makes no commitment to future support and assumes no obligation for future support of the activity contracted for herein, except as expressly set forth in this Contract.

### **IV.**

#### **GOVERNING LAW**

This Agreement is governed by, and shall be construed in accordance with, the laws of the State of Washington. The parties hereby agree that any legal action under this Agreement shall be brought in the Superior Court of the State of Washington in and for Lewis County.

### **V.**

#### **EFFECT OF BREACH**

In the event that the ELCPDA breaches this agreement, then the repayment terms as set forth in the original loan instrument shall again become operative in full force and effect.

No waiver of any breach of any covenant or agreement contained herein shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of a breach by either party of any covenant, agreement or undertaking, the non-defaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such default or defaults that were in existence at the time such payment or payments or performance were accepted by it.

## **VI.**

### **INDEMNIFICATION**

To the fullest extent permitted by law, ELCPDA agrees to indemnify, defend and hold the County and its departments, elected and appointed officials, employees, agents and volunteers, harmless from and against any and all claims, damages, losses and expenses, including but not limited to court costs, attorney's fees and alternative dispute resolution costs, for any personal injury, for any bodily injury, sickness, disease or death and for any damage to or destruction of any property (including the loss of use resulting therefrom) which (i) are caused in whole or in part by any act or omission, negligent or otherwise, of the ELCPDA, its employees, agents or volunteers; or (ii) are directly or indirectly arising out of, resulting from, or in connection with performance of this Agreement. This indemnification obligation of the ELCPDA shall not apply in the limited circumstance where the claim, damage, loss or expense is caused by the sole negligence of the County. This indemnification obligation of the ELCPDA shall not be limited in any way by the Washington State Industrial Insurance Act, RCW Title 51, or by application of any other workmen's compensation act, disability benefit act or other employee benefit act, and the ELCPDA hereby expressly waives any immunity afforded by such acts. The foregoing indemnification obligations of the ELCPDA are a material inducement to County to enter into this Agreement, are reflected in the consideration set forth herein, and have been mutually negotiated by the parties.

## **VII.**

### **SEVERABILITY**

Any portion of this Agreement which is held by a competent tribunal to be invalid or otherwise unenforceable shall be ineffective to the extent of such invalidity or unenforceability without invalidating the remaining provisions of this Agreement.

**[SIGNATURES APPEAR ON FOLLOWING PAGE]**

Dated this \_\_\_\_ day of \_\_\_\_\_, 2019

Approved as to Form

BOARD OF COUNTY COMMISSIONERS  
LEWIS COUNTY, WASHINGTON

Lewis County Prosecuting Attorney

\_\_\_\_\_  
Deputy Prosecuting Attorney

\_\_\_\_\_  
Robert C. Jackson, Chair

\_\_\_\_\_  
Gary Stamper, Vice-Chair

\_\_\_\_\_  
Rieva Lester, CMC  
Clerk of the Board

\_\_\_\_\_  
Edna J. Fund, Commissioner

East Lewis County Public Development Authority:

By: \_\_\_\_\_

Title: \_\_\_\_\_