

**LOAN AGREEMENT
BETWEEN LEWIS COUNTY AND
EAST LEWIS COUNTY PUBLIC DEVELOPMENT AUTHORITY**

This Loan Agreement is made and entered into by Lewis County and the as to the conditions for acceptance of monies by the East Lewis County Public Development Authority (ELCPDA) from the “Distressed Counties Fund” pursuant to RCW 82.14.370.

I. PURPOSE

RCW 82.14.370 authorizes the availability of a sales and use tax to be used to finance public facilities serving economic development purposes in rural counties. The name of this project shall be “East Lewis County Economic Development” and shall be funded in the amount of a loan for \$10,807. These loan funds shall be utilized only for this purpose.

II. ELIGIBILITY

The public facility must be listed as an item in the officially adopted Lewis County Comprehensive Economic Development Strategy (CEDS) and must meet other requirements as set forth by County resolution, adopted policy, and growth management planning. Monies collected shall only be used to finance public facilities serving economic development purposes in rural counties.

III. APPLICANT’S RESPONSIBILITIES

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

1. The project must be in progress within six (6) months of the date of this agreement or loan funds shall revert back to the Lewis County “Distressed Counties Fund.” For purposes of being “in progress,” the project must have proceeded beyond the initial planning stage and into the implementation stages of the project. The East Lewis County Public Development Authority shall promptly notify Lewis County in writing of any actual or anticipated event that is delaying or could delay achievement of any milestone or performance of any critical path activity of the project. A copy of this report shall also be placed in the file of the Economic Development Public Facilities Advisory Committee.
2. The Applicant must provide semi-annual progress report to the Lewis County Board of County Commissioners in order to ensure satisfactory completion of the project and proper expenditure of loan monies. The scope of project work is contained in the .09 application dated October 7, 2020, and is hereby incorporated by reference into this agreement. Failure to provide progress reports or sufficient information may result in reversion to the “Distressed Counties Fund” of all or part of the funding balance. At such times as the Lewis County Board of Commissioners deems necessary for reasonable cause, the applicant shall permit the County to inspect and audit all pertinent books and records of the applicant or other persons or entities that have performed work in connection with or related to this funding. The audit may take place up to three

years after completion of the project. 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.

3. The ELCDPA has requested these County funds in order to make a semi-annual Craft3 loan payment. Failure to comply with the intent of this section may result in reversion to the "Distressed Counties Fund" of all or part of the funding balance. Funding to complete the full project as presented in the application must be confirmed and available prior to release of these funds. Failure to comply with this section may result in reversion to the "Distressed Counties Fund" of all or part of the funding balance.
4. The ELCDPA shall provide documented evidence of semi-annual loan payment. Funds spent under this program must be for the purpose of financing public facilities or supporting related economic development projects, as defined under RCW 82.14.370 and AGO 2002, No.1. Failure to comply with this section may result in reversion to the "Distressed Counties Fund" of all or part of the funding balance.
5. The ELCDPA will provide written request of funding for use as outlined under section 3. The request, together with audit-sufficient supporting documentation, shall be remitted to the County by **October 14, 2020**. The Clerk of the BOARD, on behalf of the COUNTY, shall remit to the ELCDPA a warrant for the approved amount. The applicant will be responsible to the County for the timely sharing and/or exchange of any or all documentation as well as accounting and record retention responsibilities for the project.
6. The applicant shall comply with and give notices required by all federal, state, and local laws, ordinances, rules, regulations, and lawful order of public authorities applicable to performance of the project. Lewis County reserves the right to terminate this Agreement and demand reversion of "Distressed Counties Fund" monies at any time during the undertaking of said project if it is discovered that said project is in violation of any local, state or federal laws.

IV. ENTIRE AGREEMENT

This Agreement represents the entire Agreement between the parties and supersedes any prior oral statements, discussions or understandings.

V. FUTURE SUPCITY

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. The maximum amount of funding available is as stated in the Lewis County Economic Development Public Facilities Project Proposal attached herein. This item is hereby incorporated into this Agreement by reference.

VI. GOVERNING LAW

This Agreement is governed by, and shall be construed in accordance with, the laws of the State of Washington. Except as otherwise required by applicable law, any legal action under this Agreement shall be brought in the Superior Court of the State of Washington in and for Lewis County.

VII. WAIVER OF BREACH

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.

VIII. INDEMNIFICATION

The East Lewis County Public Development Authority shall protect, defend, indemnify and hold harmless Lewis County, the Board of County Commissioners, its officers, agents, and employees, or any of them from and against any and all claims, actions, suits, liability, loss, costs, expenses and damages of any nature whatsoever, which are caused by or result from the performance of this Agreement by either party. This indemnity and hold harmless agreement shall not apply to acts or omissions of the County's officers, agents, and employees that are not in good faith and are outside the scope of their official duties.

IX. DISPUTE RESOLUTION

(a) If a dispute arises between the parties with regards to the performance of any provision of this agreement or the interpretation thereof, the parties agree to follow the procedure set forth below. It is the goal of the parties to resolve their differences as early and amicably as possible.

(b) The parties shall first meet to attempt to see if the matter can be informally resolved. This informal resolution attempt may involve more than one meeting but is not required to involve more than one meeting.

(c) If the parties are unable to resolve their differences, the parties will endeavor to settle the dispute by mediation under such mediation rules as shall be mutually agreeable to the parties. Such mediation shall be non-binding but shall be a condition precedent to having said dispute decided in court by a judge or jury. Mediation shall commence, unless otherwise agreed, within thirty (30) days of a party's written request for mediation of a dispute. Any resolution at this stage shall be reduced to writing and, if it involves an interpretation of the agreement, it shall be

considered an addendum to this agreement without the need for formal adoption by the governing bodies of the jurisdictions that are parties to this agreement. Any costs related to mediation shall be shared equally by the parties.

Dated this 12th day of October 2020.

APPROVED AS TO FORM
Jonathan Meyer, Pros. Attorney

BOARD OF COUNTY COMMISSIONERS
LEWIS COUNTY, WASHINGTON

By Cullen Gatten, Dep. Pros. Attorney

Gary Stamper, Chair

ATTEST

Edna J. Fund, Vice Chair

Rieva Lester, Clerk of the Board

Robert C. Jackson, Commissioner

East Lewis County Public Development Authority:

By: _____

Title: _____

For: _____