

**PURCHASE AND SALE AGREEMENT BETWEEN
THE CITY OF TACOMA AND
PIERCE COUNTY COMMUNITY LAND TRUST**

This AGREEMENT REGARDING THE PURCHASE AND SALE OF REAL PROPERTY (this "Agreement") is entered into as of _____, 2024 between the CITY OF TACOMA, a first class municipal corporation ("Seller") and PIERCE COUNTY COMMUNITY LAND TRUST, a Washington non-profit corporation ("Buyer").

RECITALS

1. Seller is the owner of certain real property more particularly described in Section 1 below that Seller desires to sell into private ownership.

2. Buyer desires to purchase the property from Seller.

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

AGREEMENT

1. Real Property. Seller agrees to sell and convey to Buyer and Buyer agrees to purchase from Seller, subject to the terms and conditions set forth in this Agreement, the real property located in the City of Tacoma, County of Pierce and State of Washington, legally described in Exhibit A and depicted on Exhibit B, as both attached hereto and incorporated herein by this reference, together with all of Seller's right, title and interest in and to any rights licenses, privileges, reversions and easements pertinent to the real property (collectively, the "Property").

2. Deposit. If closing is to occur more than 60 days after the execution of the Purchase and Sale Agreement, Buyer shall deliver Seller an earnest money deposit in the amount of Seventy Six Thousand U.S. Dollars (\$76,000), which shall be non-refundable (the "Deposit"). Any interest that accrues on the Deposit will be for the benefit of Buyer; provided, however, that if Buyer forfeits the Deposit to Seller pursuant to the terms of this Agreement, then all interest accrued on the Deposit will be paid to Seller.

3. Purchase Price. The total purchase price for the Property (the "Purchase Price") will be Seven Hundred Sixty Thousand U.S. Dollars (\$760,000), to which the Deposit shall be a fully applicable part.

4. Title to Property.

4.1 Conveyance. At closing, Seller shall convey the Property to Buyer by duly executed and acknowledged quit claim deed (the "Deed"), subject only to those encumbrances that Buyer approves pursuant to Section 4.3 below (the "Permitted Encumbrances").

4.2 Commitment. Upon execution of this Agreement, Seller authorizes Buyer to order a commitment for an owner's standard coverage policy of title insurance (or, at Buyer's election, an owner's extended coverage policy of title insurance) in the amount of the Purchase Price to be issued by a Title Company of Buyer's choice and accompanied by copies of all documents referred to in the commitment (the "Commitment").

4.3 Condition of Title. Buyer shall advise Seller by written notice what encumbrances to title, if any, are disapproved by Buyer ("Disapproved Encumbrances")

within 10 (ten) business days of receipt of the Commitment. All monetary encumbrances other than non-delinquent ad valorem property taxes will be deemed to be disapproved. Seller will have ten (10) business days after receipt of Buyer's notice to give Buyer notice that (i) Seller will remove Disapproved Encumbrances, or (ii) Seller elects not to remove Disapproved Encumbrances. If Seller fails to give Buyer notice before the expiration of the ten (10) day period, Seller will be deemed to have elected not to remove Disapproved Encumbrances. Notwithstanding anything to the contrary in this Agreement, Seller shall remove from title on or before the Closing Date all monetary encumbrances other than those approved by Buyer. If Seller elects not to remove any Disapproved Encumbrances, Buyer will have fifteen (15) business days to notify Seller of Buyer's election either to proceed with the purchase and take the Property subject to those encumbrances, or to terminate this Agreement. If Buyer elects to terminate this Agreement pursuant to this section, the escrow will be terminated, the Deposit will be returned immediately to Buyer, all documents and other funds will be returned to the party who deposited them, and neither party will have any further rights or obligations under this Agreement, except as otherwise provided for in this Agreement. If this Agreement is terminated through no fault of Seller, then Buyer shall pay any costs of terminating the escrow and any cancellation fee for the Commitment.

4.4 Title Policy. Seller shall cause the Title Company to issue to Buyer at closing a standard coverage owner's policy of title insurance insuring Buyer's title to the Property in the full amount of the Purchase Price subject only to the Permitted Encumbrances (the "Title Policy"). The Title Policy must be dated as of the Closing Date.

5. Buyer's Due Diligence.

5.1 Feasibility Study. Buyer shall have until **Thirty (30) days** after mutual acceptance of this Agreement, (the "Feasibility Study Period") to conduct a review of the Property and satisfy itself with respect to the condition of and other matters related to the Property and its suitability for Buyer's intended use (the "Feasibility Study"). The Feasibility Study may include all inspections and studies Buyer deems reasonably necessary or desirable. Buyer and Buyer's agents, representatives, consultants, architects and engineers will have the right, from time to time, from and after the date of this Agreement to enter onto the Property and make borings, drive test piles and conduct any other reasonable tests and studies that may be necessary or desirable to ascertain the condition and suitability of the Property for Buyer's intended use. Such tests and inspections are to be performed in a manner not disruptive to the operation and current use of the Property. Buyer shall protect, defend and indemnify Seller from and against any construction or other liens or encumbrances arising out of or in connection with its exercise of this right of entry and shall cause any such liens or encumbrances to be promptly released.

5.2 Non-Suitability. Buyer will have the right to terminate this Agreement if, in Buyer's good faith judgment, the Property is not suitable for Buyer's intended use. Buyer's right to terminate must be exercised by delivering written notice of its election to Seller on or before the expiration of the Feasibility Study Period. In the event Buyer does not complete the purchase, Buyer shall return the Property as near as is practicable to its original condition. If Buyer terminates this Agreement pursuant to this section the Deposit shall be released to the Seller, this Agreement shall terminate, and Seller and Buyer will be released from all further obligation or liability hereunder, except as otherwise specified by this Agreement and except for Buyer's obligations to indemnify Seller under this section. Failure by Buyer to notify Seller in writing of any matters affecting the suitability of the Property, whether or not an inspection has been carried out, shall deem Buyer to have waived this contingency.

5.3 Buyer's Indemnification. Buyer agrees to assume all liability for and to defend, indemnify and save Seller harmless from all liability and expense (including reasonable costs and attorneys' fees) in connection with all claims, suits and actions of every name, kind and description brought against Seller or its agents or employees by any person or entity as a result of or on account of injuries or damages to persons, entities and/or property received or sustained, arising out of, in connection with or as a result of the acts or omissions of Buyer, or its agents or employees in exercising its rights under this Agreement and the right of entry granted in connection with its Feasibility Study, except for claims caused by Seller's sole negligence.

6. Condition of the Property.

6.1 "As Is" "Where Is". Buyer acknowledges that the Property will be purchased under this Agreement in an "as is" "where is" condition. Seller shall surrender the Property in as good condition, except for normal wear and tear, as exists on the date of this Agreement. Seller agrees that it will not damage or commit waste on the Property between the date of acceptance of this Agreement and the date of closing.

6.2 Inspections. Buyer agrees that it will rely on its own inspections and evaluations of the Property, with the exception of any written documentation, including, but not limited to any disclosures required by law, provided to it by Seller, to determine the suitability of the Property for Buyer's intended use.

7. Conditions Precedent to Closing. All of the following must be achieved/completed prior to Closing on Buyer's purchase of the Property:

7.1 Seller's Conditions Precedent

7.1A Development Agreement. A Development Agreement by and between the Seller and the Buyer, attached to this Agreement as Exhibit C, shall be fully executed prior to transfer of property. All terms and timelines within the Development Agreement are fully incorporated herein.

7.1B City Council Approval. The transaction and the Development Agreement contemplated herein, must be duly approved by the Tacoma City Council prior to closing. If Tacoma City Council approval is not obtained, this Agreement will terminate, and the Deposit, less any costs advanced or committed for Buyer, will be returned immediately to Buyer, all documents and other funds will be returned to the party who deposited them, and neither party will have any further rights or obligations under this Agreement, except as otherwise provided for in this Agreement. Nothing in this Paragraph 7.1 will obligate the Buyer to obtain City Council approval beyond the ordinary course of City procedure.

Delivery by Seller. Seller will deposit the following with the Closing Agent of Buyer's choosing:

(a) The Deed, duly executed and acknowledged by Seller, in recordable form, and ready for recordation at Closing together with a duly executed real estate excise tax affidavit;

(b) Such resolutions, authorizations, certificates, or other corporate and/or partnership documents or agreements relating to Seller, as shall be reasonably required by Buyer or a title company or the Closing Agent in connection with this transaction; and

(c) Any other documents, instruments, data, records, correspondence, or agreements called for hereunder which have not previously been delivered.

7.2 Buyer's Conditions Precedent

7.2A Development Agreement. A Development Agreement by and between the Seller and the Buyer, attached to this Agreement as Exhibit C, shall be fully executed prior to transfer of property. All terms and timelines within the Development Agreement are fully incorporated herein.

7.2B Approved Development Plan. Buyer shall have an approved Development Plan for building improvements. Approval shall be provided by City staff from the City of Tacoma Community and Economic Development Department.

7.2C Funding. Buyer must successfully demonstrate to Seller it has sources of funds for one hundred percent (100%) of the total project cost, per the funding plan set forth in the incorporated and attached Development Agreement.

7.2D Permitting. All initial permits for construction, as set forth in the incorporated and attached Development Plan, shall be secured prior to closing. These permits must be ready for issuance and pickup upon conveyance.

7.2E Feasibility. As set forth at Section 5.1 above, prior to Closing, Buyer must have concluded its Feasibility Study and satisfy itself with respect to the condition of, and other matters related to the Property and its suitability for Buyer's intended use.

Delivery by Buyer. Buyer will deposit the following with the Closing Agent of Buyer's choosing:

- (a) Buyer shall deposit with the Closing Agent the Cash Due At Closing and any Closing Costs which are the responsibility of Buyer hereunder; and
- (b) Buyer shall deposit with Closing Agent a signed copy of Seller's Disclosure, acknowledging waiver of the receipt of said disclosure as allowed by applicable law; and
- (c) Any other documents, instruments, data, records, correspondence, or agreements called for hereunder which have not previously been delivered.

8. Closing. This transaction will be closed in escrow by Aegis acting as Closing agent ("Closing Agent"). The closing will be held at the office of the Title Company on or before _____ (the "Closing Date"). If closing does not occur on or before the Closing Date, or any later date mutually agreed to in writing by Seller and Buyer, Closing Agent will immediately terminate the escrow, forward the parts of the Deposit to the party entitled to receive them as provided in this Agreement and return all documents to the party that deposited them. When notified by Closing Agent, Buyer and Seller will deposit with Closing Agent without delay all instruments and moneys required to complete the transaction in accordance with this Agreement. "Closing," for the purpose of this Agreement, is defined as the date that all documents are executed, the sale proceeds are available for disbursement to the Seller, and legal title passes to the Buyer.

9. Closing Costs and Pro-rations. Seller shall pay the premium for a standard coverage owner's policy of title insurance in the full amount of the Purchase Price, state of Washington real estate excise taxes applicable to the sale, and one-half of the Closing Agent's escrow fee. Buyer shall pay the additional premium, if any, attributable to an extended coverage owner's policy of

title insurance (if elected by Buyer) and any endorsements required by Buyer, any financing costs, the cost of recording the deed and any financing documentation, and one-half of the Closing Agent's escrow fee. Property taxes and assessments for the current year, water and other utility charges, if any, shall be prorated as of the Closing Date unless otherwise agreed. Seller is a property tax exempt organization pursuant to R.C.W. 84.36.010, and therefore property taxes will only be due from Buyer for its ownership from and after the Closing Date.

10. Casualty Loss. Seller shall promptly notify Buyer of any event prior to the Closing Date which causes damage to or destruction of any portion of the Property. If Buyer and Seller cannot come to an agreement regarding any such damage to or destruction of the Property, including the settlement of any insurance claims, then Buyer and Seller will each have the right to terminate this Agreement by giving written notice of termination to the other party within twenty (20) days after receipt of actual notice of such casualty loss. Upon exercise of such termination election by either party, this Agreement will terminate, and the Deposit will be returned to Buyer.

11. Possession. Seller shall deliver possession of the Property to Buyer on the Closing Date. Seller shall remove any and all personal property from the Property on or before the Closing Date, unless specifically authorized otherwise in writing by Buyer.

12. Events of Default. In the event Buyer fails, without legal excuse to complete the purchase of the Property, Seller shall be entitled to retain the Deposit, and may pursue any remedies available to it in law or equity, including specific performance. In the event Seller fails, without legal excuse, to complete the sale of the Property, Buyer shall be entitled to immediate return of the Deposit and may pursue any remedies available to it in law or equity, including specific performance.

13. Notices. Any notice under this Agreement must be in writing and be personally delivered, delivered in person or by recognized overnight courier service, given by mail or via e-mail. If using e-mail for Notices, the sender must follow up with a hardcopy of the Notice delivered to the recipient by mail or in person. All notices must be addressed to the parties at the following addresses, or at such other addresses as the parties may from time to time direct in writing:

Seller: City of Tacoma, Public Works Department
Real Property Services
747 Market Street, Room 737
Tacoma, WA 98402

Copies to: City of Tacoma, Legal Department
747 Market Street
Tacoma, WA 98402

City of Tacoma, Community and Economic Development
Department
747 Market Street, Room 900
Tacoma, WA 98402

Buyer: Pierce County Community Land Trust
c/o Jessie Baines Jr.
6646 S. Wapato Street
Tacoma, WA 98409
Jessieb@pclandtrust.org

Any notice will be deemed to have been given, when personally delivered, and if delivered by courier service, one business day after deposit with the courier service, and if mailed, two business days after deposit in the U.S. mail.

14. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto, each of which counterpart when so executed shall have the same force and effect as if that party had signed all other counterparts.

15. Brokers and Finders. Each party represents and warrants to the other that, to such party's knowledge, no broker, agent or finder is involved in this transaction. In the event any broker or other person makes a claim for a commission or finder's fee based upon the transaction contemplated by this Agreement, the party through whom said broker or other person makes its claim shall indemnify and hold harmless the other party from said claim and all liabilities, costs and expenses related thereto, including reasonable attorneys' fees, which may be incurred by such other party in connection with such claim. This indemnity shall survive the closing of this transaction.

16. Amendments. This Agreement may be amended or modified only by a written instrument executed by Seller and Buyer.

17. Continuation and Survival of Representations and Warranties. All representations and warranties by the respective parties contained in this Agreement or made in writing pursuant to this Agreement are intended to and will remain true and correct as of the time of closing, will be deemed to be material and will survive the execution and delivery of this Agreement and the delivery of the Deed and transfer of title for a period of 6 (six) months whereupon they shall terminate. Such representations and warranties, however, are not assignable and do not run with the land, except as may be expressly provided herein or contained in a written instrument signed by the party to be charged.

18. Governing Law. This Agreement will be governed and construed in accordance with the laws of the state of Washington without recourse to any principles of Conflict of Laws.

19. Attorney Fees. If either party fails to perform any of its obligations under this Agreement or if a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the defaulting party or the party not prevailing in the dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights under this Agreement, including without limitation, court costs and reasonable attorney fees incurred in connection with any federal, state or bankruptcy proceeding.

20. Time of the Essence. Time is of the essence of this Agreement and of all acts required to be done and performed by the parties hereto.

21. FIRPTA. The Closing Agent is instructed to prepare a certification or equivalent that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act ("FIRPTA"), and Seller agrees to sign this certification. If Seller is a "foreign person" as the same is defined by FIRPTA, and this transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service.

22. Waiver. Neither Seller's nor Buyer's waiver of the breach of any covenant under this Agreement will be construed as a waiver of the breach of any other covenants or as a waiver of a subsequent breach of the same covenant.

23. Non-merger. The terms and provisions of this Agreement, including without limitation, all indemnification obligations and obligations to develop the Property that, by their terms extend beyond the Closing Date, will not merge in, but will survive, the closing of the transaction contemplated under this Agreement.

24. Assignment. Buyer shall not assign this Agreement without Seller's prior written consent, which consent may not be unreasonably withheld or delayed. Notwithstanding this restriction, Buyer is specifically authorized to assign its rights under this Agreement to a legal entity (such as a limited liability company) formed and controlled by Buyer.

25. Negotiation and Construction. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either party.

26. Additional Acts. Except as otherwise provided herein, in addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by any party hereto, the parties agree to perform, execute and/or deliver, or cause to be performed, executed and/or delivered, any and all such further acts, deeds and assurances, which may reasonably be required to give effect to the Agreement contemplated herein.

27. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the purchase and sale of the Property, and supersedes all prior agreements and understandings, oral or written, between the parties relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

SELLER:

BUYER:

CITY OF TACOMA, a first-class
municipal corporation

PIERCE COUNTY COMMUNITY LAND TRUST
a Washington non-profit corporation

Elizabeth A. Pauli
City Manager

By: Jessie Baines Jr.
Its: Founder-Board Member

Department Approvals:

Jeff Robinson
Director
Community and Economic Development Department

Andrew Cherullo
Finance Director

Approved as to form:

Office of City Attorney

Exhibit A

Legal Description of the Property

Lots 16, 17 and 18, Block 21, Villa Park Addition, according to the Plat thereof recorded in Volume 5 of Plats page(s) 60, records of Pierce County, Washington; AND

Lots 13 through 21, Block 22, Villa Park Addition, according to the Plat thereof recorded in Volume 5 of Plats page(s) 60, records of Pierce County, Washington.

Exhibit B
Depiction of the Property

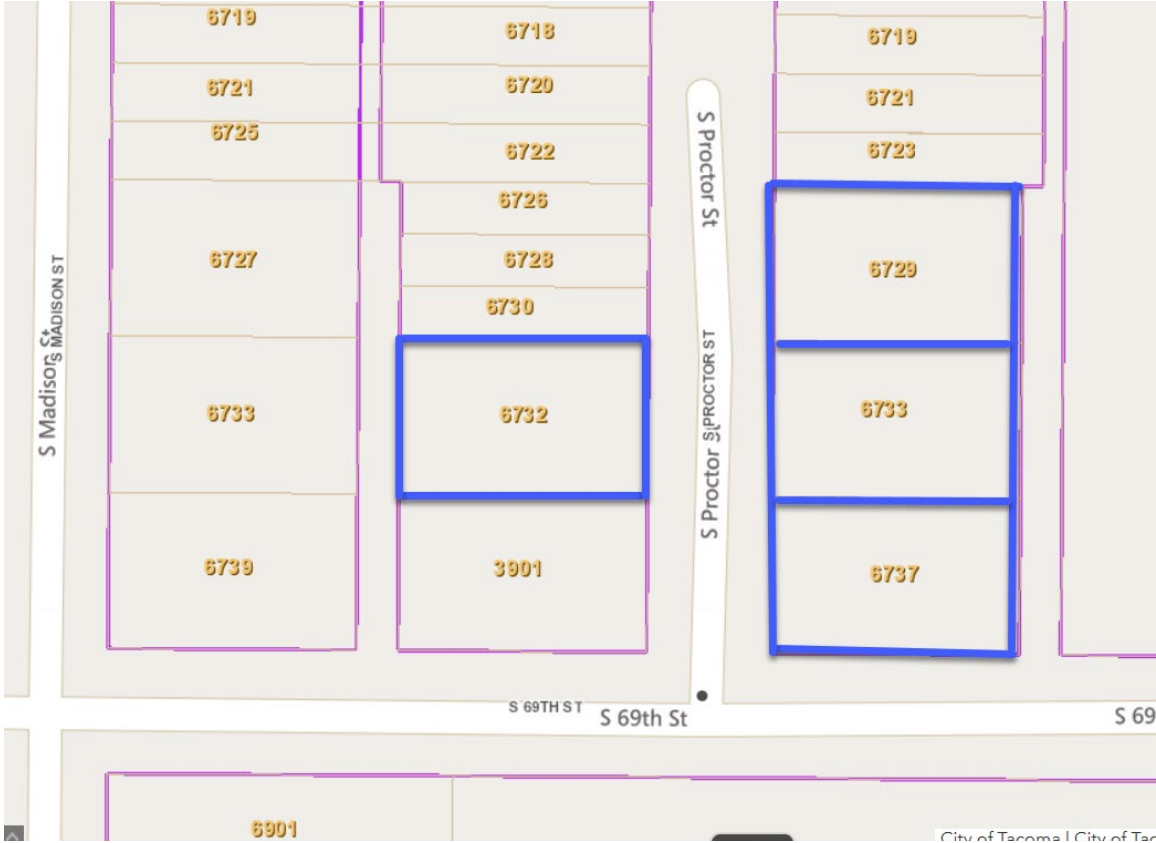


Exhibit C
Form of Development Agreement

When Recorded Return To:
City of Tacoma, CED, Housing Division
Attn: Felicia Medlen
747 Market St, Room 900
Tacoma, WA 98402

Document Title: DEVELOPMENT AGREEMENT
Grantor: CITY OF TACOMA, a first class municipal corporation
Grantee: PIERCE COUNTY COMMUNITY LAND TRUST, a Washington non-profit corporation
Legal Description: SEE EXHIBIT A
Assessor's Tax Parcel Number(s): 9260000930, 9260000971, 9260000972, 9260000980

**DEVELOPMENT AGREEMENT
FOR THE DEVELOPMENT OF REAL PROPERTY
FOR AFFORDABLE HOUSING PURPOSES**

This Development Agreement is entered into as of _____, 2024, between the City of Tacoma, a first class municipal corporation ("City"), and PIERCE COUNTY COMMUNITY LAND TRUST, a Washington non-profit corporation, and its successors and assigns ("Developer") (City and Developer, together, "Parties").

RECITALS

WHEREAS the Parties have entered into that certain Purchase and Sale Agreement dated _____, 2024 ("PSA"), for the disposition and development of certain City owned real property known as Pierce County Tax Parcel Nos. 9260000930, 9260000971, 9260000972, and 9260000980, and as legally described in Exhibit A ("Property") attached hereto and by this reference incorporated herein.

WHEREAS the Property will be conveyed to Developer by a Quit Claim Deed in the form attached to the PSA as Exhibit A ("Deed"), which includes a Condition Subsequent and a Covenant Regarding Public Benefit (together, the "Affordable Housing Encumbrance"). Conveyance and recording of the Quit Claim Deed is conditioned upon Developer executing this Development Agreement ("DA").

WHEREAS the City's primary purpose in conveying the Property to the Developer is to see it developed into affordable housing within a commercially reasonable time. To that end, this DA is an integral part of the consideration for the conveyance of the Property.

WHEREAS by this DA, Developer agrees to use the Property for the purpose of developing the Property as further set forth in Section I below, to be constructed in conformance with Developer's Development Proposal.

In light of the foregoing, and as consideration for the conveyance of the Property, the City and the Developer hereby covenant and agree as follows:

I. Developer Covenants.

A. Designated Purpose. Developer covenants to use and develop the Property in conformance with the requirements stated in this section, Section A, ("Proposal"). To the extent that any development plans submitted by the Developer and approved by the City deviate from the Proposal, said development plans shall control and Developer shall develop the Property in conformance with said development plans. In the absence of any such deviations, Developer shall develop the Property to include, at a minimum, the following:

1. Housing:

- (i) The project shall consist of a minimum of twelve (12) residential units;
- (ii) Initial sale of 50% of the units shall be restricted to moderate-income homebuyers (80% area median income for the Tacoma Pierce County Metro area or below);
- (iii) 100% of the units shall be subject to a 10-year Homeownership Covenant. The Homeownership Covenant shall be in the form of the document included in this DA as Exhibit B and be recorded on title. The Homeownership covenant shall run with the land and will include the following:
 - I. A shared appreciation resale restriction, and
 - II. A requirement for the units to be homeowner occupied
- (iv) The initial sale of a minimum of fifty percent (50%) of the constructed units shall be affirmatively and intentionally marketed to moderate-income Black households to address the disparate homeownership outcomes for Black households identified in the City's Homeownership Disparity Study.

2. Additional required features:

- (i) The property shall be landscaped and aesthetically complementary to the surrounding neighborhood

The foregoing are minimum requirements only. Developer may add square footage to the project where feasible, and is encouraged to do so. The above development requirements are referred to herein as the "Designated Development Use."

B. Construction Commencement/Completion.

1. Developer shall begin construction of its project on the Property ***no later than December 31, 2024***, in accordance with the construction schedule as follows:

- a. Developer shall complete any environmental investigation of the Property 60 days after executed PSA,
- b. Developer shall close on the sale of the Property by the Closing Date set forth in Section 8 of the PSA.
- c. Developer shall apply for Permit within 120 days after Closing,
- d. Developer shall commence construction by December 31, 2024,
- e. Developer shall complete construction no later than December 31, 2025, and
- f. Developer shall sell 100% of Units by June 30, 2026.

2. Once construction is commenced, Developer must diligently pursue construction to completion. If at any time during construction of the project, Developer ceases construction for six (6) months or more, Developer shall be in violation of this Covenant.

C. Construction Completion. Developer covenants to complete all construction *no later than December 31, 2025*.

D. LEAP and Equity in Contracting Participation. Developer agrees to use its best efforts to participate in the City of Tacoma's LEAP and EIC program as outlined in Exhibit C hereto.

E. Local Improvement District. Developer hereby covenants to not oppose the formation of any Local Improvement District ("LID") in which Developer, as the owner of the Property, is considered a benefitted owner.

F. Development Team. Developer has agreed to employ architects, engineers and construction firms, contractors and subcontractors that have a minimum of five (5) years' experience in constructing housing in its project on the Property, and shall identify a project manager to oversee all aspects of the project and coordinate with City planning, permitting and housing staff;

G. Covenant for Affordability. Upon completion of construction, Developer agrees to comply with the Affordable Housing Encumbrance and ensure such encumbrances are passed on to individual owners at time of sale.

II. City Covenants.

The City covenants to work cooperatively with Developer to meet the construction commencement deadline and subsequent construction completion deadlines set forth herein and in the PSA and to assist Developer in order to achieve the following:

1. Compliance with development requirements and standards,
2. Design approval,
3. Building permit issuance, and
4. Issuance of certificate of occupancy upon project completion.

III. Remedies

If Developer fails to meet any of the milestones in the construction schedule, the City shall have the right to reacquire, at no cost to the City, the Property, including any and all improvements thereon or therein. Further, City may, in its absolute and sole discretion and election, forever revoke this Covenant upon payment by Grantee to Grantor of the fair market value of the Property at the time of said election.

IV. Indemnification of the City and Developer.

A. Developer covenants to indemnify, defend, and hold the City harmless from and against all claim, liability, loss, damage, cost, or expense (including reasonable attorneys' fees, court costs, and amounts paid in settlements and judgment) incurred in connection with Developer's development activity, construction activity, or other liability arising in any manner out of its activities on the Property, including the construction of improvements on the Property, as well as any act or omission of Developer or its members, agents, employees, representatives, contractors, subcontractors, successors, assigns or invitees, on or with respect to the Property. The City shall not be entitled to such indemnification to the extent that such claim, liability, loss, damage, cost or expense is caused by the negligence or willful misconduct of the City.

B. Promptly following receipt of notice, the City shall give Developer written notice of any claim for which Developer has indemnified the City hereunder, and the relevant party shall thereafter vigorously defend such claim on behalf of the City. Failure to give prompt notice to Developer shall not constitute a bar to the indemnification hereunder unless such delay has prejudiced Developer in the defense of such claim. If Developer is required to defend any action or proceeding pursuant to this Section to which action or

proceeding the City is made a party, the City shall be entitled to appear, defend or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent the City is indemnified under this section, Developer shall bear the cost of the City's defense, including reasonable attorneys' fees and costs. No settlement of any non-monetary claim shall be made without the City's written approval, not to be unreasonably withheld.

C. Developer agrees to include in each construction contract for construction of its project or other work on the Property that if there is liability for damage or injury during construction, each contractor waives immunity under the Workers' Compensation Laws of the State of Washington, Title 51 RCW, for claims brought by its employees against the City. Further, each contractor shall agree to indemnify and hold the City harmless for damages attributable to the contractor's negligence.

D. The City shall indemnify, defend, and hold Developer harmless from and against all claim, liability, loss, damage, cost, or expense (including reasonable attorneys' fees, court costs, and amounts paid in settlements and judgment) incurred in connection with the City's negligence or other legally culpable conduct in performing its obligations under this DA.

V. Miscellaneous Provisions.

A. No Joint Venture. It is not intended by this DA to, and nothing contained in this DA shall, create any partnership or joint venture or create the relationship of principal and agent between Developer and the City, or any of their successors in interest.

B. Enforcement and Remedies. In the event of any violation of any of the provisions of this DA by the parties, the non-violating party shall have the right to enforce the violated covenant by any appropriate proceedings at law or in equity, including the right to apply to a court of competent jurisdiction for an injunction against such violation, or for specific performance. Any remedies specifically provided herein are non-exclusive and are in addition to all other remedies available to the non-violating party at law or in equity.

C. Covenants to Run With the Land. The City and Developer hereby declare their express intent that the covenants and conditions set forth in this DA shall run with the land, and shall bind all successors in title to the Property.

1. Satisfaction of Covenant. Upon construction completion or the sale of the final home in this development, whichever is later; and after the City has confirmed through satisfactory documentation that the covenants under Section I of this DA have been met, the City may at its sole discretion release this DA.

D. Governing Law and Choice of Venue. This DA shall be governed by the laws of the State of Washington without regard to any principles of Conflicts of Laws. Any action brought regarding this DA shall be brought in the Superior Court for the State of Washington in Pierce County.

E. Amendments. This DA may be amended only by a written instrument executed by all the parties hereto or their successors in title, and duly recorded in the Official Records of Pierce County, Washington.

F. Severability. If any provision of this DA shall be found invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions of this DA shall not in any way be affected or impaired thereby.

G. Electronic Signatures. This document may be signed electronically. Electronic signatures on this document are legally binding and enforceable.

H. Recording. This DA shall be recorded in the real property records of Pierce County, Washington.

I. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto, each of which counterpart when so executed shall have the same force and effect as if that party had signed all other counterparts.

IN WITNESS WHEREOF, the City and Developer have caused this Development Agreement to be executed as of the day and year written above and warrant by signing below that they have the authority to enter into this Development Agreement.

CITY OF TACOMA

DEVELOPER

Elizabeth A. Pauli
City Manager

By: Jessie Baines Jr.
Its: Founder-Board Member

APPROVED:

Jeff Robinson
Community and Economic Development Director

EXHIBIT A
Legal Description

Lots 16, 17 and 18, Block 21, Villa Park Addition, according to the Plat thereof recorded in Volume 5 of Plats page(s) 60, records of Pierce County, Washington; AND

Lots 13 through 21, Block 22, Villa Park Addition, according to the Plat thereof recorded in Volume 5 of Plats page(s) 60, records of Pierce County, Washington.

EXHIBIT B
Form of Homeownership Covenant

When Recorded Return To:
City of Tacoma, CED, Housing Division
Attn: Division Manager
747 Market St, Room 900
Tacoma, WA 98402

Document Title: Homeownership Covenant
Grantor: PIERCE COUNTY COMMUNITY LAND TRUST, a Washington non-profit corporation Company
Grantee: CITY OF TACOMA, a first class municipal corporation
Legal Description: See Attachment A
Assessor's Tax Parcel Number(s): 9260000930, 9260000971, 9260000972, 9260000980

This HOMEOWNERSHIP COVENANT (the "Covenant") is given and granted to the City of Tacoma, a first-class municipal corporation ("Grantee"), by PIERCE COUNTY COMMUNITY LAND TRUST, a Washington non-profit corporation ("Grantor"), on the following terms and conditions:

Whereas, the Grantee agreed to sale the Grantor real property identified by parcel numbers 9260000930, 9260000971, 9260000972, and 9260000980; and legally described in Attachment A of this covenant;

Whereas, this property was to be developed and used in a form consistent with the Development Agreement;

Whereas, the Development Agreement requires the execution of a Homeownership covenant that shall survive the release of the Grantor from the Development Covenant should that occur within a certain 10-year period;

Whereas, during this 10-year period all successors in title of property referenced above shall be subject to this covenant.

In light of the foregoing, and as consideration for the conveyance of the Property, the Grantor and Grantee hereby covenant and agree as follows:

Covenants: The Grantor, and as such all successors in title, covenants and agrees that until December 31, 2035

- (a) Not less than 100% of the units shall be homeowner occupied
- (b) Each sale of a unit shall be subject to the following shared appreciation restriction when net proceeds are equal to or in excess of twenty-five thousand dollars (\$25,000)
 - i. Years 0-5: 15% of net proceeds from the transaction shall be remitted to the City of Tacoma and deposited into the City's Affordable Housing Fund
 - ii. Years 6-10: 10% of net proceeds from the transaction shall be remitted to the City of Tacoma and deposited into the City's Affordable Housing Fund
- (c) Sales resulting in less than twenty-five thousand (\$25,000) in net proceeds, foreclosures, or short sales shall not be subject to the shared appreciation requirement

Enforcement: If a violation of any of the foregoing covenants occurs, in addition to any other remedies it may have, the Grantee, or its successors and assigns, may, after thirty (30) days' notice to Grantor and opportunity to cure the violation, institute and prosecute any proceeding in law or equity to abate, prevent, or enjoin any such violation, or to compel specific performance by Grantor of its obligations hereunder. No delay in enforcing the provisions hereof, as to any breach or violation, shall impair, damage or waive the right of any party entitled to enforce the provisions hereof, or to obtain relief against, or recover for the continuation or repetition of such breach or violation, or any similar breach or violation hereof at any later time.

Contact: Contact for shared appreciation payment instructions or questions about this covenant should be made to:

City of Tacoma
Attn: Housing Division Manager
747 Market Street, Rm 900
Tacoma WA, 98402

or

Cedhousingdivision@cityoftacoma.org

Subject: Proctor Homeownership Covenant: "Parcel Number"

Attn: Housing Division Manager

Covenants Running with Land: The City and Developer hereby declare their express intent that the covenants and conditions set forth in this Covenant shall run with the land and shall bind all successors in title to the Property.

IN WITNESS WHEREOF, the Grantor has executed this Homeownership Covenant on this _____ day of _____, 2024.

GRANTOR,
PIERCE COUNTY COMMUNITY LAND TRUST, a Washington non-profit corporation

By: _____
Jessie Baines Jr.
Its: Founder- Board Member

STATE OF WASHINGTON)
County of Pierce) ss.
)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath, stated that he is authorized to execute the instrument and acknowledged it as the **Founder-Board Member** of **PIERCE COUNTY COMMUNITY LAND TRUST**, a Washington non-profit corporation, to be the free and voluntary act of such company for the uses and purposes mentioned in the instrument.

Dated: _____, 2024.

Notary Public in & for the State of Washington

Print Name: _____
My Commission Expires: _____

**Attachment A
Legal Description**

Lots 16, 17 and 18, Block 21, Villa Park Addition, according to the Plat thereof recorded in Volume 5 of Plats page(s) 60, records of Pierce County, Washington; AND

Lots 13 through 21, Block 22, Villa Park Addition, according to the Plat thereof recorded in Volume 5 of Plats page(s) 60, records of Pierce County, Washington.

EXHIBIT C
LEAP and Equity In Contracting

CITY OF TACOMA LEAP & EQUITY IN CONTRACTING (f/k/a SBE) PARTICIPATION

Developer agrees to comply with the City of Tacoma’s Local Employment and Apprenticeship Training Program (LEAP) and Equity in Contracting (“EIC”; f/k/a Small Business Enterprise) program by attempting to ensure that all contractors performing work on the Project make their best efforts to comply with the program requirements. In an effort to develop relationships with the local community and promote the local work force and subcontracting businesses, Developer will notify each contractor and Bidders of the LEAP and EIC requirements and strongly encourage participation in the programs.

- I. LEAP Utilization Goal: The City of Tacoma’s LEAP program has established two requirements that may be satisfied concurrently:
 - a. Local Employment Requirement: 15% of total labor hours must be provided by:
 - i. Residents of the City of Tacoma
 - ii. Residents of the Economically Distressed Areas of the Tacoma Public Utilities Service Area
 - b. Apprentice Utilization Requirement: 15% of total labor hours must be provided by Apprentices affiliated with Washington State Apprenticeship and Training Council approved programs who are:
 - i. Residents of any county of the Tacoma Public Utilities Service Area
- II. EIC Annual Goal: The City of Tacoma’s EIC program has established annual subcontracting goals of:
 - a. 10% Minority Business Enterprise (MBE)
 - b. 8% Women Business Enterprise (WBE)
 - c. 7% Small/Disadvantaged Business Enterprise (SBE/DBE)

Contractors that agree to comply with the City of Tacoma LEAP and EIC programs must track the local hire and apprentice hours worked, and EIC contracts awarded under Developer’s Project. It shall be the responsibility of the contractors that qualify for and are participating in each respective program to supply the City of Tacoma with data, in such form as prescribed by the City, that shows reasonable evidence of compliance with LEAP and EIC. A final participation tracking report shall be prepared by the City of Tacoma upon completion of the Project.

LEAP and EIC can assist contractors in identifying qualified workers and subcontractors in meeting their business and workforce needs as identified in their respective bid submittals and scopes of work.

Program Contacts:

LEAP <http://www.cityoftacoma.org/leap>

Carol Wolfe

cwolfe@cityoftacoma.org

253-591-5384

EIC <https://www.cityoftacoma.org/cms/One.aspx?portalid=169&pageid=26616>

Carol Wolfe

cwolfe@cityoftacoma.org

253-591-5384