

**CITY OF TACOMA AND TACOMA COMMUNITY REDEVELOPMENT AUTHORITY
GRANT AGREEMENT**

THIS AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 2017, by and between the **CITY OF TACOMA**, Washington, a municipal corporation operating as a first class city under the laws of the state of Washington ("City" or "Grantor") and the **TACOMA COMMUNITY REDEVELOPMENT AUTHORITY**, a Washington public development authority ("TCRA" or "Grantee").

RECITALS

WHEREAS pursuant to Resolution no. _____ passed June 13, 2017, the City is authorized to execute this Agreement with Tacoma Community Redevelopment Authority, a Washington public development authority, in which the grant funds are to be utilized for the development of the Youth Crisis Residential Center project, and

WHEREAS the Tacoma Community Redevelopment Authority ("TCRA") is a public corporation, organized and existing pursuant to its charter, Chapter 1.60.101 of the Tacoma Municipal Code, and the laws of the state of Washington, and whose purpose is to provide increased flexibility and efficiency in administering programs aimed at rebuilding and revitalizing blighted areas, expanding housing and job opportunities, stimulating economic development and generally improving living conditions, and

WHEREAS Tacoma Housing Authority (THA) owns a 3.5 acre parcel adjacent to the Salishan neighborhood and buffered by First Creek Gulch. THA proposes to use one acre of this currently vacant land to develop a one story, 5,000 square foot Crisis Residential Center (CRC Project) that TCRA will help fund consisting of one residential unit with twelve dormitory style bedrooms, two common bathrooms, a staff office, kitchen and living room space, and on-site parking; and

WHEREAS the TCRA will use seven hundred thousand dollars (\$700,000) in funds from the City of Tacoma's .1% mental health and substance use disorder sales tax, along with an additional three hundred thousand dollars (\$300,000) in Community Development Block Grant (CDBG) funding for a total of one million dollars (\$1,000,000), to provide a thirty-year, forgivable loan to THA to develop the CRC Project; and

WHEREAS the TCRA Board gave staff approval to negotiate and execute a loan agreement, deed of trust and promissory note, and a regulatory agreement with the THA for \$1,000,000.

NOW, THEREFORE, in consideration of the recitals set forth above, the terms and conditions contained in this Grant Agreement, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Incorporation of Recitals. The Parties agree, that to the best of their knowledge, the above stated recitals are true and correct and are incorporated as though fully set forth herein.

2. Grant. Subject to all of the terms and conditions of this Agreement, and in consideration for those listed herein , the City agrees to provide TCRA the sum of Seven-hundred thousand and No/100 Dollars (\$700,000.00) from the City of Tacoma's .1% mental health and substance use disorder sales tax fund.

3. Use and Proceeds. The proceeds provided to TCRA shall be only used for costs associated with the development (defined as costs associated with design through construction) of the one story, 5,000 square foot crisis residential center, known as the CRC Project.

None of the funds, materials, property or services provided directly or indirectly in this contract shall be used in the performance of this Agreement for any partisan political activity or to further the election or defeat of any candidate for public office. None of the funds provided under this contract shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Tacoma City Council, the Washington State Legislature, the United States Congress, or any other legislative body.

5 Books and Records. The City, or its authorized representative, shall have reasonable access upon 24 hours' prior written notice, to the books and records of Grantee, to conduct a confirmatory examination of Grantee's books and records. Said examination shall be at the City's expense unless Grantee's statements are found to contain significant errors, in which case the confirmatory examination will be at Grantee's expense.

6. Compliance with Laws. TCRA agrees that it will comply with applicable laws and regulations, and any agreements or documents related to the TCRA and Tacoma Housing Authority Agreement for \$1 million to build the CRC Project. TCRA agrees to provide proper documentation and establish, maintain, and provide to the City, upon request, such records as may be required by the City to comply or show compliance with such applicable laws, regulations and requirements herein. TCRA shall continuously maintain all required business licenses and registrations.

7. Nondiscrimination. TCRA shall comply with applicable nondiscrimination, equal opportunity, and fair labor standards requirements, and all other applicable City of Tacoma, State of Washington, and federal laws and regulations, and shall continue to

comply with all such laws and regulations throughout the construction of the new facility. TCRA shall not discriminate in any employment action because of race, religion, color, national origin or ancestry, sex, gender identity, sexual orientation, age, marital status, familial status, veteran or military status, or the presence of any sensory, mental or physical handicap.

8. No City of Tacoma Liability. Grantee expressly acknowledges and agrees that neither the Grantee, nor any other person or entity shall have any recourse to the assets, credit or services of the City of Tacoma on account of any debts, obligations, or liabilities of the City, whether created hereunder or otherwise. No member, official, or employee of the City, shall be personally liable to the Grantee, or any successor thereto, on account of any obligations or debts arising hereunder.

9. Hold Harmless. TCRA hereby agrees to indemnify and hold harmless the City, its officials, officers, agents, employees, and volunteers, from any and all claims, causes of action, judgments or liens occasioned by or arising out of the performance by TCRA of any activity covered hereunder, and to defend for and on behalf of the City, at its own expense, any such claim or cause of action, and in the event of recovery thereon, to pay any judgment or lien arising therefrom, including any and all costs as a part thereof.

10. Independent Contractor Status

- A. The services and deliverables shall be furnished by the GRANTEE as an independent Contractor, and nothing herein contained shall be construed to create a relationship of employer/employee or master/servant. No payroll or employment taxes of any kind shall be withheld or paid by the CITY with respect to payments to GRANTEE. The payroll or employment taxes that are the subject of this paragraph include, but are not limited to, FICA, FUTA, federal income tax, state personal income tax, state disability insurance tax and state unemployment insurance tax. By reason of GRANTEE'S status as an independent Contractor hereunder, no workers' compensation insurance has been or will be obtained by the CITY on account of GRANTEE. GRANTEE may be required to provide the CITY proof of payment of these said taxes and benefits. If the CITY is assessed or deemed liable in any manner for those charges or taxes, the GRANTEE agrees to hold the CITY harmless from those costs, including attorney's fees.
- B. The GRANTEE shall provide at its sole expense all materials, office space, and other necessities to perform its duties under this Contract, unless otherwise specified in writing herein.

11. Conflicts of Interest. Throughout the term of the Grant Agreement, Grantee agrees to comply with all of the following:

(a) Grantee agrees that no TCRA Board member, officer or agent of the City who exercises any functions or responsibilities in connection with the administration of the TCRA, or any program of the City shall have any interest, direct or indirect, in the proceeds of the TCRA facilities, or in any contract or agreement entered into by the Grantee; and

(b) Grantee agrees that no member of the Tacoma City Council, or any other public official of the City of Tacoma who exercises any functions or responsibilities in connection with the administration of TCRA, shall have any interest, direct or indirect, in the proceeds of the TCRA facilities, or any contract or agreement entered into by TCRA in connection with the TCRA facilities.

12. Public Works. For any work performed with the City funds which qualifies as a "public work" under applicable state law, TCRA hereby agrees to solicit competitive bids for said work; pay prevailing wages for said work consistent with RCW 39.12; require a payment and performance bond for said work consistent with 39.08; and require retainage consistent with RCW 60.28.

13. Miscellaneous.

(a) This agreement may not be modified or amended, except in writing executed by both of the parties hereto.

(b) This agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

(c) All notices, demands, or other communications which are required or permitted to be given pursuant to this agreement, shall be given in writing to the party entitled thereto at its last known address, by personal delivery, or by United States certified mail, postage prepaid, return receipt requested.

(d) All matters pertaining to the validity, construction and effect of this agreement shall be governed by the laws of the State of Washington. Any action arising out of or relating to this agreement or the breach thereof, shall be brought in the Superior Court of the State of Washington in and for Pierce County.

(e) In the event that any provision of this agreement shall be held invalid, illegal or unenforceable, in whole or in part, the validity of the remaining part of such provision, and/or the validity of any other provision of this agreement shall in no way be affected thereby.

(f) Time is of the essence of this agreement.

(g) In the event any action or appeal therefrom is brought by any party under this agreement to enforce any of the provisions hereof or to enforce any

obligation of any party related hereto, the prevailing party shall be entitled to reasonable attorney's fees and costs to be fixed by the court, including expenses of appeal.

(h) This agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement.

(i) No provision of this Agreement is made or shall be construed for the benefit of any third party.

(j) Oral agreements or oral commitments to lend money, extend credit, or to forbear from enforcing payment of a debt are not enforceable under Washington law.

(k) A waiver or failure by either party to enforce any provision of this Agreement shall not be construed as a continuing waiver of such provisions, nor shall the same constitute a waiver of any other provision of this Agreement.

(l) The TCRA shall not assign, subcontract, delegate, or transfer any obligation, interest or claim to or under this Agreement or for any of the compensation due hereunder without the prior written consent of the City.

(m) This Agreement contains the entire agreement between the parties. All previous and contemporaneous agreements, representations or promises and conditions relating to the subject matter of this Agreement are superseded hereby.

CITY OF TACOMA

**TACOMA COMMUNITY
REDEVELOPMENT AUTHORITY**

Elizabeth Pauli, City Manager

Ricardo Noguera, Director Community
and Economic Development
Department

Date: _____

Date: _____

Linda Stewart, Interim Director
Neighborhood and Community Services Department

Andy Cherullo, Director
Finance Department

Approved as to form:

Deputy City Attorney

Attest:

Doris Sorum, City Clerk