Agenda
City Council Workshop Meeting
Tuesday, March 24, 2015
City Hall Council Chamber | 505 Swift Boulevard

Special City Council Meeting: 6:00 p.m.

1. Ordinance No. 16-15, Approving the Refunding of Richland Public Facilities District (PFD) Bonds and Authorizing the Execution of a Contingent Loan Agreement and Restated Interlocal Agreement with the Richland PFD
   - Bill King, Deputy City Manager

City Council Workshop - 6:15 p.m.

Agenda Items:

1. Swift Corridor Redevelopment Update (20 minutes)
   - Bill King, Deputy City Manager

2. Waterfront 2040: Request for Qualifications for a Waterfront Redevelopment Plan (15 minutes)
   - Bill King, Deputy City Manager

3. 2015 City Manager Goals (30 minutes)
   - Cindy Johnson, City Manager

Adjournment

Richland City Hall is ADA accessible with special parking and access available at the entrance facing George Washington Way. Requests for sign interpreters, audio equipment, and/or other special services must be received 48 hours prior to the City Council Workshop by calling the City Clerk's Office at 942-7388.

ORDINANCE NO. 16-15

AN ORDINANCE of the City of Richland, Washington, approving the refunding of certain bonds issued by the Richland Public Facilities District that are guaranteed by the City; authorizing the execution of a Contingent Loan Agreement, a First Amended and Restated Interlocal Agreement and amendments to other related agreements; and providing for other matters properly relating thereto.

BE IT ORDAINED BY THE CITY OF RICHLAND as follows:

Section 1. Findings and Determinations. The City takes note of the following facts and makes the following findings and determinations:

(a) *Plan of Cooperative Financing*. The City is authorized by chapter 67.28 RCW to acquire and operate "tourism-related facilities." Pursuant to RCW 67.28.130, the City and the Richland Public Facilities District (the "District") each have contributed to the financing of the construction, operation and maintenance of the Hanford Reach Interpretive Center (the "Regional Center"). In particular:

(1) The City and the District previously entered into the Interlocal Agreement for the Financing of a Regional Center, dated January 13, 2004 (the "Lodging Tax Agreement") evidencing the City's obligation to contribute money to the District for purposes of the joint development of the Regional Center.

(2) The District previously issued its Limited Sales Tax Bonds, 2004 (the "2004 Bonds") to finance capital expenditures relating to the Regional Center, expected to be repaid from: (i) sales and use taxes imposed by the District under RCW 82.14.390 (Sales Tax"); (ii) amounts received from the Benton County Public Facilities District ("Benton PFD") derived from sales and use taxes imposed by the Benton PFD; and (iii) amounts received from the City under the Lodging Tax Agreement.

(3) The City and the District entered into a Contingent Loan Agreement dated as of January 13, 2004 (the "Prior Contingent Loan Agreement") evidencing the City's obligation to loan the District money, if necessary, to pay when due debt service on the District's 2004 Bonds. The City has never been asked to loan the District money under the Prior Contingent Loan Agreement.

(4) The District has advised the City that the District expects to issue additional bonds (the "District 2015 Bonds") to refund the District's currently outstanding 2004 Bonds, and has requested that the City provide a similar debt service guaranty under a new Contingent Loan Agreement. The plan of refunding is expected to reduce the District's debt service obligations, which would reduce the amount of loans the City might otherwise be required to make under the Prior Contingent Loan Agreement. To

provide for such refunding, it is in the City's best interests to enter into an amended Lodging Tax Agreement and to enter into a new Contingent Loan Agreement (the "2015 Contingent Loan Agreement") in relation to the District's 2015 Bonds proposed to be issued.

(5) The City has reviewed the history of sales and use tax collections by the District, the payments received by the District from the Benton PFD and the amounts that the City is to pay to the District under the Lodging Tax Agreement, and does not currently expect, based on the historical information, that it is likely to be required to make loans under the 2015 Contingent Loan Agreement.

Section 2. City Approval of the 2015 Bonds. The Administrative Services Director is authorized to review and, if acceptable to her, approve the terms and conditions of the issuance of the 2015 Bonds in accordance with Section 7.03 of the Prior Contingent Loan Agreement.

Section 3. Approval of 2015 Contingent Loan Agreement. The City approves the 2015 Contingent Loan Agreement in substantially the form attached hereto as Exhibit A. The City Manager or designee is authorized to execute the 2015 Contingent Loan Agreement on the City's behalf, but only if (a) the District issues 2015 Bonds before December 31, 2015 (with the delivery of such amendments to be effective as of the date such 2015 Bonds are issued); and (b) the District's aggregate debt service obligations on its bonded indebtedness are reduced as a result of the issuance of such 2015 Bonds. The City Manager or designee may approve, on the City's behalf, changes to the form of agreement, including material changes, and the City Manager or designee's signature on the 2015 Contingent Loan Agreement shall be construed as the City's approval of such changes.

Section 4. Approval of Amended Lodging Tax Agreement. The City approves the First Amended and Restated Interlocal Agreement for the Financing of a Regional Center (the "Amended Lodging Tax Agreement") in substantially the form attached hereto as Exhibit B. The City Manager or designee is authorized to execute such agreement on the City's behalf. The City Manager or designee may approve, on the City's behalf, further changes to the amendment, including material changes, and the City Manager or designee's signature on the Amended Lodging Tax Agreement shall be construed as the City's approval of such changes.

Section 5. Pledge of Full Faith and Credit. The City acknowledges and agrees that the District will pledge the proceeds of any Loan made by the City under the 2015 Contingent Loan Agreement and the Lodging Tax Contribution made under the Amended Lodging Tax Agreement, to the payment of the 2015 Bonds. In light of this pledge and acknowledgement, the City's obligations (a) to make loans to the District from time to time in the amounts, at the times and in the manner required under the 2015 Contingent Loan Agreement, will be treated as a general indebtedness of the City payable from tax revenues of the City, including the City's Additional Lodging Tax (as defined in the

Amended Lodging Tax Agreement), and such other money as is lawfully available for this purpose. The full faith, credit and resources of the City are pledged irrevocably for the prompt availability of funds sufficient to make those loans and payments at the times and in the manner required in accordance with the terms of the 2015 Contingent Loan Agreement and the Amended Lodging Tax Agreement.

Section 6. Official Statement; Continuing Disclosure.

(a) *Official Statement*. To assist an underwriter for the 2015 Bonds in meeting the requirements of paragraph (b)(1) of Rule 15c2-12, if applicable, the Administrative Services Director shall review and, if acceptable to her, approve those portions of the Official Statement prepared in connection with the offering of the 2015 Bonds that describe or summarize the City and its finances, the Lodging Tax Agreement and the Contingent Loan Agreement.

(b) *Undertaking to Provide Continuing Disclosure*. To assist the Underwriter in meeting the requirements of paragraph (b)(5) of Rule 15c2-12, the City's written undertaking to provide continuing disclosure for the benefit of holders of the 2015 Bonds is to be set forth in the 2015 Contingent Loan Agreement.

Section 7. Supplemental and Amendatory Ordinances. The City may supplement or amend this ordinance without the consent of any beneficial or registered owner of any 2015 Bond (a) to add covenants and agreements that do not materially adversely affect the interests of such bondowners, or to surrender any right or power reserved to or conferred upon the City; or (b) to cure any ambiguities, or to cure, correct or supplement any defective provision contained in this ordinance in a manner that does not materially adversely affect the interest of such bondowners.

Section 8. General Authorization and Ratification. The City Manager, City Clerk, Administrative Services Director, and other appropriate officers of the City are severally authorized to take such actions and to execute such documents as in their judgment may be necessary or desirable to carry out the transactions contemplated in connection with this ordinance. All actions taken prior to the effective date of this ordinance in furtherance of the purposes described in this ordinance and not inconsistent with the terms of this ordinance are ratified and confirmed in all respects.

Section 9. Severability. The provisions of this ordinance are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, finds any provision of this ordinance to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this ordinance in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 10. Effective Date of Ordinance. This ordinance shall take effect and be in force on the day following the date of its publication in the official newspaper of the City of Richland.

PASSED by the City Council of the City of Richland, at a regular meeting on the ________day of _________, 2015.

____
DAVID W. ROSE
Mayor

ATTEST:

____
MARCIA HOPKINS
City Clerk

APPROVED AS TO FORM:

____
HEATHER KINTZLEY
City Attorney

Date Published: ________________

[Form of Contingent Loan Agreement]

[Form of Lodging Tax Agreement Amendment]

CERTIFICATION

I, the undersigned, City Clerk of the City of Richland, Washington (the "City"), hereby certify as follows:

1. The attached copy of Ordinance No. 16-15 (the "Ordinance") is a full, true and correct copy of an ordinance duly passed at a regular meeting of the City Council of the City held at the regular meeting place thereof on ____________, 2015, as that ordinance appears on the minute book of the City.

2. A quorum of the members of the City Council was present throughout the meeting and a majority of the members voted in the proper manner for the passage of the Ordinance.

Dated: ____________, 2015.

CITY OF RICHLAND, WASHINGTON

____

Marcia Hopkins, City Clerk

DRAFT DATED 3/16/15

RECORDED AT THE REQUEST OF
AND AFTER RECORDING RETURN TO:

City of Richland
____
____
Richland, WA _____
Attention: _________

2015 CONTINGENT LOAN AGREEMENT

Grantor:	City of Richland, Washington
Grantee:	Richland Public Facilities District
Legal Description:	N/A
Assessor's Tax Parcel ID#:	N/A
Reference # (If applicable):	

DRAFT DATED 3/16/15

CONTINGENT LOAN AGREEMENT
(2015)

between

CITY OF RICHLAND, WASHINGTON

and

RICHLAND PUBLIC FACILITIES DISTRICT

Dated as of
__________, 2015

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CONTINGENT LOAN AGREEMENT
(2015)

THIS CONTINGENT LOAN AGREEMENT (2015) (this "Agreement") dated as of ______________, 2015, is made by and between the CITY OF RICHLAND, a municipal corporation of the State of Washington (the "City"), and the RICHLAND PUBLIC FACILITIES DISTRICT, a municipal corporation of the State of Washington (the "District");

W I T N E S S E T H :

WHEREAS, the City is authorized by chapter 67.28 RCW to acquire and operate "tourism-related facilities;"

WHEREAS, RCW 67.28.080(7) defines "tourism related facility" to mean real or tangible property with a usable life of three or more years that is owned by a public or nonprofit entity and is used to support tourism, performing arts, or to accommodate tourist activities;

WHEREAS, the District is authorized by chapter 35.57 RCW to acquire, construct, own, remodel, maintain, equip, repair, finance and operate one or more "regional centers;"

WHEREAS, RCW 35.57.020 defines "regional center" to include convention centers and facilities available to the public and used for community events, trade shows, and artistic, musical, theatrical, or other cultural exhibitions, presentations, or performances, together with related parking facilities, so long as such facilities serve a regional population and are constructed, improved or rehabilitated after July 25, 1999, at a cost of at least $10 million;

WHEREAS, RCW 67.28.130 authorizes the City and the District to participate in the financing of all or any part of a regional center on such terms as may be fixed by agreement between the respective legislative bodies without submitting the matter to a vote of the electors thereof, unless the provisions of the general laws of this state applicable to the incurring of indebtedness require such submission;

WHEREAS, pursuant to such authority, the District commenced construction on a regional center prior to January 1, 2004, and ultimately acquired, constructed and equipped the Hanford Reach Interpretive Center (the "Regional Center") on a site described in the Real Property Agreements (i.e., collectively, (a) the Department of Army Lease to the City of Richland, Washington for Public Park and Recreational Purposes (No. W912EF-1-04-14), by and between the City and the U.S. Army Corps of Engineers, dated as of March 26, 2004, and as it may be amended from time to time; (b) Sublease Agreement (Columbia Park West) (Contract No. 43-11), by and between the City and the District, dated as of July 13, 2011, as amended by the [First] Amendment to Sublease Agreement, as of February 21, 2012, and by the Second Amendment to Sublease Agreement, dated as of September 19, 2012, and as may be further amended from time to time; and (c) the Facility Contingency Fund Agreement, dated as of April 19, 2013, by and between the City and PFD), all at a cost in excess of $10 million, including debt service;

WHEREAS, the City and the District intend that the Regional Center will continue to be maintained and operated as both a "tourism related facility" within the meaning of RCW 67.28.080(7) and a "regional center" within the meaning of RCW 35.57.020;

WHEREAS, the Contingent Loan Agreement dated as of January 13, 2004 (the "Prior Agreement"), between the City and the District, evidenced the City's obligation to loan the District money, if necessary, to pay debt service on the District's Limited Sales Tax Obligation Bonds, 2004 (the "2004 Bonds"), which 2004 Bonds were authorized by Resolution No. 01-04 of the District (the "2004 Bond Resolution");

WHEREAS, by Resolution No. _____ (the "2015 Bond Resolution"), the District has authorized the issuance and sale of its Limited Sales Tax Obligation Refunding Bonds, 2015 (the "2015 Bonds"), the proceeds of which are to be used to carry out the defeasance and refunding of the outstanding 2004 Bonds (the "Refunded Bonds");

WHEREAS, pursuant to statutory authority, the City and the District have entered into the First Amended and Restated Interlocal Agreement for the Financing of a Regional Center (the "Interlocal Agreement") as of the date hereof, setting forth certain agreements between the City and the District regarding the City's Lodging Tax Contribution and other arrangements relating to the financing and administration of the funding for the Regional Center;

WHEREAS, in consideration for the City's commitment to make such loans upon the terms and conditions set forth herein, the District will make the financial covenants set forth herein;

WHEREAS, it is now necessary to enter into this Agreement to evidence the City's obligation to loan the District money, if necessary, to pay debt service on the 2015 Bonds, when due;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto covenant and agree as follows.

Article I.
Definitions

Unless the context clearly requires otherwise, capitalized terms used in this Agreement have the meanings given such terms in this Agreement (including the recitals set forth above) and, if not otherwise defined in this Agreement, such terms shall have the meanings given such terms in the 2015 Bond Resolution, a copy of which is attached hereto as Exhibit A.

Article II.
Debt Service Account; Loans to the District; Repayment Terms

<u>Section 2.01</u> <u>Debt Service Account</u>. For so long as the 2015 Bonds remain outstanding, the City shall hold, invest and administer the Debt Service Account on behalf of the District. The Debt Service Account shall be divided into two subaccounts: a Principal and Interest Subaccount and a Reserve Subaccount, all as set forth in the 2015 Bond Resolution.

Section 2.02 Loans to the District. For the purpose of paying debt service on the 2015 Bonds, the City will lend, and the District will borrow, money at the times and in the amounts set forth in Section 2.03. The aggregate principal amount of all loans and equity payments to be made by the City pursuant to this Agreement shall not exceed $_________, which is equal to the original principal amount of 2015 Bonds, plus all interest accrued and to accrue on the 2015 Bonds.

Section 2.03 Time and Making of Loans.

(a) City Budgeting for Loans; Deficiency Notice. No later than the 90 days before each Debt Service Payment Date, the City shall review the amount on deposit in the Debt Service Account (including both the Principal and Interest Subaccount and the Reserve Subaccount) to determine whether any City budgetary action may be required prior to the upcoming Debt Service Payment Dates. If, upon such review, it appears there will be insufficient money available in the Debt Service Account on the upcoming Debt Service Payment Date to make the required debt service payment, the City shall (1) no later than 60 days prior to the upcoming Debt Service Payment Date, communicate with the District regarding the amount of the expected deficiency; and (2) after discussion with the District regarding any anticipated deposits, take such action as may be necessary or convenient (if any) to include in its budget the amounts reasonably expected to be required to make the loans described in this section, including preparation of a budget amendment (if necessary). If, on the date that is 20 days prior to an upcoming Debt Service Payment Date, it appears there will be insufficient money available in the Debt Service Account (including both the Principal and Interest Subaccount and the Reserve Subaccount) on the upcoming Debt Service Payment Date to make the required debt service payment, the City shall provide a notice in substantially the form set forth in Exhibit B (a "Deficiency Notice"). For the purpose of projecting potential insufficiencies under this subsection, the parties may assume that the City will make payments to the District at the times, and in the amounts, required by the Interlocal Agreement. However, this does not in any way relieve the City of the obligation to make Loans as set forth in subsection (b) if there is an insufficiency in the Debt Service Account for any reason.

(b) Loans to the District. The City shall review the balance in the Debt Service Account as of the close of business on the 5th Business Day immediately preceding each Debt Service Payment Date. If a Deficiency Notice was given under subsection (a) but the money then available in the Debt Service Account is sufficient to make the required debt service payment on the upcoming Debt Service Payment Date, the City shall notify the District that no loan will be made. If, however, the money available in the Debt Service Account is then insufficient, regardless of whether a Deficiency Notice was given, the City shall promptly give to the District a written Notice of Loan Funding provided in substantially the form set forth in Exhibit C. No later than the close of business on the Business Day immediately preceding that Debt Service Payment Date, the City shall make a loan to the District by depositing to the Principal and Interest Subaccount an amount that, when added to amounts then available in the Principal and Interest Subaccount and the Reserve Subaccount, will be sufficient to pay all principal of and interest on the 2015 Bonds then coming due. The proceeds of the loan shall be deposited into the

Principal and Interest Subaccount in United States Dollars and immediately available funds and shall be used to pay principal of and interest on the 2015 Bonds then coming due.

Section 2.04 Covenant Regarding Debt Limit.

(a) The District does not intend to submit this Agreement and any indebtedness created hereunder to voters for approval. Under existing laws, the District may incur non-voted indebtedness in an aggregate amount equal to 0.5% of the value of the taxable property within the District. In light of the foregoing, and to comply with RCW 67.28.130, the District will not incur additional indebtedness (including in the ordinary course of business) after the date of this Agreement except as otherwise permitted under Section 8.07 of this Agreement.

(b) In the event the District lacks sufficient non-voted debt capacity to incur a loan in the amount specified in Section 2.03 (a "Loan Amount"), the District shall incur a loan for an amount equal to the District's remaining non-voted debt capacity, if any, and the amount by which the Loan Amount exceeds the District's then-remaining non-voted debt capacity shall be deemed an equity payment ("Equity Payment") by the City. Equity Payments need not be repaid pursuant to Section 2.04. However, within 60 days after each such Equity Payment, the District shall convey to the City a tenancy-in-common interest in the Regional Center. The ownership interest so transferred will be a percentage of the Regional Center, the numerator of which shall be the Equity Payment, and the denominator of which shall be the aggregate original principal amount of the 2015 Bonds.

(c) If the District pays to the City the Repurchase Price (defined below), the City shall transfer back to the District any ownership interest in the Regional Center acquired by the City pursuant to paragraph (b), above. The Repurchase Price is an amount equal to the sum of: (i) all Equity Payments (other than those that were the subject of a prior repurchase under this paragraph); *plus* (ii) all costs incurred by the City relating to the transfer of title when the City acquired the ownership interest that the District is repurchasing; *plus* (iii) interest on the sum of the amounts described by clauses (i) and (ii), calculated from the date(s) of the relevant Equity Payment(s) on the basis of a 365/366-day year, for the actual number of days elapsed. The District shall be responsible for the costs of transferring title back to the District and recording costs associated with the repurchase. The rate of interest to be used for purposes of this calculation shall be a variable rate equal to the monthly average rate of return on the State of Washington Local Government Investment Pool (or its successor), as determined as of the last day of each month, and shall change monthly as of the first day of each month.

(d) The transfers of ownership interests authorized by this Section are intended to reflect the joint and cooperative nature of the financing of the Regional Center and to establish the manner in which property is to be acquired, held and disposed under this Agreement, as required by RCW 39.34.030(3)(e) and 39.34.030(4)(b).

Section 2.05 Repayment Terms.

(a) The principal amount of each Loan to the District hereunder, together with interest as provided in subsection (b) of this section, shall be repaid by the District from available

Sales Tax Revenues and other legally-available District money (which may include, without limitation, other tax receipts and net operating revenues determined by the District Board to be available after consultation with the City, giving due regard to reasonable and necessary operating expenses), subject to the flow of funds set forth in Section 15 of the 2015 Bond Resolution, within one year after the date of the making of the loan. Upon written consent of the City Manager, the repayment may be amortized in scheduled approximately equal installments of principal and interest over a period of not to exceed five calendar years from the date of the loan, or such longer time as may be approved by the City Council. However, no loan maturity may extend beyond the date on which the Sales Tax expires or may no longer be collected by the District. Loan payments will be applied *first* to interest owed to the City on account of all outstanding loans and *second* to the principal of all outstanding loans in the order in which such loans were incurred.

(b) Each loan made under the terms of this Agreement will bear interest from the date of the loan until the date such loan is repaid. Interest on the loans will be calculated on the basis of a 365/366-day year, for the actual number of days elapsed. The rate of interest borne by each loan hereunder shall be a variable rate equal to the monthly average rate of return on the State of Washington Local Government Investment Pool (or its successor), as determined as of the last day of each month in which a loan is outstanding, and shall change monthly as of the first day of each month in which a loan is outstanding.

Section 2.06 Nature of District's Obligation. The District's obligation to make the loan repayments to the City from the sources identified herein from and after the date the District first incurs a loan under Section 2.02 shall be absolute and unconditional, and shall not be subject to diminution by setoff, counterclaim, abatement or otherwise. The full faith and credit of the District is hereby pledged for the payment of all amounts owed to the City under this Agreement. The District's obligations under this Agreement shall continue in effect and shall survive the satisfaction of the District's obligations under the 2015 Bonds and the 2015 Bond Resolution until such time as principal and interest due to the City pursuant to any loan or loans made hereunder have been repaid, together with any costs owed to the City pursuant to Section 5.05 and Article VI. To further its ability to make such payments to the City, the District hereby irrevocably covenants and agrees to continue imposing the Sales Tax pursuant to RCW 82.14.390 at the maximum rates authorized and for so long as the District has the statutory authority to do so.

Section 2.07 Nature of City's Obligation. The City's obligation to advance funds to the District in the amounts, at the times and in the manner described herein shall not be subject to diminution by setoff, counterclaim, abatement or otherwise. The full faith, credit and resources of the City are pledged irrevocably for the payment to the District of the amounts described herein. The City agrees to advance funds to the District hereunder regardless of whether the Regional Center is operating at any particular time. The obligations of the City hereunder shall terminate upon payment in full of the principal of and interest on all outstanding 2015 Bonds.

Section 2.08 City Acknowledgments. The City acknowledges and agrees that the District will pledge any loan proceeds it receives under this Agreement, as well as all Sales Tax

Revenues and Lodging Tax Revenues, to the payment of the 2015 Bonds. Such pledge will be material to the offer and sale of the 2015 Bonds, and will be disclosed to potential purchasers and purchasers of the 2015 Bonds. The City and the District consider this Agreement to be a binding contract and acknowledge that owners of the 2015 Bonds and financial institutions providing credit support for 2015 Bonds, if any, will rely on the terms of this Agreement, including the commitment by the City to make the loans at the times and in the amounts set forth in Section 2.02. The City acknowledges that its commitments under this Agreement constitute valid and binding enforceable, contractual commitments.

Article III.
Rights of City Upon Making Loans

If the City has made any loans to the District under this Agreement and such loans have not been repaid in full (whether or not the loan is in default), without limiting the rights of the City under any other agreement between the City and the District, the City may take any one or more of the following steps:

(a) The City may request that the District call the 2015 Bonds for redemption to the extent permitted under and in accordance with the 2015 Bond Resolution;

(b) The City may have access to and inspect, examine and make copies of the books and records and any and all accounts and data of the District; and

(c) The City may, but shall not be required to, appoint a manager (which may be the City) or a receiver for the Regional Center.

Any manager or receiver appointed pursuant to paragraph (c) above shall have, in addition to all the rights and powers customarily given to and exercised by receivers, all rights of the District to manage, operate and maintain the Regional Center and shall have all other rights of the District to exercise its rights and powers in the same manner and to the same extent that the District could do, including without limitation the execution, enforcement and termination of contracts providing for management or maintenance of the Regional Center, all on such terms as are deemed best by the City to protect its interests under this Agreement. The City or the manager or receiver appointed by the City shall be entitled to receive a reasonable fee for managing the Regional Center. The City will not enter into an agreement with a manager unless it receives written confirmation from nationally recognized bond counsel that the agreement will not adversely affect the tax-exempt nature of interest on the 2015 Bonds for federal income tax purposes.

Article IV.
Additional Obligations of the District

Section 4.01 Debt Service Reserve Subaccount. For so long as the 2015 Bonds remain outstanding, the District covenants to maintain a minimum balance in the Debt Service Reserve Subaccount equal to the Annual Debt Service for the upcoming calendar year, net of the expected payments to be received from the City under the Interlocal Agreement. The reserve funding requirement shall be reset as of each January 1, and any amounts in excess of the reserve requirement on that date shall be transferred to the District in accordance with the flow of funds set forth in Section 15 of the Bond Resolution. Money in the Debt Service Reserve Subaccount may be held, invested and used only to pay and secure the 2015 Bonds as set forth in the 2015 Bond Resolution. In the event of any draw on the Debt Service Reserve Subaccount, the District shall make monthly deposits to replenish the subaccount to the then-current Reserve Requirement in accordance with the flow of funds set forth in Section 15 of the 2015 Bond Resolution.

Section 4.02 District Obligation to Issue 2015 Bonds, Carry Out Refunding and Retain Financing Eligibility. To refund the 2004 Bonds in accordance with the 2004 Bond Resolution, the District shall issue its 2015 Bonds in an aggregate principal amount not to exceed $_____________. The City hereby consents to the District's issuance of the 2015 Bonds to carry out the refunding, in accordance with the 2004 Bond Resolution and the Prior Contingent Loan Agreement. The District shall take all such actions as may be necessary to retain the status of the Regional Center as both a "tourism-related facility" (within the meaning of RCW 67.28.080(7)) and a "regional center" (within the meaning of RCW 35.57.020), such that the 2015 Bonds remain eligible to be financed with Sales Tax Revenue, the Lodging Tax Contribution and the Benton PFD Contribution (as those terms are defined in the 2015 Bond Resolution).

Section 4.03 Third Party Beneficiary. Each covenant and commitment of the District in the 2015 Bond Resolution is incorporated herein for the further benefit of the City, and the City shall be a third party beneficiary of the contract of the District set forth in the 2015 Bond Resolution.

Section 4.04 Ownership. The District shall be the owner of the Regional Center except to the extent the City acquires ownership interest therein pursuant to Section 2.04, and except to the extent limited by the terms of the Real Property Agreements.

Section 4.05 Refinancing. The City may request the District to redeem the 2015 Bonds at any time from and after the first date upon which the 2015 Bonds may be redeemed on a current basis at a price equal to the principal amount thereof, plus interest to the date of redemption, if the City reasonably determines that: (a)(i) the District is able to issue and sell refunding bonds (or to obtain other refinancing) *without* the City's contingent obligation to make loans of the type required by this Agreement, and (ii) the District is financially able to pay the debt service on such refunding bonds (or other refinancing); or (b)(i) the District is able to issue and sell refunding bonds (or to obtain other refinancing) *with* or *without* the City's contingent obligation to make loans of the type required by this Agreement, (ii) the interest rates at which refunding bonds would likely be issued (or other refinancing would likely be obtained) are less than the interests rates on the 2015 Bonds to be refunded, and (iii) the District is financially able to pay debt service on such refunding bonds (or other refinancing). If the City makes such request, the District shall use its best efforts to obtain a contract for the purchase of such bonds (or to obtain other refinancing). The District shall not issue refunding bonds to redeem the 2015 Bonds unless the District has consulted with the City, and the City has approved the terms and conditions of the issuance of such refunding bonds, or unless the City's obligations hereunder will be fully discharged upon such refunding. Notwithstanding the foregoing, if any refunding bonds require the continuation of the Lodging Tax Contribution, the City's consent shall be a precondition to issuance of such refunding bonds in accordance with the Interlocal Agreement.

Article V.
Remedies Upon Default

Section 5.01 Remedies of City on Default. Upon the occurrence of a default by the District in its obligations hereunder, the City may proceed to protect and enforce its rights in equity or at law, either in mandamus or for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, as the City may deem most effectual to protect and enforce any of its rights or interests hereunder.

Section 5.02 Remedies of District on Default. Upon the occurrence of a default by the City in its obligations to make loans to the District hereunder, the District may proceed to protect and enforce its rights in equity or at law, either in mandamus or for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, as the District may deem most effectual to protect and enforce any of its rights or interests hereunder.

Section 5.03 No Remedy Exclusive. No remedy conferred upon or reserved to either party by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute, and either party hereto shall be free to pursue, at the same time, each and every remedy, at law or in equity, which it may have under this Agreement, or otherwise.

Section 5.04 No Implied Waiver. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. For the exercise of any remedy, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 5.05 Agreement to Pay Attorneys' Fees and Expenses. If a default arises under any of the provisions of this Agreement and either party hereto should employ attorneys or incur other expenses for the collection of amounts due under this Agreement or the enforcement of performance or observance of any obligation or agreement on the part of the other party contained in this Agreement, on demand therefor, the nonprevailing party shall pay or reimburse the prevailing party for the reasonable fees of such attorneys and such other expenses so incurred.

Section 5.06 Dispute Resolution. The parties may mediate any dispute over the interpretation of any terms or conditions under this Agreement. Mediation will be made available upon request of either party. The costs associated with any such mediation shall be shared equally by the parties.

Article VI.
Hold Harmless

As between the City and the District, the District shall assume the risk of, be liable for, and pay all damage, loss, cost and expense of any party, including its employees, arising out of the performance of this Agreement, except that caused by negligence and/or willful misconduct solely of the City and its employees acting within the scope of their employment. The District shall hold harmless the City and its officers, elected officials, agents, and employees against, all claims, losses, suits, actions, costs, counsel fees, litigation costs, expenses, damages, judgments, or decrees by reason of damage to any property or business and/or any death, injury or disability to or of any person or party, including any employee, arising out of or suffered, directly, or indirectly by reason of or in connection with the performance of this Agreement or any act, error or omission of the District or the District's employees, agents, or subcontractors, whether by negligence or otherwise.

The District's obligation shall include, but not be limited to, investigating, adjusting, and defending all claims against the City alleging loss from action, error or omission or breach of any common law, statutory or other delegated duty by the District, the District's employees, agents, or subcontractors.

Article VII.
Continuing Disclosure Undertakings

Section 7.01 City's Undertaking to Provide Annual Financial Information and Notice of Listed Events. To meet the conditions of paragraph (b)(5) of United States Securities and Exchange Commission (the "SEC") Rule 15c2-12 (the "Rule"), as applicable to a participating underwriter for the 2015 Bonds, the City, in its capacity as an "obligated person" under the Rule, undertakes for the benefit of holders of the 2015 Bonds to provide or cause to be provided, either directly or through a designated agent, the following information, to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB:

(a) Annual financial information and operating data regarding the City, of the type included in the final official statement for the 2015 Bonds as more particularly described in Section 7.02 ("annual financial information"); and

(b) Timely notice (not in excess of 10 business days after the occurrence of the event) of the occurrence of any of the following events with respect to the City: (1) bankruptcy, insolvency, receivership or similar event of the City, as such "Bankruptcy Events" are defined in Rule 15c2-12; and (2) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(c) Timely notice of a failure by the City to provide required annual financial information on or before the date specified in Section 7.02.

Section 7.02 Type of City Annual Financial Information Undertaken to be Provided. The annual financial information that the City undertakes to provide in Section 7.01:

(a) Shall consist of (1) the City's annual financial statements prepared (except as noted in the financial statements) in accordance with applicable generally accepted accounting principles promulgated by the Government Accounting Standards Board, as such principles may be changed from time to time, which statements shall not be audited, except, however, that if and when audited financial statements are otherwise prepared and available to the City they will be provided; (2) principal amount of City general obligation bonds outstanding at the end of the applicable fiscal year; (3) the City's assessed valuation for that fiscal year; and (4) the City's property tax levy amounts and rates for that fiscal year.

(b) Shall be provided not later than the last day of the ninth month after the end of each fiscal year of the City (currently, a fiscal year ending December 31), as such fiscal year may be changed as required or permitted by State law; and

(c) May be provided in a single or multiple documents, and may be incorporated by specific reference to documents available to the public on the Internet website of the MSRB or filed with the SEC.

Section 7.03 Amendment of City's Continuing Disclosure Undertaking. This Article VII is subject to amendment after the primary offerings of the 2015 Bonds without the consent of any holder of any 2015 Bond, or of any broker, dealer, municipal securities dealer, participating underwriter, rating agency or the MSRB, under the circumstances and in the manner permitted by the Rule. The City will give notice to the MSRB of the substance (or provide a copy) of any amendment to this Article and a brief statement of the reasons for the amendment. If the amendment changes the type of annual financial information to be provided, the annual financial information containing the amended financial information will include a narrative explanation of the effect of that change on the type of information to be provided.

Section 7.04 Termination of Continuing Disclosure Undertaking. The City's obligations under this Article VII shall terminate upon the legal defeasance of all of the 2015 Bonds. In addition, the City's obligations under this Article shall terminate if those provisions of the Rule which require the City to comply with this Article become legally inapplicable in respect of the 2015 Bonds for any reason, as confirmed by an opinion of nationally recognized bond counsel or other counsel familiar with federal securities laws delivered to the City, and the City provides timely notice of such termination to the MSRB.

Section 7.05 Remedy for Failure to Comply with Continuing Disclosure Undertaking. As soon as practicable after the City learns of any failure to comply with the requirements of this Article VII, the City will proceed with due diligence to cause such noncompliance to be corrected. No failure by the City or other obligated person to comply with this Article shall constitute a default in respect of the 2015 Bonds or bonds issued by the City. The sole remedy of any holder of a 2015 Bond shall be to take such actions as that holder deems necessary, including seeking an order of specific performance from an appropriate court, to compel the City or other obligated person to comply with the requirements of this Article.

Section 7.06 District's Continuing Disclosure Undertaking. The undertaking of the District to provide continuing disclosure is set forth in the 2015 Bond Resolution. The City specifically disclaims any responsibility for the District's compliance with its undertaking.

Article VIII.
Miscellaneous

Section 8.01 Interlocal Cooperation Act Provisions. The parties acknowledge that: they have entered this Agreement pursuant to the express authority granted to them by RCW 67.28.130; pursuant to RCW 39.34.100, the powers and authority conferred by the Interlocal Cooperation Act (chapter 39.34 RCW) are supplemental to powers or authority conferred by RCW 67.28.130; and nothing contained in the Interlocal Cooperation Act limits the power or authority of either party to contract pursuant to RCW 67.28.130. To avail themselves of the supplemental powers and authority granted by the Interlocal Cooperation Act, the parties agree that:

(a) No separate legal or administrative entity within the meaning of RCW 39.34.030(3)(b) or "joint board" within the meaning of RCW 39.34.030(4)(a) is created by this Agreement;

(b) The District will adopt and provide the City with a Regional Center operating budget for the following year by each December 31, and will further provide the City with all amendments to such budgets as they are adopted by the District;

(c) The [City Manager] is appointed as the "administrator" within the meaning of RCW 39.34.030(4)(a) responsible for administering the City's rights and duties set forth in this Agreement, and the District's [President] is appointed as the "administrator" within the meaning of RCW 39.34.030(4)(a) responsible for administering the District's rights and duties set forth in this Agreement;

(d) Sections 2.03 and 4.04 of this Agreement set forth the manner in which property is to be acquired, held and disposed under this Agreement, as required by RCW 39.34.030(3)(e) and 39.34.030(4)(b); and

(e) The District will, pursuant to RCW 39.34.040, cause this Agreement to be filed with the Benton County auditor immediately upon the full execution hereof by the parties.

Nothing set forth in this Agreement is intended to limit the rights and duties of the parties relating to the Regional Center that are established through other contracts between the parties.

Section 8.02 Governing Law; Venue. This Agreement is governed by and shall be construed in accordance with the substantive laws of the State of Washington and shall be liberally construed so as to carry out the purposes hereof. Except as otherwise required by applicable law, any action under this Agreement shall be brought in the Superior Court of the State of Washington in and for Benton County.

Section 8.03 Notices. Except as otherwise provided herein, all notices, consents or other communications required hereunder shall be in writing and shall be sufficiently given if addressed and hand delivered or mailed by first-class, certified or registered mail, postage prepaid and return receipt requested, as follows:

To the City:	City of Richland _____________ _____________ Richland, WA _____ Attention: [City Manager]
To the District:	Richland Public Facilities District _____________ Richland, WA _____ Attention: [Executive Director]

Notices shall be deemed given upon deposit of such notices in the United States mail in the manner provided above. Notwithstanding the foregoing, any Deficiency Notice or Notice of Loan may be sent to the District attached to an email, promptly confirmed by telephone communication. The City or the District may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 8.04 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the City and the District and their successors. This Agreement may not be assigned.

Section 8.05 Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 8.06 Amendments.

(a) This Agreement. Except as otherwise provided in Section 7.03, this Agreement may be amended, changed, modified or altered by an instrument in writing duly executed by the City and the District (or their successors in title), so long as such amendment, change, modification or alteration does not materially adversely affect the owners of the 2015 Bonds. This Agreement may not be terminated until the 2015 Bonds have been paid in full or defeased, unless the City has assumed all liability for payment of the principal of and interest on the 2015 Bonds when due and shall have pledged its full faith and credit to such payment.

(b) The 2015 Bond Resolution. The District shall not amend the 2015 Bond Resolution without the prior written consent of the City so long as this Agreement is in effect and the City is performing its obligations hereunder.

Section 8.07 Additional Sales Tax Bonds. The District shall not issue any Additional Sales Tax Bonds without the prior written consent of the City. Unless specified in a separate agreement or an amendment hereto, the City shall be under no obligation to make loans hereunder to pay debt service on any Additional Sales Tax Bond.

Section 8.08 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 nondefaulting 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.

Section 8.09 No Rights Created in Third Parties. Except for the rights granted holders of the 2015 Bonds in Article VII, the terms of this Agreement are not intended to establish nor to create any rights in any persons or entities other than the City, the District and the respective successors and assigns of each.

Section 8.10 Time of Essence. Time and all terms and conditions shall be of the essence of this Agreement.

Section 8.11 Termination of Agreement. Except as provided in Section 7.04, this Agreement shall terminate upon the later of the date (i) all principal of and interest on the 2015 Bonds has been paid in full (or all then-outstanding 2015 Bonds have been defeased pursuant to 2015 Bond Resolution) and, (ii) all amounts owed to the City under this Agreement have been paid in full by the District.

Section 8.12 Agreement Supersedes Prior Contingent Loan Agreement. The Prior Agreement is hereby superseded in its entirety by this Agreement. This Agreement shall not take effect until delivery of an opinion of bond counsel to the District that the 2004 Bonds have been legally defeased and are no longer entitled to the benefits of the Prior Contingent Loan Agreement.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LEND MONEY, EXTEND CREDIT, OR FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

IN WITNESS WHEREOF, the City and the District have caused this Agreement to be executed in their respective names by their duly authorized officers, and have caused this Agreement to be dated as of the date set forth on the first page hereof.

CITY OF RICHLAND, WASHINGTON

____
Mayor

Attest:

____
City Clerk

RICHLAND PUBLIC FACILITIES DISTRICT

____
President, Board of Directors

Attest:

____
Secretary, Board of Directors

STATE OF WASHINGTON)
) ss.
COUNTY OF BENTON)

I certify that I know or have satisfactory evidence that ___________ and ___________ are the persons who appeared before me, and said persons acknowledged that said persons signed this instrument, on oath stated that said persons were authorized to execute the instrument and acknowledged it as the Mayor and Clerk, respectively, of the CITY OF RICHLAND, a municipal corporation of the State of Washington, to be the free and voluntary act of such municipal corporation for the uses and purposes mentioned in the instrument.

Dated this ______ day of ___________, 2015.

____
(Signature of Notary)

____
(Legibly Print or Stamp Name of Notary)
Notary public in and for the State of Washington, residing at ______________________________
My appointment expires ______________________________

STATE OF WASHINGTON)
) ss.
COUNTY OF BENTON)

I certify that I know or have satisfactory evidence that ___________and ___________ are the persons who appeared before me, and said persons acknowledged that said persons signed this instrument, on oath stated that said persons were authorized to execute the instrument and acknowledged it as the President and Secretary, respectively, of the Board of Directors of the RICHLAND PUBLIC FACILITIES DISTRICT, a municipal corporation of the State of Washington, to be the free and voluntary act of such municipal corporation for the uses and purposes mentioned in the instrument.

Dated this ______ day of ___________, 2015.

____
(Signature of Notary)

____
(Legibly Print or Stamp Name of Notary)
Notary public in and for the State of Washington, residing at ______________________________
My appointment expires ______________________________

Exhibit A
2015 Bond Resolution

Exhibit B

Form of Deficiency Notice

Richland Public Facilities District
____
____
Richland, WA _____
Attention: Executive Director

VIA EMAIL
(with telephone confirmation)

Re: Deficiency Notice Pursuant To Section 2.03(a) of the 2015 Contingent Loan Agreement
Richland Public Facilities District Limited Sales Tax Obligation Refunding Bonds, 2015

With reference to the Contingent Loan Agreement (2015), dated as of ____________, 2015, by and between the City of Richland, Washington (the "City") and the Richland Public Facilities District (the "District"), and the above-captioned bonds (the "2015 Bonds"), the City hereby notifies the District that the amount on deposit in the District's Debt Service Account as of __________, 20__, was $__________ and the amount needed to make the debt service payment coming due on ______________, 20__ is $_____________ (representing $__________ of principal plus of $__________ interest).

Based on the reasonable expectations regarding the receipt of Sales Tax Revenues, Benton PFD Contributions and Lodging Tax Contributions, it appears there will be insufficient money available in the Debt Service Account on such date to make the debt service payments in full on that date.

Any capitalized term used herein and not defined shall have the meaning assigned to such term in the Agreement or, if not therein defined, as defined in the Bond Resolution (as defined in the Agreement).

The individual signing below hereby represents that he or she is an officer of the undersigned and is duly authorized to execute and deliver this document.

Dated: __________, 20__.

The City of Richland

____
____

Exhibit C

Form of Notice of Loan Funding

Richland Public Facilities District
____
____
Richland, WA _____
Attention: ________

VIA EMAIL
(with telephone confirmation)

Re: Notice of Loan Funding Pursuant to Section 2.03(b) of the 2015 Contingent Loan Agreement
Richland Public Facilities District Limited Sales Tax Obligation Refunding Bonds, 2015

Pursuant to Section 2.03 of the Contingent Loan Agreement (2015) (the “Agreement”), dated as of ___________, 2015, by and between the City of Richland, Washington (the “City”) and the Richland Public Facilities District (the “District”), and the above-captioned bonds (the “2015 Bonds”) Agreement, the City is required to make a loan to the District no later than _____________, 20__, in the amount listed in clause (4) below. Any capitalized term used herein and not defined shall have the meaning assigned to such term in the 2015 Contingent Loan Agreement.

You are hereby notified that the City shall cause such amount to be transferred to the Debt Service Account, in United States Dollars and immediately available funds at or prior to the close of business on such date. The undersigned, a duly authorized officer of the City hereby certifies in connection with such loan, as follows:

(1) The next Debt Service Payment Date for the 2015 Bonds is: __________, 20__.

(2) The aggregate amount of debt service due on such date is $__________ (representing principal in the amount of $__________ and interest in the amount of $__________).

(3) The amount on deposit in the District’s Debt Service Account (including all amounts held in the Principal and Interest Subaccount and the Debt Service Reserve Subaccount) as of __________, 20__, is $__________ and it appears there will be insufficient money available in the Debt Service Account on the date described in clause (1) to make the debt service payments described in clause (2).

(4) The amount of the loan required to be made by the City is $__________ (which is equal to the difference between the aggregate debt service amount listed in clause (2) and the amount listed in clause (3)).

The individual signing below hereby represents that he or she is an officer of the undersigned and is duly authorized to execute and deliver this document.

Dated: __________, 20__.

THE CITY OF RICHLAND

____
____

RECORDED AT THE REQUEST OF
AND AFTER RECORDING RETURN TO:
City of Richland
____
____
Richland, WA ______
Attention: _________

FIRST AMENDED AND RESTATED
INTERLOCAL AGREEMENT FOR THE FINANCING OF A REGIONAL CENTER

Grantor:	City of Richland, Washington
Grantee:	Richland Public Facilities District
Legal Description:	N/A
Assessor's Tax Parcel ID#:	N/A
Reference # (If applicable):	

3/16/15 DRAFT

FIRST AMENDED AND RESTATED
INTERLOCAL AGREEMENT FOR THE FINANCING OF A REGIONAL CENTER

between

CITY OF RICHLAND, WASHINGTON
and
RICHLAND PUBLIC FACILITIES DISTRICT

Dated as of
__________, 2015

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[TO BE INSERTED]

FIRST AMENDED AND RESTATED
INTERLOCAL AGREEMENT FOR THE FINANCING OF A REGIONAL CENTER

THIS FIRST AMENDED AND RESTATED INTERLOCAL AGREEMENT FOR THE FINANCING OF A REGIONAL CENTER (this "Agreement"), is dated as of _________, 2015, is made by and between the CITY OF RICHLAND, a municipal corporation of the State of Washington (the "City"), and the RICHLAND PUBLIC FACILITIES DISTRICT, a municipal corporation of the State of Washington (the "District" and, together with the City, the "Parties"), and amends and restates in its entirety that certain Interlocal Agreement for the Financing of a Regional Center between the Parties, dated as of January 13, 2004 (the "Prior Interlocal Agreement"). As of the date first written above, this Agreement supersedes and restates in its entirety the Prior Interlocal Agreement and the Prior Interlocal Agreement shall no longer be in effect.

WITNESSETH:

WHEREAS, the City is authorized by chapter 67.28 RCW, either individually or jointly with another municipal corporation, to acquire and operate "tourism-related facilities" and, under RCW 67.28.1815, is authorized to enter into interlocal agreements under chapter 39.34 RCW for the utilization of revenue from lodging taxes imposed under chapter 67.28 RCW for the purposes of funding a multijurisdictional tourism-related facility; and

WHEREAS, the City is authorized by RCW 67.28.180 and 67.28.181 to impose a basic and additional lodging tax, respectively, to be used, among other things, to pay the costs of acquiring or operating tourism-related facilities; and

WHEREAS, RCW 67.28.080(7) defines "tourism-related facility" to mean real or tangible personal property with a usable life of three or more years and used to support tourism, performing arts, or to accommodate tourist activities; and

WHEREAS, the District is authorized by chapter 35.57 RCW to acquire, construct, own, remodel, maintain, equip, repair and operate "regional centers," as defined in RCW 35.57.020, which definition includes special event facilities available to the public and used for community events, trade shows, and artistic, musical, theatrical, or other cultural exhibitions, presentations, or performances, together with related parking facilities, so long as such facilities serve a regional population and are constructed, improved or rehabilitated after July 25, 1999, at a cost of at least $10,000,000; and

WHEREAS, pursuant to such authority, the District has acquired, constructed and equipped the Hanford Reach Interpretive Center (the "Regional Center") and the City and the District intend that the District will continue to maintain and operate the Regional Center as both a "tourism related facility" within the meaning of RCW 67.28.080(7) and a "regional center" within the meaning of RCW 35.57.020; and

WHEREAS, the City and the District each are authorized by state law to acquire and operate the Regional Center, and propose to use one or more agreements to make effective and efficient use of the powers and authorities individually granted to them to construct, finance, own and operate convention and other tourism-related facilities to serve the City, the District and adjacent regional areas; and

WHEREAS, pursuant to a Sublease Agreement, dated as of July 13, 2011, as amended by the First Amendment to Sublease Agreement, dated March 2, 2012, as further amended by the Second Amendment to Sublease Agreement, dated September 19, 2012, as supplemented by the Facility Contingency Fund Agreement, dated as of April 19, 2013, and as it may in the future be amended or supplemented from time to time (as amended and supplemented, the "Sublease"), the City has subleased land to the District until March 26, 2054, on which the District has constructed and operates the Regional Center; and

WHEREAS, RCW 67.28.130 authorizes the City and the District to participate in the financing of all or any part of the Regional Center on such terms as may be fixed by agreement between the respective legislative bodies without submitting the matter to a vote of the electors thereof, unless the provisions of the general laws of this state applicable to the incurring of indebtedness require such submission; and

WHEREAS, the City has previously pledged a portion of its Additional Lodging Tax to assist in financing the cost of developing and operating the Regional Center and desires to continue making such annual contributions (the "Lodging Tax Contribution") to the District for this purpose; and

WHEREAS, on October 27, 2003, the City's lodging tax advisory committee reviewed the District's request and has recommended to the City Council that a portion of the City's additional lodging tax be applied to the development and operation of the Regional Center; and

WHEREAS, in consideration for the City's pledge of the Lodging Tax Contribution to such purpose and certain District financial and operating covenants, the City and the District entered into an Interlocal Agreement for the Financing of a Regional Center dated as of January 13, 2004 (the "Prior Interlocal Agreement"), which agreement the City and the District wish to amend to reflect the defeasance and refunding of the District's outstanding Limited Sales Tax Bonds, 2004 (the "2004 Bonds") by the issuance of the District's Limited Sales Tax Refunding Bonds, 2015 (the "2015 Bonds"); and

WHEREAS, pursuant to Section 5.06 of the Prior Interlocal Agreement, the City and the District find and determine that the execution of this Agreement does not materially adversely affect the owners of any Bonds because, as of the effective date of this Amendment, the 2004 Bonds will have been legally defeased, no consent to this amendment is required thereunder, and the 2015 Bonds will be issued under the terms of this Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the Parties covenant and agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.01. Definitions. Unless the context clearly requires otherwise, capitalized terms used in this Agreement (including in the recitals set forth above) shall have the meanings set forth below, and, if not otherwise defined in this Agreement, shall have the meanings given such terms in the 2015 Bond Resolution and the 2015 Contingent Loan Agreement.

(a) "Additional Lodging Tax" means the City's 2% tax on the sale of or charge made for the furnishing of lodging that is subject to tax under chapter 82.08 RCW, imposed pursuant to RCW 67.28.181.

(b) "Benton PFD" means the Benton County Public Facilities District.

(c) "Benton PFD Interlocal" means the Interlocal Agreement Providing for the Joint Development of a Regional Center Serving Communities in the Tri-Cities Region, dated as of October 24, 2003 between the District and the Benton PFD, as it may be amended from time to time.

(d) "Bond Resolution" means, depending on context, either (a) Resolution No. ___ of the District, adopted on __________, 2004, authorizing issuance of the 2004 Bonds (the "2004 Bond Resolution"), or (b) Resolution No. ____ of the District, adopted on __________, 2015, authorizing issuance of the 2015 Bonds (the "2015 Bond Resolution").

(e) "Bonds" means the following notes or bonds issued by the District to finance or refinance the acquisition, construction and equipping of the Regional Center: the District's Limited Sales Tax Obligation Bonds, 2004 (the "2004 Bonds"), the Limited Sales Tax Obligation Refunding Bonds, 2015 (the "2015 Bonds") and any Additional Sales Tax Bonds that may be permitted to be issued consistent with the 2015 Contingent Loan Agreement.

(f) "City" means the City of Richland, Washington.

(g) "Contingent Loan Agreement" means, depending on context, either (a) the Contingent Loan Agreement, between the City and the District, dated as of January 13, 2004, securing repayment of the 2004 Bonds (the "2004 Contingent Loan Agreement"), or (b) the Contingent Loan Agreement, between the City and the District, dated as of __________, 2015, securing repayment of the 2015 Bonds (the "2015 Contingent Loan Agreement").

(h) "District" means the Richland Public Facilities District.

(i) "Facility Contingency Fund Agreement" means the Facility Contingency Fund Agreement, dated as of April 19, 2013, by and between the City and the District, as it may be amended from time to time.

(j) "Ground Lease" means the Department of Army Lease to the City of Richland, Washington for Public Park and Recreational Purposes (No. W912EF-1-04-14), by and between the City and the U.S. Army Corps of Engineers, dated as of March 26, 2004, and as it may be amended from time to time.

(k) "Lodging Tax Contribution" means the annual contribution of $125,000 per [calendar] year from receipts of the City's Additional Lodging Tax, contributed by the City to the financing of the Regional Center, in accordance with Section 3.01 of this Agreement.

(l) "Real Property Agreements" means, together, (i) Ground Lease; (ii) the Sublease; and (iii) the Facility Contingency Fund Agreement.

(m) "Regional Center" means the interpretive center and museum to be developed and operated by the District as a regional center pursuant to RCW 35.57.020.

(n) "Sales Tax Revenues" means amounts received by the District from the sales and use tax imposed by the District pursuant to RCW 82.14.390.

(o) "Sublease" means the Sublease Agreement (Columbia Park West) (Contract No. 43-11), by and between the City and the District, dated as of July 13, 2011, as amended by the [First] Amendment to Sublease Agreement, as of February 21, 2012, and by the Second Amendment to Sublease Agreement, dated as of September 19, 2012, and as may be further amended from time to time.

ARTICLE 2
DEVELOPMENT AND OPERATION OF THE REGIONAL CENTER

Section 2.01. Joint Development of the Regional Center. The purpose of this Agreement is to provide for the refinancing of a Regional Center as a joint undertaking of the City and District. The City and the District developed the Regional Center and operate the Regional Center, in accordance with this Agreement and the Real Property Agreements, as both a "tourism-related facility" within the meaning of RCW 67.28.080(7) and a "regional center" within the meaning of RCW 35.57.020. The Regional Center is intended to serve the City, the District and their respective residents, as well as to draw tourists to the Benton County region and the State.

Section 2.02. Certain Lead Agency Responsibilities.

(a) The District, on behalf of the City and itself, will: (i) be the agency with the primary responsibility for the development and operation of the Regional Center as both a "tourism-related facility" within the meaning of RCW 67.28.080(7) and a "regional center" within the meaning of RCW 35.57.020; (ii) finance (in conjunction with the City), acquire, design, construct, own, operate and maintain the Regional Center; and (iii) otherwise administer the development and operation of the Regional Center for the benefit of itself and the City and in cooperation with the City.

(b) In accordance with the Sublease, the District shall lease the site on which the Regional Center is located from the City. Title to Regional Center property (other than the land leased to the District by the City) shall rest in the District, which will hold that property for the benefit of the Parties. The City shall not acquire an ownership interest in the Regional Center other than pursuant to the 2015 Contingent Loan Agreement.

(c) The District, on behalf of itself and the City, will take all action necessary to develop, operate and maintain the Regional Center for use as both a "tourism-related facility" within the meaning of RCW 67.28.080(7) and a "regional center" within the meaning of RCW 35.57.020.

(d) The District will maintain complete books and records relating to the operation of the Regional Center and its financial affairs and will cause such books and records to be audited by an independent auditor (which may include the State Auditor's Office's periodic audits). The District will further provide to the City annual financial reports (including a statement of net position, statement of revenues, expenses and changes in net position, and a statement of cash flows) and will otherwise cooperate with the City to the extent necessary to permit the City to incorporate the District's financial information into the City's comprehensive annual financial reports within the timeframes required by the City. If regulatory requirements make it necessary to obtain an independent audit of District finances in a year in which the State Auditor's Office is not scheduled to perform and audit, the District shall obtain an audit at the District's expense. If the City requests an independent audit of District finances for its convenience in a year in which the State Auditor's Office is not scheduled to perform an audit, the City shall bear the cost of such audit.

(e) The District will periodically provide reports to the City on the operation of the Regional Center and any proposed capital projects, at such times and in such form as the City may reasonably require. In addition to those reports required under the Sublease, the District shall provide timely reports supplying information necessary to enable the City to comply with the lodging tax reporting requirements under RCW 67.28.1816 and other applicable state law, as such laws may be amended from time to time, recognizing that the District will use its best efforts to collect such information from visitors. The Parties acknowledge that, as of the date of this Agreement, the information required under RCW 67.28.1816 includes the actual number of people traveling to the Regional Center for business or pleasure on a trip: (i) away from their place of residence or business and staying overnight in paid accommodations; (ii) to a place fifty miles or more one way from their place of residence or business for the day or staying overnight; or (iii) from another country or state outside of their place of residence or their business.

(f) The District will use its best efforts to operate the Regional Center in a businesslike manner and provide a level of service equivalent to or better than the services provided by comparable public facilities in the state.

(g) The District agrees to acquire and maintain insurance in the form and amounts as are required under the Sublease.

Section 2.03. Funds and Accounts.

(a) Funds and Accounts Held By District.

(i) *District Operating Account*. The District has created within its General Fund an Operating Account and a Capital Account. The District shall hold, invest and use the funds therein for District purposes. The District has agreed in the Sublease to maintain a minimum balance in the Operating Account sufficient to provide adequate operating reserves as set forth in the Sublease.

(ii) *Other Accounts*. [Reserved.]

(b) Funds and Accounts Held by City.

(i) *Agency Fund.* The City has established an agency fund, separate and apart from all City funds and accounts, to be used solely for (A) the deposit of revenues received on behalf of the District from the Department of Revenue in respect of the Sales Tax Revenues (after application of such Sales Tax Revenues in accordance with the 2015 Bond Resolution), and (B) to establish the Bond Debt Service Account within the Agency Fund as described in paragraph (ii) of this subsection. The City shall hold and invest the money held in the Agency

Fund on behalf of the District, in accordance with the City's investment policies and applicable State law, and shall distribute the funds held therein (other than those funds held in the Bond Debt Service Account) to the District for deposit to the District Operating Account periodically, within 10 business days following each debt service payment date with respect to the 2015 Bonds, and at any other time upon request of the District, provided that the City shall not be required to make disbursements more than six times per calendar year.

(ii) *Bond Debt Service Account*. Pursuant to the 2015 Bond Resolution, the District has created within its General Fund, a Bond Debt Service Account, which is held in the custody of the City within the Agency Fund described in paragraph (i) of this subsection. For so long as the Bonds remain outstanding, the City shall hold and invest, on behalf of the District, the Bond Debt Service Account and any subaccounts therein in accordance with City investment policies, applicable State law and the 2015 Bond Resolution. The City shall deposit therein (A) the Lodging Tax Contribution, (B) all amounts received by the City on behalf of the District from the Benton PFD pursuant to the Benton PFD Interlocal Agreement, (C) all other deposits of Sales Tax Revenues or other funds of the District received from or on behalf of the District for this purpose, and (D) the proceeds of any Loans made by the City under the 2015 Contingent Loan Agreement. The City shall apply the funds therein to make the debt service payments in respect of the Bonds to the Fiscal Agent (as defined in the 2015 Bond Resolution) on behalf of the District in accordance with the 2015 Bond Resolution and the 2015 Contingent Loan Agreement.

(iii) *Facility Contingency Reserve*. Pursuant to the Facility Contingency Fund Agreement, the City has created a Facility Contingency Fund into which are deposited certain payments made by the District to the City. The City shall continue to hold, invest and apply the money deposited therein in accordance with the Facility Contingency Fund Agreement.

Section 2.04. Issuance of Bonds to Finance Regional Center.

(a) The District previously issued long-term obligations, and obtained funds from other sources, in amounts sufficient to provide for the design and construction of the Regional Center. The total cost of design and construction of the Regional Center was more than $10 million.

(b) As part of the District's obligations under the Prior Interlocal Agreement, the District issued its $7,000,000 principal amount of 2004 Bonds, payable from Sales Tax Revenues; from amounts received from the City hereunder; and from contributions made by the Benton PFD under the Benton PFD Interlocal. The City and the District also entered into a Contingent Loan Agreement, dated as of January 13, 2004 (the "2004 Contingent Loan Agreement") whereby the City pledged to make loans to the District if necessary to provide for timely repayment of the 2004 Bonds.

(c) Simultaneous with the effective date hereof, the District is issuing its $________ principal amount of 2015 Bonds and the proceeds of which shall be used to carry out the defeasance and refunding of all of the outstanding 2004 Bonds pursuant to a plan of refunding that will result in a debt service savings to the District. The City and the District have also simultaneously entered into a new Contingent Loan Agreement, dated as of the date hereof (the

"2015 Contingent Loan Agreement"), whereby the City has agreed to make loans to the District if necessary to provide for timely repayment of the 2015 Bonds.

(d) Bonds issued by the District, and disclosure documents related thereto, shall contain a statement substantially to the effect that the Bonds are not obligations of the City. Such disclosure documents shall also contain the statement in substantially the following form: "The City of Richland is a municipal corporation of the State of Washington that is separate from the District. All liabilities incurred by the District shall be satisfied exclusively from the assets, credit, and property of the District and, except as expressly provided in the Contingent Loan Agreement, no creditor or other person shall have any right of action against or recourse to the City of Richland or any of its assets, credit, or services on account of any debts, obligations, liabilities, or omissions of the District."

ARTICLE 3
PAYMENT OF LODGING TAXES TO THE DISTRICT

Section 3.01. Payment of Lodging Taxes to the District. The City agrees to pay to the District a Lodging Tax Contribution in the amount of $125,000 per calendar year of Additional Lodging Tax, in each calendar year beginning with 2004 and continuing through and including the earlier of 2029 or the calendar year that the Bonds are no longer outstanding. The Lodging Tax Contribution shall be used solely for the purposes of paying a portion of the costs of acquiring, constructing and operating the Regional Center as a "tourism related facility" within the meaning of RCW 67.28.080(7). The parties intend that the City's Lodging Tax Contribution will be part of the matching funds required by RCW 82.14.390(4).

Section 3.02. Timing of Payments. The City shall deposit to the Principal and Interest Subaccount within the Debt Service Account, within 10 days after receipt of its monthly disbursement of Additional Lodging Tax collections, an amount equal to at least 1/12th of the annual Lodging Tax Contribution, until such time as the annual Lodging Tax Contribution amount required under Section 3.01 has been so deposited. No additional such deposit shall be required in any calendar year after the obligation to make the Lodging Tax Contribution has been met.

Section 3.03. Nature of City's Obligation.

(a) The City's obligation to make the Lodging Tax Contribution to the District in the amounts, at the times and in the manner described herein shall be absolute and unconditional, and shall not be subject to diminution by setoff, counterclaim, abatement or otherwise. The full faith, credit and resources of the City are pledged irrevocably for the payment to the District of the Lodging Tax Contribution described herein. The City acknowledges that the Lodging Tax Contribution will assist the District in satisfying its obligations relating to the District Bonds, and that the District will pledge money received on account of the Lodging Tax Contribution to the payment of the District Bonds. The City further acknowledges that its commitment under this Agreement constitutes a valid and binding enforceable, contractual commitment by the City. The obligation of the City to make the Lodging Tax Contribution hereunder shall terminate upon payment in full of the principal of and interest on the Bonds.

(b) It is understood and agreed by the City and the District that the City shall have no liability to fund revenue shortfalls or have any other financial commitments to the District hereunder other than to make the Lodging Tax Contribution. The City shall have no obligation for, and shall not be liable for, the payment of amounts due to the District from any other party. Except for indemnification pursuant to Article V, the City shall have no claim hereunder on the revenue of the District.

(c) The City agrees to make the Lodging Tax Contribution in order to make the Regional Center available as a resource for the City and its residents, to generate sales and lodging taxes and other economic development in the City. Accordingly, the City agrees to make the Lodging Tax Contribution regardless of whether the Regional Center is operating at any particular time.

Section 3.04. City Acknowledgments. The City acknowledges and agrees that the District will pledge the Lodging Tax Contribution, as well as Sales Tax Revenues and other resources, to the payment of the 2015 Bonds. Such pledge will be material to the offer and sale of the 2015 Bonds, and will be disclosed to potential purchasers and purchasers of the 2015 Bonds. The City and the District consider this Agreement to be a binding contract and acknowledge that 2015 Bond owners and financial institutions providing credit support for Bonds, if any, will rely on the terms of this Agreement, including the commitment by the City to make the Lodging Tax Contributions at the times and in the amounts set forth in Section 3.01.

ARTICLE 4
REMEDIES UPON DEFAULT

Section 4.01. Remedies of City on Default. Upon the occurrence of a default by the District in its obligations hereunder, the City may proceed to protect and enforce its rights in equity or at law, either in mandamus or for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, as the City may deem most effectual to protect and enforce any of its rights or interests hereunder.

Section 4.02. Remedies of District on Default. Upon the occurrence of a default by the City in its obligations hereunder, the District may proceed to protect and enforce its rights in equity or at law, either in mandamus or for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, as the District may deem most effectual to protect and enforce any of its rights or interests hereunder.

Section 4.03. No Remedy Exclusive. No remedy conferred upon or reserved to either party by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative. Either party shall be free to pursue, at the same time, each and every remedy, at law or in equity, which it may have under this Agreement, or otherwise.

Section 4.04. No Implied Waiver. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. For the exercise of any remedy, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 4.05. Agreement to Pay Attorneys' Fees and Expenses. If a default arises under any of the provisions of this Agreement and either party hereto should employ attorneys or incur other expenses for the collection of amounts due under this Agreement or the enforcement of performance or observance of any obligation or agreement on the part of the other party contained in this Agreement, on demand therefor, the nonprevailing party shall pay or reimburse the prevailing party for the reasonable fees of such attorneys and such other expenses so incurred.

ARTICLE 5
MISCELLANEOUS

Section 5.01. Interlocal Cooperation Act Provisions. The parties acknowledge that: they have entered this agreement pursuant to the express authority granted to them by RCW 67.28.130; pursuant to RCW 39.34.100, the powers and authority conferred by the lnterlocal Cooperation Act (chapter 39.34 RCW) are supplemental to powers or authority conferred by RCW 67.28.130; and nothing contained in the Interlocal Cooperation Act limits the power or authority of either party to contract pursuant to RCW 67.28.130. To avail themselves of the supplemental powers and authority granted by the Interlocal Cooperation Act, the parties agree that:

(a) No separate legal or administrative entity within the meaning of RCW 39.34.030(3)(b) or "joint board" within the meaning of RCW 39.34.030(4)(a) is created by this agreement;

(b) No later than December 31 of each year, the District will adopt and provide the City with an operating [and capital] budget for the Regional Center for the following calendar year, and will further provide the City with all amendments to such budgets as they are adopted by the District;

(c) The City Manager is appointed as the "administrator" within the meaning of RCW 39.34.030(4)(a) responsible for administering the City's rights and duties set forth in this Agreement, and the District's President is appointed as the "administrator" within the meaning of RCW 39.34.030(4)(a) responsible for administering the District's rights and duties set forth in this Agreement;

(d) Section 2.02 of this Agreement sets forth the manner in which property is to be acquired, held and disposed under this Agreement, as required by RCW 39.34.030(3)(e) and 39.34.030(4)(b); and

(e) The City will, pursuant to RCW 39.34.040, cause this Agreement to be filed with the Benton County auditor immediately upon the full execution hereof by the parties.

(f) Nothing set forth in this Agreement is intended to limit the rights and duties of the parties relating to the Regional Center that are established through other contracts between the parties.

Section 5.02. Governing Law; Venue. This Agreement is governed by and shall be construed in accordance with the substantive laws of the State of Washington and shall be liberally construed so as to carry out the purposes hereof. Except as otherwise required by applicable law, any action under this agreement shall be brought in the Superior Court of the State of Washington in and for Benton County.

Section 5.03. Notices. Except as otherwise provided herein, all notices, consents or other communications required hereunder shall be in writing and shall be sufficiently given if addressed and hand delivered or mailed by first-class mail, as follows:

To the City:	To the District:
City of Richland Attn:__________________ P.O. Box 190 Richland, Washington 99352	Richland Public Facilities District Attn: President, Board of Directors ______________________ ______________________

The City or the District may, by notice given hereunder, designate any further or different addresses to which subsequent notices, consents or other communications shall be sent. Notices shall be deemed served upon deposit of such notices in the United States mail in the manner provided above.

Section 5.04. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the City and the District and their successors. This Agreement may not be assigned.

Section 5.05. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 5.06. Amendments. This Agreement may be amended in writing by the City and the District (or their successors in title), so long as such amendment does not materially adversely affect the owners of the Bonds.

Section 5.07. No Rights Created in Third Parties. The terms of this Agreement are not intended to establish nor to create any rights in any persons or entities other than the City, the District and the respective successors and assigns of each.

Section 5.08. Time of Essence. Time and all terms and conditions shall be of the essence of this Agreement.

Section 5.09. Effective Date of and Termination of Agreement. This Agreement shall take effect as of the date first written above. The City's obligation to make the Lodging Tax

Contribution under this Agreement shall terminate upon payment in full of all principal of and interest on the Bonds (or legal defeasance thereof); all other terms and provisions of this Agreement shall remain in effect for so long as the Sublease remains in effect.

Section 5.10. Disclaimers with Respect to the District. The RICHLAND PUBLIC FACILITIES DISTRICT is organized pursuant to RCW 35.57.010 and the City of Richland Ordinance No. 18-02 (the "Formation Ordinance"). The Formation Ordinance provides as follows: "All liabilities incurred by the District shall be satisfied exclusively from the assets, credit, and properties of the District, and no creditor or other person shall have any right of action against or recourse to the City, its assets, credit, or services, on account of any debts, obligations, liabilities or acts or omissions of the District."

IN WITNESS WHEREOF, the City and the District have caused this agreement to be executed in their respective names by their duly authorized officers, and have caused this Agreement to be dated as of the date set forth on the first page hereof.

CITY OF RICHLAND, WASHINGTON

____
City Manager

Attest:

____
City Clerk

RICHLAND PUBLIC FACILITIES DISTRICT

____
President, Board of Directors

Attest:

____
Secretary, Board of Directors

STATE OF WASHINGTON)
) ss.
COUNTY OF BENTON)

I certify that I know or have satisfactory evidence that ____________________ and ____________________ are the persons who appeared before me, and said persons acknowledged that said persons signed this instrument, on oath stated that said persons were authorized to execute the instrument and acknowledged it as the City Manager and Clerk, respectively, of the CITY OF RICHLAND, a municipal corporation of the State of Washington, to be the free and voluntary act of such municipal corporation for the uses and purposes mentioned in the instrument.

Dated this ______ day of ______________, 2015.

____
(Signature of Notary)

____
(Legibly Print or Stamp Name of Notary)
Notary public in and for the State of Washington, residing at
____
My appointment expires ____________________

STATE OF WASHINGTON)
) ss.
COUNTY OF BENTON)

I certify that I know or have satisfactory evidence that ____________________ and ____________________ are the persons who appeared before me, and said persons acknowledged that said persons signed this instrument, on oath stated that said persons were authorized to execute the instrument and acknowledged it as the President and Secretary, respectively, of the Board of Directors of the RICHLAND PUBLIC FACILITIES DISTRICT, a municipal corporation of the State of Washington, to be the free and voluntary act of such municipal corporation for the uses and purposes mentioned in the instrument.

Dated this ______ day of ______________, 2015.

____
(Signature of Notary)

____
(Legibly Print or Stamp Name of Notary)
Notary public in and for the State of Washington, residing at
____
My appointment expires ____________________

COUNCIL WORKSHOP COVERSHEET

Council Date: 03/24/2015

Department: Community & Development Services

Key Element: Key 2 - Infrastructure & Facilities
Key 3 - Economic Vitality
Key 4 - Targeted Investments
Key 7 - Neighborhoods & Community Safety

Subject:
Swift Corridor Redevelopment Update (20 minutes)

Summary:

The purpose of this workshop item is to update Council on the status of the Swift Corridor Redevelopment. This includes our ongoing discussions with Columbia Basin College (CBC) and the Federal Government over the utilization of the area defined by Swift Boulevard on the north, Jadwin on the east, Mansfield to the south and Northgate on the west. Within this key area, CBC plans to expand their education campus and the City is considering a new City Hall and potentially a new site for Fire Station 71. For this to work we will need to coordinate development plans and parking, plus acquire additional Federal land.

Staff has had useful dialog with CBC and the Feds on how to bring this collective vision to life. CBC is moving forward quickly to expand their medical training campus in the downtown and this investment is an opportunity for the City to partner and coordinate efforts. Under consideration is an Interlocal Agreement with CBC to clarify land acquisition, development plans and parking within this section of the Swift Corridor.

Key next steps include:

♦ acquire a site for City Hall;

♦ coordinate district wide parking;

♦ coordinate the transfer of more property from the federal government; and

♦ improve pedestrian and bicycle safety and access in this area

Attachments:

COUNCIL WORKSHOP COVERSHEET

Council Date: 03/24/2015

Department: Community & Development Services

Key Element:

Subject:

Waterfront 2040: Request for Qualifications for a Waterfront Redevelopment Plan (15 minutes)

Summary:

The purpose of this workshop is to update Council on the proposed approach to the Waterfront District planning. Funds have been budgeted in the 2015 budget to hire a consulting team to help the City refine our vision for the District and devise a workable implementation strategy to achieve our goals. Staff suggests calling the study "Waterfront 2040" since it will consider a 25 year planning horizon. The discussion from this workshop will be used as a bases to draft a formal Request for Qualifications.

Attachments:

COUNCIL WORKSHOP COVERSHEET

Council Date: 03/24/2015 Department: City Manager

Key Element: Key 1 - Financial Stability & Operational Effectiveness

Subject:
2015 City Manager Goals (30 minutes)

Summary:
Each year, Council determines performance incentive goals for the City Manager. These goals are measured and evaluated on their own merits and are separate from core management competencies.

The City Manager and a Council subcommittee typically discuss the merits of three main goals as they require a good deal of time, resources and leadership from the City Manager in addition to her normal duties. The subcommittee recognizes the high value of these top goals as well as the high level of engagement required by the City Manager for successful completion. The subcommittee also acknowledges the significance of partnerships required to accomplish each of these goals.

Presented for your review this evening are suggested goals for the City Manager in 2015. Further information has been added to each goal for clarification as well as Key/Goal identifiers in relation to the Strategic Leadership Plan. The City Manager added targets only as a means to understand the timing of the elements within each goal.

Attachments: