



## **AGENDA YAKIMA CITY COUNCIL**

**April 2, 2024**

**City Hall -- Council Chambers - 129 N 2nd Street, Yakima, WA**

**5:30 p.m. Regular Meeting | 6:00 p.m. Public Hearings --- This meeting will be conducted in person, live streamed at [www.yakimawa.gov/council/live-stream/](http://www.yakimawa.gov/council/live-stream/) and telecast live on Y-**

**PAC, Spectrum Cable Channel 194. You may also participate via Zoom:**

**<https://cityofyakima.zoom.us/j/92350862493> or call in by dialing 1-253-215-8782 | Webinar ID: 923 5086 2493 | Passcode: 646114 --- Individuals who wish to provide public comment remotely are encouraged to submit a Public Comment Request Form online at:**

**[www.yakimawa.gov/council/public-comment](http://www.yakimawa.gov/council/public-comment) no later than 3:00 p.m. on the day of the meeting. If you wish to provide public comment in-person, please fill out a "Request for Appearance" form and hand it to the City Clerk before you address City Council.**

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- 1. Roll Call**
  - 2. Pledge of Allegiance**
  - 3. Interpreter Services**
  - 4. Public Comment**

There will be 35 minutes allotted for public comment with two and a half (2 1/2) minutes per speaker in order to allow as much opportunity as possible for audience participation. Written communication and e-mail messages are strongly encouraged.

- 5. Open Discussion for the Good of the Order**

- A. Proclamations**

- i. Yakima - Morelia Sister City Proclamation
    - ii. Draft Salvation Army Week Proclamation
    - iii. Draft Arbor Day 2024 Proclamation

- B. Presentations / Recognitions / Introductions**

- i. Recognition of Connie Upton for 30 Years of Service to the Yakima Convention and Event Center
    - ii. Yakima County Development Association 2023 Year End Review and 2024 Outlook
    - iii. Greater Yakima Chamber of Commerce 2023 Year End Report and 2024 Outlook

- 6. Council Reports**

- 7. Consent Agenda**

Items listed are considered routine by the City Council and will be enacted by one motion without discussion. A Council member may request to remove an item from the Consent Agenda and, if approved, it will be placed on the regular agenda for discussion and consideration.

- A. Approval of minutes from the March 19, 2024 City Council regular meeting and March 26, 2024 study session
- B. 2023 4th Quarter Financial Report
- C. Resolution awarding Bid 12344 and authorizing an agreement with Granite Construction for Asphalt and Materials
- D. Resolution authorizing a quit claim deed to terminate an easement in the vicinity of 1 W Valley Mall Blvd
- E. Resolution accepting a Department of Transportation Pedestrian & Bicycle Safety Program grant award for Fred Meyer Active Transportation Pathway Project 2780
- F. Resolution authorizing a contract with Yakima Valley Partners Habitat for Humanity for the development of a new single-family home located at W 2906 Arlington Ave
- G. Resolution authorizing a contract with Yakima Valley Partners Habitat for Humanity for the development of a new single-family home located at W 2908 Arlington Ave
- H. Resolution authorizing a contract with Yakima Valley Partners Habitat for Humanity for the development of a new single-family home located at 2910 W Arlington Ave
- I. Resolution authorizing a grant application for the Yakima Air Terminal Building Modernization project to the Yakima County Supporting Investments in Economic Development (SIED) for Capital Improvement Projects at the Yakima Air Terminal-McAllister Field
- J. Resolution authorizing a grant application for the Yakima Air Terminal Building Modernization project to the Washington State Department of Commerce Community Economic Revitalization Board (CERB) for Capital Improvement Projects at the Yakima Air Terminal-McAllister Field
- K. Resolution authorizing an airport concession rent credit between the City of Yakima-Yakima Air Terminal-McAllister Field and BBold Advertising and Marketing
- L. Resolution authorizing an airport concession rent credit between the City of Yakima-Yakima Air Terminal-McAllister Field and Hertz Corporation Car Rental

## **PUBLIC HEARINGS**

- 8. Public hearing to consider: A) Resolution adopting the amended Six-Year Transportation Improvement Program for the period of 2024 through 2029, and to amend the Transportation Systems Plan 2040; and B) Resolution amending the Yakima Urban Area Comprehensive Plan Capital Facilities Element
- 9. Closed record public hearing and Ordinance to consider the Planning Commission's recommendation regarding a rezone request located in the vicinity of 1104 & 1112 S. 48th Ave
- 10. Public hearing and Ordinance to consider the Yakima Planning Commission's recommendation regarding 2024 proposed text amendments to YMC Titles 14 Subdivisions

## **DEPARTMENT ITEMS**

- 11. Ordinance amending the 2023-2024 Biennial Budget for the City of Yakima and making appropriations from Unappropriated Fund Balances within various Funds for expenditure during 2023-2024 for various purposes (First Reading)
- 12. Ordinance to amend Chapter 7.50.040 of the Yakima Municipal Code, Utility Accounting

## **CITY MANAGER UPDATE**

13. Council Discussion and Direction Regarding Downtown Parking

14. **Other Business**

15. **Adjournment**

The next meeting is a City Council study session on April 9, 2024, at 5:00 p.m. in the City Hall Council Chambers

16. **Council General Information**

A. Council General Information

*Any invocation that may be offered before the official start of the Council meeting shall be the voluntary offering of a private citizen, to and for the benefit of the Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker.*

*A Council packet is available for review at the City Clerk's Office and on-line at [www.yakimawa.gov](http://www.yakimawa.gov). The City provides special accommodations, such as hearing devices, wheelchair space or language interpreters, for City meetings. Anyone needing special assistance please contact the City Clerk's office at (509) 575-6037 at least two business days prior to the meeting. All meetings are live streamed on the City of Yakima website at [www.yakimawa.gov](http://www.yakimawa.gov) and telecast live on Y-PAC, Spectrum Cable Channel 194.*



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. A.i.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Yakima - Morelia Sister City Proclamation

**SUBMITTED BY:** Dave Zabell, Interim City Manager

**SUMMARY EXPLANATION:**

This is the 25th year of the Yakima-Morelia Sister City relationship. Through their dedicated efforts over the past 25 years the members of the Yakima-Morelia Sister Association have helped to build relationships and promote collaboration between our two communities and our respective countries in the areas of culture, education, and commerce.

The attached proclamation will be presented to Margaret Luera proclaiming the week of April 1, 2024 as Sister City week in the City of Yakima.

**ITEM BUDGETED:**

**STRATEGIC PRIORITY:**

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

**ATTACHMENTS:**

Description	Upload Date	Type
Morelia Sister City Week proclamation	3/27/2024	Backup Material



# CITY OF YAKIMA PROCLAMATION

*WHEREAS, Yakima, Washington, U.S.A. and Morelia, Michoacan, Mexico have built strong ties between their communities thanks to a shared commitment to develop a positive and productive Sister City relationship; and*

*WHEREAS, the Sister Cities program fosters mutual respect, understanding, and cooperation through its active global citizen diplomacy network; and*

*WHEREAS, numerous visits by delegations from each Sister City to the other have proven tremendously worthwhile by creating countless opportunities for cultural, educational, and economic exchanges between Yakima and Morelia; and*

*WHEREAS, the Yakima-Morelia Sister City relationship has significantly enriched both communities since it began; and*

*WHEREAS, the dedicated members of the Yakima-Morelia Sister City Association continue to enthusiastically promote friendship and collaboration between our two communities and our two countries; and*

*WHEREAS, Yakima is proud to host a distinguished delegation from Morelia and extends warm wishes for a valuable and beneficial visit; and*

*WHEREAS, the Yakima-Morelia Sister City Association is celebrating their 25<sup>th</sup> year of citizen to citizen diplomacy with their Sister City Morelia.*

*NOW, THEREFORE, I, Patricia Byers, Mayor of the City of Yakima, and on behalf of the Yakima City Council, do hereby proclaim the week of April 1, 2024 as*

## **YAKIMA – MORELIA SISTER CITY WEEK**

*in the City of Yakima and encourage everyone in our community to welcome our honored guests from Morelia, the great capitol city of Michoacan, Mexico.*

*Dated this 2<sup>nd</sup> day of April, 2024*

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*Patricia Byers Mayor*



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. A.ii.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Draft Salvation Army Week Proclamation

**SUBMITTED BY:** Dave Zabell, Interim City Manager

**SUMMARY EXPLANATION:**

On March 19, 2024, Lisa Sargent submitted a proclamation request to recognize National Salvation Army week and celebrate the volunteers, donors, and program beneficiaries who are instrumental in helping to serve those in need in the community.

Attached for Council consideration is a draft proclamation. If approved, the proclamation will be read and presented at the May 7 City Council meeting.

**ITEM BUDGETED:**

**STRATEGIC PRIORITY:**

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

**ATTACHMENTS:**

Description	Upload Date	Type
□ Draft Salvation Army proclamation	3/21/2024	Cover Memo

# **CITY OF YAKIMA PROCLAMATION**

*WHEREAS, The Salvation Army Yakima Valley Corps has served the community since 1894, and is one of the most trusted non-profit organizations in America today; and*

*WHEREAS, The Salvation Army Yakima Valley Corps exists to meet human need wherever, whenever, and however we can; and*

*WHEREAS, The Salvation Army Yakima Valley Corps provides an after school program, youth scout program, summer camps, gifts & food provided at Christmas, daily food pantry throughout the year, clothing & household needs, and we are dedicated to combatting intergenerational poverty through an Initiative, Pathway of Hope; and*

*WHEREAS, The Salvation Army, an international movement, is an Evangelical part of the universal Christian Church. Its message is based on the Bible. Its ministry is motivated by the love of God. Its mission is to preach the gospel of Jesus Christ and to meet human needs in His name without discrimination; and*

*WHEREAS, during National Salvation Army week, we encourage our community to ask questions and get to know The Salvation Army more and we say thank you to those who contribute to The Salvation Army's mission, whether through volunteer time, money, or in-kind donation.*

*NOW, THEREFORE, I, Patricia Byers Mayor of the City of Yakima and on behalf of the City Council, do hereby proclaim the week of May 13 - 19, 2024 as*

## ***“National Salvation Army Week”***

*in Yakima and urge all citizens to join me in honoring the dedicated employees, volunteers and donors of The Salvation Army who faithfully touch so many lives in our community.*

*Dated this 7th day of May, 2024*

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*Patricia Byers, Mayor*



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. A.iii.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Draft Arbor Day 2024 Proclamation

**SUBMITTED BY:** Dave Zabell, Interim City Manager

**SUMMARY EXPLANATION:**

Colleen Adams-Schuppe, Executive Director of the Yakima Area Arboretum requested a proclamation proclaiming the second Saturday in April as Arbor Day in the City of Yakima. This proclamation is required in order for Yakima to maintain its Tree City designation.

Attached for Council consideration is a draft proclamation. If approved, the proclamation will be read and presented at the April 9th study session.

**ITEM BUDGETED:**

**STRATEGIC PRIORITY:**

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Council to discuss and provide direction.

**ATTACHMENTS:**

Description	Upload Date	Type
 Arbor Day 2024 proclamation	3/25/2024	Cover Memo

# *CITY OF YAKIMA PROCLAMATION*

*WHEREAS, in 1827, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees and the holiday, Arbor Day; and*

*WHEREAS, Arbor Day was first observed with the planting of more than a million trees in Nebraska and is now observed through the nation and the world; and*

*WHEREAS, the Yakima Area Arboretum, in 2000, established the Arbor Festival to encourage an appreciation for trees and nature in the Yakima area and it has grown to one of the largest Arbor Day festivals in the Pacific Northwest; and*

*WHEREAS, trees can lower our heating and cooling costs, moderate the temperature, clean the air, produce oxygen, and provide habitat for wildlife; and*

*WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community – trees are a source of joy and spiritual renewal,*

*NOW THEREFORE, I, Patricia Byers, Mayor of the City of Yakima and on behalf of the City Council hereby proclaim the second Saturday in April as*

## *“ARBOR DAY”*

*in the City of Yakima and recognize the Yakima Area Arboretum’s Arbor Festival as the City’s official celebration. The City of Yakima encourages all citizens to plant and care for trees to promote the well-being of this and future generations.*

*Dated this 9<sup>th</sup> day of April, 2024*

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*Patricia Byers, Mayor*



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. B.i.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Recognition of Connie Upton for 30 Years of Service to the Yakima Convention and Event Center

**SUBMITTED BY:** Dave Zabell, Interim City Manager

**SUMMARY EXPLANATION:**

This is to recognize 30 years of service by Connie Upton, General Manager of the Yakima Convention and Event Center.

As background, Connie began her career at the Yakima Valley Visitors and Convention Bureau in 1994 as the Convention Sales Manager. She quickly moved over to the Yakima Convention & Event Center and became the Convention Center Sales Manager. She did not hold that title long before becoming the Assistant General Manager to Kathy Coffey, who was then General Manager of the Convention Center. When Kathy retired, Connie was named the General Manager in 2007.

Connie helped make the Yakima Convention & Event Center what it is today, by being involved in or overseeing four expansions including the outdoor plaza. She is known and respected by planners throughout the industry and can be found seeing to every detail of the facility on a daily basis. Nobody knows the facility better than Connie who truly treats each space like her own home. Those that work with her on a daily basis cannot express how important her presence is here at the Center. Her service and professionalism have contributed greatly to the economic vitality and positive image of Yakima, and the success of the Convention Center.

**ITEM BUDGETED:**

**STRATEGIC PRIORITY:**

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. B.ii.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Yakima County Development Association 2023 Year End Review and 2024 Outlook

**SUBMITTED BY:** Dave Zabell, Interim City Manager

**SUMMARY EXPLANATION:**

Yakima County Development Association's Executive Director Jonathan Smith will present on YCDA's 2023 year-end accomplishments and will give an overview of 2024 goals and work plan.

The City of Yakima is a member of Yakima County Development Association (YCDA) through an annual membership.

**ITEM BUDGETED:**

**STRATEGIC PRIORITY:**

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

**ATTACHMENTS:**

Description	Upload Date	Type
☐ YCDA Strategic Plan, FS Participants, Partnerships	3/27/2024	Backup Material
☐ YCDA Presentation	3/27/2024	Presentation

# Yakima County Development Association

2024 - 2028 | CAPITAL CAMPAIGN

## YCDA-

### WHAT WE DO

PG. 3

### WHY IT MATTERS

PG. 4

### WHO WE ARE

PG. 5

## PAST PERFORMANCE

PROJECTED VS ACTUAL

PG. 4

## 4 Key Takeaways 2022 Feasibility Results

PGS. 6-9

## WHY INVEST?

### Return on Investment

PG. 11

**Growing Opportunities, Cultivating Success:  
Invest in Yakima County's Economic Future**



# Prospective Investor

What can YCDA do to mitigate the economic challenges facing Yakima County businesses while capitalizing on the opportunities for growth?

To answer this question, confidential Feasibility Study interviews were conducted with 56 local business, community, and elected representatives. Interviewees were asked about Yakima County's economy, YCDA's effectiveness and the 2024-2028 Strategic Plan Prospectus. Their feedback identified workforce skills, infrastructure, and perception of our communities as the key challenges we face. Our region's natural resources, innovation, airport, mill site and downtown/main streets were seen as the greatest economic opportunities.

The community spoke, and YCDA utilized the Feasibility Study results to finalize its 2024-2028 Strategic Plan. This brochure details our plan and dedication to leveraging our county's unique resources, talents, and opportunities to create a thriving business environment. By investing in YCDA you become an essential partner in our mission to foster economic growth through our strategic initiatives.

"Economic Development is not something YCDA does to the community, it is what YCDA does with the community."

We start with the building blocks of any community, its people. Our workforce is paramount. YCDA will continue to work with our partners to prepare the existing workforce with the skills needed to meet the current and evolving labor needs. YCDA alone can't fix the social issues of poverty, homelessness, and crime, but we can be at the table where these issues are being addressed and ensure the business community is part of the solution. *(Initiative 1, pg. 6)*

From there, we work directly with the building blocks of any economy, its businesses. YCDA will continue daily business outreach and engagement to understand their challenges and explore resources. To eliminate accessibility barriers, we will visit each community in the Valley and provide business owners with one-on-one assistance in English and Spanish. Through new partnerships with accelerators and regional start-up investors, YCDA will bring financial investment to the county to support high-growth entrepreneurship. *(Initiative 2, pg. 7)*

To bring outside investment to the Valley, YCDA will target businesses that compliment our existing industry clusters to locate in Yakima County. Attracting business and industry that match our needs and competitive advantages results in win-win solutions. This will also provide jobs for our residents and attract new talent to our communities. *(Initiative 4, pg. 9)*

Finally, for our economy to grow we need infrastructure to support new development. Over \$125 million will be spent on new infrastructure in the next five years. Large projects at the mill site, the airport, and cities and port districts across the valley will create shovel-ready sites supporting economic growth and jobs. *(Initiative 3, pg. 8)*

This brings us back to where we started, the basic building blocks, Yakima County's people, and its businesses. Economic Development is not something YCDA does to the community, it is what YCDA does **with** the community. With increased financial support and its network of over fifty resource partners, YCDA is uniquely positioned with the essential resources needed for Yakima Valley's economy to flourish.

*Jonathan Smith, CEO*

Jonathan Smith, CEO  
Executive Director  
Yakima County Development Association

## What is the Yakima County Development Association (YCDA)?

YCDA is a nonprofit (501c3) organization dedicated to Yakima County's business environment and livability. While the fundamentals of Economic Development remain business retention, expansion, and attraction, our work fosters solutions to Yakima Valley's unique economic challenges.

Our professional staff delivers no-cost services to entrepreneurs, start-ups, all-sized businesses, franchises, global corporations, and Fortune 500 companies.

Our specific work includes:

- Daily outreach and engagement with businesses
- Business & Talent Attraction
- Site Selector Inquires & Follow up
- Facilitate local planning, revitalization, and development
- Training in English & Spanish

*"As the designated ADO for Yakima County, YCDA has a strong track record of services resulting in new jobs, new tax revenue, and economic vitality for the community. Now is the time to commit additional funding for YCDA as it takes on exciting and additional responsibilities to further the Yakima County economy."*

*Suzanne Dale Estey, Executive Director  
Washington Economic Development Association*

## How is YCDA Unique?

YCDA is Yakima County's designated Associate Development Organization (ADO) appointed by the County Commissioners. Each county in Washington State is represented by an ADO to further its economic development goals. ADOs are the principal contact for the state Department of Commerce and all county Economic Development elements (businesses, towns, ports, chambers, etc.) to coordinate their efforts. YCDA's performance and expertise is critical to growing the economy and building communities.

## How is YCDA Funded?

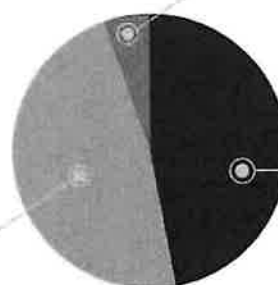
We are funded solely by public and private contributions, including grants. Every five years a capital campaign is launched to secure commitments to fund the following five-year strategic plan. Due to the direct and indirect financial impact of our work, YCDA contributors are recognized as Investors.

## Funding Sources Breakdown

YCDA is funded by a collaborative partnership between public and private sectors

- Public Sector (State, County, Cities, Ports)
- Private Sector
- Grant Awards

Public Sector 48%



Grant Awards 5%

Private Sector 47%

# Why it Matters- Past Performance

## 2019 - 2023 Overachievement

### Building Local Business



- 261 Outreach visits
- 9 Local expansion projects
- 373 Total new jobs
- \$17.6 Million annual payroll

### Supporting Investments in Economic Development (SIED)



- 19 Projects
- \$21.5 Million Awarded
- 735 Total new jobs
- \$28.6 Million annual payroll

### Small Business Support in English & Spanish



- 366 Business trainings
- 61 Start-up 1:1 trainings
- 478 Total new jobs
- \$17.7 Million annual payroll

### Business Recruitment



- 24 Site visits
- Chino Valley Truck Wash, Corumat, Windmill Farms, Royal Interpack
- 394 Total new jobs
- \$16.4 Million annual payroll

### Projected vs Actual

- 2,880 total jobs created
- 2,494 projected **+15%**



- \$119 million new payroll
- \$92 million projected **+29%**

*"Our family's investment in YCDA has been one of GREAT returns for 38 straight years. Job retention, expansion, and attraction is where we begin and end each day at YCDA. This wonderful effort has been and will continue to be only possible with all of us investing together to insure amazing results and benefits. Please help us and yourself by pledging your support today!!!!"*

Bob Hall,  
YCDA Board Member Emeritus

## 1985 - Present Outcomes

### Past Accomplishments - 38 Year History

- Served 100+ businesses annually
- 6,630 New jobs at 155+ businesses
- \$606 Million in private investments



### A NOD TO THE PAST

1986,  
1st YCDA Board President,  
Mr. Allen Pruett



*"Coca-Cola Company was proud to sponsor YCDA's support of small businesses. Three hundred small businesses throughout the Valley received training in financial management, accessing capital, marketing, digital literacy, and other business development skills. Providing these trainings in both English and Spanish ensured Yakima's diverse business community could fully participate."*

Adam Dolsen, President CEO  
The Dolsen Companies

# Who we are

## YCDA Team

Carmela Solorzano, Communication & Events Manager  
 Joe Schmitt, Economic Development Manager  
 Jon Smith, Executive Director  
 Terry Edmands, Investor Relations Director  
 Yani Cisneros, Bilingual Business Development Manager

## Board of Directors

Amanda McKinney, Yakima County Commissioner District 1  
 Amy Martinez, South Central Workforce  
 Amy McCargar-Davis, MultiCare Yakima Memorial Hospital  
 Andy Marble, Horizon Distribution, Inc.  
 Austin Beebe, HUB International  
 Ben Annen, HLA Engineering & Land Surveying Inc.  
 Brad Hansen, Baker Boyer Bank  
 Celina Sanchez, Assoc. of General Contractors of WA.  
 Christine Cote, Perry Technical Institute  
 David Cobia, CliftonLarsonAllen LLP  
 Jay Hester, Port of Sunnyside  
 Jeff Cromer, Washington Beef  
 Jeff Perrault, Perrault Farms Inc.  
 John Hodgkinson, City of Union Gap  
 John Cooper, Yakima Valley Tourism  
 Jon DeVaney, Washington State Tree Fruit Association  
 Linda DiLembo, CenterCal Properties- Yakima Valley Mall  
 Linda Kaminski, Yakima Valley College

Lindsey Beddeson, Tri-Ply Construction  
 Maria Rodriguez, Vizions  
 Matt Brown, Yakima City Council District 6  
 Mike Battle, HLA Engineering  
 Moriet Miketa, Heritage Real Estate Group  
 Natasha Trudeau, Triumph Actuation Systems  
 Peter Marinace, KeyBank  
 Roslyn Oglesby, City of Yakima  
 Ryan Hopkins, Yakima Chief Hops  
 Scott Carmack, City of Zillah  
 Shane Fisher, City of Grandview  
 Toni Petty, Pacific Power  
 Vicki Baker, Yakima Valley Conference of Governments

*"YCDA supports the growth and development of existing businesses and sectors, in addition to attracting new investment. New arrivals and diversification attract the most notice, but YCDA's approach **benefits everyone in our community.**"*

Jon DeVaney, 2023 YCDA Board Chair  
 Washington State Tree Fruit Association

**YCDA helped Northwest Harvest double their food distribution across Washington state with their new 200,000 square foot facility.**

Photo: Northwest Harvest Distribution Center tour  
 Yakima, WA



# Initiative #1: Build a Strong Workforce: Train, Attract & Retain

**Feasibility Study Key Take-away:** Address the immediate and emerging needs of businesses and workers so all can thrive in Yakima County.



## YCDA Role:

- Connect Yakima County businesses with existing training programs to meet their workforce needs.
- Develop and deploy customized year-round training with partner organizations to address the professional development needs of local employers.
- Track and report workforce trends for Yakima County's key industry clusters.
- Strengthen methods of connecting local graduates with local jobs.

## NEW

Serve as Liaison for the business community and the many organizations that work to improve and promote Yakima Valley as a great place to live and work. Inform stakeholders of progress in these areas and how they can participate in solutions.



## Success Story:

### Resources for Employee Retention & Development

YCDA co-hosted the "Workers Wanted" conference, where local business leaders learned how to access programs and dollars to retain and train their workforce.

"YCDA took time to learn about our in-home care business's unique challenges. They connected us with the 'Shared Work' program, which turned out to be a fit for our business and **will allow us to keep our highly trained employees working through the ups and downs of our business cycle.**"

Teyla Smith & Patrina Williams, Certified Senior Care Manager  
Mother's Arms Homecare, LLC.

*"The 'Workers Wanted' conference introduced Yakima Chief Hops to programs designed to increase competitiveness, avert potential layoffs, and upskill our workforce. With the state's SharedWork program we are seeing the benefits of cost savings, employee satisfaction and employee retention. We have also been successful in securing worker training funding through the Job Skills and Incumbent Working Training Programs."*

Lisa Garcia, Chief People Officer  
Yakima Chief Hops

## Initiative #2: Diversify our Business Ecosystem for Agriculture and Beyond

**Feasibility Study Key Take-away:** Build upon the stability of our Agricultural foundation by supporting Innovation & Entrepreneurship.



### YCDA Role:

- Provide one-on-one business outreach in English and Spanish with local businesses to facilitate timely solutions to their unique needs.
- Continue to host WSU's Small Business Development Center (SBDC) certified Advisor.
- Assist businesses to navigate site selection, permitting, regulations, workforce, and funding.
- Host large-scale resource fairs to connect business owners with subject matter experts in Strategy, Entrepreneurship, and Business Development.
- Host events to showcase local business accomplishments.
- Maintain a comprehensive online database of local businesses to guide strategic decisions.
- Provide leadership to establish a professionally managed venture capital investment fund that is overseen by local leaders.
- Provide industry-specific training to craft beverage, Ag-tech, Childcare, and other industry clusters.

### NEW

Mobile Computer Lab for convenient digital and financial literacy training in English and Spanish.



### Success Story:

#### COVID-19 Business Assistance

YCDA administered \$12 million in CARES Act Grants that impacted roughly 1 out of every 4 businesses in Yakima County.

- 6,000 jobs supported
- Awarded "Tourism Ambassador 2022" *Business Key to Recovery*
- Identified training needs for marginalized business owners to access resources to grow their business.

*"The Washington SBDC is pleased to partner with YCDA to create a community of collaboration and equity where all small businesses can grow and succeed. As the local SBDC funding partner, YCDA is home to one of our 10+ bilingual business advisors across the state who provide confidential, no-cost, one-on-one business advising in English and Spanish. Together we are reducing barriers and cultivating opportunities."*

Sheryl McGrath, State Director  
Washington Small Business Development Centers



## Initiative #3: Bring New Industry, Jobs, and Investment to Yakima County

**Feasibility Study Key Take-away:** Attract companies that match Yakima County's needs, assets, and competitive advantages.



### YCDA Role:

- Proactively maintain and develop relationships with site selectors and local commercial real estate professionals.
- Research, identify, and target companies that align with local development goals, and have growth potential to support our economy.
- Assist businesses from outside the area to establish operations in Yakima County.
- Develop and distribute compelling marketing materials to targeted industry site selectors.
- Invite local businesses to co-exhibit at select trade shows.

### NEW

Target logistics and transportation companies that can meet the needs of our industrial and agricultural sectors.



### Success Story:

#### Pacific Ag Renewables Sunnyside, WA

Pacific Ag's new renewable natural gas facility will employ 30 full-time people at an average loaded salary of \$68,379 per year and convert an estimated 900,000 tons of regional dairy waste, diverted from lagoons, into 800,000 MMBtu of renewable natural gas annually. Construction is scheduled to begin later in 2023.

*"YCDA's expertise was pivotal in locating Pacific Ag Renewables \$100 million bioenergy facility site on 60 acres in Sunnyside, Washington. YCDA identified the ideal site at the Port of Sunnyside and connected us with a variety of resources including funding for public infrastructure that the Port has now secured to support our project and future development."*

Kipp Curtis, Renewables Regional Manager  
Pacific Ag Renewables

## Initiative #4: Develop Infrastructure for a Thriving Economy

**Feasibility Study Key Take-away:** Facilitate public and private partnership to increase the number of shovel-ready sites in Yakima County.



### YCDA Role:

- Identify, qualify, and advise project funding through the Supporting Investments in Economic Development (SIED) program.
- Provide economic impact analysis for public works projects that support job and business growth.
- Help reduce the costs and risks associated with private development.
- Assist local cities and the county in streamlining and improving permitting and regulatory processes.
- Support and pursue funding for transportation, private & public utilities, and broadband throughout Yakima County.
- Provide economic development training and advice to local cities and towns.

### NEW

Maintain an online countywide infrastructure map to guide strategic investment.



### Success Story:

#### Midvale Industrial Park Port of Sunnyside, WA

Yakima County's SIED program was instrumental in financing water, sewer, and road infrastructure to expand the Midvale Industrial Park. These infrastructure improvements allow Yakima County to compete with neighboring counties and states for development projects that were previously out of reach.

*"YCDA played a critical role in connecting the Port and City of Sunnyside with over \$12 million in funding. These dollars will construct infrastructure to open over 400 acres to industrial development helping to grow jobs and industry that will positively impact Yakima County for years to come."*

Jay Hester, Executive Director  
Port of Sunnyside



# 2024 - 2028

## Budget by Initiative

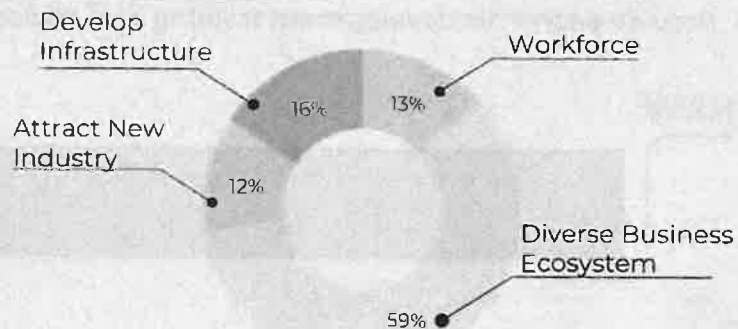
INITIATIVE	ANNUAL BUDGET	TOTAL BUDGET
1 BUILD A STRONG WORKFORCE: TRAIN, ATTRACT & RETAIN	\$105,000	\$525,000
2 DIVERSIFY BUSINESS ECOSYSTEM FOR AGRICULTURE & BEYOND	\$475,000	\$2,375,000
3 BRING NEW INDUSTRY, JOBS & INVESTMENT TO YAKIMA COUNTY	\$95,000	\$475,000
4 DEVELOP INFRASTRUCTURE FOR A THRIVING ECONOMY	\$125,000	\$625,000
	<b>\$800,000</b>	<b>\$4,000,000</b>

*"Our company invests in YCDA because their organization is a catalyst for helping promote business in our region.*

*Their leadership in workforce development, local business growth & expansion while attracting new business to our valley leads to a great economic future and quality of life."*

David Rankin, CEO  
Rankin Equipment Co.

## Budget Breakdown



*"Since I joined the YCDA board I have learned how truly passionate the team is about growing and developing the community. The tireless work of the staff and partners in the community are a key to all of our success. I will continue to support YCDA because it checks all the boxes to improve our communities through business growth, training and improving our infrastructure."*

Jeff Cromer, General Manager  
AB Foods/Washington Beef

## Measure, Report & Analyze - Our Performance

- Outreach, Engagement & Resource Utilization
- Employer & Partner Satisfaction
- Corporate Site Location Inquiries
- Employment, Retention & Payroll
- Public & Private Investment
- Tax Assessment



# Expected Outcomes

## Return on Investment

One unique measure of YCDA's work is the economic impact of new and retained jobs at businesses we assist. The table below illustrates the predicted downstream expenditures of annual payroll due to YCDA's efforts over the next five years (2024-2028).

ECONOMIC IMPACT ON JOBS	
<sup>2</sup> Direct and Indirect Jobs Created	3927
Direct and Indirect Weighted Average Wage Rate	\$65,672.73
Total Payroll	\$257,896,828
Disposable Personal Income	\$197,416,494
PROJECTED ANNUAL IMPACT ON FINANCIAL SERVICE INDUSTRIES	
Personal Insurance & Pensions	\$23,222,867
New Personal Deposits (Savings rate of 4.5% of Disposable Income)	\$8,883,742
Mortgage Interest & Charges	\$8,203,073
Vehicle Finance Charges	\$802,314
PROJECTED ANNUAL IMPACT ON SELECTED RETAIL INDUSTRIES	
Housing Ownership & Rentals	\$39,106,919
Healthcare	\$16,081,681
Groceries	\$15,512,392
Vehicle Purchases (New & Used)	\$14,241,077
Utilities	\$12,456,518
Entertainment	\$10,524,475
Restaurants & Catering	\$8,937,544
Home Furnishings & Equipment	\$7,967,098
Home Services & Supplies	\$7,200,180
Charitable Contributions	\$7,123,488
Gas & Motor Oil Purchases	\$6,335,923
Apparel	\$5,173,747
Vehicle Insurance	\$4,507,118
Education & Reading	\$3,952,577
Vehicle Maintenance & Repair	\$2,875,943
Alcohol & Tobacco Products/Supplies	\$2,639,967
Personal Care Products & Services	\$2,274,207
Newspaper & Reading Materials	\$336,264

<sup>1</sup> Outcomes calculated using Type II RIMS (Regional Input-Output Modeling System) multipliers supplied by the Bureau of Economic Analysis, U.S. Department of Commerce, using 2021 (the most recent available) regional economic accounts for the region defined as the Yakima Metropolitan Statistical Area.

<sup>2</sup> Direct refers to the jobs created by the new or newly expanded firm; indirect refers to the jobs created by regional companies supplying goods and services to the new or newly expanded firm. (Source: JobsEQ)

# IN THEIR OWN WORDS

*"YCDA is such an asset for the Yakima Valley. We view them as a **knowledge hub for businesses operating in Yakima, as well as prospective businesses considering a move here.** You can use them as a resource on issues ranging from best hiring practices, new regulations, to infrastructure. This valley is fortunate to have an organization like YCDA."*

**Andy Marble, President & COO, Horizon Distribution, Inc.**

*"YCDA provides expertise and economic development support to the City of Grandview. As a small Community with limited resources, **we are more competitive because of the professional assistance from the YCDA staff.**"*

**Cus Arteaga, City Administrator, City of Grandview**

*"YCDA is a means for diverse stakeholders to come together and create opportunity for others. Whether it be building human capital, breaking ground on a commercial project, or promoting our beautiful valley to prospective businesses, YCDA has an impressive assemblage of resources available. Perrault Farms Inc. is a proud supporter."*

**Jeff Perrault, Vice President, Perrault Farms**

*"YCDA is a great contributor to the economy of the County. It's success is shown in many ways; recruiting new business and jobs, providing skills and sustainability for new and existing businesses, locating commercial property and finding grants and low interest loans to assist new and existing business expansion. The City of Union Gap has always supported YCDA."*

**John Hodgkinson, Position #1, City of Union Gap**

*"YCDA is **uniquely positioned to impact and improve the Yakima valley.** My investment with YCDA is money well spent by supporting existing business and attracting new companies to the county. The team is exceptional and provides an incredible professional approach to local economic development."*

**Moriet Miketa, Broker/Owner, Heritage Real Estate Group**

*"We invest in YCDA because it is **the organization that strengthens the economic engine of our valley which we believe will improve the quality of life of residents for generations to come.** Our Valley is blessed with plentiful natural advantages: climate, soil, geography, and water. We can only fully achieve the benefits of this special place with a thriving business community that works in tandem with our local institutions to thoughtfully pursue growth."*

**Sean Gilbert, General Manager, Gilbert Orchards**

*"With the important addition of bilingual support for small businesses in our rural area, **YCDA is able to support our many local businesses, their employees, and entrepreneurs whose primary language may be Spanish.** With a focused and inclusive approach to community development, we're seeing the impact of a community working together more successfully for a thriving and collaborative community."*

**Sharon Miracle, President & CEO, Yakima Valley Community Foundation**

# Feasibility Study Participants

**Amanda McKinney**  
Commissioner, District 1  
*Yakima County*

**Andrew Holt**  
Former Executive Director  
*Downtown Assoc. of Yakima*

**Andy Martinkus**  
COO  
*Western Materials*

**Barry Bendall**  
Senior Relationship  
Manager  
*Wells Fargo*

**Bill Almon, Jr.**  
Owner, Designated Broker  
*Almon Commercial Real Estate*

**Ben Annen**  
Vice President  
*HLA Engineering & Land Survey*

**Bob Harrison**  
City Manager  
*City of Yakima*

**Brandon Nickels**  
Branch Manager- Yakima  
*Northwest Farm Credit Services*

**Brittney Hill**  
VP, Global Finance  
*Yakima Chief Hops*

**Cathlin Foster**  
General Manager  
*Walmart Distribution Center*

**Chris Corry**  
14th District  
*WA House of Representative*

**Cus Arteaga**  
City Administrator  
*City of Grandview*

**Dan Sullivan**  
SVP/Branch Manager &  
Financial Advisor  
*Baird Financial*

**Dana Dwinell**  
Owner  
*D2 Communications*

**David Wise**  
VP, Advancement/  
Marketing &  
Communications  
*Heritage University*

**Deloit Wolfe**  
President  
*Impact Washington*

**Donald Ricci**  
General Manager  
*WestRock*

**Elizabeth Alba**  
City Manager  
*City of Sunnyside*

**Jaclyn Midkiff**  
President  
*Harvest Auto*

**Jake Hambly**  
SVP, Commercial Banking  
Manager  
*Banner Bank*

**Jay Hester**  
Executive Director  
*Port of Sunnyside*

**Justin Moser**  
General Manager  
*Cintas Corporation*

**Kellie Connaughton**  
Executive Director  
*Yakima Greenway*

**Kris Dawson**  
Administrative Assistant  
*Greater Yakima Chamber of Commerce*

**Kyle Curtis**  
Commissioner, District 2  
*Yakima County*

**Leanne Antonio**  
President & CEO  
*Yakima Federal Savings & Loan*

**Maria DJ Rodriguez**  
Executive Director  
*Vizions Economic Development Center*

**Maryjo Whitney-Blevins**  
Economic Development Director  
*Confederated Tribes & Bands of the Yakama Nation*

**Matt Murray**  
Chief of Police  
*Yakima Police Department*

**Michael Grayum**  
City Administrator  
*City of Zillah*

**Mike Battle**  
VP of Municipal Engineering  
*HLA Engineering & Land Survey*

**Mike Goettl**  
President  
*Vuca Farms*

**Mike Trammell**  
General Manager  
*Pepsi Cola Bottling Co. of Yakima*

**Miles Kohl**  
CEO  
*Allan Brothers, Inc.*

**Norma Chavez**  
Community Engagement  
Specialist  
*WA. State Dept. of Commerce*

**Patrick Smith**  
CEO  
*Loftus Ranches*

**Randy Fenich**  
Partner, CPA  
*Moss Adams*

**Randy Tucker**  
Executive Director  
*Port of Grandview*

**Ron Anderson**  
Former Commissioner, District 2  
*Yakima County*

**Rosylen Oglesby**  
Assistant City Manager  
*City of Yakima*

**Salvador Salazar**  
Former Regional  
Representative- Central  
Washington  
*Office of Governor Insee*

**Dr. Scott Carmack**  
Mayor  
*City of Zillah*

**Scott Wagner**  
President  
*MG Wagner Co., Inc.*

**Sean Gilbert**  
President  
*Gilbert Orchards*

**Sean Kinney**  
CFO  
*H.R. Spinner*

**Silvia Ramos**  
Owner  
*Silvia's Professional Tax Services*

**Steve Capuano**  
Account Executive  
*Impact Washington*

**Teresa Sanchez**  
2-1-1 Call Center  
Supervisor  
*People for People*

**Trevor Martin**  
Community & Economic  
Development Director  
*City of Sunnyside*

**Verlynn Best**  
Former President & CEO  
*Greater Yakima Chamber of Commerce*

# 2022 Feasibility Study

**Report Highlights:** Confidential interviews were conducted with 50 community leaders. Interviewees were asked about Yakima County's economy and YCDA's effectiveness, including feedback on the 2024-2028 Strategic Plan *Prospectus*.

## **\$4 million Campaign goal**

Most felt that raising \$8M was not realistic. YCDA's campaign is regarded as essential however multiple campaigns will utilize the same local resources.

## **Purpose and Impact**

Most acknowledge positive results from specific YCDA programs or activities. The SIED program, small business support and business recruitment stood out most.

## **Asking rights remain strong**

The effectiveness of YCDA and staff rated well. The board is perceived as excellent and respected. YCDA's economic impact and ROI provide unique advantages in securing philanthropic funding.

## **Initiatives rated as necessary**

Developing workforce, infrastructure, new business attraction and supporting small business were rated "absolutely necessary".

## **Pertinent Projects**

The status of the mill site, airport, downtowns, tribal relations, and inter-county transportation reflect on YCDA. Lack of progress with these projects concern many.

## **Yakima County economy is good**

The stability agriculture provides our economy is clear. The need to diversify and advance within and beyond agriculture is top of mind. In 2017, the economy was perceived as "very good".

## **Natural Strengths**

Yakima Valley's land, climate and central location are celebrated. Affordability, outdoor recreation, and the generosity of residents were also touted.

## **Agreement on challenges**

Limited workforce skills, healthcare, K-12 education, "shovel-ready" property, housing and state legislative policies remain obstacles to business success.

## **Can YCDA help with these issues?**

All mentioned the negative impact of crime, homelessness and poor curb appeal on area businesses and the ability to recruit and retain talent.

## **Partnership roles & responsibilities**

Clarification of organizational roles in joint initiatives will optimize efficiency and client experience.

## **12-month campaign recommended**

Start campaign quiet phase to obtain pledges totaling >\$2M, then launch public phase.

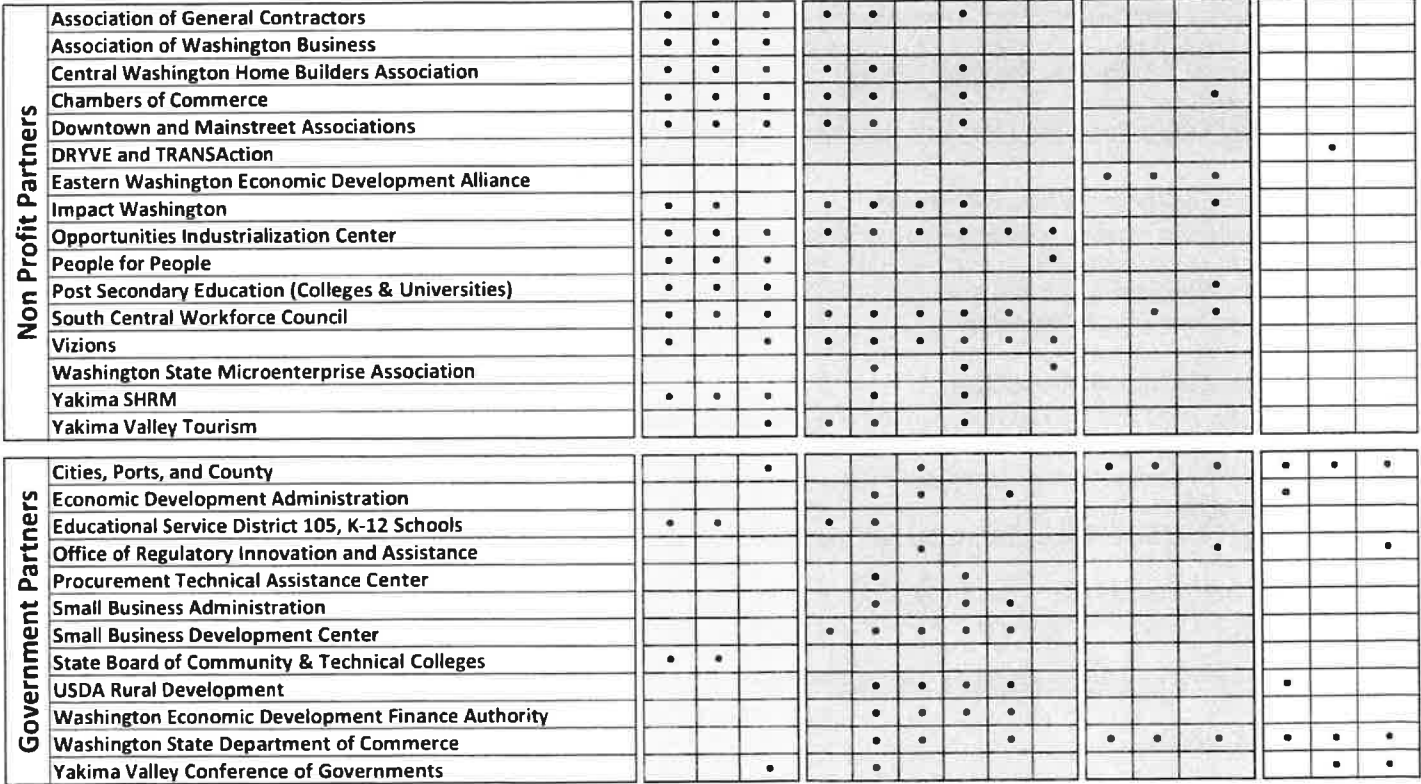
Stretch goal is \$4.5M. Suggested minimum investment level is \$5,000 (\$1,000 annually, 2024-2028).

## **Keys to campaign success**

Prioritize solicitations with board members, top 20 historical public & private investors and new prospects. Average pledge increase to achieve goal is 33%. Target completion of all solicitations before Q4 holiday season.

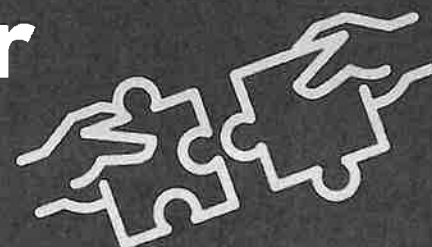


**Scan QR Code to access the full Feasibility Study Report**





# Quotes From Our Partners



## Workforce Development

*"South Central Workforce (SCW) works closely with YCDA to align our initiatives to attract, retain, and train our workforce to meet industry demand. YCDA plays a vital role helping us develop these talent pipelines, working together with SCW to upskill our labor force and connect with local business to create employment opportunities and raise incomes in the Yakima Valley."*

Amy Martinez, CEO, South Central Workforce

*"YCDA is an important partner agency in AJAC's mission to develop our workforce and retain talent in Yakima County. YCDA helps us connect industry leaders in the manufacturing sector to our training and youth apprenticeship programs, ensuring our manufacturers have access to a reliable and well-trained workforce while participating students develop the skills necessary to succeed and gain rewarding employment."*

Heather Fisher, Manager of Business Development & Regional Services, Aerospace Joint Apprenticeship Committee

## Advance & Diversify Local Business

*"YCDA is our local conduit to Manufacturers in Yakima County. Since 2019, they've connected us to over 30 small to mid-size manufacturers such as Tree Top, Yakima Chief Hops, Liberty Bottle, and McClarin Composites. This collaboration has created or retained 507 jobs, increased/retained sales by \$26.7 million, and helped local manufacturers realize \$6.2 million in cost savings."*

Steve Capuano, Account Executive, Impact Washington

## Targeted Business Attraction

*"The Department of Commerce works closely with the Yakima County Development Association to coordinate recruitment of new businesses, respond to site selector requests for buildable sites, and promote business in Washington State. Partners like YCDA provide a critical connection between the state and local economic development strategies and are critical to building communities and growing the economy."*

Chris Green, Assistant Director, Office of Economic Development & Competitiveness, WA. State Department of Commerce

*"As a member organization of the Eastern Washington Economic Development Alliance (EWEDA), YCDA is a key partner in our marketing and business recruitment mission. YCDA plays a strategic role helping the EWEDA attract Ag-Tech and other key industries to our region."*

Stephen McFadden, Director of Economic Development & Marketing, Port of Pasco

## Infrastructure

*"The Yakima County Commissioners rely on YCDA to execute a variety of targeted initiatives to create jobs and grow our local economy, including administering the Supporting Investments in Economic Development (SIED) program on behalf of Yakima County. In this capacity YCDA identifies, qualifies, and evaluates funding applications. Since 2019, over 20 development projects have been funded through the program, totaling \$23,164,855 in public infrastructure improvements and creating over 750 job."*

Kyle Curtis, County Commissioner, Yakima County



**Yakima County  
Development Association**  
CHOOSE YAKIMA VALLEY

**Economic Development in Yakima**



# Overview

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1. What is Economic Development
2. Economic Development Programs
3. Economic Impacts

# Economic Development

**A set of programs and policies that aid in the:**

- Creation, retention, and expansion of jobs
- Development of a stable tax base
- Enhancement of wealth



INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL

---

**Yakima County  
Development Association**  
CHOOSE YAKIMA VALLEY

# 2022 Feasibility Study

Report Highlights: Confidential interviews were conducted with 50 community leaders. Interviewees were asked about Yakima County's economy and YCDA's effectiveness, including feedback on the 2024-2028 Strategic Plan *Prospectus*.

# **Initiative #1: Build a Strong Workforce: Train, Attract & Retain**

- *Legislative Tour at Perry Tech*
- *K-12 Educators Tour at Shields Novolex*
- *Supervisory Training & Management Academy*

## **Initiative #2: Diversify our Business Ecosystem for Agriculture and Beyond**

- *Yakima Chief Hops Intersection Project*
- *Corumat Manufacturing - Evergreen Grant Submission*
- *Manufacturing Accelerator Event*
- *Northwest Harvest*
- *Childcare Business Dev. Workshops & Conference*

## **Initiative #3: Bring New Industry, Jobs, and Investment to Yakima County**

- *Distribution Center on Keys Road*
- *Royal InterPack*

## **Initiative #4: Develop Infrastructure for a Thriving Economy**

- *Airport Terminal Expansion and New Flights*
- *East West Corridor (TRANS-Action)*
- *Yakima Chief Hops Intersection Project*

# <sup>1</sup> Expected Outcomes

## Return on Investment

### PROJECTED ANNUAL IMPACT ON SELECTED RETAIL INDUSTRIES

Housing Ownership & Rentals	\$39,106,919
Healthcare	\$16,081,681
Groceries	\$15,512,392
Vehicle Purchases (New & Used)	\$14,241,077
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# <sup>1</sup>Expected Outcomes

## Return on Investment

One unique measure of YCDA's work is the economic impact of new and retained jobs at businesses we assist. The table below illustrates the predicted downstream expenditures of annual payroll due to YCDA's efforts over the next five years (2024-2028).

### ECONOMIC IMPACT ON JOBS

<sup>2</sup> Direct and Indirect Jobs Created	3927
Direct and Indirect Weighted Average Wage Rate	\$65,672.73
Total Payroll	\$257,896,828
Disposable Personal Income	\$197,416,494

# Direct Economic Impacts

**\$39,945 Annual  
Property Tax**



# Direct Economic Impacts

**\$1,037 for EMS**



# Direct Economic Impacts

## \$1,216 for Libraries



# Direct Economic Impacts

**\$4,057 for County**



# Direct Economic Impacts

**\$12,638 for City of Yakima**





# Direct Economic Impacts

**\$20,750 for Schools**







**Yakima County  
Development Association**  
CHOOSE YAKIMA VALLEY

**Economic Development in Yakima**



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. B.iii.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Greater Yakima Chamber of Commerce 2023 Year End Report  
and 2024 Outlook

**SUBMITTED BY:** Dave Zabell, Interim City Manager

**SUMMARY EXPLANATION:**

Greater Yakima Chamber of Commerce President Kristi Foster will report on the Chamber's 2023 year-end report and 2024 goals.

The City of Yakima is a member of the Greater Yakima Chamber of Commerce through an annual membership.

**ITEM BUDGETED:**

**STRATEGIC PRIORITY:**

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 7.A.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Approval of minutes from the March 19, 2024 City Council regular meeting and March 26, 2024 study session

**SUBMITTED BY:** Rosalinda Ibarra, City Clerk

**SUMMARY EXPLANATION:**

**ITEM BUDGETED:**

**STRATEGIC PRIORITY:**

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

**ATTACHMENTS:**

Description	Upload Date	Type
3-19 draft minutes	3/26/2024	Backup Material
3-26 draft minutes	3/28/2024	Backup Material



**MINUTES  
YAKIMA CITY COUNCIL**

**March 19, 2024**

**City Hall – Council Chambers - 129 N 2nd Street, Yakima, WA  
5:30 p.m. Regular Meeting conducted in person and virtually via Zoom**

**1. Roll Call**

Present: Mayor Patricia Byers, presiding; Assistant Mayor Matt Brown and Councilmembers Reedy Berg, Janice Deccio, Rick Glenn, Danny Herrera and Leo Roy

Staff: Interim City Manager Dave Zabell, City Attorney Sara Watkins and Deputy City Clerk Brandy Bradford

**2. Pledge of Allegiance**

Mayor Byers led the Pledge of Allegiance.

**3. Interpreter Services**

Mayor Byers introduced Jorge Villaseñor who announced interpreter services are available in Spanish.

**4. Public Comment**

Joseph Daniels Jr., resident, spoke on unity and read from scripture.

Natalie McClendon, resident, spoke regarding three petitions being circulated to suspend recent ordinance to terminate Community Integration Committee and Sustainable Yakima Committee.

Andrew Reyes, resident, expressed his gratitude and lauded Council on their good work and requested support for civil rights of community members.

Sharvan Khular and Parmjit Singh, Yakima business owners, spoke about how the North 1st Street improvement construction has affected their businesses and asked for the Council support. Mayor Byers offered that they contact the City Manager to speak about it further.

Maria Martinez, City employee, Storekeeper, Water Division; and David Macias, AFSCME president, City employee, Wastewater Instrument Technician, spoke regarding employment conditions within the City.

**5. Open Discussion for the Good of the Order**

**A. Proclamations**

**i. Welcome Home Vietnam Veterans proclamation**

Mayor Byers proclaimed March 30, 2024, as "Welcome Home Vietnam Veterans Day." Mr. Otto Cruz and Mr. Robb Repp of the Yakama Warriors Association thanked Council and accepted the proclamation. They extended an invitation to the Council and community to attend the Yakama Warriors Association March 30, 2024 Welcome Home Vietnam Veterans Day event at Sarg Hubbard Park.

B. Presentations / Recognitions / Introductions

i. Administration of Oath of Office to Municipal Court Judge Troy Clements

Judge Aryn Masters introduced Judge Troy Clements who has been appointed to fill the Municipal Court Judge position once Judge Kelley Olwell retires. Mr. Clements' appointment is effective April 1, 2024. Judge Clements addressed the community with a promise to treat everyone fairly, justly, and with respect.

Deputy City Clerk Brandy Bradford administered the Oath of Office to newly appointed Municipal Court Judge Troy Clements.

ii. Recognition of retiring Judge Kelley Olwell

Interim City Manager Dave Zabell recognized Judge Kelley Olwell on her retirement after 34 years of public service. She was presented with a framed certificate for her years of service.

iii. YVCOG 2023 Year End Review and 2024 Goals

YVCOG Executive Director Chris Wickenhagen provided a 2023 year-end review and discussed 2024 goals for the organization. Wickenhagen distributed the YVCOG report to Council and provided an overview of the highlights.

6. **Council Reports**

None.

7. **Consent Agenda**

Mayor Byers referred to the items placed on the Consent Agenda, questioning whether there were any additions or deletions from Council members present. Item I was removed from the consent agenda. The Deputy City Clerk read the Consent Agenda items, including resolutions and ordinances, by title. (Items on the Consent Agenda are handled under one motion without further discussion—see motion directly below.)

**MOTION: Brown moved and Deccio seconded to approve the consent agenda as read.** The motion carried by a 7-0 roll call vote.

- A. Approval of minutes from the March 5, 2024 City Council regular meeting and March 12, 2024 study session
- B. February 2024 Investment Transaction Report
- C. Approve payment of disbursements for the period February 1-29, 2024
- D. Resolution authorizing the write-off of certain uncollectable parking citations

**RESOLUTION NO. R-2024-042, A RESOLUTION** authorizing the write-off of certain uncollectable parking citations and penalties for the City of Yakima.

- E. Resolution authorizing the write-off of certain uncollectable central accounts receivables

**RESOLUTION NO. R-2024-043, A RESOLUTION** authorizing the write-off of certain uncollectable central accounts receivables for the City of Yakima.

- F. Resolution authorizing the write-off of certain uncollectable delinquent utility accounts receivable funds

**RESOLUTION NO. R-2024-044, A RESOLUTION** authorizing the write-off of certain uncollectable delinquent utility accounts receivable funds for the City of Yakima.

- G. Resolution setting date of April 2, 2024 to amend the Six-year Transportation Improvement Program and amend the Capital Facilities Element of the Yakima Urban Area Comprehensive Plan for the period of 2024 - 2029

**RESOLUTION NO. R-2024-045, A RESOLUTION** setting the time and place for a hearing on April 2, 2024, to review and adopt the amended Six-year Transportation Improvement Program and amend the Capital Facilities Element of the Yakima Urban Area Comprehensive Plan for the period of 2024-2029.

- H. Resolution authorizing a contract with Knobel's Electric Inc for the Russell Lane Improvements Project 2650

**RESOLUTION NO. R-2024-046, A RESOLUTION** authorizing a Contract with Knobel's Electric, Inc. for the Russell Lane Improvements Project 2650.

- I. Item I was removed from the Consent Agenda

Item I was removed from the Consent Agenda.

- J. Resolution authorizing a temporary water transfer interlocal agreement with the City of Tieton and Yakima-Tieton Irrigation District

**RESOLUTION NO. R-2024-048, A RESOLUTION** authorizing a Temporary Water Transfer Interlocal Agreement with the City of Tieton and Yakima-Tieton Irrigation District to lease 31 shares of Irrigation Water to the City of Tieton for the water year 2024.

- K. Resolution authorizing the Parks and Recreation Division Manager to execute personal services agreements with contractors that perform specialized Parks and Recreation services, volleyball officials, musicians, exercise instructors, etc

**RESOLUTION NO. R-2024-049, A RESOLUTION** authorizing the Parks and Recreation Division Manager to execute Personal Services Agreements during 2024 and depending upon funding, authorizing the Parks and Recreation Manager to execute any renewable agreements for the following four years (2028), upon approval as to form by the City Attorney.

#### **Items Removed from the Consent Agenda**

- A. Resolution authorizing professional services agreement Supplemental 1 with NAC Architecture for MLK Jr. Park Eastside Pool Project 2745

Parks and Recreation Manager Ken Wilkinson provided as status update to Council regarding the MLK pool project and the need for the contract.

The Deputy City Clerk read the resolution by title only.

**MOTION: Brown moved and Herrera seconded to adopt the resolution.** The motion carried by a 7-0 roll call vote.

**RESOLUTION NO. R-2024-047, A RESOLUTION** authorizing Contract Supplemental Agreement Number 1 to the Professional Services Agreement with NAC Architecture to provide professional construction management for the MLK Jr Park Eastside Pool Project 2745.

## **PUBLIC HEARINGS**

8. Closed record public hearing and Resolution to consider the Hearing Examiner's recommendation regarding the preliminary plat of Marylyn Place submitted by WM Real Property Holdings, located in the vicinity of Ahtanum Rd & S 58th Ave

Mayor Byers stated this is a closed record hearing and testimony will be limited to the record regarding the preliminary plat of Marylyn Place submitted by WM Real Property Holdings. The City Council is sitting in its quasi-judicial capacity and is charged with evaluating the Hearing Examiner's recommendation and the record and deciding whether to approve the preliminary plat of Marylyn Place. As this is a quasi-judicial hearing, the Appearance of Fairness doctrine controls. Each Councilmember answered negatively or affirmatively to the following questions:

1. Do you have any interest in the property or the application, or do you own property within 300 feet of the property subject to the application? Council responded they did not.
2. Do you stand to gain or lose any financial benefit as a result of the outcome of the application? The response from Council was no.
3. Can you hear and consider the application in a fair and objective manner, without bias? Council stated they could.
4. Have you had any ex parte communications with applicants, or anyone else, regarding this application? Council members stated they have not had any ex parte communications.

Mayor Byers asked if anyone wished to challenge any council member's participation in this application on appearance of fairness grounds. No one from the audience or on Zoom spoke to the issue.

Mayor Byers opened the public hearing. Interim Planning Manager Eric Crowell briefed the Council on the matter. With no one coming forward to speak, Mayor Byers closed the public hearing.

After Council discussion and deliberation,

**MOTION: Deccio moved and Brown seconded adopt the resolution affirming the recommendation of the Hearing Examiner.** The motion carried by a 7-0 roll call vote.

**RESOLUTION NO. R-2024-050, A RESOLUTION** approving the Preliminary Long Plat of Marylyn Place, an 83-lot subdivision, located in the vicinity of Ahtanum Rd. & S. 58th Ave.

9. Closed record public hearing and Resolution to consider the Hearing Examiner's recommendation regarding the preliminary plat of Champions Park Phase 1 submitted by Prickly Pear Holdings, LLC, located in the vicinity of 4607 & 4701 Ahtanum Rd

Mayor Byers stated this is a closed record hearing and testimony will be limited to the record regarding the preliminary plat of Champions Park Phase 1 submitted by Prickly Pear Holdings. The City Council is sitting in its quasi-judicial capacity and is charged with evaluating the



Hearing Examiner's recommendation and the record and deciding whether to approve the preliminary plat of Champions Park Phase 1. As this is a quasi-judicial hearing, the Appearance of Fairness doctrine controls. Each Councilmember answered negatively or affirmatively to the following questions:

1. Do you have any interest in the property or the application, or do you own property within 300 feet of the property subject to the application? Council responded they did not.
2. Do you stand to gain or lose any financial benefit as a result of the outcome of the application? The response from Council was no.
3. Can you hear and consider the application in a fair and objective manner, without bias? Council stated they could.
4. Have you had any ex parte communications with applicants, or anyone else, regarding this application? Council members stated they have not had any ex parte communications.

Mayor Byers asked if anyone wished to challenge any council member's participation in this application on appearance of fairness grounds. No one from the audience or on Zoom spoke to the issue.

Mayor Byers opened the public hearing. Assistant Planner Connor Kennedy briefed the Council on the matter. With no one coming forward to speak, Mayor Byers closed the public hearing.

After Council discussion and deliberation,

**MOTION: Brown moved and Deccio seconded adopt the resolution affirming the recommendation of the Hearing Examiner.** The motion carried by a 7-0 roll call vote.

**RESOLUTION NO. R-2024-051, A RESOLUTION** approving the Preliminary Long Plat of Champions Park Phase 1, a 93-lot subdivision, located in the vicinity of 4607 & 4701 Ahtanum Rd.

#### **DEPARTMENT ITEMS**

#### 10. 2023 Update on Capital Improvement Projects Report

City Engineer Bill Preston presented an update on the 2023 Capital Improvements Projects. He highlighted the 3rd and 4th quarter projects, challenges, and future projects.

Councilmembers Glenn and Brown lauded Preston for his work and Engineering staff.

#### 11. 2024 Washington State Legislature Session Review

Communications & Public Affairs Director Randy Beehler introduced the City's Olympia lobbyists, Luke Esser and Nick Federici, who briefed Council on the 2024 Legislature short session which concluded on March 7th. Esser and Federici provided information on issues of importance to the City of Yakima and the Yakima community.

#### 12. Resolution authorizing an interagency agreement with the Washington State Department of Commerce through the Law Enforcement Vehicle Pursuit Technology Grant Program

Yakima Police Chief Matt Murray briefed Council on the proposed interagency agreement accepting the Law Enforcement Vehicle Pursuit Technology Grant program.

The Deputy City Clerk read the resolution by title only.

**MOTION: Brown moved and Deccio seconded to adopt the resolution.** The motion

carried by a 7-0 roll call vote.

**RESOLUTION NO. R-2024-052, A RESOLUTION** authorizing an interagency agreement with the Washington State Department of Commerce through the Law Enforcement Vehicle Pursuit Technology Grant Program.

### **CITY MANAGER UPDATE**

13. **Salary Survey Status Update**

Director of Human Resources Connie Mendoza presented the final report regarding the salary survey conducted by Trüpp HR.

14. **Other Business**

**MOTION: Brown moved and Berg seconded to add to a future business meeting a discussion about joining the YVCOG local crime lab.** The motion carried by unanimous vote.

Interim City Manager Zabell and Chief Murray are scheduled to meet with Chris Wickenhagen, Executive Director of YVCOG, prior to the Council discussion; Council confirmed their support of that meeting prior to Council study session.

Resolution titles for Agenda Items 8 and 9 were read by Deputy City Clerk Brandy Bradford.

15. **Adjournment**

**MOTION: Brown moved and Deccio seconded to adjourn to the next City Council study session on March 26, 2024 at 5:00 p.m. in the City Hall Council Chambers.** The motion carried by unanimous vote. The meeting adjourned at 7:42 p.m.

### **CERTIFICATION**

READ AND CERTIFIED ACCURATE BY

\_\_\_\_\_  
COUNCIL MEMBER

\_\_\_\_\_  
DATE

\_\_\_\_\_  
COUNCIL MEMBER

\_\_\_\_\_  
DATE

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR



**MINUTES  
YAKIMA CITY COUNCIL  
STUDY SESSION  
March 26, 2024**

**City Hall -- Council Chambers - 129 N 2nd Street, Yakima, WA  
5:00 p.m. Study Session - conducted in person and virtually via Zoom**

**1. Roll Call**

Present: Mayor Patricia Byers, presiding; Assistant Mayor Matt Brown and Councilmembers Reedy Berg, Janice Deccio, Rick Glenn, Danny Herrera and Leo Roy

Staff: Interim City Manager Dave Zabell, City Attorney Sara Watkins and City Clerk Rosalinda Ibarra

**2. Public comment (allow 15 minutes)**

Alex Durrin, city resident and downtown business owner, expressed concern regarding paid parking in the downtown parking lots and urged Council to explore alternative revenue generating solutions.

Tiffany Hein, city resident and downtown business owner, stated she experienced a decrease in sales revenue when the City implemented parking changes and suggested that the City enforce the two hour on-street parking. She reported that in Washington state only Seattle and Spokane charge for downtown parking lots and other communities offer two-hour street parking.

Corie Ratliff, city resident and downtown business owner, would like to see the two hour on-street parking enforced and encouraged more events downtown which would provide economic growth.

Jeanna Hernandez, city resident, appreciated Council's attention to the downtown parking issues and asked Council to redirect funding to downtown parking efforts.

**3. Update on ARPA Funds Allocations**

Interim Director of Finance & Budget Rosylen Oglesby provided an update on the American Rescue Plan Act (ARPA) funds that have been obligated and funds yet to be allocated. She described the eligible and ineligible use of ARPA funds with an emphasis on the revenue replacement category. The revenue replacement category allows for a variety of expenditures, triggers less compliance requirements, and limits the administrative burden. She also noted that Yakima must obligate all ARPA funds by December 31, 2024 and funds must be spent by December 31, 2026, in accordance with directives issued by the US Department of the Treasury.

Ms. Oglesby further described the eligible projects that are still pending, which include: Mill Site, Sewer & Water, Women & Family Shelter, Community Partnerships, and Community Projects. The City will continue its outreach with the pending eligible projects and plan to revisit this matter again soon to determine whether these projects will move forward or identify alternative eligible projects for reallocation of the remaining funds.

Councilmembers asked staff to research whether ARPA funds can be used for downtown parking lot maintenance under an eligible category.

4. March 21 parking meeting update

Interim City Manager Dave Zabell provided an overview of the community feedback received from the March 21 public outreach meeting regarding staff's preliminary recommendations for improvements and regulations of the city-owned parking lots within the downtown core. In addition to previous recommendations, Mr. Zabell shared new and future policy recommendations to include striping of spaces, allocation of permit spaces, moratorium expiration and enforcement, explore QR code option, and public education outreach coordination with businesses.

The City Council could review a draft ordinance at their next business meeting and then direct staff appropriately at the April 9th meeting.

After discussion, the Councilmembers reiterated the possibility of using ARPA funds for parking lot maintenance.

5. Adjournment

**MOTION: Brown moved and Deccio seconded to adjourn to the next City Council regular meeting on April 2, 2024, at 5:30 p.m. in the Council Chambers at City Hall.** The motion carried by unanimous vote. The meeting adjourned at 6:19 p.m.

**CERTIFICATION**

READ AND CERTIFIED ACCURATE BY

\_\_\_\_\_  
COUNCIL MEMBER DATE

\_\_\_\_\_  
COUNCIL MEMBER DATE

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 7.B.  
For Meeting of: April 2, 2024

**ITEM TITLE:** 2023 4th Quarter Financial Report  
**SUBMITTED BY:** \*Rosylen Oglesby, Interim Director of Finance and Budget

**SUMMARY EXPLANATION:**

The Fourth Quarter Financial Report for 2023 is attached and consists of the following:

- Summary Narrative
- Financial Reports
- Cash Balance
- Trend Material Revenue
- Performance Charts
- Fund Balance Summary
- Revenue and Expenditure Comparison to Budget and Actual Year-to-Date
- General Government Revenue
- Historical Year-to-Date Detail
- General Government Expenditure
- Historical Year-to-Date Detail
- Other Funds - Revenue, Expenditure and Fund Balance Summary

This is an informational update, pending completion of year-end close process and independent audit.

**ITEM BUDGETED:** NA  
**STRATEGIC PRIORITY:** Public Trust and Accountability

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Review only. Submitted for routine transparency and accountability.

**ATTACHMENTS:**

Description	Upload Date	Type
4th Quarter Report	3/29/2024	Backup Material



## FINANCE DEPARTMENT

**To:** Honorable Mayor and Members of the City Council  
Dave Zabell, Interim City Manager

**From:** Rosylen Oglesby, Interim Director of Finance & Budget  
Kimberly Dominé, Financial Services Manager  
Kathy Miles, Finance Department Analyst

**Date:** April 2, 2024

**Subject:** 2023 4th Quarter Financial Update

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This financial update is a preliminary, unaudited, report for the 4th quarter ending December 31, 2023. As with all quarters, or 100% of the year, it is intended to inform and assist governance decisions for future planning. In total, city revenues are 86.2% and expenditures are 75.7% of the amended budget. The timing of certain revenue payments and Capital Fund expenditures are usually the biggest reasons that revenues and expenses are below 100% at this point in the year.

Cash position and revenue charts on the following pages provide insight into monitoring of revenue and managing expenses. The Quarterly Treasury Report, a separate report available on the City's website, provides further cash and investment analysis.

This report is not final, as the annual independent audit for 2023 will not be completed until later in 2024, which may affect final numbers.

### COVID's Economic Effects on City Revenues

The American Rescue Plan Act (ARPA) funds have impacted budgeted revenues and expenses, affecting "normal" budgetary percentages in the accompanying reports uniquely for 2021 through 2023, and will likely do so until 2026, when this funding is required to be spent. The economic effects of COVID and the CARES Act also affected the budget uniquely, further complicating comparison to prior years.

As continuously monitored and reported, there is a substantial economic impact to many of the City's budgeted revenues as a result of the pandemic.

### Revenues

Total Sales Tax revenue is keeping pace with the general economy at this time, currently at 102.8% of the 4th quarter last year, and just above amended budgeted amounts by 0.3%. Significant categorical differences from last year are:

- Other services continue to be up over 10%, a trend that began in the last half of 2021, up 13.0%, with general auto repair services remaining the largest contributor.
- Accommodations and food services are up 6.8%, mostly due to new business openings and general inflation increases.

- Construction is currently showing an increase of 6.8% over last year, with new single-family housing construction being the major component.
- The Manufacturing category is currently at 6.0%, with the largest increases in plastic manufacturing.

The following revenues are monitored closely due to the impact of the economic effects of the COVID pandemic:

- Lodging Tax had a significant downturn in 2020 and 2021 due to the economic effects of the COVID pandemic but improved significantly in 2022. This trend continues into 2023, with Lodging Tax up 8.8% from budgeted amounts in the 4th quarter.
- Fire Inspection Fees decreased drastically during 2020 and into 2021 due to COVID, and began improving in 2022, 2023 numbers continue to improve, but are still performing below pre-pandemic levels.

### **General Fund's (001, 003 and 612) Performance to Budget**

General Fund Revenues in total are at 105.7% of the Amended Budget. The most significant variances are:

- Other Revenue - investment and sales tax interest - is at 351.3% in the 4th quarter, due mainly to increased rates of interest on investments, and that allocations to other departments have been discontinued.
- Other Taxes, consisting of mainly gambling taxes, are at 119.2%, which is mostly due to COVID economic recovery.
- Fines and Forfeitures are at 113.5% of the amended budget, mainly due to increased Municipal Court Recoupments.
- Intergovernmental Revenue is at 68.4%, mostly due to fluctuation of grant amounts from the state and federal governments. This includes the loss of Criminal Justice High Crime funding as a result of local crime rates going down, while statewide crime rates increase.

General Fund Expenditures in total are at 98.2%. The most significant variances are:

- Indigent Defense is at 107.3%, mainly due to increased rates for professional services.
- City Clerks/Records is at 108.0%, due to the 2023 estimated election costs.
- Police (103.0%) and Fire (102.6%) are over mostly due to overtime/salary increases, but also in supplies and professional services due to cost increases. As a point of note, Fire overtime cost is underestimated due to the use of ARPA Funds to offset the expenditures
- Code Administration is at 61.8% mainly due to a Connecting Housing to Infrastructure Program (CHIP) grant due to pending reimbursements.
- Human Resources, Planning, Economic Development and Purchasing are all currently under 80% of expenditures, mostly due to the timing of invoices received and vacant positions.

### **General Fund (001, 003 and 612) Balance**

The General Fund, which provides for public safety and general government services, balance was negatively affected at the end of 2022 due to the downturn in the fair value rate for investment interest. By the 4th quarter of 2023, the General Fund balance outlook improved by \$599,304 due to the upturn of the fair value rates and increased interest returns. This amount will likely change as final updates in revenues and expenditures are made and the State audit commences, but is an indicator of what is currently trending.



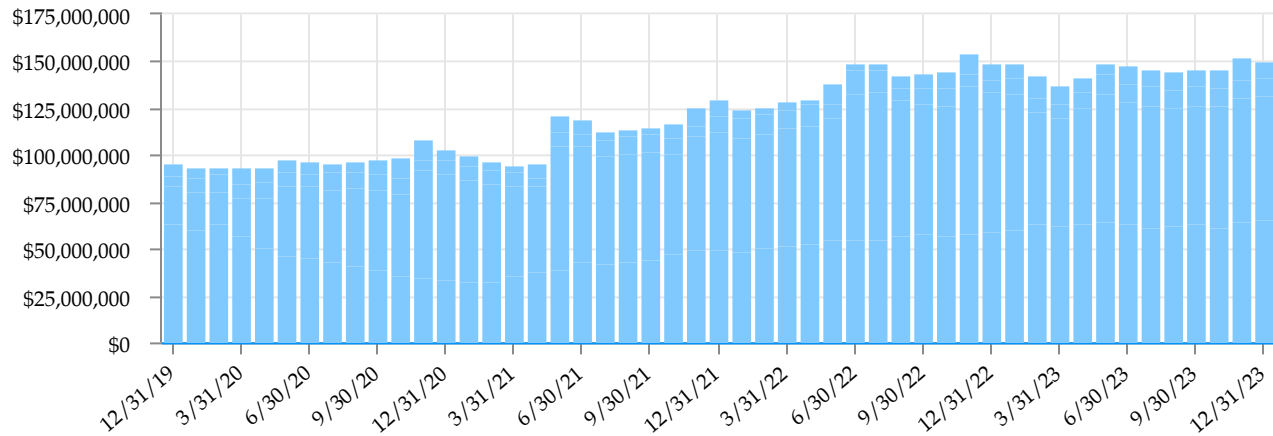
## CASH POSITION AND REVENUE UPDATE

City staff monitors revenues and manages expenses continuously.

### Cash & Investments

As a current over-all indicator, the 4-year historic core city-wide cash and investments balance trend shows December at \$150.8 million. Each month is best compared to the same month in previous years to account for seasonality and other annual events.

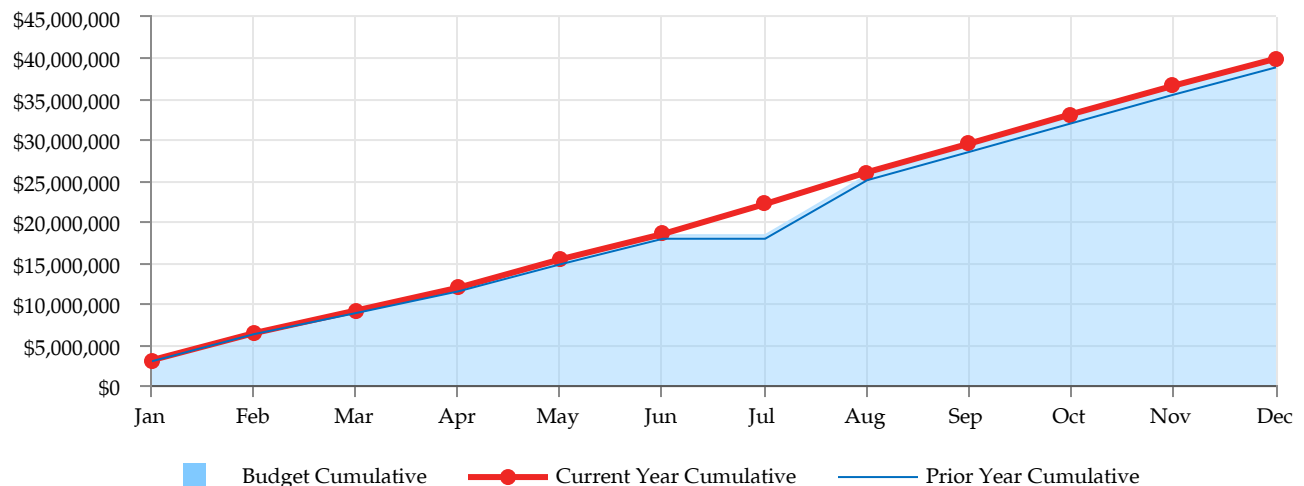
**CASH AND INVESTMENTS HISTORY**



### Sales Tax

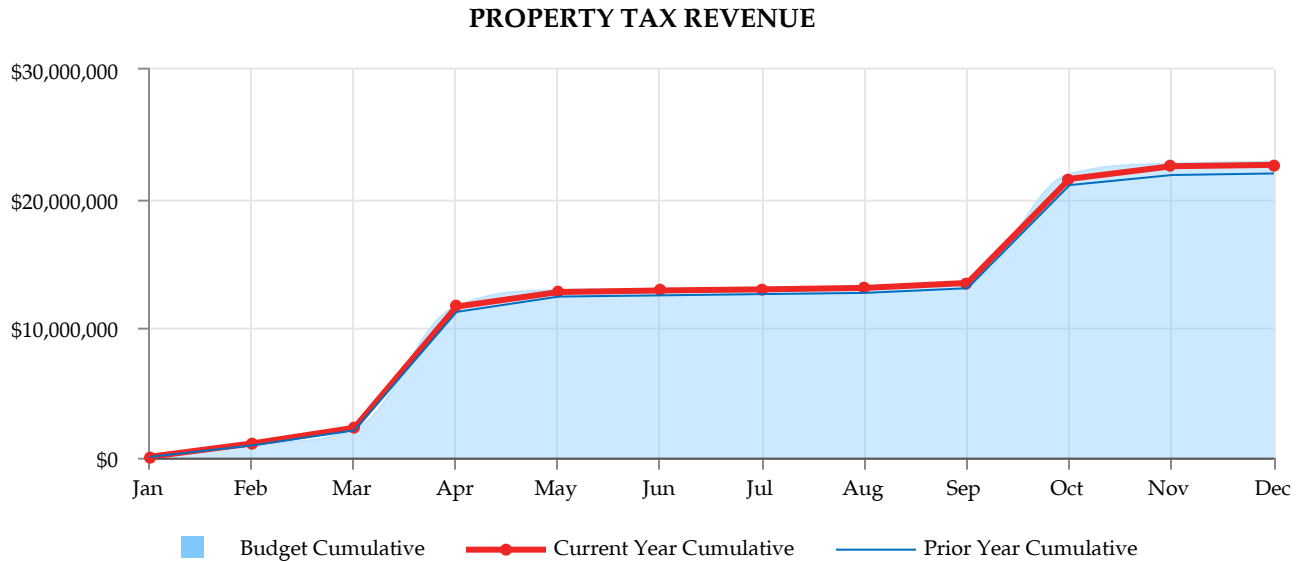
This is the largest single funding source for the city. The 4th quarter city-wide cumulative revenue of \$39.9 million exceeds the cumulative budget by \$0.1 million or 0.3% and is greater than prior year by \$1,064,513. The city receives sales tax from Washington State on a 2-month lag from the actual point-of-sale transactions; therefore, these figures are for actual transactions through October. Rising inflation, unchanged spending and consumption by end users have all influenced the nominal increase of revenues from sales tax receipts. Please note the 2022 revenue for July was not posted until August, creating the anomaly in the graph below.

**CITYWIDE SALES TAX REVENUE**



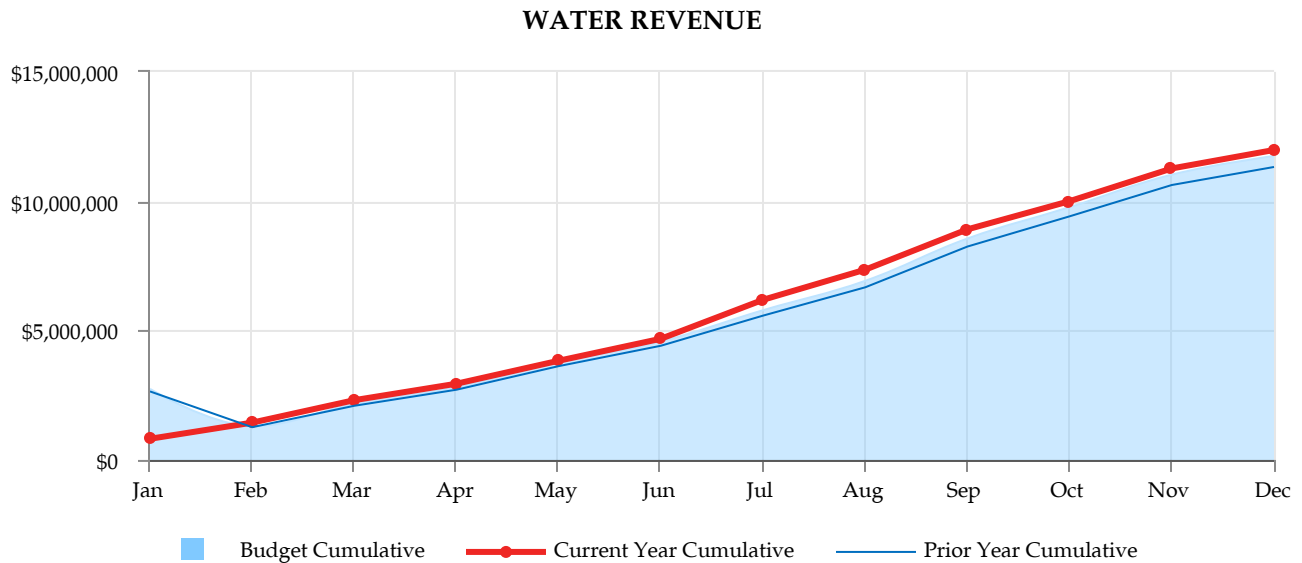
## Property Tax

The 4th quarter cumulative Property Tax revenue is tracking right on budget. The 2023 budget increased by \$635,459 due to assessed valuations (a combination of the existing cap at 1% and new growth). The following graph includes city-wide property tax revenue.



## Water

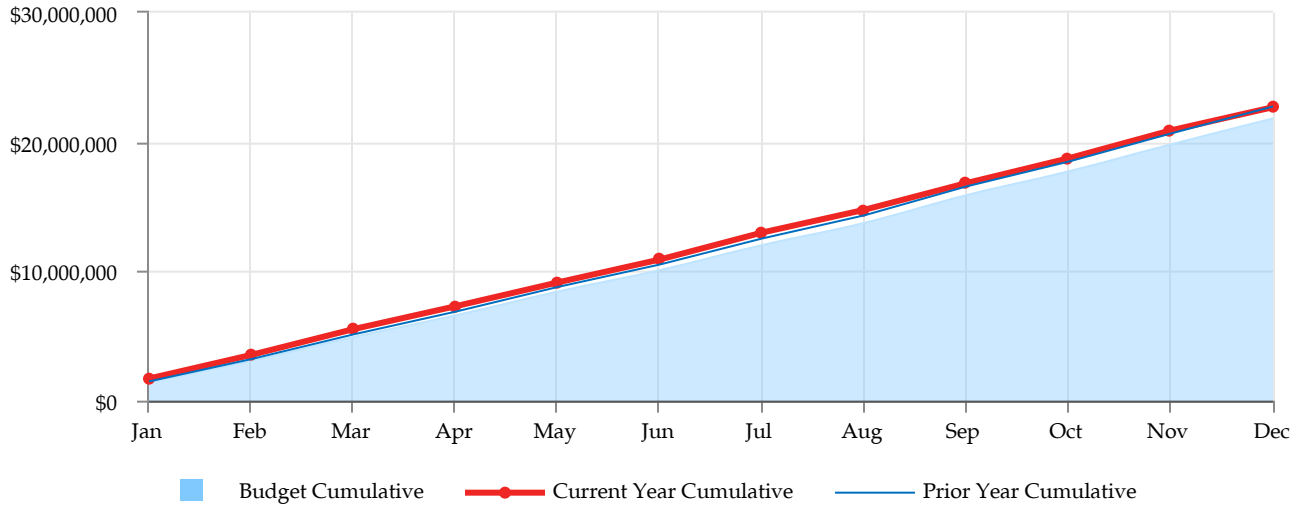
The 4th quarter cumulative water operating revenue of \$12.0 million through December is above budget by \$230,986. A rate increase of 5% went into effect in January of 2023. January 2022 was overstated, as there was a billing error in January that was corrected in February.



## Wastewater

The 4th quarter cumulative wastewater operating revenue of \$22.7 million is up \$870,394 over budget and \$54,490 under prior year. A cost of service and rate study for the division was planned and budgeted for 2022, and is currently scheduled to be completed in the second quarter of 2024.

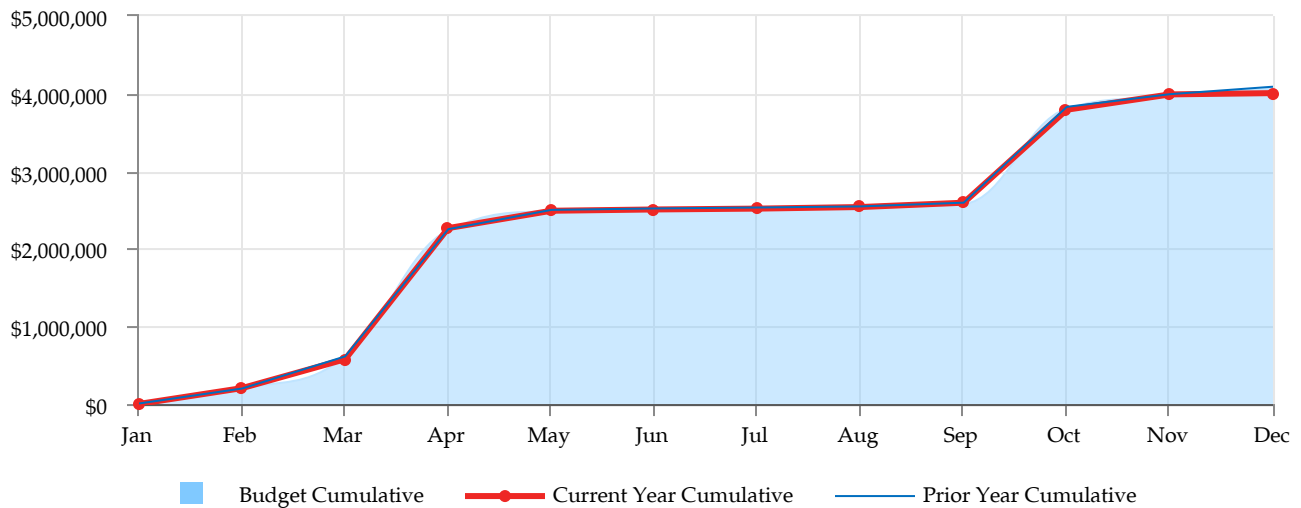
### WASTEWATER REVENUE



## Stormwater

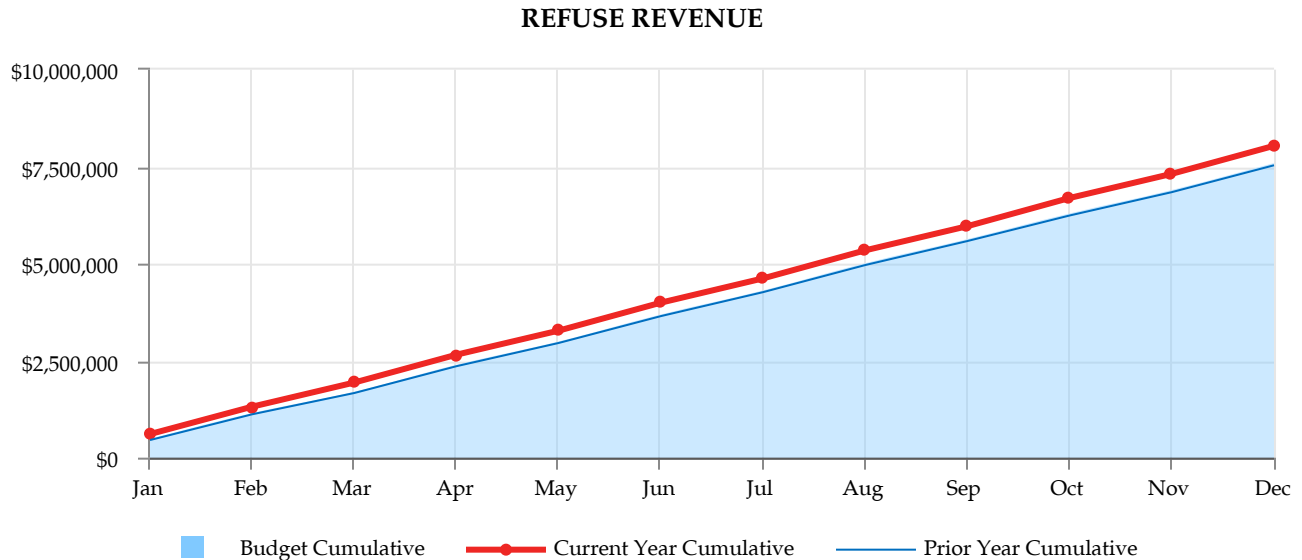
The 4th quarter cumulative operating assessments of \$4,007,081 is \$57,329 under budget, and \$82,750 below prior year. This is likely due to the timing of payments. For the provision of stormwater compliance and stormwater collection services, a tax is levied against the total assessments collected from annual stormwater assessment charges at the current rate of fifteen percent.

### STORMWATER REVENUE



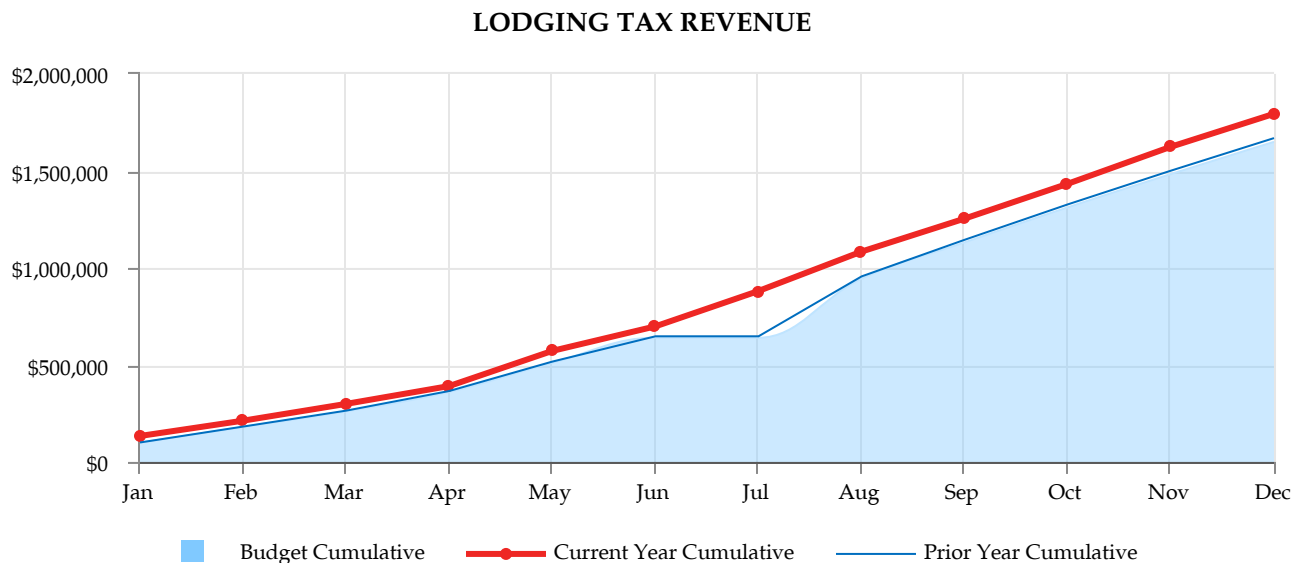
## Refuse

The 4th quarter cumulative automated residential revenue of \$8.0 million is up \$471,228 over budget and \$501,379 over prior year. An average 3.5% rate increase in Refuse rates was approved by Council for each year 2021 through 2025 as reflected in the 2023 budget.



## Lodging Tax

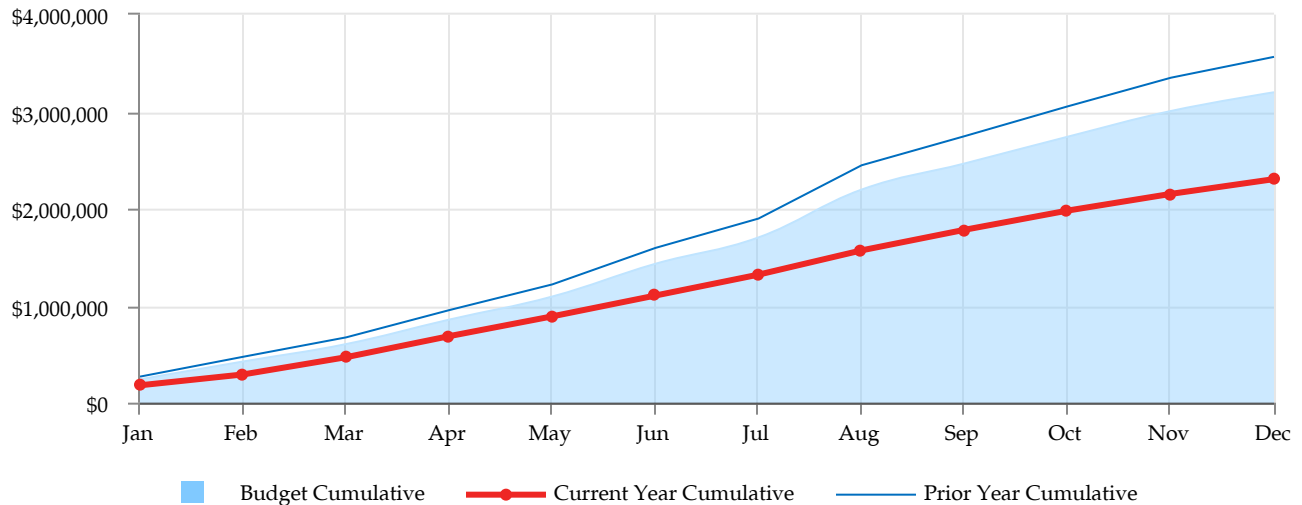
The 4th quarter cumulative revenue of \$1,794,405 is up \$144,405 over budget and up \$125,143 compared to prior year. The comparison of each month's revenue to the same month in prior year improved throughout 2022, and into 2023.



### Real Estate Excise Tax (REET I & II, combined)

The 4th quarter cumulative revenue for REET continues to perform below expectations, with \$2,304,595 in revenue, which is \$895,405 under budget and \$1,260,577 below prior year. This is believed to be mostly due to higher mortgage rates and the ensuing drop in home sales activity.

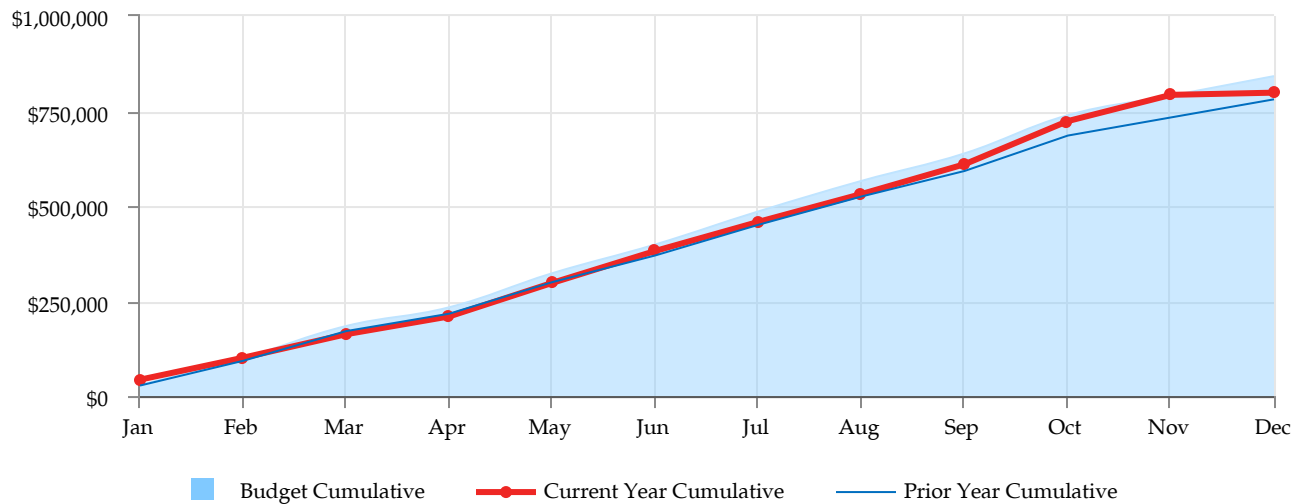
REET 1 / REET 2



### Building Permits

The 4th quarter cumulative revenues for building permits of \$798,447 are down \$43,553 under budget, but up \$17,525 from 2022. Permit activity shows that there were 1,203 permits for 326 dwelling units in the 4th quarter for 2023, compared with 1,131 permits for 540 dwelling units in 2022, with the difference in permit type mainly within the residential alteration category.

BUILDING PERMIT REVENUE



## CITY-WIDE FUND BALANCE SUMMARY

### CHANGE IN FUND BALANCE

	2023	As of December 31			% of	% Change
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	Amended Budget	in Fund Balance
General Fund (001)	9,534,450	72,775,443	71,801,141	10,508,752	14.4%	10.2%
Criminal Justice (003)	1,457,735	3,321,949	3,569,317	1,210,367	31.9%	(17.0)%
Firemen's Relief & Pension (612)	1,587,704	930,750	1,058,381	1,460,073	136.9%	(8.0)%
<b>General Fund Subtotal</b>	<b>\$ 12,579,889</b>	<b>\$ 77,028,142</b>	<b>\$ 76,428,839</b>	<b>\$ 13,179,192</b>	<b>16.9%</b>	<b>4.8%</b>
Parks and Recreation <sup>1</sup>	563,546	6,069,533	6,087,862	545,217	8.7%	(3.3)%
Street & Traffic Operations	1,537,274	5,816,930	5,055,219	2,298,985	35.0%	49.5%
<b>General Government Subtotal</b>	<b>14,680,709</b>	<b>88,914,605</b>	<b>87,571,920</b>	<b>16,023,394</b>	<b>17.7%</b>	<b>9.1%</b>
Other Governmental Operating Funds	8,229,941	20,090,586	20,016,674	8,303,853	21.1%	0.9%
Government Capital Funds	17,373,589	14,735,133	14,518,528	17,590,194	50.8%	1.2%
Enterprise Operating Funds	38,154,297	69,135,731	63,482,787	43,807,241	61.3%	14.8%
Enterprise Capital Funds	32,062,812	20,776,236	20,820,684	32,018,364	66.4%	(0.1)%
Internal Service Funds	6,320,400	10,554,524	10,126,295	6,748,629	44.4%	6.8%
Employee Benefit Reserve	4,914,861	17,955,584	17,770,728	5,099,717	27.6%	3.8%
Risk Management Reserves	6,544,818	5,790,952	4,345,962	7,989,808	121.8%	22.1%
Debt Service & Agency Funds	4,043,184	12,438,361	12,111,042	4,370,503	63.0%	8.1%
<b>Total</b>	<b>\$ 132,324,611</b>	<b>\$ 260,391,712</b>	<b>\$ 250,764,620</b>	<b>\$ 141,951,703</b>	<b>42.8%</b>	<b>7.3%</b>

This table shows balances at the point in time that this report was created. It is intended to provide a predicted year-end snapshot.

The ending fund balance in the General Fund (001) is currently 14.4% at this point in time, which falls below City Council's policy of maintaining 16.7% of reserves. Staff and City Council continue discussions to review options, new revenues or budget reductions to comply with reserve policies.

Note: Per the City Charter, Parks and Recreation revenues increased in 2023 due to a reallocation of property tax (from General Fund) for salaries and wages, mainly due to the minimum wage increase.

<sup>1</sup> Parks and Recreation was budgeted in 2022 to use some of the fund balance, which reduced the percent of Amended Budget to 9.1%.

## CITY WIDE REVENUES & EXPENDITURES BY FUND GROUPING

### REVENUE COMPARISON

(Budget vs. Actual)

	2022			2023		
	Annual			Annual		
	Amended	Actual	%	Amended	Actual	%
	Budget	as of 12/31	Rec'd	Budget	as of 12/31	Rec'd
General Fund	\$ 70,544,525	\$ 68,748,255	97.5 %	\$ 72,887,325	\$ 77,028,142	105.7 %
Parks and Recreation	5,710,259	5,627,437	98.5 %	6,162,753	6,069,533	98.5 %
Street & Traffic Operations	6,478,808	5,842,323	90.2 %	6,415,663	5,816,930	90.7 %
<b>General Government Subtotal</b>	<b>82,733,592</b>	<b>80,218,015</b>	<b>97.0 %</b>	<b>85,465,741</b>	<b>88,914,605</b>	<b>104.0 %</b>
Other Government Operating Funds	46,513,849	18,058,513	38.8 %	38,566,372	20,090,586	52.1 %
Government Capital Funds	41,148,287	12,640,601	30.7 %	27,674,713	14,735,133	53.2 %
Enterprise Operating Funds	69,830,538	66,768,491	95.6 %	66,220,984	69,135,731	104.4 %
Enterprise Capital Funds	38,366,070	25,082,912	65.4 %	41,431,638	20,776,236	50.1 %
Internal Service Funds	12,049,036	12,016,936	99.7 %	10,922,133	10,554,524	96.6 %
Employee Benefit Reserves	17,700,231	16,450,482	92.9 %	19,440,071	17,955,584	92.4 %
Risk Management Reserve	5,873,577	6,258,776	106.6 %	5,438,458	5,790,952	106.5 %
Debt Service & Agency Funds	7,100,227	11,521,246	162.3 %	6,932,357	12,438,361	179.4 %
<b>Total</b>	<b>\$ 321,315,407</b>	<b>\$ 249,015,972</b>	<b>77.5 %</b>	<b>\$ 302,092,467</b>	<b>\$ 260,391,712</b>	<b>86.2 %</b>

### EXPENDITURE COMPARISON

(Budget vs. Actual)

	2022			2023		
	Annual			Annual		
	Amended	Actual	%	Amended	Actual	%
	Budget	as of 12/31	Exp'd	Budget	as of 12/31	Exp'd
General Fund	\$ 72,847,262	\$ 71,442,317	98.1 %	\$ 77,848,701	\$ 76,428,838	98.2 %
Parks and Recreation	6,386,672	6,161,280	96.5 %	6,233,727	6,087,862	97.7 %
Street & Traffic Operations	6,567,056	5,555,637	84.6 %	6,573,038	5,055,219	76.9 %
<b>General Government Subtotal</b>	<b>85,800,990</b>	<b>83,159,234</b>	<b>96.9 %</b>	<b>90,655,466</b>	<b>87,571,919</b>	<b>96.6 %</b>
Other Government Operating Funds	38,743,539	17,009,170	43.9 %	39,378,284	20,016,674	50.8 %
Government Capital Funds	37,008,593	10,944,335	29.6 %	34,602,636	14,518,528	42.0 %
Enterprise Operating Funds	75,163,417	67,548,514	89.9 %	71,415,764	63,482,787	88.9 %
Enterprise Capital Funds	58,471,085	28,948,753	49.5 %	48,211,297	20,820,684	43.2 %
Internal Service Funds	13,124,430	10,300,859	78.5 %	15,198,437	10,126,295	66.6 %
Employee Benefit Reserves	17,265,080	17,003,527	98.5 %	18,468,153	17,770,728	96.2 %
Risk Management Reserve	5,555,497	4,566,087	82.2 %	6,560,714	4,345,962	66.2 %
Debt Service & Agency Funds	7,100,520	11,078,010	156.0 %	6,931,848	12,111,042	174.7 %
<b>Total</b>	<b>\$ 338,233,151</b>	<b>\$ 250,558,489</b>	<b>74.1 %</b>	<b>\$ 331,422,599</b>	<b>\$ 250,764,619</b>	<b>75.7 %</b>



## GENERAL GOVERNMENT REVENUE DETAIL

### GENERAL GOVERNMENT REVENUES

General Fund	Revenues as of December 31			2023	2023
	2021	2022	2023	Amended Budget	Percent Rec'd
Property Tax	\$ 8,967,221	\$ 9,066,584	\$ 8,852,130	\$ 9,005,763	98.3 %
General Sales Tax	22,116,944	22,757,989	23,446,284	24,247,000	96.7 %
Criminal Justice Sales Tax	5,032,902	5,085,642	5,323,684	5,207,000	102.2 %
Utility & Franchise Taxes	19,070,610	20,505,532	21,535,506	20,334,354	105.9 %
Other Taxes	1,273,990	1,309,217	1,325,922	1,112,400	119.2 %
Licenses and Permits	1,711,245	1,796,136	2,000,113	1,908,700	104.8 %
Intergovernmental Revenues	3,697,113	4,485,636	3,310,096	4,837,162	68.4 %
Charges for Services	3,470,078	2,871,331	3,310,876	3,105,310	106.6 %
Fines and Forfeitures	1,381,103	1,212,744	1,465,208	1,291,000	113.5 %
Other Revenue <sup>1</sup>	(932,373)	(342,556)	6,458,323	1,838,636	351.3 %
<b>Total General Fund</b>	<b>65,788,833</b>	<b>68,748,255</b>	<b>77,028,142</b>	<b>72,887,325</b>	<b>105.7 %</b>
<b>Parks &amp; Recreation</b>					
Property Tax	2,702,528	2,673,716	3,173,716	3,173,716	100.0 %
Intergovernmental Revenues	67,142	178,739	42,610	64,830	65.7 %
Charges for Services	647,360	838,350	817,444	907,615	90.1 %
Other Revenue	1,927,671	1,936,632	2,035,763	2,016,592	101.0 %
<b>Total Parks &amp; Recreation</b>	<b>5,344,701</b>	<b>5,627,437</b>	<b>6,069,533</b>	<b>6,162,753</b>	<b>98.5 %</b>
<b>Streets</b>					
Property Tax	3,742,125	4,399,808	4,400,000	4,400,000	100.0 %
Intergovernmental Revenues	1,426,144	1,393,740	1,399,144	1,488,000	94.0 %
Charges for Services	5,020	4,333	3,750	527,663	0.7 %
Other Revenue	65,269	44,443	14,036	—	n/a
<b>Total Streets</b>	<b>5,238,558</b>	<b>5,842,324</b>	<b>5,816,930</b>	<b>6,415,663</b>	<b>90.7 %</b>
<b>Total General Government</b>	<b>\$ 76,372,092</b>	<b>\$ 80,218,016</b>	<b>\$ 88,914,605</b>	<b>\$ 85,465,741</b>	<b>104.0 %</b>

Note: Year to date revenues above are consistent with historical trends other than those noted below.

Intergovernmental Revenue in the General Fund is currently at 68.4% mainly due to ARPA funding of approximately \$600,000 that has not yet been spent, and a Department of Commerce grant of \$400,000 that was budgeted for, but has not yet been received.

Streets Charges for Services is at 0.7% of budget due to an accounting change regarding Stormwater inspection fees.

<sup>1</sup> This increase is due mainly to the return on interest from investments and investment interest - however, an investment allocation to other departments will be done in March that will reduce this amount, but not significantly.

## GENERAL GOVERNMENT EXPENDITURE DETAIL

### GENERAL FUND EXPENDITURE DETAIL

General Fund	Expenditures as of December 31			2023 Amended	Percent
	2021	2022	2023	Budget	Exp'd
Police	\$ 29,366,419	\$ 33,614,945	\$ 35,717,940	\$ 34,679,354	103.0 %
Fire	15,855,053	18,473,992	19,036,490	18,547,280	102.6 %
Information Technology	3,837,328	3,684,426	4,310,259	4,657,840	92.5 %
Finance	2,350,457	2,571,208	2,573,541	2,684,943	95.9 %
Legal	1,831,365	2,081,204	2,262,956	2,332,556	97.0 %
Municipal Court	1,674,931	1,736,641	2,014,370	2,192,980	91.9 %
Code Administration	1,834,935	2,397,260	1,749,548	2,832,913	61.8 %
Indigent Defense	1,098,102	1,152,637	1,610,047	1,500,000	107.3 %
Human Resources	718,882	781,992	871,373	1,303,967	66.8 %
Engineering	799,635	848,902	984,446	1,104,257	89.2 %
Firemen's Relief/Pension	1,072,915	1,111,102	1,058,381	1,066,840	99.2 %
Planning	724,355	710,570	650,747	956,252	68.1 %
City Clerk/Records	731,905	639,186	905,962	839,064	108.0 %
City Management	813,362	742,827	623,355	711,898	87.6 %
Police Pension	681,824	602,448	772,996	812,130	95.2 %
Economic Development	405,092	495,919	464,018	599,493	77.4 %
City Hall Facility	388,918	459,907	484,964	515,704	94.0 %
Purchasing	422,535	418,259	354,422	486,136	72.9 %
City Council	235,659	238,827	273,488	284,813	96.0 %
Intergovernmental	170,685	142,289	132,427	137,189	96.5 %
Interfund Distributions <sup>1</sup>	(1,328,441)	(1,542,496)	(422,892)	(396,908)	106.5 %
Parking <sup>2</sup>	124,562	80,273	—	—	n/a
Total General Fund	63,810,478	71,442,318	76,428,838	77,848,701	98.2 %

General Fund Expenditures in total are at 98.2%. The most significant variances are:

- Indigent Defense is at 107.3%, mainly due to increased rates for professional services.
- City Clerks/Records is at 108.0%, due to the 2023 estimated election costs.
- Police (103.0%) and Fire (102.6%) are over mostly due to overtime/salary increases, but also in supplies and professional services due to cost increases. As a point of note, Fire overtime cost is underestimated due to the use of ARPA Funds to offset the expenditures.
- Code Administration is at 61.8% mainly due to a Connecting Housing to Infrastructure Program (CHIP) grant due to the pending reimbursements.
- Human Resources, Planning, Economic Development and Purchasing are all currently under 80% of expenditures, mostly due to the timing of invoices received and vacant positions.

<sup>1</sup> As of 2021 City Service charges are required to be shown as a reimbursement of expense instead of a revenue per the State Auditor. This change was implemented by the City at the end of the 2021 fiscal year. These numbers can vary dependent upon the timing of the City Services Reimbursements and transfers out.

<sup>2</sup> Parking was moved into the Police department as of 2023. A final journal entry will be done if needed for 2023 once all reoccurring charges have expired.

## OTHER FUNDS DETAIL

### OTHER GOVERNMENT OPERATING FUNDS

Fund	2023	As of December 31			% Change in Fund Balance
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	
Neighborhood Development	1,204,804	1,392,820	1,538,567	1,059,057	(12.1)%
Community Relations	778,111	565,208	634,720	708,599	(8.9)%
Clean City Program	269,222	885,097	659,011	495,308	84.0%
Cemetery	192,236	357,137	366,297	183,076	(4.8)%
Emergency Services	204,613	1,703,564	1,800,425	107,752	(47.3)%
Public Safety Communication	1,623,079	4,535,868	4,287,020	1,871,927	15.3%
Police Grants	948,530	160,757	154,582	954,705	0.7%
PBIA (Park/Bus Improvement Area)	77,990	183,578	180,925	80,643	3.4%
Trolley	42,535	11,869	2,270	52,134	22.6%
Front Street Bus Improvement Area	8,013	3,814	1,733	10,094	26.0%
Convention & Event Center	716,785	2,027,386	1,921,794	822,377	14.7%
Capitol Theatre	102,725	429,254	423,990	107,989	5.1%
PFD - Convention Center	1,204,762	1,233,062	1,511,811	926,013	(23.1)%
Tourism Promotion Area	143,220	1,083,494	1,100,607	126,107	(11.9)%
PFD - Capitol Theatre	645,616	934,130	849,374	730,372	13.1%
American Rescue Plan Act (ARPA)	67,700	4,583,548	4,583,548	67,700	—%
<b>Total Other Gov't Operating Funds</b>	<b>\$ 8,229,941</b>	<b>\$ 20,090,586</b>	<b>\$ 20,016,674</b>	<b>\$ 8,303,853</b>	<b>0.9%</b>

### GOVERNMENTAL CAPITAL FUNDS

Fund	2023	As of December 31			% Change in Fund Balance
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	
Central Bus District Capital	55,024	—	—	55,024	—%
Capitol Theatre Construction	86,977	473,275	362,890	197,362	126.9%
Yakima Redevelopment Area	330,542	1,011,033	595,750	745,825	125.6%
Parks & Recreation Capital	12,181	1,466,442	1,113,588	365,035	n/a
Fire Capital	510,237	165,676	69,912	606,001	18.8%
Law and Justice Capital	1,431,977	477,159	934,111	975,025	(31.9)%
Public Works Trust Construction	4,323,052	1,310,697	2,655,141	2,978,608	(31.1)%
REET 2 Capital	1,535,139	1,226,249	1,646,696	1,114,692	(27.4)%
Street Capital	4,281,860	1,677,033	747,313	5,211,580	21.7%
Street Overlay & Reconstruction	2,719,374	6,121,488	5,532,202	3,308,660	21.7%
Conv & Event Center Cap Impr	1,758,805	792,500	711,795	1,839,510	4.6%
Reserve for Capital Improvement	328,421	13,581	149,130	192,872	(41.3)%
<b>Total Gov't Capital Funds</b>	<b>\$ 17,373,589</b>	<b>\$ 14,735,133</b>	<b>\$ 14,518,528</b>	<b>\$ 17,590,194</b>	<b>1.2%</b>

# ENTERPRISE OPERATING FUNDS

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Fund	2023	As of December 31			% Change
	Beginning	2023	2023	Ending	in Fund
	Balance	Actual Rev.	Actual Exp.	Balance	Balance
Airport Operating	\$ 1,156,059	\$ 1,588,040	\$ 1,543,562	\$ 1,200,537	3.8%
Stormwater Operating	1,089,237	4,861,613	3,242,747	2,708,103	148.6%
Transit Operating	10,754,520	12,448,542	9,966,699	13,236,363	23.1%
Refuse	4,343,235	9,982,386	9,178,820	5,146,801	18.5%
Wastewater Operating	11,793,966	25,555,196	24,611,548	12,737,614	8.0%
Water Operating	7,698,591	12,530,595	12,570,570	7,658,616	(0.5)%
Irrigation	1,318,689	2,169,359	2,368,841	1,119,207	(15.1)%
<b>Total Enterprise Operating Funds</b>	<b>\$ 38,154,297</b>	<b>\$ 69,135,731</b>	<b>\$ 63,482,787</b>	<b>\$ 43,807,241</b>	<b>14.8%</b>

# ENTERPRISE CAPITAL FUNDS

Fund	2023	As of December 31			% Change
	Beginning	2023	2023	Ending	in Fund
	Balance	Actual Rev.	Actual Exp.	Balance	Balance
Airport Capital	\$ 597,238	\$ 2,555,709	\$ 2,875,162	\$ 277,785	(53.5)%
Stormwater Capital	5,418,295	660,593	1,437,906	4,640,982	(14.3)%
Transit Capital	3,492,382	6,058,380	4,988,018	4,562,744	30.6%
Wastewater Facilities Capital	5,570,122	1,000,000	3,665,801	2,904,321	(47.9)%
Wastewater Construction Capital	10,448,673	3,010,610	3,842,068	9,617,215	(8.0)%
Wastewater Capital	1,880,884	2,510,610	1,390,003	3,001,491	59.6%
Water Capital	5,835,538	2,733,904	331,714	8,237,728	41.2%
Irrigation Capital <sup>1</sup>	(1,180,320)	2,246,430	2,290,012	(1,223,902)	3.7%
<b>Total Enterprise Capital Funds</b>	<b>\$ 32,062,812</b>	<b>\$ 20,776,236</b>	<b>\$ 20,820,684</b>	<b>\$ 32,018,364</b>	<b>(0.1)%</b>

# INTERNAL SERVICE FUNDS

Fund	2023	As of December 31			% Change
	Beginning	2023	2023	Ending	in Fund
	Balance	Actual Rev.	Actual Exp.	Balance	Balance
Equipment Rental	\$ 4,946,674	\$ 6,067,758	\$ 5,729,598	\$ 5,284,834	6.8%
Environmental	289,858	385,538	393,743	281,653	(2.8)%
Public Works Administration	609,463	1,433,450	1,343,161	699,752	14.8%
Utility Services	474,405	2,667,778	2,659,793	482,390	1.7%
<b>Total Enterprise Operating Funds</b>	<b>\$ 6,320,400</b>	<b>\$ 10,554,524</b>	<b>\$ 10,126,295</b>	<b>\$ 6,748,629</b>	<b>6.8%</b>

<sup>1</sup> An expected grant for the Nelson Dam was not received, leaving the Irrigation Capital fund balance negative. This situation will be reviewed for correction after year-end, when numbers are final, with an interfund loan the likely resolution.

# EMPLOYEE BENEFIT RESERVES

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Fund	2023	As of December 31			% Change in Fund Balance
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	
Unemployment Comp Reserve	\$ 421,757	\$ 274,158	\$ 185,427	\$ 510,488	21.0%
Employees Health Ben Reserve	4,170,588	14,046,446	14,197,007	4,020,027	(3.6)%
Worker's Comp Reserve <sup>2</sup>	135,065	3,559,980	3,330,426	364,619	170.0%
Wellness/EAP	187,451	75,000	57,868	204,583	9.1%
<b>Total Employee Benefit Reserve</b>	<b>\$ 4,914,861</b>	<b>\$ 17,955,584</b>	<b>\$ 17,770,728</b>	<b>\$ 5,099,717</b>	<b>3.8%</b>

# RISK MANAGEMENT RESERVE

Fund	2023	As of December 31			% Change in Fund Balance
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	
Risk Management Reserve	\$ 6,544,818	\$ 5,790,952	\$ 4,345,962	\$ 7,989,808	22.1%

# DEBT SERVICE & AGENCY FUNDS

Fund	2023	As of December 31			% Change in Fund Balance
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	
<b>GO Bond Redemption</b>					
2002 GO Convention Center	\$ 223,141	\$ 1,547,128	\$ 1,404,068	\$ 366,201	64.1 %
2005 GO Various Bonds	17,626	3,018,414	3,018,414	17,626	— %
<b>Total GO Bond Redemption</b>	<b>\$ 240,767</b>	<b>\$ 4,565,542</b>	<b>\$ 4,422,482</b>	<b>\$ 383,827</b>	<b>59.4 %</b>
<b>Water/Sewer Revenue Bond Redemption</b>					
WW Rev Bond & 2008 Debt Service	\$ 14,072	\$ 382,800	\$ 378,400	\$ 18,472	31.3 %
Irrigation Bond Debt Service	28,827	276,600	269,800	35,627	23.6 %
WW Rev Bond Rsv & 2012 Debt Svc	1,613,482	1,164,800	1,157,333	1,620,949	0.5 %
<b>Total W/S Rev Bond Redemption</b>	<b>\$ 1,656,381</b>	<b>\$ 1,824,200</b>	<b>\$ 1,805,533</b>	<b>\$ 1,675,048</b>	<b>1.1 %</b>
<b>Agency Funds</b>					
YakCorps	\$ 1,109,166	\$ 673,166	\$ 612,222	\$ 1,170,110	5.5 %
Custodial Fund	307,761	5,353,814	5,258,805	402,770	30.9 %
Cemetery Trust	729,109	21,639	12,000	738,748	1.3 %
<b>Total Agency Funds</b>	<b>\$ 2,146,036</b>	<b>\$ 6,048,619</b>	<b>\$ 5,883,027</b>	<b>2,311,628</b>	<b>7.7 %</b>
<b>Total Debt Service &amp; Agency Funds</b>	<b>\$ 4,043,184</b>	<b>\$ 12,438,361</b>	<b>\$ 12,111,042</b>	<b>\$ 4,370,503</b>	<b>8.1 %</b>

----- End of Report -----

<sup>2</sup> The Workers Compensation fund experienced greater claim activity in 2022, which was corrected by an increase in rates for 2023 and 2024. This situation continues to be monitored.



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 7.C.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Resolution awarding Bid 12344 and authorizing an agreement with Granite Construction for Asphalt and Materials

**SUBMITTED BY:** \*Jay Kendall, Street Maintenance Supervisor  
Christina Payer, Buyer II

**SUMMARY EXPLANATION:**

If awarded, the bid will establish unit prices over the next three years for different types of materials supplied by the bidder for use by the City Public Works Department in its maintenance and operations activities.

The City published notice in the Yakima Herald Republic on December 1 and 3, 2023 and on the city's webpage through PublicPurchase.com that Bid No. 12344 was open for competitive bid.

The City Manager reviewed and approved the recommendation of award on February 29, 2024, as indicated on the attached bid tabulation.

**ITEM BUDGETED:** Yes

**STRATEGIC PRIORITY:** Public Trust and Accountability

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Adopt Resolution.

**ATTACHMENTS:**

Description	Upload Date	Type
<input type="checkbox"/> Resolution Bid 12344	3/21/2024	Resolution
<input type="checkbox"/> Agreement 12344	3/27/2024	Contract
<input type="checkbox"/> Bid Tabulation 12344	3/27/2024	Backup Material

**RESOLUTION NO. R-2024-\_\_\_\_**

**A RESOLUTION**       awarding Bid 12344 and authorizing an agreement with Granite Construction for Asphalt and Materials.

**WHEREAS**, the City published notice in the Yakima Herald Republic on December 1 and 3, 2023 and on the city's webpage through PublicPurchase.com that Bid No. 12344 was open for competitive bid; and

**WHEREAS**, bids were due by December 15, 2023, 2:00:00 PM PST. Bids received through Public Purchase were publicly opened in the City Council Chambers, in Yakima WA; and,

**WHEREAS**, bids that were received, are included on the attached bid tabulation; and

**WHEREAS**, recommendation of award was made to Granite Construction. The City Manager reviewed and approved the recommendation of award on, February 29, 2024, as indicated on the attached bid tabulation; and

**WHEREAS**, the bid submittal recommended for award and available budget meet the needs and requirements of the City of Yakima Streets and Water/Irrigation Divisions, now, therefore,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:**

That award for Bid No. 12344 is hereby awarded to Granite Construction and the City Manager is authorized and directed to execute the resulting agreement. This is a potential three-year agreement, with an approximate annual award amount of \$70,200.

**ADOPTED BY THE CITY COUNCIL** this 2nd day of April, 2024.

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Patricia Byers, Mayor

ATTEST:

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Rosalinda Ibarra, City Clerk

**AGREEMENT  
CITY OF YAKIMA  
BID 12344  
Asphalt & Materials Re-bid**

3

**THIS AGREEMENT**, entered into on the date of last execution, between the City of Yakima, a Washington municipal corporation ("City"), and Granite Construction, ("Contractor").

**WITNESSETH:** The parties, in consideration of the terms and conditions herein, do hereby covenant and agree as follows:

**1. Statement of Services**

The Contractor shall perform all work and service(s) and furnish all tools, materials, labor and equipment (collectively referred to as "Services") according to the procedure outlined in Bid 12344 Asphalt & Materials Re-bid Specifications which are attached as Exhibit A, and the most recent edition of the ANSI/TIA/EIA and NEC Standards, all of which are incorporated herein by this reference, and shall perform any alterations in or additions to the work provided under this Contract and every part thereof.

**2. Compensation**

The City agrees to pay the Contractor according to Contractor's Bid Form which are attached as Exhibit B, and incorporated herein by this reference, which Exhibit includes the deliverables and payment schedule of itemized prices as listed in the Contractor's Bid submittal at the time and in the manner and upon the conditions provided for the Contract.

**3. Contract Term**

The period of this Contract shall be for a period of one (1) year from its effective date. The City may, at its option, extend the Contract on a year to year basis for up to two (2) additional years. For a total of three (3) years. Contract extensions shall be automatic, and shall go into effect without written confirmation, unless the City provides advance notice of the intention to not renew or unless the Services have been completed to the City's satisfaction prior to any automatic renewal.

**4. Agency Relationship between City and Contractor**

Contractor shall, at all times, be an independent Contractor and not an agent or representative of City with regard to performance of the Services. Contractor shall not represent that it is, or hold itself out as, an agent or representative of City. In no event shall Contractor be authorized to enter into any agreement or undertaking for, or on, behalf of City.

**5. Successors and Assigns**

- a. Neither the City, nor the Contractor, shall assign, transfer, or encumber any rights, duties, or interests accruing from this Contract without the prior written consent of the other.
- b. The Contractor for itself, and for its heirs, executors, administrators, successors, and assigns, does hereby agree to the full performance of all the covenants herein contained upon the part of the Contractor.

**6. Property Rights**

All records or papers of any sort relating to the City and to the project will at all times be the property of the City and shall be surrendered to the City upon demand. All information concerning the City and said project which is not otherwise a matter of public record or required by law to be made public, is confidential, and the Contractor will not, in whole or part, now or at any time disclose that information without the express written consent of the City.

**7. Inspection, Production and Retention of Records**

- a. The records relating to the Services shall, at all times, be subject to inspection by and with the approval of the City, but the making of (or failure or delay in making) such inspection or approval shall not relieve Contractor of responsibility for performance of the Services in accordance with this Contract, notwithstanding the City's knowledge of defective or non-complying performance, its substantiality or the ease of its discovery. Contractor shall provide the City sufficient, safe, and proper facilities, and/or send copies of the requested documents to the City. Contractor's records relating to the Services will be provided to the City upon the City's request.
- b. Contractor shall promptly furnish the City with such information and records which are related to the Services of this Contract as may be requested by the City. Until the expiration of six (6) years after final payment of the compensation



payable under this Contract, or for a longer period if required by law or by the Washington Secretary of State's record retention schedule, Contractor shall retain and provide the City access to (and the City shall have the right to examine, audit and copy) all of Contractor's books, documents, papers and records which are related to the Services performed by Contractor under this Contract.

- c. All records relating to Contractor's services under this Contract must be made available to the City, and the records relating to the Services are City of Yakima /Yakima County records. They must be produced to third parties, if required pursuant to the Washington State Public Records Act, Chapter 42.56 RCW, or by law. All records relating to Contractor's services under this Contract must be retained by Contractor for the minimum period of time required pursuant to the Washington Secretary of State's records retention schedule.
- d. The terms of this section shall survive any expiration or termination of this Contract.

## **8. Compliance with Law**

Contractor agrees to perform all Services under and pursuant to this Contract in full compliance with any and all applicable laws, rules, and regulations adopted or promulgated by any governmental agency or regulatory body, whether federal, state, local, or otherwise. Contractor shall procure and have all applicable and necessary permits, licenses and approvals of any federal, state, and local government or governmental authority or this project, pay all charges and fees, and give all notices necessary and incidental to the due and lawful execution of the work.

- a. Procurement of a City Business License. Contractor must procure a City of Yakima Business License and pay all charges, fees, and taxes associated with said license.
- b. Contractor must provide proof of a valid Washington State Contractor Registration number.
- c. Contractor must provide proof of a valid Washington department of Revenue state excise tax registration number, as required in Title 85 RCW.
- d. Contractor must provide proof of a valid Washington Unified Business Identification (UBI) number. Contractor must have a current UBI number and not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065(3).
- e. Contractor must provide proof of a valid Washington Employment Security Department number as required by Title 50 RCW.
- f. Foreign (Non-Washington) Corporations: Although the City does not require foreign corporate proposers to qualify in the City, County or State prior to submitting a proposal, it is specifically understood and agreed that any such corporation will promptly take all necessary measures to become authorized to conduct business in the City of Yakima at their own expense, without regard to whether such corporation is actually awarded the contract, and in the event that the award is made, prior to conducting any business in the City.

## **9. Nondiscrimination Provision**

During the performance of this Contract, the Contractor agrees as follows:

The Contractor shall not discriminate against any person on the grounds of race, creed, color, religion, national origin, sex, age, marital status, sexual orientation, gender identity, pregnancy, veteran's status, political affiliation or belief, or the presence of any sensory, mental or physical handicap in violation of the Washington State Law Against Discrimination (RCW chapter 49.60) or the Americans with Disabilities Act (42 USC 12101 et seq.).

This provision shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, selection for training, and the provision of Services under this Agreement.

In the event of the Contractor's noncompliance with the non-discrimination clause of this contract or with any such rules, regulations, or orders, this Contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for any future City contracts.

## 10. Pay Transparency Nondiscrimination Provision:

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The Contractor will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant. However, employees who have access to the compensation information of other employees or applicants as a part of their essential job functions cannot disclose the pay of other employees or applicants to individuals who do not otherwise have access to compensation information, unless the disclosure is (a) in response to a formal complaint or charge, (b) in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or (c) consistent with the contractor's legal duty to furnish information.

## 11. Indemnification and Hold Harmless

- a. Contractor shall take all necessary precautions in performing the Services to prevent injury to persons or property. The Contractor agrees to release, indemnify, defend, and hold harmless the City, its elected and appointed officials, officers, employees, agents, representatives, insurers, attorneys, and volunteers from all liabilities, losses, damages, and expenses related to all claims, suits, arbitration actions, investigations, and regulatory or other governmental proceedings arising from or in connection with this Agreement or the acts, failures to act, errors or omissions of the Contractor, or any Contractor's agent or subcontractor, in performance of this Agreement.
- b. **Industrial Insurance Act Waiver.** It is specifically and expressly understood that the Contractor waives any immunity that may be granted to it under the Washington State industrial insurance act, Title 51 RCW, solely for the purposes of this indemnification. Contractor's indemnification shall not be limited in any way by any limitation on the amount of damages, compensation or benefits payable to or by any third party under workers' compensation acts, disability benefit acts or any other benefits acts or programs. Contractor shall require that its subcontractors, and anyone directly or indirectly employed or hired by Contractor, and anyone for whose acts Contractor may be liable in connection with its performance of this Agreement, comply with the terms of this paragraph, waive any immunity granted under Title 51 RCW, and assume all potential liability for actions brought by their respective employees. The Parties acknowledge that they have mutually negotiated this waiver.
- c. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, the Contractor's liability, including the duty and cost to defend, shall be only to the extent of the Contractor's negligence.
- d. Nothing contained in this Section or this Contract shall be construed to create a liability or a right of indemnification in any third party.
- e. The terms of this Section shall survive any expiration or termination of this Contract.

## 12. Contractor's Liability Insurance

At all times during performance of the Services and this Contract, Contractor shall secure and maintain in effect insurance to protect the City and Contractor from and against any and all claims, damages, losses, and expenses arising out of or resulting from the performance of this Contract.

Contractor shall provide and maintain in force insurance in limits no less than that stated below, as applicable. The City reserves the right to require higher limits should it deem it necessary in the best interest of the public.

Contractor shall provide a Certificate of Insurance to the City as evidence of coverage for each of the policies and outlined herein. A copy of the additional insured endorsement attached to the policy shall be included with the certificate. This Certificate of insurance shall be provided to the City, prior to commencement of work.

Failure of City to demand such verification of coverage with these insurance requirements or failure of City to identify a deficiency from the insurance documentation provided shall not be construed as a waiver of Contractor's obligation to maintain such insurance.

The following insurance is required:

### a. **Commercial Liability Insurance**

Before this Contract is fully executed by the parties, Contractor shall provide the City with a certificate of insurance and additional insured endorsements as proof of commercial liability insurance with a minimum liability limit of Two Million Dollars (\$2,000,000.00) per occurrence, combined single limit bodily injury and property damage, and Two Million Dollars (\$2,000,000.00) general aggregate. If Contractor carries higher coverage limits, such limits shall be shown on the

Certificate of Insurance and Endorsements and the City, its elected and appointed officials, employees, agents, attorneys and volunteers shall be named as additional insureds for such higher limits. The certificate shall clearly state who the provider is, the coverage amount, the policy number, and when the policy and provisions provided are in effect. Said policy shall be in effect for the duration of this Contract. The certificate of insurance and additional insured endorsements shall name the City of Yakima, its elected and appointed officials, employees, agents, attorneys and volunteers as additional insureds, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the City prior written notice. The insurance shall be with an insurance company or companies rated A-VII or higher in Best's Guide and admitted in the State of Washington. The requirements contained herein, as well as City of Yakima's review or acceptance of insurance maintained by Contractor is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by Contractor under this contract.

**b. Automobile Liability Insurance**

Before this Contract is fully executed by the parties, Contractor shall provide the City with a certificate of insurance as proof of automobile liability insurance with a minimum liability limit of Two Million Dollars (\$2,000,000.00) per occurrence. If Contractor carries higher coverage limits, such limits shall be shown on the Certificate of Insurance and Endorsements and the City, its elected and appointed officials, employees, agents, attorneys and volunteers shall be named as additional insureds for such higher limits. The certificate shall clearly state who the provider is, the coverage amount, the policy number, and when the policy and provisions provided are in effect. Said policy shall be in effect for the duration of this Contract. The certificate of insurance and additional insured endorsements shall name the City of Yakima, its elected and appointed officials, employees, agents, attorneys and volunteers as additional insureds, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the City prior written notice. The insurance shall be with an insurance company or companies rated A-VII or higher in Best's Guide and admitted in the State of Washington. The requirements contained herein, as well as City of Yakima's review or acceptance of insurance maintained by Contractor is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by Contractor under this contract. The business auto liability shall include Hired and Non-Owned coverage if necessary.

**c. Employer's Liability (Stop Gap)**

Contractor and all subcontractor(s) shall at all times comply with all applicable workers' compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable, and shall maintain Employer's Liability insurance with a limit of no less than \$1,000,000.00. The City shall not be held responsible in any way for claims filed by Contractor or its employees for services performed under the terms of this Contract. Contractor agrees to assume full liability for all claims arising from this Contract including claims resulting from negligent acts of all subcontractor(s). Contractor is responsible to ensure subcontractor(s) have insurance as needed. Failure of subcontractors(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.

Commercial General Liability:	Combined Single Limit:	\$2,000,000 Per Occurrence
		\$2,000,000 Annual Aggregate
Automobile Liability		\$2,000,000 Per Occurrence

Contractor's insurance coverage shall be primary insurance with respect to those who are Additional Insureds under this Contract. Any insurance, self-insurance or insurance pool coverage maintained by the City shall be in excess of the Contractor's insurance and neither the City nor its insurance providers shall contribute to any settlements, defense costs, or other payments made by Contractor's insurance.

If at any time during the life of the Contract, or any extension, Contractor fails to maintain the required insurance in full force and effect, all work under the contract shall be discontinued immediately. Any failure to maintain the required insurance may be sufficient cause for the City to terminate the Contract. All additional insured endorsements required by this Section shall include an explicit waiver of subrogation.

**13. Severability**

If any term or condition of this Contract or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Contract are declared severable.

#### 14. Contract Documents

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This Contract, the Invitation to Bid 12338 Scope of Work, conditions, addenda, and modifications and Contractor's proposal (to the extent consistent with City of Yakima documents) constitute the Contract Documents and are complementary. Specific Federal and State laws and the terms of this Contract, in that order respectively, supersede other inconsistent provisions. These Contract Documents are on file in the Office of the Purchasing Manager, 129 No. 2<sup>nd</sup> St., Yakima, WA, 98901, and are hereby incorporated by reference into this Contract.

#### 15. Termination

##### Termination for Cause

In the event the Contractor breaches this Contract, the City may terminate the Contract at its sole discretion in such event that it provides the Contractor with written notice of Contractor's breach and the Contractor fails to cure its breach within 30 days of this notice.

In the event of the City breaches this Contract, the Contractor may terminate the Contract at its sole discretion in such event that it provides the City with written notice of City's breach and the City fails to cure its breach of the Contract within 60 days of this notice.

The following represents a non-exclusive, illustrative list of instances that shall be considered a breach by the Contractor:

- a. Defaults on an obligation under the Contract;
- b. Fails to perform any material obligation required under the Contract;
- c. Files a petition in bankruptcy, becomes insolvent, or otherwise takes action to dissolve as a legal entity;
- d. Allows any final judgment not to be satisfied or a lien not to be disputed after a legally-imposed, 30-day notice;
- e. Makes an assignment for the benefit of creditors;
- f. Fails to follow the sales and use tax certification requirements of the State of Washington;
- g. Incurs a delinquent Washington tax liability;
- h. Becomes a State or Federally debarred Contractor;
- i. Is excluded from federal procurement and non-procurement Contracts;
- j. Fails to maintain and keep in force all required insurance, permits and licenses as provided in the Contract;
- k. Fails to maintain the confidentiality of the City information that is considered to be Confidential Information, proprietary, or containing Personally Identifiable Information;
- l. Contractor performance threatens the health or safety of a City, County or municipal employee; or

##### Termination for Convenience

The City may terminate the Contract, without cause, by providing 30 days written notice of termination.

In the event of termination for convenience, the Contractor shall be entitled to receive compensation for any fees owed under the Contract. The Contractor shall also be compensated for partially completed services. In this event, compensation for such partially completed services shall be no more than the percentage of completion of the services requested, at the sole discretion of the City, multiplied by the corresponding payment for completion of such services as set forth in the Contract. Alternatively, at the sole discretion of the City, the Contractor may be compensated for the actual service hours provided. The City shall be entitled to a refund for goods or services paid for but not received or implemented, such refund to be paid within 30 days of written notice to the Contractor requesting the refund.

##### Change in Funding

In addition to the above termination provisions, if the funds upon which the City relied to establish this Contract are withdrawn, reduced, or limited, or if additional or modified conditions are placed on such funding, the City may terminate this Contract by providing at least five business days written notice to the Contractor. The termination shall be effective on the date specified in the notice of termination.

## **16. Dispute Resolution**

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In the event that any dispute shall arise as to the interpretation of this agreement, or in the event of a notice of default as to whether such default does constitute a breach of the contract, and if the parties hereto cannot mutually settle such differences, then the parties shall first pursue mediation as a means to resolve the dispute. If the afore mentioned methods are either not successful then any dispute relating to this Agreement shall be decided in the courts of Yakima County, in accordance with the laws of Washington. If both parties consent in writing, other available means of dispute resolution may be implemented.

## **17. Re-Award**

When the contract is terminated by the Contractor upon providing the written notice as herein required, the City, pursuant to City ordinance, may re-award the contract to the next most responsible Proposer within 120 days from original award.

When a Contractor is unable to supply goods and/or services to the City and is in breach of the contract, or when the contract is terminated by the City for cause as herein provided, the City reserves the right to re-award the contract to the next most responsible Proposer within 120 days from original award.

## **18. Force Majeure**

Contractor will not be responsible for delays in delivery due to acts of God, fire, strikes, epidemics/pandemics, war, riot, delay in transportation or railcar transport shortages, provided Contractor notifies the City immediately in writing of such pending or actual delay. Normally, in the event or any such delays (acts of God, etc.) the date of delivery will be extended for a period equal to the time lost due to the reason for delay.

## **19. Governing Law**

This Contract shall be governed by and construed in accordance with the laws of the State of Washington.

## **20. Venue**

The venue for any judicial action to enforce or interpret this Contract shall lie in a court of competent jurisdiction in Yakima County, Washington.

## **21. Authority**

The person executing this Contract, on behalf of Contractor, represents and warrants that they have has been fully authorized by Contractor to execute this Contract on its behalf and to legally bind Contractor to all the terms, performances and provisions of this Contract.

## **22. Notice of Change in Financial Condition**

If, during the Contract Term, the Contractor experiences a change in its financial condition that may affect its ability to perform under the Contract, or experiences a change of ownership or control, the Contractor shall immediately notify the City in writing. Failure to notify the City of such a change in financial condition or change of ownership or control shall be sufficient grounds for Contract termination.

## **23. Change or Notice**

Any alterations, including changes to the nature of the service, made to the Contract shall be rendered in writing and signed by both responsible parties; no changes without such signed documentation shall be valid. No alterations outside of the general scope and intent of the original Request for Proposals or in excess of allowable and accepted price changes shall be made.

In no event shall the Contractor be paid or be entitled to payment for services that are not authorized herein or any properly executed amendment.

Notice of Business Changes: Contractor shall notify the City in writing within three (3) business days of any change in ownership of the facilities of the Contractor or of the facilities of any subcontractor. The Contractor shall notify the City in writing as soon as possible, and in no event later than three (3) business days, after any decision by the Contractor to change or discontinue service that will affect services provided to the City under this Contract.

The City shall have the right to renegotiate the terms and conditions of this Contract to the extent required to accommodate a change in governing law or policy that, in the sole discretion of the City, either substantially and unreasonably enlarges the Contractor's duties hereunder, or renders performance, enforcement or compliance with the totality of the Contract impossible, patently unreasonable, or

unnecessary. Notices and demands under and related to this Contract shall be in writing and sent to the parties at their addresses as follows:

**TO CITY:**

Jay Kendall  
Streets Maintenance Supervisor  
City of Yakima  
129 North 2<sup>nd</sup> Street  
Yakima WA, 98901

**COPY TO:**

Christina Payer  
Buyer II  
City of Yakima  
129 North 2<sup>nd</sup> Street  
Yakima, WA 98901

**TO CONTRACTOR:**

Granite Construction  
Shane Berrett  
80 Pond Road  
Yakima, WA 98901

**24. Survival**

The foregoing sections of this Contract, 1-24 inclusive, shall survive the expiration or termination of this Contract in accordance with their terms.

**IN WITNESS WHEREOF**, the parties hereto execute this Contract as of the day and year first above written.

**CITY OF YAKIMA**

**GRANITE CONSTRUCTION**

\_\_\_\_\_  
City Manager

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

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Attest:**

\_\_\_\_\_  
(Print name)

\_\_\_\_\_  
City Clerk

**List of Exhibits attached to this contract**

Exhibit A – Specifications

Exhibit B – Contractor's Bid Form



# Exhibit A

(Specifications)



**City of Yakima**  
**NOTICE TO BIDDERS**  
**BID 12344**

Notice is hereby given by the undersigned that electronic sealed Bids will be accepted via PublicPurchase.com until the hour of 2:00:00 PM PST on December 15, 2023. Bids will be publicly opened in Yakima City Hall, Council Chambers, 129 N. 2nd Street, Yakima, Washington 98901. At such time, Bids will be publicly read for: **Asphalt & Materials Re-bid for Public Works**. Instructions to register with PublicPurchase.com are available at [www.yakimawa.gov/services/purchasing](http://www.yakimawa.gov/services/purchasing).

The City of Yakima reserves the right to reject any & all BIDs. The City hereby notifies all Bidders that it will affirmatively ensure compliance with WA State Law Against Discrimination (RCW chapter 49.60) & the Americans with Disabilities Act (42 USC 12101 et set.)

Dated November 29, 2023. Publish on December 1 & 3, 2023  
Christina Payer, Buyer II



## CITY OF YAKIMA INVITATION TO BID 12344 COVER SHEET

*THIS IS NOT AN ORDER*

BID Release Date: December 1, 2023

**Bid Receipt:** Bidders must first register with PublicPurchase.com and Bid shall be completely uploaded into PublicPurchase.com no later than the date and time listed below. Register as early as possible and do not wait until the due date to upload your documents, as this may take some time. If you try to submit a Bid late, the electronic system will not receive it. Bid openings are public. Late Bids will not be accepted or evaluated. Bids shall be firm for acceptance for ninety (90) days from date of Bid opening, unless otherwise noted.

**BIDS ARE ONLY RECEIVED THROUGH PUBLICPURCHASE.COM**

Purchasing For: City of Yakima – Streets & Water/Irrigation 2301 Fruitvale Blvd Yakima, WA 98902	Buyer in charge of this procurement (Contact for further information): Christina Payer, Buyer II				
Bids Must be completely uploaded by: <b>December 15, 2023 at 2:00:00 PM PST</b> Public Opening <input checked="" type="checkbox"/>	<table style="width: 100%;"> <tr> <td style="width: 50%;">Phone</td> <td style="width: 50%;">E-Mail Address</td> </tr> <tr> <td>(509) 576-6696</td> <td><a href="mailto:Christina.payer@yakimawa.gov">Christina.payer@yakimawa.gov</a></td> </tr> </table>	Phone	E-Mail Address	(509) 576-6696	<a href="mailto:Christina.payer@yakimawa.gov">Christina.payer@yakimawa.gov</a>
Phone	E-Mail Address				
(509) 576-6696	<a href="mailto:Christina.payer@yakimawa.gov">Christina.payer@yakimawa.gov</a>				

### PROJECT DESCRIPTION SUMMARY

**Asphalt & Materials Re-bid for Streets & Water/Irrigation Divisions**

**(Re-bid of line items from Bid No. 12331)**

Enter Prompt Payment Discount: ____% net ____ days	We/I will complete delivery within ____ days after receipt of order.
--	--

**Delivery Details:** FOB Destination, Freight Prepaid

☐ I hereby acknowledge receiving **addendum(a)** \_\_\_\_, \_\_\_\_, \_\_\_\_, \_\_\_\_, \_\_\_\_, (use as many spaces as addenda received)

In signing this Bid we also certify that we have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition; that no attempt has been made to induce any other person or firm to submit or not to submit a Bid; that this Bid has been independently arrived at without collusion with any other Bidder, competitor or potential competitor; that this Bid has not been knowingly disclosed prior to the opening of Bids to any other Bidder or competitor; that the above statement is accurate under penalty of perjury.

**Furthermore, the Washington State Interlocal Cooperative Act (RCW 39.34) provides that other governmental agencies may purchase goods or services on this solicitation or contract in accordance with the terms and prices indicated therein if all parties agree. The City does not accept any responsibility or involvement in the purchase orders or contracts issued by other public agencies.**

We will comply with all terms, conditions and specifications required by the City of Yakima in this Invitation to Bid and all terms of our Bid.

Company Name		Company Address	
Name of Authorized Company Representative (Type or Print)		Title	Phone (     )
Signature of Above		Date	Fax (     )
		Email Address	

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**INVITATION TO BID 12344  
Asphalt & Materials Re-bid  
for Streets & Water/Irrigation Divisions**

## **II. GENERAL INFORMATION**

### **1. Purpose**

It is the intent and purpose of these specifications to describe Asphalt & Materials Re-bid in sufficient detail to secure bids on comparable units, equipment parts and material. All parts, which are necessary in order to provide a complete unit, ready for operation, shall be included in the bid and shall conform in strength, quality of workmanship and material to that which is usually provided the trade in general. Any variance from the specifications or standards of quality must be clearly pointed out in writing by the Bidder.

### **2. Contracting Agency and Point of Contact**

This BID is issued by the City of Yakima Purchasing Division. The person responsible for managing this BID process from beginning to end is the Buyer listed on page 2 of this solicitation. From the date of release of this BID until a Contract is issued, all contacts (pertaining to this solicitation) with City's employees, and other personnel performing official business for the City regarding this BID shall be made through the Buyer listed on page 2. Contact with other City personnel regarding this BID is not permitted during the procurement process and violation of these conditions may be considered sufficient cause for rejection of a Bid and disqualification of the Bidder.

### **3. Exceptions**

Specifications of the material bid shall be equal to or better than the specifications stated herein and all exceptions to these specifications shall be so listed on a separate sheet headed "EXCEPTIONS TO THE SPECIFICATIONS". Any Bid submitted without exceptions will be required to meet every detail of these specifications regardless of cost to the successful bidder, including the cost to meet the insurance requirements.

Where "NO EXCEPTIONS" are shown, none will be allowed. No exceptions will be considered that may tend to devalue the equipment or give an individual bidder who is offering a lesser item a distinct advantage.

### **4. More or Less**

Quantities are estimated only and shall be bid on a MORE OR LESS basis. For the purpose of comparison, bids shall be made in the quantities listed in this specification. Listed quantities shall not be considered firm estimates of requirements for the year, nor shall the City be bound or limited to quantities listed. Payment will be made only for quantities actually ordered, delivered, and accepted, whether greater or less than the stated amounts.

### **5. Pick-up, Delivery and Completion**

Each bidder is required to list on the Bid form the number of calendar days he/she expects material to be ready for pick up or delivery to be made at the destination, in terms of time interval, following placement of order. Time of delivery/completion is important and will be considered in the evaluation of the Bids. Failure to include a specific number of calendar days may be sufficient grounds for rejection of Bid.

### **6. Delivery Acceptance to City Location**

Delivery will be accepted by the City of Yakima at designated FOB point determined by the City. FOB (Freight on Board) Destination: The seller retains the legal title to the goods until they reach the location of the buyer. Seller pays for the transportation of the freight and takes care of additional freight charges until the goods reach the buyer.

## 7. **Delivery of Unapproved Substitutions**

Contractors are authorized to ship only those items ordered covered by the contract. If a review of orders placed by the City reveals that an item other than those covered by and specified in the contract have been ordered and delivered, the Purchasing Manager will take such steps as are necessary to have the item(s) returned to the Contractor at no cost to the City regardless of the time elapsed between the date of delivery and discovery of the violation. Violation of this clause may result in the removal of the offending Contractor's name from the City bid list for a period of up to three (3) years.

## 8. **Contract Term**

See Section 3 of Contract

## 9. **Pricing and Discount**

Pricing: Pricing shall be prepared with the following terms.

The successful Bidder shall provide and bear the expense of all equipment; work and labor of any sort whatsoever that may be required for the transfer of materials/product and completing the work provided for in this Bid and every part thereof, except such as are mentioned in the specifications to be furnished by the City of Yakima. **Surcharges for fuel, delivery/hauling, hazardous material disposal, environmental fees or similar will not be allowed. Relevant charges for these items shall be included in the base bid price.**

All successful Bidders are subject to the minimum insurance requirements as outlined in the sample contract. BIDDERS MUST INCORPORATE THE COST TO COMPLY WITH THE INSURANCE REQUIREMENTS IN THE BID PRICE. Requests for lower insurance limits will be denied.

Prices established in continuing agreements and term agreements may be lowered due to general market conditions, but prices shall not be subject to increase for twelve (12) months from the date of award.

Discounts: The City qualifies for governmental discounts. Unit prices shall reflect these discounts.

## 10. **Price Clarifications**

The City reserves the right to clarify any pricing discrepancies related to assumptions on the part of Bidders. Such clarifications will be solely to provide consistent assumptions from which an accurate cost comparison can be achieved.

Unit prices shown on the Bid or contract shall be the price per unit of sale (e.g., gal., cs., doz., ea.) as stated on the bid form. For any given item, the quantity multiplied by the unit price shall establish the extended price, the unit price shall govern in the Bid evaluation and contract administration.

## 11. **Price Increases**

Pricing shall be prepared with the following terms. The Purchasing Manager may exempt these requirements for extraordinary conditions that could not have been known by either party at the time of bid or other circumstances beyond the control of both parties, as determined in the opinion of the Purchasing Manager. Prices shall remain firm for the first twelve-month period of the contract.

Requests for Rate Increases must be delivered to the Buyer listed on Page 2, in accordance with the rules below. No other employee may accept a rate increase request on behalf of the City. Any invoice that is sent to the City with pricing above that specified by the City in writing within this Contract or specified within an official written change issued by Purchasing to this contract, shall be invalid. Payment of an erroneous invoice does not constitute acceptance of the erroneous pricing, and the City would seek reimbursement of the overpayment or would withhold such overpayment from future invoices.

A. **Discount from Manufacturer List Pricing:** For all contract items that are priced as a discount below Manufacturer List prices, there shall be no changes to the discount rate throughout the life of the

contract. As manufacturer list prices change, the net price to the City will automatically change in the same percentage as the discount rate to the City.

- B. **Fixed Product Pricing:** For product and supply contracts that provide on-going, multiple year supply. Original pricing shall be fixed and firm for the first year of the contract.
- C. Price requests are at the discretion of the Purchasing Manager; and must also be:
  - i. The direct result of increases at the manufacturer's level (or if Bidder is a supplier of a raw material delivered directly to the City, the increase must be verified at the supplier level).
  - ii. Incurred after contract commencement date.
  - iii. Not produce a higher profit margin than that on the original contract.
  - iv. Clearly identify the items impacted by the increase.
  - v. Be filed with Purchasing Manager a minimum of thirty (30) calendar days before the effective date of proposed increase.
  - vi. Be accompanied by detailed documentation acceptable to the Purchasing Manager sufficient to warrant the increase.
  - vii. Should not deviate from the original contract pricing scheme/methodology.

The United States published indices such as the Producer Price Index or other government data may be referenced to help substantiate the Contractor's documentation. A link to the PPI Commodity Data is available at <http://data.bls.gov/PDQ/outside.jsp?survey=wp>.

The adjustment (if any) shall remain firm and fixed for at least 365 days after the effective date of the adjustment

## 12. Price Decreases

During the contract period and any renewals thereof, any price declines at manufacturer's level shall be reflected in a reduction of the contract price to the City, retroactive to the date they were effective to the bidder.

## 13. Expansion Clause

Any resultant contract may be further expanded by the Purchasing Manager in writing to include any other item normally offered by the bidder, as long as the price of such additional products is based on the same cost/profit formula as the listed item(s). At any time during the term of this contract, other City departments may be added, if both parties agree.

## 14. Warranty

Unless otherwise specifically stated by the Bidder, all goods and services furnished shall be warranted against defects or faulty workmanship and materials by the Contractor for one (1) year following inspection and acceptance of the products by the City. Warranty shall include all costs incurred, including shipping, for repair or replacement except that which is damaged by misuse or abuse. This one-(1) year warranty shall in no way affect normal extended or manufacturer's warranty exceeding this one (1) year period. Contractor warrants that all goods and services furnished under this Agreement are new, conform strictly to the specifications herein, are merchantable, good workmanship, free from defect, comply with all applicable safety and health standards established for such products, all goods are properly packaged, and all appropriate instructions or warnings are supplied. If a defect is found, a component failure occurs, or workmanship is found to cause failure, the Vendor shall replace the product at their own expense, including shipping charges. Any replacement product will be warrantied for one (1) year from the date it is delivered. All implied and expressed warranty provisions of the Uniform Commercial Code are incorporated into this Agreement. Contractor further warrants that no violation of any federal, state or local law, statute, rule, regulation, ordinance or order will result from the manufacturer, production, sale, shipment, installation or use of any other goods. Contractor's warranties (and any more

favorable warranties, service policies, or similar undertaking of Contractor) shall survive delivery, inspection, and acceptance of the goods or services.

**15. Warranty Coverage**

Warranty coverage will not commence until the date the completed unit is put into service as reported by the City; or thirty (30) days after final payment for the unit(s); whichever occurs first.

**16. Permits**

All necessary permits required to perform work are to be supplied by the Contractor at no addition cost to the City.

**17. Regulations and Codes**

To the extent applicable, all equipment or materials shall comply with Washington State vehicle regulations, Federal regulations, OSHA and WISHA requirements, to include EPA standards and City safety codes.

**18. Prompt Payment**

Bidders are encouraged to offer a discount for prompt payment of invoice. Please indicate your discount proposal on page 2 of this document. If awarded by the City, period of entitlement begins only after:

- Receipt of a properly completed invoice
- Receipt of all supplies, equipment or services ordered
- Satisfactory completion of all contractual requirements

**19. Payments**

Contractor is to submit properly completed invoice(s) to: City of Yakima, Accounts Payable, 129 N. 2nd Street, Yakima, WA 98901.

To insure prompt payment each invoice should cite purchase order number, bid number, description of item purchased, unit and total price, discount terms and include the Contractor's name and return remittance address. Payment will be mailed within thirty (30) days of (a) the receipt and acceptance of the equipment, (b) properly completed invoice, and (c) all papers required to be delivered with equipment.

**20. Payment Method – Credit Card Acceptance**

The City, in its sole discretion, will determine the method of payment for goods and/or services as part of this agreement. The City's preferred method of payment is by procurement (credit) card. Respondents may be required to have the capability of accepting the City's authorized procurement card as a method of payment. No price changes or additional fee(s) may be assessed when accepting the procurement card as a form of payment.

**21. Acceptance of Terms**

Acceptance of a City Purchase Order (PO) for any units affiliated with this purchase constitutes acceptance of, and agreement with, all of the general and specific requirements and stipulations listed in this boiler plate, and in the attached equipment specification(s); including all penalties mentioned.

**22. Sales Tax**

The City of Yakima's Sales Tax rate is currently 8.3%. However, the amount of sales tax will not be considered in determining which bid is the lowest and best bid.

**23. Tax Revenues**

RCW 39.30.040 allows the City to consider the tax revenue that is generated by a purchase of supplies, materials, and equipment, including those from a local sales tax or from a gross receipts business and occupation tax, it determining which bid in the lowest bid, after the tax revenue has been considered.



## **24. Clarifications and/or Revisions to Specification and Requirements**

If a Bidder discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this solicitation, the Bidder has a duty to immediately notify the Buyer of such concern and request modification or clarification of the BID document.

Unless instructions are specifically provided elsewhere in this document, any questions, exceptions, or additions concerning the subject matter of the BID document(s) shall not be considered unless submitted via e-mail (no phone calls) to the Buyer listed on page 2, a minimum of five (5) business days prior to the submittal due date.

In the event that it becomes necessary to provide additional clarifying data or information, or to revise any part of this BID, supplements or revisions will be provided to all known Bidders in the form of an Addendum. All Addenda are posted on [www.yakimawa.gov/services/purchasing](http://www.yakimawa.gov/services/purchasing) and sent directly to interested parties who have registered (per instructions on website) for updates to this BID.

If any requirements of the BID are unacceptable to any prospective Bidder, they may choose not to submit a Bid.

## **25. Incurring Costs**

The City is not liable for any cost incurred by a Bidder in the process of responding to this BID, including but not limited to the cost of preparing and submitting a response, in the conduct of a presentation, in facilitating site visits or any other activities related to responding to this BID.

## **26. No Obligation to Contract**

This BID does not obligate the City to contract for service(s), or product(s) specified herein. City reserves the right to cancel or reissue this BID in whole or in part, for any reason prior to the issuance of a Notice of Intent to Award. The City does not guarantee to purchase any specific quantity or dollar amount. Bids that stipulate that the City shall guarantee a specific quantity or dollar amount will be disqualified (e.g. "all-or-none".)

## **27. Retention of Rights**

The City retains the right to accept or reject any or all Bids or accept any presented which meet or exceeds these specifications, and which would be in the best interest of the City and will not necessarily be bound to accept the low bid.

All Bids become the property of City upon receipt. All rights, title and interest in all materials and ideas prepared by the Bidder for the Bid to City shall be the exclusive property of City and may be used by the City at its option.

## **28. Points Not Addressed**

Bidders are encouraged to list any points not addressed in these specifications that they feel improve or enhance the operation of their units.

## **29. Other City Departments/Like Items Added**

At any time during the term of this contract, or any extension thereof, other City departments may be served under these same terms and conditions. Additional like items may be added at the request of the Purchasing Manager.

## **30. Materials Bought from Different Supplier**

Should the Contractor be unable to or refuse to supply materials, on any given day, against this predetermined delivery schedule to which the supplier has agreed and the City is forced to do the work with materials bought from a different supplier, the difference in the Bid price of the materials and that paid the new supplier, in order to do the work, shall be charged to and paid for by the Contractor holding the Bid award for these products.

Contractor shall not, however, be responsible for delays in delivery due to:

- Unavoidable mechanical breakdowns

- Strikes
- Inability to secure component materials
- Acts of God
- Fire

Provided the Buyer listed on Page 2 is notified in writing by the Contractor of such pending or actual delay. In the event of any delay, the date of delivery shall be extended for a period equal to the time lost due to the reason for the delay.

### **31. Re-Award**

When the contract is terminated by the City or the Contractor upon providing the written notice as herein required, the City, may re-award the contract to the next most responsible bidder within 120 days from original award.

### **32. Errors and Omissions**

The City reserves the right to correct obvious ambiguities and errors in the Bidder's proposal and to waive non-material irregularities and/or omissions. In this regard, if the unit price does not compute to the extended total price, the unit price shall govern.

### **33. Changes**

Any proposed change in this contract shall be submitted in writing to the Buyer listed on Page 2 for prior approval. If approved, she will make the change by a contract modification that will become effective upon execution by the parties hereto. Any oral statement or representation changing any of these terms or conditions is specifically unauthorized and is not valid.

## **III. PREPARING AND SUBMITTING A BID**

### **1. General Instructions**

Failure to conform to the BID specifications and respond to each of the submittal requirements may be the basis for rejection of a bid. Refer to **Section IV "Bidder's Checklist"** to ensure your Bid is responsive.

### **2. Submitting a Bid**

Bids shall be completely uploaded into Public Purchase.com no later than the date and time listed on Page 2 of this BID. Late Bids will not be accepted or evaluated. If you try to submit a Bid Late, the electronic system will not receive it.

If City Hall is closed for business at the time scheduled for opening, for whatever reasons, Bidder's response will be opened on the next business day of the City, at the originally scheduled hour.

Bidders must submit their bid electronically through PublicPurchase.com where they will be kept in an electronic lockbox until date and time of opening. To register as a Vendor/Bidder with Public Purchase, go to [www.publicpurchase.com](http://www.publicpurchase.com) or the City of Yakima website at [www.YakimaWA.Gov/Services/Purchasing](http://www.YakimaWA.Gov/Services/Purchasing). The City is not responsible for late bids due to operator error, electronic malfunction, system errors or interruptions affecting the Public Purchase site and the processing of any bids. The Purchasing Manager reserves the right to make exceptions for extenuating circumstances. Bids are not considered to be confidential per Washington State Public Records Act (RCW 42.56 et seq.) All sections of the response shall be made available to the public immediately after contract opening.

### 3. **Prohibition of Bidder Terms & Conditions**

A Bidder may not submit the Bidder's own contract terms and conditions in a response to this Invitation to Bid. If a Bid contains such terms and conditions, the City, at its sole discretion, may determine the Bid to be a nonresponsive counteroffer, and the Bid may be rejected.

### 4. **Multiple Bids**

Multiple Bids from a Bidder will be permissible; however, each Bid must conform fully to the requirements for Bid submission. Each such Bid must be submitted separately and labeled as Bid #1, Bid #2, etc. on the first page of their response.

### 5. **Withdrawal of Bids**

Bidders may withdraw or supplement their Bid at any time up to the bid closing date and time. If a previously submitted bid is withdrawn before the bid due date and time, the Bidder may submit another Bid at any time up to the bid closing date and time. After bid closing date and time, all submitted Bids shall be irrevocable until contract award.

## IV. **BIDDER'S CHECKLIST**

Bidder must complete and upload, as part of their Bid submittal, all required forms listed below in accordance with Section III - Preparing and Submitting a Bid. The list below may not be all inclusive. Be sure to READ the entire Bid document and include everything that is required.

- Cover Sheet/Signature Page                      Page 2
- Technical Specification Analysis                Pages 13 – 16
- Bid Form    Pages 17 - 19
- Bidder Questionnaire                              Pages 20-21

## V. **EVALUATION AND CONTRACT AWARD**

### 1. **Bid Evaluation**

The evaluation and selection of a Bidder will be based on the information submitted in the Bid. Award will be made to a responsible Bidder with the lowest responsive Bid. Evaluation of Bids and determination of Bidder responsibility shall be based on past experience with Bidder, proposed manufacturer's service availability, parts availability, equipment design and functionalism, effect on productivity, and Bidder's supporting documentation.

### 2. **Offer in Effect for Ninety (90) Days**

A Bid may not be modified, withdrawn or canceled by the Bidder for a ninety (90) day period following the deadline for Bid due date, or receipt of best and final offer, if required, and Bidder so agrees by submittal of a bid.

### 3. **Protest Procedure**

Any protest must be made in writing, signed by the protestor, and state that the Bidder is submitting a formal protest. The protest shall be filed with the City of Yakima's Purchasing Manager at 129 No. 2nd St., Yakima, WA 98901, or by email to: [purch@yakimawa.gov](mailto:purch@yakimawa.gov). The protest shall clearly state the specific factual and legal ground(s) for the protest, and a description of the relief or corrective action being requested. Protests based on specifications/scope of work, or other terms in the BID shall be filed at least five (5) calendar days before the solicitations due date, and protests based on award or after the award shall be filed no more than five calendar (5) days after Award Announcement (see below for details). The following steps shall be taken in an attempt to resolve the protest with the Bidder:

Step I. Purchasing Manager and Division Manager of solicitation try resolving matter with protester. All available facts will be considered and the Purchasing Manager shall issue a written decision.

Step II. If unresolved, within three (3) business days after receipt of written decision, the protest may be appealed to the Department Head by the Purchasing Manager.

Step III. If still unresolved, within three (3) business days after receipt of appeal response, the protest may be appealed to the Executive. The Executive shall make a final determination in writing to the Protester.

#### Award Announcement

Purchasing shall announce the successful Bidder via Website, e-mail, fax, regular mail, or by any other appropriate means. Once the Award is released by Purchasing, the protest time frame begins. The timeframe is not based upon when the bidder received the information, but rather when the announcement is issued by Purchasing.

#### Award Regardless of Protest

When a written protest against making an award is received, the award shall not be made until the matter is resolved, unless the City determines that one of the following applies:

- The supplies or services to be contracted for are urgently required;
- Delivery or performance will be unduly delayed by failure to make award promptly;
- A prompt award will otherwise be advantageous to the City.

If the award is made, regardless of a protest, the award must be documented in the file, explaining the basis for the award. Written notice of the decision to proceed shall be sent to the protester and others who may be concerned.

The City retains the right to enter into any contract and nothing herein shall be construed to limit that authority in any manner.

#### **4. Sample Contract and Terms and Conditions**

The Sample Contract provided with this Bid Specification represents the terms and conditions which the Owner expects to execute in a contract with the successful Bidder. Bidders must accept or submit point-by-point exceptions along with proposed alternative or additional language for each point. The Owner may or may not consider any of the Bidder's suggested revisions. Any changes or amendment to any of the Contract Terms and Conditions will occur only if the change is in the best interest of the Owner.

## **VI. TECHNICAL SPECIFICATIONS**

The Bidder must provide a detailed description of each major component of their proposed system. At a minimum, these descriptions shall take into consideration the specifications outlined in this Technical Specifications section. Bidders are reminded to provide point-by-point responses to all specifications. Any additional work found necessary that is not specified in this Bid specification shall be listed on a separate sheet entitled "Additional Materials/Labor Required".

The Bidder must complete the following Technical Specification Section using one of the following responses for each of the specifications.

**Y – Yes.**

The Bidder's proposed product currently satisfies the entire requirement and the proposed system will completely support the requirement.

- N – No.** The Bidder’s product does not currently satisfy the entire requirement, and the Bidder’s delivered product will not satisfy the requirement.
- E – Explanation.** The Bidder’s product partially satisfies the requirement and an explanation is included in the response.
- MR – Modification Required.** The Bidder’s product does not currently satisfy the requirement, but the Bidder commits that the delivered base product will satisfy the requirement at no additional cost and shall be supported in future releases of the Bidder’s base products.

The following Technical Specifications Analysis shall be answered with a Y or N. Checking “NO” on any item will not necessarily disallow a Bid. The City shall be the sole judge as to whether an exception is acceptable or not. Bidders are encouraged to provide further detail where such detail might differentiate their products from those of their competitors or where such detail might assist in analysis of the Bid. **Technical Specification Analysis shall be returned with the Bid Submittal. FAILURE TO DO SO WILL BE CAUSE FOR REJECTION OF SAID BID SUBMITTAL.**

**\*Upload with Bid Submittal\***

Item #	Specification	Yes	No	Comments
1	Ready Mix Concrete delivered under this bid shall be State of Washington Class 3000 Commercial Concrete, 5-3/4 sack mix. Concrete shall be in accordance with Section 6-02.3(2) B of the latest edition of Standard Specifications for Road, Bridge and Municipal Construction (WSDOT and APWA). Slump for individual delivery will be designated at the time of order. The price bid is for Class B Ready Mix Concrete for either or both FOB Vendor’s plant and delivery on demand. <u>A copy of Vendor’s cartage schedule for concrete delivery in the various zones within the City shall be furnished along with his bid.</u>			
2	Crushed stone surfacing shall be manufactured from 100% fractured ledge rock, talus, or gravel in accordance with Section 9-03.9 (3) and (4) of latest edition of Standard Specifications (WSDOT and APWA), except as stated below for percentages of sizes passing designated screens.			

Item #	Specification	Yes	No	Comments																																																																																							
	<table><tr><th colspan="2">PASSING</th><th>%</th></tr><tr><td>3/8" -- 0</td><td>3/8"</td><td>97-100 passing</td></tr><tr><td></td><td>1/4"</td><td>62-85 passing</td></tr><tr><td></td><td>No. 10</td><td>5-25 passing</td></tr><tr><td></td><td>No. 40</td><td>2-10 passing</td></tr><tr><td></td><td>No. 200</td><td>0-7 passing</td></tr><tr><td>5/8" -- 0</td><td>5/8"</td><td>100</td></tr><tr><td></td><td>1/4"</td><td>55-75</td></tr><tr><td></td><td>No. 40</td><td>8-24</td></tr><tr><td></td><td>No. 200</td><td>10 Max. wet sieving</td></tr><tr><td>1-1/4" -- 0</td><td>1-1/4"</td><td>100</td></tr><tr><td></td><td>5/8"</td><td>50-80</td></tr><tr><td></td><td>1/4"</td><td>30-50</td></tr><tr><td></td><td>No. 40</td><td>3-18</td></tr><tr><td></td><td>No. 200</td><td>7.5 Max. wet sieving</td></tr><tr><td>1/2" -- #6</td><td>1/2"</td><td>100</td></tr><tr><td>Sealcoat Chips</td><td></td><td></td></tr><tr><td></td><td>3/8"</td><td>70-80</td></tr><tr><td></td><td>1/4"</td><td>25-40</td></tr><tr><td></td><td>No. 6</td><td>0-15</td></tr><tr><td></td><td>No. 10</td><td>0-3</td></tr><tr><td>3/8" -- #10</td><td>3/8"</td><td>70-80</td></tr><tr><td>Sealcoat Chips</td><td></td><td></td></tr><tr><td></td><td>1/4"</td><td>25-40</td></tr><tr><td></td><td>No. 6</td><td>0-15</td></tr><tr><td></td><td>No. 10</td><td>0-3</td></tr><tr><td>5/16" Chips for Sanding</td><td>5/16"</td><td>100%</td></tr><tr><td></td><td>No. 10</td><td>0-60%</td></tr><tr><td></td><td></td><td>0-2%</td></tr></table>	PASSING		%	3/8" -- 0	3/8"	97-100 passing		1/4"	62-85 passing		No. 10	5-25 passing		No. 40	2-10 passing		No. 200	0-7 passing	5/8" -- 0	5/8"	100		1/4"	55-75		No. 40	8-24		No. 200	10 Max. wet sieving	1-1/4" -- 0	1-1/4"	100		5/8"	50-80		1/4"	30-50		No. 40	3-18		No. 200	7.5 Max. wet sieving	1/2" -- #6	1/2"	100	Sealcoat Chips				3/8"	70-80		1/4"	25-40		No. 6	0-15		No. 10	0-3	3/8" -- #10	3/8"	70-80	Sealcoat Chips				1/4"	25-40		No. 6	0-15		No. 10	0-3	5/16" Chips for Sanding	5/16"	100%		No. 10	0-60%			0-2%			
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3	Material shall be weighed at the expense of the Contractor in accordance with Section 1-09.2 of the 2013 Standard Specifications for Road, Bridge, and Municipal Construction prepared by WSDOT and APWA.																																																																																										
4	Asphaltic concrete (Class G) shall be manufactured in accordance with Section 5-04 of the latest edition of Standard Specifications for Road, Bridge, and Municipal Construction prepared by the WSDOT and APWA and shall be constructed of 3/8" - 0" crushed stone. Asphalt shall be PG-6422 with the asphalt percent of total mixture between 5.5% and 7.5%.																																																																																										
5	5/16"-0 Maintenance Sand shall be produced from material which is free from roots, earth and other extraneous material. All oversized gravel occurring in the sources up to and including cobbles of 10inches in the greatest dimension shall be entirely utilized in the production of maintenance Sand. Maintenance Sand shall be produced in accordance with Sections 3-01 and 3-02 of the latest editions of Standard Specifications for Road, Bridge, and Municipal Construction prepared by the WSDOT and APWA.																																																																																										

Item #	Specification	Yes	No	Comments
6	Asphaltic concrete (Class A) shall be manufactured in accordance with Section 5-04 of the latest edition of Standard Specifications for Road, Bridge, and Municipal Construction prepared by the WSDOT and APWA, constructed of 5/8" - 0" crushed stone and PG-6422 asphalt. Temperature requirements for stone and asphalt listed under Section 5-04 shall apply. Asphalt shall be PG-6422 with the asphalt percent of the total mixture between 5.5% and 7.5%.			
7	Material of each size and type shall be available during any work day, Monday through Friday, between the hours of 8:00 a.m. and 5:00 p.m., upon 24-hour notice by the City. It is understood that hot mix machinery shuts down during the winter months. The requesting Department or Division Head in charge of the work and the Vendor's representative shall establish, by mutual consent, a delivery schedule.			
8	The supplier is required to have suitable loading equipment available each working day from 8:00 a.m. to 5:00 p.m. with a bucket size not less than 1-1/2 cu. yd.			
9	<p>Should the supplier be unable to or refuse to supply materials, on any given day, against this predetermined delivery schedule to which he has agreed and the City is forced to do the work with materials bought from a different supplier, the difference in the bid price of the materials and that paid the new supplier, in order to do the work, shall be for the account of the supplier holding the bid award for these products.</p> <p>Exceptions to this section shall be as follows:</p> <ul style="list-style-type: none"> <li>A. Unavoidable mechanical breakdowns.</li> <li>B. Strikes.</li> <li>C. Inability to secure component materials.</li> <li>D. Acts of God.</li> </ul> <p><b>Exceptions:</b> Provided the City of Yakima Purchasing Manager is notified in writing by the Supplier of such pending or actual delay. In the event of any delay, the date of delivery shall be extended for a period equal to the time lost due to the reason for the delay.</p>			
10	The contractor will be required to perform his own plant calibration and preliminary testing of the products to be furnished under this contract.			

Item #	Specification	Yes	No	Comments
	After the crushed stone surfacing or asphaltic mix meets the specifications, the City shall be notified that the product is ready for pickup/delivery. The City will require two initial samples under supervision of a City representative to verify the quality of the materials offered and additional samples at the City's discretion throughout the crushing activity.			
11	The contractor will be required to furnish testing laboratory equipment at his plant where the proper equipment, in good repair, will be available for these verification tests until such time as these preliminary tests and verifications have been made.			
12	The contractor shall furnish a heated pumping system for tack oil at their plant site.			



## VII. BID FORM

### INVITATION TO BID NO. 12344

**\*Upload with Bid Submittal\***

**TO BIDDER:** PLEASE QUOTE YOUR LOWEST PRICE, BEST DELIVERY DATE AND PAYMENT DISCOUNT TERMS FOR THE FOLLOWING. THE CITY RESERVES THE RIGHT TO REJECT ANY OR ALL BIDS AND TO ACCEPT ANY OR ALL ITEMS AT THE PRICE BID. THE CITY INTENDS TO AWARD THIS CONTRACT WITHIN 60 CALENDAR DAYS.

The City of Yakima is accepting bids on Ready Mix, Rock, Hot & Cold Mix, Tack Oil, and Miscellaneous Additives per Specifications. Contract may be awarded to more than one Bidder.

On items that are designated FOB Vendor's Plant, Bids will be considered from Manufacturer's operating pits within ten (10) miles of at least one of the following addresses:

- 2301 Fruitvale Blvd, Yakima WA 98901
- 204 W Pine, Yakima, WA 98902

**Bidders shall quote prices below for both FOB City Shop Complex and FOB Vendor's Plant. Materials will either be delivered or picked up at the City's option. Quantities below are estimates only and materials will be ordered on an as-needed basis.**

FOB (Freight on Board) Destination: The seller retains the legal title to the goods until they reach the location of the buyer. Seller pays for the transportation of the freight and takes care of additional freight charges until the goods reach the buyer.

***Prices below shall be all inclusive of materials, equipment, labor, delivery, fuel, and all surcharges.***

Item No.	Description	Qty	Unit of Measure	Price Per Unit	Total Price (without tax)
<b>SCHEDULE 1 – COMMERCIAL READY MIX</b>					
State of Washington Class B Concrete, 5-3/4 sack mix, requirements per the following specifications.					
<b>1.a</b>	5.75/Class 3000 Commercial Ready Mix – City Stock #12637 <b>FOB City Shop Complex</b>	<b>1843</b>	<b>Cu. Yd.</b>	\$_____	\$_____
<b>1.b</b>	5.75/Class 3000 Commercial Ready Mix – City Stock #12637 <b>FOB Vendor's Plant</b>	<b>1843</b>	<b>Cu. Yd.</b>	\$_____	\$_____
<b>2.a – 2.b</b>	<b>Previously Awarded</b>				
<b>SCHEDULE 2 – MANUFACTURED CRUSHED ROCK</b>					
<b>3.a – 3.b</b>	<b>Previously Awarded</b>				

Item No.	Description	Qty	Unit of Measure	Price Per Unit	Total Price (without tax)
4.a	5/8" Minus Manufactured Crushed Rock – City Stock #7393 <b>FOB City Shop Complex</b>	5100	Tons	\$ _____	\$ _____
4.b	5/8" Minus Manufactured Crushed Rock – City Stock #7393 <b>FOB Vendor's Plant</b>	5100	Tons	\$ _____	\$ _____
5.a	1-1/4" -- 0 Manufactured Crushed Rock - <b>FOB City Shop Complex</b>	100	Tons	\$ _____	\$ _____
5.b	1-1/4" -- 0 Manufactured Crushed Rock - <b>FOB Vendor's Plant</b>	100	Tons	\$ _____	\$ _____
6.a	3/8" -- #4 Sealcoat Chips – <b>FOB City Shop Complex</b>	5000	Tons	\$ _____	\$ _____
6.b	3/8" -- #4 Sealcoat Chips – <b>FOB Vendor's Plant</b>	5000	Tons	\$ _____	\$ _____
7.a	1/2" -- #4 Sealcoat Chips – <b>FOB City Shop Complex</b>	3000	Tons	\$ _____	\$ _____
7.b	1/2" -- #4 Sealcoat Chips – <b>FOB Vendor's Plant</b>	3000	Tons	\$ _____	\$ _____
8.a	Drain Rock, 1 1/2" Round Washed Rock– City Stock #7705 <b>FOB City Shop Complex</b>	100	Tons	\$ _____	\$ _____
8.b	Drain Rock, 1 1/2" Round Washed Rock –City Stock #7705 <b>FOB Vendor's Plant</b>	100	Tons	\$ _____	\$ _____
9.a	1/4" minus - Chips for sanding – maintenance rock <b>FOB City Shop Complex</b>	1500	Tons	\$ _____	\$ _____
9.b	1/4" minus - Chips for sanding – maintenance rock <b>FOB Vendor's Plant</b>	1500	Tons	\$ _____	\$ _____
<b>SCHEDULE 3 – ASPHALIC HOT AND COLD MIX</b>					
10 – 15.b	Previously Awarded				
<b>SCHEDULE 4 – TACK OIL</b>					
16	Previously Awarded				
<b>SCHEDULE 5 – MISCELLANEOUS</b>					
17	Previously Awarded				
18	Previously Awarded				

Item No.	Description	Qty	Unit of Measure	Price Per Unit	Total Price (without tax)
19	Demurrage / Stand-by Excess for Mixer over 2 HR unload time or in excess of six minutes per Cu. Yd., whichever cost to the City is less, and when the delay is caused by the City	1	Minute	\$ _____	\$ _____
20	Split/Short Loads for Concrete. State minimum concrete load (e.g. 9 cu yd)  State Minimum: _____	1	Load	\$ _____	\$ _____
SUBTOTAL					\$ _____
WA STATE SALES TAX – Destination Based @ _____%					\$ _____
TOTAL					\$ _____
<b>THIS FIELD IS MANDATORY. FAILURE TO COMPLETE MAY RESULT IN REJECTION OF BID</b>					
List discount offered off list price for any other items not specifically listed above:					_____%
<b>OR</b>					
Percent markup from cost:					_____%

## VIII. BIDDER QUESTIONNAIRE

Page 1 of 2

INSTRUCTIONS: Provide the requested information, sign and date. If the Owner requires further description, the Owner may request bidder to provide such information within a mandatory due date. You must submit this completed form to the Owner with your Bid Proposal. **Failure to submit this form fully complete, may result in disqualification of Bid.**

### BIDDER INFORMATION

**Bidder's Legal Name:** \_\_\_\_\_

**Company's dba:** (if applicable) \_\_\_\_\_

CEO/President

Name: \_\_\_\_\_

Business

License No. \_\_\_\_\_

UBI No. \_\_\_\_\_

Federal

EIN No. \_\_\_\_\_

Phone ( ) \_\_\_\_\_

Toll Free Phone ( ) \_\_\_\_\_

FAX ( ) \_\_\_\_\_

E-Mail Address \_\_\_\_\_

Mailing Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

Zip + 4 \_\_\_\_\_

Physical Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

Zip + 4 \_\_\_\_\_

**Name the person to contact for questions concerning this proposal.**

Name \_\_\_\_\_

Title \_\_\_\_\_

Phone ( ) \_\_\_\_\_

Toll Free Phone ( ) \_\_\_\_\_

FAX ( ) \_\_\_\_\_

E-Mail Address \_\_\_\_\_

Mailing Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

Zip + 4 \_\_\_\_\_

Physical Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

Zip + 4 \_\_\_\_\_

**BIDDER:** \_\_\_\_\_

**BIDDER QUESTIONNAIRE**

Page 2 of 2

**OWNERSHIP**

Is your firm a subsidiary, parent, holding company, or affiliate of another firm? Yes: \_\_\_\_\_ No: \_\_\_\_\_

Please explain: \_\_\_\_\_

**COMPLIANCE**

 Within the previous five years, has your firm or any of its owners, partners, or officers, been assessed penalties or found to have violated any laws, rules, or regulations enforced or administered by a governmental entity? *This does not include owners of stock if your firm is a publicly traded corporation.* Yes: \_\_\_\_\_ No: \_\_\_\_\_

Please explain \_\_\_\_\_

License(s) are required to perform the services sought by this solicitation. Within the previous five years, has your firm had a license suspended by a licensing agency or been found to have violated licensing laws? Yes: \_\_\_\_\_ No: \_\_\_\_\_

Please explain \_\_\_\_\_

**BUSINESS INTEGRITY**

Is a governmental entity or public utility currently investigating your firm for false claims or material misrepresentations? Yes: \_\_\_\_\_ No: \_\_\_\_\_

Please explain \_\_\_\_\_

Within the previous five years, has a governmental entity or public utility determined your firm made a false claim or material misrepresentation? Yes: \_\_\_\_\_ No: \_\_\_\_\_

Please explain \_\_\_\_\_

 Within the previous five years, has your firm or any of its owners, partners or officers been convicted of a crime involving the bidding on a government contract, the awarding of a government contract, the performance of a government contract, or of a crime of fraud, theft, embezzlement, perjury, bribery? *This does not include Owners of stock if your firm is a publicly traded corporation.* Yes: \_\_\_\_\_ No: \_\_\_\_\_

Please explain \_\_\_\_\_

## IX. SAMPLE CONTRACT

### AGREEMENT CITY OF YAKIMA BID 12344 Asphalt & Materials Re-bid

**THIS AGREEMENT**, entered into on the date of last execution, between the City of Yakima, a Washington municipal corporation ("City"), and \_\_\_\_\_, ("Contractor").

**WITNESSETH:** The parties, in consideration of the terms and conditions herein, do hereby covenant and agree as follows:

#### 1. Statement of Services

The Contractor shall perform all work and service(s) and furnish all tools, materials, labor and equipment (collectively referred to as "Services") according to the procedure outlined in Bid 12344 Asphalt & Materials Re-bid Specifications which are attached as Exhibit A, and the most recent edition of the ANSI/TIA/EIA and NEC Standards, all of which are incorporated herein by this reference, and shall perform any alterations in or additions to the work provided under this Contract and every part thereof.

#### 2. Compensation

The City agrees to pay the Contractor according to Contractor's Bid Form which are attached as Exhibit B, and incorporated herein by this reference, which Exhibit includes the deliverables and payment schedule of itemized prices as listed in the Contractor's Bid submittal at the time and in the manner and upon the conditions provided for the Contract.

#### 3. Contract Term

The period of this Contract shall be for a period of one (1) year from its effective date. The City may, at its option, extend the Contract on a year to year basis for up to two (2) additional years. For a total of three (3) years. Contract extensions shall be automatic, and shall go into effect without written confirmation, unless the City provides advance notice of the intention to not renew or unless the Services have been completed to the City's satisfaction prior to any automatic renewal.

#### 4. Agency Relationship between City and Contractor

Contractor shall, at all times, be an independent Contractor and not an agent or representative of City with regard to performance of the Services. Contractor shall not represent that it is, or hold itself out as, an agent or representative of City. In no event shall Contractor be authorized to enter into any agreement or undertaking for, or on, behalf of City.

#### 5. Successors and Assigns

- a. Neither the City, nor the Contractor, shall assign, transfer, or encumber any rights, duties, or interests accruing from this Contract without the prior written consent of the other.
- b. The Contractor for itself, and for its heirs, executors, administrators, successors, and assigns, does hereby agree to the full performance of all the covenants herein contained upon the part of the Contractor.

#### 6. Property Rights

All records or papers of any sort relating to the City and to the project will at all times be the property of the City and shall be surrendered to the City upon demand. All information concerning the City and said project which is not otherwise a matter of public record or required by law to be made public, is confidential, and the Contractor will not, in whole or part, now or at any time disclose that information without the express written consent of the City.

#### 7. Inspection, Production and Retention of Records

- a. The records relating to the Services shall, at all times, be subject to inspection by and with the approval of the City, but the making of (or failure or delay in making) such inspection or approval shall not relieve Contractor of responsibility for performance of the Services in accordance with this Contract, notwithstanding the City's knowledge of defective or non-complying performance, its substantiality or the ease of its discovery. Contractor shall provide the City sufficient, safe, and

proper facilities, and/or send copies of the requested documents to the City. Contractor's records relating to the Services will be provided to the City upon the City's request.

- b. Contractor shall promptly furnish the City with such information and records which are related to the Services of this Contract as may be requested by the City. Until the expiration of six (6) years after final payment of the compensation payable under this Contract, or for a longer period if required by law or by the Washington Secretary of State's record retention schedule, Contractor shall retain and provide the City access to (and the City shall have the right to examine, audit and copy) all of Contractor's books, documents, papers and records which are related to the Services performed by Contractor under this Contract.
- c. All records relating to Contractor's services under this Contract must be made available to the City, and the records relating to the Services are City of Yakima /Yakima County records. They must be produced to third parties, if required pursuant to the Washington State Public Records Act, Chapter 42.56 RCW, or by law. All records relating to Contractor's services under this Contract must be retained by Contractor for the minimum period of time required pursuant to the Washington Secretary of State's records retention schedule.
- d. The terms of this section shall survive any expiration or termination of this Contract.

## **8. Compliance with Law**

Contractor agrees to perform all Services under and pursuant to this Contract in full compliance with any and all applicable laws, rules, and regulations adopted or promulgated by any governmental agency or regulatory body, whether federal, state, local, or otherwise. Contractor shall procure and have all applicable and necessary permits, licenses and approvals of any federal, state, and local government or governmental authority or this project, pay all charges and fees, and give all notices necessary and incidental to the due and lawful execution of the work.

- a. Procurement of a City Business License. Contractor must procure a City of Yakima Business License and pay all charges, fees, and taxes associated with said license.
- b. Contractor must provide proof of a valid Washington State Contractor Registration number.
- c. Contractor must provide proof of a valid Washington department of Revenue state excise tax registration number, as required in Title 85 RCW.
- d. Contractor must provide proof of a valid Washington Unified Business Identification (UBI) number. Contractor must have a current UBI number and not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065(3).
- e. Contractor must provide proof of a valid Washington Employment Security Department number as required by Title 50 RCW.
- f. Foreign (Non-Washington) Corporations: Although the City does not require foreign corporate proposers to qualify in the City, County or State prior to submitting a proposal, it is specifically understood and agreed that any such corporation will promptly take all necessary measures to become authorized to conduct business in the City of Yakima at their own expense, without regard to whether such corporation is actually awarded the contract, and in the event that the award is made, prior to conducting any business in the City.

## **9. Nondiscrimination Provision**

During the performance of this Contract, the Contractor agrees as follows:

The Contractor shall not discriminate against any person on the grounds of race, creed, color, religion, national origin, sex, age, marital status, sexual orientation, gender identity, pregnancy, veteran's status, political affiliation or belief, or the presence of any sensory, mental or physical handicap in violation of the Washington State Law Against Discrimination (RCW chapter 49.60) or the Americans with Disabilities Act (42 USC 12101 et seq.).

This provision shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, selection for training, and the provision of Services under this Agreement.

In the event of the Contractor's noncompliance with the non-discrimination clause of this contract or with any such rules, regulations, or orders, this Contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for any future City contracts.

#### **10. Pay Transparency Nondiscrimination Provision:**

The Contractor will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant. However, employees who have access to the compensation information of other employees or applicants as a part of their essential job functions cannot disclose the pay of other employees or applicants to individuals who do not otherwise have access to compensation information, unless the disclosure is (a) in response to a formal complaint or charge, (b) in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or (c) consistent with the contractor's legal duty to furnish information.

#### **11. Indemnification and Hold Harmless**

- a. Contractor shall take all necessary precautions in performing the Services to prevent injury to persons or property. The Contractor agrees to release, indemnify, defend, and hold harmless the City, its elected and appointed officials, officers, employees, agents, representatives, insurers, attorneys, and volunteers from all liabilities, losses, damages, and expenses related to all claims, suits, arbitration actions, investigations, and regulatory or other governmental proceedings arising from or in connection with this Agreement or the acts, failures to act, errors or omissions of the Contractor, or any Contractor's agent or subcontractor, in performance of this Agreement, except for claims caused by the City's sole negligence.
- b. **Industrial Insurance Act Waiver.** It is specifically and expressly understood that the Contractor waives any immunity that may be granted to it under the Washington State industrial insurance act, Title 51 RCW, solely for the purposes of this indemnification. Contractor's indemnification shall not be limited in any way by any limitation on the amount of damages, compensation or benefits payable to or by any third party under workers' compensation acts, disability benefit acts or any other benefits acts or programs. Contractor shall require that its subcontractors, and anyone directly or indirectly employed or hired by Contractor, and anyone for whose acts Contractor may be liable in connection with its performance of this Agreement, comply with the terms of this paragraph, waive any immunity granted under Title 51 RCW, and assume all potential liability for actions brought by their respective employees. The Parties acknowledge that they have mutually negotiated this waiver.
- c. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, the Contractor's liability, including the duty and cost to defend, shall be only to the extent of the Contractor's negligence.
- d. Nothing contained in this Section or this Contract shall be construed to create a liability or a right of indemnification in any third party.
- e. The terms of this Section shall survive any expiration or termination of this Contract.

#### **12. Contractor's Liability Insurance**

At all times during performance of the Services and this Contract, Contractor shall secure and maintain in effect insurance to protect the City and Contractor from and against any and all claims, damages, losses, and expenses arising out of or resulting from the performance of this Contract.

Contractor shall provide and maintain in force insurance in limits no less than that stated below, as applicable. The City reserves the right to require higher limits should it deem it necessary in the best interest of the public.



Contractor shall provide a Certificate of Insurance to the City as evidence of coverage for each of the policies and outlined herein. A copy of the additional insured endorsement attached to the policy shall be included with the certificate. This Certificate of insurance shall be provided to the City, prior to commencement of work.

Failure of City to demand such verification of coverage with these insurance requirements or failure of City to identify a deficiency from the insurance documentation provided shall not be construed as a waiver of Contractor's obligation to maintain such insurance.

The following insurance is required:

**a. Commercial Liability Insurance**

Before this Contract is fully executed by the parties, Contractor shall provide the City with a certificate of insurance and additional insured endorsements as proof of commercial liability insurance with a minimum liability limit of Two Million Dollars (\$2,000,000.00) per occurrence, combined single limit bodily injury and property damage, and Two Million Dollars (\$2,000,000.00) general aggregate. If Contractor carries higher coverage limits, such limits shall be shown on the Certificate of Insurance and Endorsements and the City, its elected and appointed officials, employees, agents, attorneys and volunteers shall be named as additional insureds for such higher limits. The certificate shall clearly state who the provider is, the coverage amount, the policy number, and when the policy and provisions provided are in effect. Said policy shall be in effect for the duration of this Contract. The certificate of insurance and additional insured endorsements shall name the City of Yakima, its elected and appointed officials, employees, agents, attorneys and volunteers as additional insureds, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the City prior written notice. The insurance shall be with an insurance company or companies rated A-VII or higher in Best's Guide and admitted in the State of Washington. The requirements contained herein, as well as City of Yakima's review or acceptance of insurance maintained by Contractor is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by Contractor under this contract.

**b. Automobile Liability Insurance**

Before this Contract is fully executed by the parties, Contractor shall provide the City with a certificate of insurance as proof of automobile liability insurance with a minimum liability limit of Two Million Dollars (\$2,000,000.00) per occurrence. If Contractor carries higher coverage limits, such limits shall be shown on the Certificate of Insurance and Endorsements and the City, its elected and appointed officials, employees, agents, attorneys and volunteers shall be named as additional insureds for such higher limits. The certificate shall clearly state who the provider is, the coverage amount, the policy number, and when the policy and provisions provided are in effect. Said policy shall be in effect for the duration of this Contract. The certificate of insurance and additional insured endorsements shall name the City of Yakima, its elected and appointed officials, employees, agents, attorneys and volunteers as additional insureds, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the City prior written notice. The insurance shall be with an insurance company or companies rated A-VII or higher in Best's Guide and admitted in the State of Washington. The requirements contained herein, as well as City of Yakima's review or acceptance of insurance maintained by Contractor is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by Contractor under this contract. The business auto liability shall include Hired and Non-Owned coverage if necessary.

**c. Employer's Liability (Stop Gap)**

Contractor and all subcontractor(s) shall at all times comply with all applicable workers' compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable, and shall maintain Employer's Liability insurance with a limit of no less than \$1,000,000.00. The City shall not be held responsible in any way for claims filed by Contractor or its employees for services performed under the terms of this Contract. Contractor agrees to assume full liability for all claims arising from this Contract including claims resulting from negligent acts of all subcontractor(s). Contractor is responsible to ensure subcontractor(s) have insurance as needed. Failure of subcontractors(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.

Commercial General Liability:	Combined Single Limit:	\$2,000,000 Per Occurrence
		\$2,000,000 Annual Aggregate
Automobile Liability		\$2,000,000 Per Occurrence

Contractor's insurance coverage shall be primary insurance with respect to those who are Additional Insureds under this Contract. Any insurance, self-insurance or insurance pool coverage maintained by the City shall be in excess of the Contractor's insurance and neither the City nor its insurance providers shall contribute to any settlements, defense costs, or other payments made by Contractor's insurance.

If at any time during the life of the Contract, or any extension, Contractor fails to maintain the required insurance in full force and effect, all work under the contract shall be discontinued immediately. Any failure to maintain the required insurance may be sufficient cause for the City to terminate the Contract. All additional insured endorsements required by this Section shall include an explicit waiver of subrogation.

### **13. Severability**

If any term or condition of this Contract or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Contract are declared severable.

### **14. Contract Documents**

This Contract, the Invitation to Bid 12338 Scope of Work, conditions, addenda, and modifications and Contractor's proposal (to the extent consistent with City of Yakima documents) constitute the Contract Documents and are complementary. Specific Federal and State laws and the terms of this Contract, in that order respectively, supersede other inconsistent provisions. These Contract Documents are on file in the Office of the Purchasing Manager, 129 No. 2<sup>nd</sup> St., Yakima, WA, 98901, and are hereby incorporated by reference into this Contract.

### **15. Termination**

#### Termination for Cause

In the event the Contractor breaches this Contract, the City may terminate the Contract at its sole discretion in such event that it provides the Contractor with written notice of Contractor's breach and the Contractor fails to cure its breach within 30 days of this notice.

In the event of the City breaches this Contract, the Contractor may terminate the Contract at its sole discretion in such event that it provides the City with written notice of City's breach and the City fails to cure its breach of the Contract within 60 days of this notice.

The following represents a non-exclusive, illustrative list of instances that shall be considered a breach by the Contractor:

- a. Defaults on an obligation under the Contract;
- b. Fails to perform any material obligation required under the Contract;
- c. Files a petition in bankruptcy, becomes insolvent, or otherwise takes action to dissolve as a legal entity;
- d. Allows any final judgment not to be satisfied or a lien not to be disputed after a legally-imposed, 30-day notice;
- e. Makes an assignment for the benefit of creditors;
- f. Fails to follow the sales and use tax certification requirements of the State of Washington;
- g. Incurs a delinquent Washington tax liability;
- h. Becomes a State or Federally debarred Contractor;
- i. Is excluded from federal procurement and non-procurement Contracts;
- j. Fails to maintain and keep in force all required insurance, permits and licenses as provided in the Contract;
- k. Fails to maintain the confidentiality of the City information that is considered to be Confidential Information, proprietary, or containing Personally Identifiable Information;
- l. Contractor performance threatens the health or safety of a City, County or municipal employee; or

### Termination for Convenience

The City may terminate the Contract, without cause, by providing 30 days written notice of termination.

In the event of termination for convenience, the Contractor shall be entitled to receive compensation for any fees owed under the Contract. The Contractor shall also be compensated for partially completed services. In this event, compensation for such partially completed services shall be no more than the percentage of completion of the services requested, at the sole discretion of the City, multiplied by the corresponding payment for completion of such services as set forth in the Contract. Alternatively, at the sole discretion of the City, the Contractor may be compensated for the actual service hours provided. The City shall be entitled to a refund for goods or services paid for but not received or implemented, such refund to be paid within 30 days of written notice to the Contractor requesting the refund.

### Change in Funding

In addition to the above termination provisions, if the funds upon which the City relied to establish this Contract are withdrawn, reduced, or limited, or if additional or modified conditions are placed on such funding, the City may terminate this Contract by providing at least five business days written notice to the Contractor. The termination shall be effective on the date specified in the notice of termination.

### **16. Dispute Resolution**

In the event that any dispute shall arise as to the interpretation of this agreement, or in the event of a notice of default as to whether such default does constitute a breach of the contract, and if the parties hereto cannot mutually settle such differences, then the parties shall first pursue mediation as a means to resolve the dispute. If the afore mentioned methods are either not successful then any dispute relating to this Agreement shall be decided in the courts of Yakima County, in accordance with the laws of Washington. If both parties consent in writing, other available means of dispute resolution may be implemented.

### **17. Re-Award**

When the contract is terminated by the Contractor upon providing the written notice as herein required, the City, pursuant to City ordinance, may re-award the contract to the next most responsible Proposer within 120 days from original award.

When a Contractor is unable to supply goods and/or services to the City and is in breach of the contract, or when the contract is terminated by the City for cause as herein provided, the City reserves the right to re-award the contract to the next most responsible Proposer within 120 days from original award.

### **18. Force Majeure**

Contractor will not be responsible for delays in delivery due to acts of God, fire, strikes, epidemics/pandemics, war, riot, delay in transportation or railcar transport shortages, provided Contractor notifies the City immediately in writing of such pending or actual delay. Normally, in the event or any such delays (acts or God, etc.) the date of delivery will be extended for a period equal to the time lost due to the reason for delay.

### **19. Governing Law**

This Contract shall be governed by and construed in accordance with the laws of the State of Washington.

### **20. Venue**

The venue for any judicial action to enforce or interpret this Contract shall lie in a court of competent jurisdiction in Yakima County, Washington.

### **21. Authority**

The person executing this Contract, on behalf of Contractor, represents and warrants that they have has been fully authorized by Contractor to execute this Contract on its behalf and to legally bind Contractor to all the terms, performances and provisions of this Contract.

### **22. Notice of Change in Financial Condition**

If, during the Contract Term, the Contractor experiences a change in its financial condition that may affect its ability to perform under the Contract, or experiences a change of ownership or control, the Contractor shall immediately notify the City in writing. Failure to notify the City of such a change in financial condition or change of ownership or control shall be sufficient grounds for Contract termination.

### 23. Change or Notice

Any alterations, including changes to the nature of the service, made to the Contract shall be rendered in writing and signed by both responsible parties; no changes without such signed documentation shall be valid. No alterations outside of the general scope and intent of the original Request for Proposals or in excess of allowable and accepted price changes shall be made.

In no event shall the Contractor be paid or be entitled to payment for services that are not authorized herein or any properly executed amendment.

Notice of Business Changes: Contractor shall notify the City in writing within three (3) business days of any change in ownership of the facilities of the Contractor or of the facilities of any subcontractor. The Contractor shall notify the City in writing as soon as possible, and in no event later than three (3) business days, after any decision by the Contractor to change or discontinue service that will affect services provided to the City under this Contract.

The City shall have the right to renegotiate the terms and conditions of this Contract to the extent required to accommodate a change in governing law or policy that, in the sole discretion of the City, either substantially and unreasonably enlarges the Contractor's duties hereunder, or renders performance, enforcement or compliance with the totality of the Contract impossible, patently unreasonable, or unnecessary. Notices and demands under and related to this Contract shall be in writing and sent to the parties at their addresses as follows:

TO CITY:  
Jay Kendall  
Streets Maintenance Supervisor  
City of Yakima  
129 North 2<sup>nd</sup> Street  
Yakima WA, 98901

COPY TO:  
Christina Payer  
Buyer II  
City of Yakima  
129 North 2<sup>nd</sup> Street  
Yakima, WA 98901

**TO CONTRACTOR:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### 24. Survival

The foregoing sections of this Contract, 1-24 inclusive, shall survive the expiration or termination of this Contract in accordance with their terms.

**IN WITNESS WHEREOF**, the parties hereto execute this Contract as of the day and year first above written.

**CITY OF YAKIMA**

**[ENTER CONTRACTOR NAME]**

\_\_\_\_\_  
City Manager

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

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Attest:**

\_\_\_\_\_  
(Print name)

\_\_\_\_\_  
City Clerk

### List of Exhibits attached to this contract

Exhibit A – Specifications

Exhibit B – Contractor's Bid Form

12344 Asphalt & Materials Re-bid - Line Items Bid No 12331

Page **28** of **32**

**EXHIBIT A - SPECIFICATIONS****EXHIBIT B - CONTRACTOR'S BID FORM**

## X. SAMPLE INSURANCE

ACORD®		CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) CURRENT DATE			
THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.							
IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).							
PRODUCER		CONTACT NAME: INSURANCE AGENT ISSUING CERTIFICATE					
INSURANCE AGENT ISSUING CERTIFICATE		PHONE (A/C, No, Ext):		FAX (A/C, No):			
		E-MAIL ADDRESS:					
INSURED		INSURER(S) AFFORDING COVERAGE			NAIC #		
		INSURER A: A-VIII OR BETTER, ADMITTED CARRIER					
		INSURER B:					
		INSURER C:					
		INSURER D:					
		INSURER E:					
Entity Insured Address		INSURER F:					
COVERAGES							
CERTIFICATE NUMBER:		REVISION NUMBER:					
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.							
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE \$ 2,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
A				POLICY NUMBER	START DATE	STOP DATE	MED EXP (Any one person) \$ 5,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY \$ 1,000,000
	<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC						GENERAL AGGREGATE \$ 2,000,000
	OTHER:						PRODUCTS - COM/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000
A	<input checked="" type="checkbox"/> ANY AUTO			POLICY NUMBER	START DATE	STOP DATE	BODILY INJURY (Per person) \$
	OWNED AUTOS ONLY						BODILY INJURY (Per accident) \$
	HIRE AUTOS ONLY						PROPERTY DAMAGE (Per accident) \$
	SCHEDULED AUTOS						\$
	NON-OWNED AUTOS ONLY						\$
	UMBRELLA LIAB						EACH OCCURRENCE \$
	EXCESS LIAB						AGGREGATE \$
	DED						\$
	RETENTION \$						\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			POLICY NUMBER	START DATE	STOP DATE	PER STATUTE <input checked="" type="checkbox"/> OTH-ER \$ 1,000,000
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)			STOP GAP/ EL ONLY			EL EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						EL DISEASE - EA EMPLOYEE \$ 1,000,000
							EL DISEASE - POLICY LIMIT \$ 1,000,000
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)							
The City of Yakima, its agents, employees, authorized volunteers, elected and appointed officials are included as Primary/Non-Contributory additional insured. See attached Additional Insured Endorsement.							
CERTIFICATE HOLDER				CANCELLATION			
City of Yakima Purchasing Department 129 N. 2nd St. Yakima, WA 98901				SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.			
				AUTHORIZED REPRESENTATIVE			
				SIGNATURE			

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ACORD 25 (2016/03)

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POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY  
CG 20 10 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED PERSON OR  
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
<p>The City of Yakima, its agents, employees, authorized volunteers, elected and appointed officials are included as Primary/Non-Contributory additional insured.</p>	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

**B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

CG 20 10 07 04

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Page 1 of 1 □

POLICY NUMBER:CGD300084907

COMMERCIAL GENERAL LIABILITY  
CG 24 04 12 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY  
AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 ELECTRONIC DATA LIABILITY COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART DESIGNATED SITES  
 POLLUTION LIABILITY LIMITED COVERAGE PART DESIGNATED SITES  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
 UNDERGROUND STORAGE TANK POLICY DESIGNATED TANKS

**SCHEDULE****Name Of Person(s) Or Organization(s):**

Where required by written contract or agreement executed prior to loss (except where not permitted by law).

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 8. Transfer Of  
 Rights Of Recovery Against Others To Us of  
**Section IV – Conditions:**

We waive any right of recovery against the person(s)  
 or organization(s) shown in the Schedule above  
 because of payments we make under this Coverage  
 Part. Such waiver by us applies only to the extent that  
 the insured has waived its right of recovery against  
 such person(s) or organization(s) prior to loss. This  
 endorsement applies only to the person(s) or  
 organization(s) shown in the Schedule above.

CG 24 04 12 19

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Page 1 of 1



# Exhibit B

(Contractor's Bid Forms)

**City of Yakima**  
**NOTICE TO BIDDERS**  
**BID 12344**

Notice is hereby given by the undersigned that electronic sealed Bids will be accepted via PublicPurchase.com until the hour of 2:00:00 PM PST on December 15, 2023. Bids will be publicly opened in Yakima City Hall, Council Chambers, 129 N. 2nd Street, Yakima, Washington 98901. At such time, Bids will be publicly read for: **Asphalt & Materials Re-bid for Public Works**. Instructions to register with PublicPurchase.com are available at [www.yakimawa.gov/services/purchasing](http://www.yakimawa.gov/services/purchasing).

The City of Yakima reserves the right to reject any & all BIDs. The City hereby notifies all Bidders that it will affirmatively ensure compliance with WA State Law Against Discrimination (RCW chapter 49.60) & the Americans with Disabilities Act (42 USC 12101 et set.)

Dated November 29, 2023. Publish on December 1 & 3, 2023  
Christina Payer, Buyer II



# CITY OF YAKIMA INVITATION TO BID 12344 COVER SHEET

THIS IS NOT AN ORDER

BID Release Date: December 1, 2023

**Bid Receipt:** Bidders must first register with PublicPurchase.com and Bid shall be completely uploaded into PublicPurchase.com no later than the date and time listed below. Register as early as possible and do not wait until the due date to upload your documents, as this may take some time. If you try to submit a Bid late, the electronic system will not receive it. Bid openings are public. Late Bids will not be accepted or evaluated. Bids shall be firm for acceptance for ninety (90) days from date of Bid opening, unless otherwise noted.

## BIDS ARE ONLY RECEIVED THROUGH PUBLICPURCHASE.COM

Purchasing For:

City of Yakima – Streets & Water/Irrigation  
2301 Fruitvale Blvd  
Yakima, WA 98902

Buyer in charge of this procurement (Contact for further information):

Christina Payer, Buyer II

Bids Must be completely uploaded by:

**December 15, 2023 at 2:00:00 PM PST**

Public Opening ☒

Phone

(509) 576-6696

E-Mail Address

[Christina.payer@yakimawa.gov](mailto:Christina.payer@yakimawa.gov)

## PROJECT DESCRIPTION SUMMARY

### Asphalt & Materials Re-bid for Streets & Water/Irrigation Divisions

(Re-bid of line items from Bid No. 12331)

Enter Prompt Payment Discount: N/A % net N/A days

We/I will complete delivery within 3 days after receipt of order.

**Delivery Details:** FOB Destination, Freight Prepaid

☐ I hereby acknowledge receiving addendum(a) \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ (use as many spaces as addenda received)

In signing this Bid we also certify that we have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition; that no attempt has been made to induce any other person or firm to submit or not to submit a Bid; that this Bid has been independently arrived at without collusion with any other Bidder, competitor or potential competitor; that this Bid has not been knowingly disclosed prior to the opening of Bids to any other Bidder or competitor; that the above statement is accurate under penalty of perjury.

Furthermore, the Washington State Interlocal Cooperative Act (RCW 39.34) provides that other governmental agencies may purchase goods or services on this solicitation or contract in accordance with the terms and prices indicated therein if all parties agree. The City does not accept any responsibility or involvement in the purchase orders or contracts issued by other public agencies.

We will comply with all terms, conditions and specifications required by the City of Yakima in this Invitation to Bid and all terms of our Bid.

Company Name

Granite Construction Company

Company Address

80 Pond Rd. Yakima WA 98901

Name of Authorized Company Representative (Type or Print)

Shane Berrett

Title

Material Manager

Phone (425) 407-2330

Fax (509) 576-7056

Signature of Above

Date

12-15-2023

Email Address

Shane.Berrett@gcinc.com

- N – No.** The Bidder’s product does not currently satisfy the entire requirement, and the Bidder’s delivered product will not satisfy the requirement.
- E – Explanation.** The Bidder’s product partially satisfies the requirement and an explanation is included in the response.
- MR – Modification Required.** The Bidder’s product does not currently satisfy the requirement, but the Bidder commits that the delivered base product will satisfy the requirement at no additional cost and shall be supported in future releases of the Bidder’s base products.

The following Technical Specifications Analysis shall be answered with a Y or N. Checking “NO” on any item will not necessarily disallow a Bid. The City shall be the sole judge as to whether an exception is acceptable or not. Bidders are encouraged to provide further detail where such detail might differentiate their products from those of their competitors or where such detail might assist in analysis of the Bid. **Technical Specification Analysis shall be returned with the Bid Submittal. FAILURE TO DO SO WILL BE CAUSE FOR REJECTION OF SAID BID SUBMITTAL.**

**\*Upload with Bid Submittal\***

Item #	Specification	Yes	No	Comments
1	Ready Mix Concrete delivered under this bid shall be State of Washington Class 3000 Commercial Concrete, 5-3/4 sack mix. Concrete shall be in accordance with Section 6-02.3(2) B of the latest edition of Standard Specifications for Road, Bridge and Municipal Construction (WSDOT and APWA). Slump for individual delivery will be designated at the time of order. The price bid is for Class B Ready Mix Concrete for either or both FOB Vendor’s plant and delivery on demand. <u>A copy of Vendor’s cartage schedule for concrete delivery in the various zones within the City shall be furnished along with his bid.</u>	N/A	N/A	
2	Crushed stone surfacing shall be manufactured from 100% fractured ledge rock, talus, or gravel in accordance with Section 9-03.9 (3) and (4) of latest edition of Standard Specifications (WSDOT and APWA), except as stated below for percentages of sizes passing designated screens.	Yes		

Item #	Specification	Yes	No	Comments																																																																																							
	<table><tr><th colspan="2">PASSING</th><th>%</th></tr><tr><td>3/8" -- 0</td><td>3/8"</td><td>97-100 passing</td></tr><tr><td></td><td>1/4"</td><td>62-85 passing</td></tr><tr><td></td><td>No. 10</td><td>5-25 passing</td></tr><tr><td></td><td>No. 40</td><td>2-10 passing</td></tr><tr><td></td><td>No. 200</td><td>0-7 passing</td></tr><tr><td>5/8" -- 0</td><td>5/8"</td><td>100</td></tr><tr><td></td><td>1/4"</td><td>55-75</td></tr><tr><td></td><td>No. 40</td><td>8-24</td></tr><tr><td></td><td>No. 200</td><td>10 Max. wet sieving</td></tr><tr><td>1-1/4" -- 0</td><td>1-1/4"</td><td>100</td></tr><tr><td></td><td>5/8"</td><td>50-80</td></tr><tr><td></td><td>1/4"</td><td>30-50</td></tr><tr><td></td><td>No. 40</td><td>3-18</td></tr><tr><td></td><td>No. 200</td><td>7.5 Max. wet sieving</td></tr><tr><td>1/2" -- #6</td><td>1/2"</td><td>100</td></tr><tr><td>Sealcoat Chips</td><td></td><td></td></tr><tr><td></td><td>3/8"</td><td>70-80</td></tr><tr><td></td><td>1/4"</td><td>25-40</td></tr><tr><td></td><td>No. 6</td><td>0-15</td></tr><tr><td></td><td>No. 10</td><td>0-3</td></tr><tr><td>3/8" -- #10</td><td>3/8"</td><td>70-80</td></tr><tr><td>Sealcoat Chips</td><td></td><td></td></tr><tr><td></td><td>1/4"</td><td>25-40</td></tr><tr><td></td><td>No. 6</td><td>0-15</td></tr><tr><td></td><td>No. 10</td><td>0-3</td></tr><tr><td>5/16" Chips for Sanding</td><td>5/16"</td><td>100%</td></tr><tr><td></td><td>No. 10</td><td>0-60%</td></tr><tr><td></td><td></td><td>0-2%</td></tr></table>	PASSING		%	3/8" -- 0	3/8"	97-100 passing		1/4"	62-85 passing		No. 10	5-25 passing		No. 40	2-10 passing		No. 200	0-7 passing	5/8" -- 0	5/8"	100		1/4"	55-75		No. 40	8-24		No. 200	10 Max. wet sieving	1-1/4" -- 0	1-1/4"	100		5/8"	50-80		1/4"	30-50		No. 40	3-18		No. 200	7.5 Max. wet sieving	1/2" -- #6	1/2"	100	Sealcoat Chips				3/8"	70-80		1/4"	25-40		No. 6	0-15		No. 10	0-3	3/8" -- #10	3/8"	70-80	Sealcoat Chips				1/4"	25-40		No. 6	0-15		No. 10	0-3	5/16" Chips for Sanding	5/16"	100%		No. 10	0-60%			0-2%			
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3	Material shall be weighed at the expense of the Contractor in accordance with Section 1-09.2 of the 2013 Standard Specifications for Road, Bridge, and Municipal Construction prepared by WSDOT and APWA.	Yes																																																																																									
4	Asphaltic concrete (Class G) shall be manufactured in accordance with Section 5-04 of the latest edition of Standard Specifications for Road, Bridge, and Municipal Construction prepared by the WSDOT and APWA and shall be constructed of 3/8" - 0" crushed stone. Asphalt shall be PG-6422 with the asphalt percent of total mixture between 5.5% and 7.5%.	Yes																																																																																									
5	5/16"-0 Maintenance Sand shall be produced from material which is free from roots, earth and other extraneous material. All oversized gravel occurring in the sources up to and including cobbles of 10inches in the greatest dimension shall be entirely utilized in the production of maintenance Sand. Maintenance Sand shall be produced in accordance with Sections 3-01 and 3-02 of the latest editions of Standard Specifications for Road, Bridge, and Municipal Construction prepared by the WSDOT and APWA.		No																																																																																								

Item #	Specification	Yes	No	Comments
6	Asphaltic concrete (Class A) shall be manufactured in accordance with Section 5-04 of the latest edition of Standard Specifications for Road, Bridge, and Municipal Construction prepared by the WSDOT and APWA, constructed of 5/8" - 0" crushed stone and PG-6422 asphalt. Temperature requirements for stone and asphalt listed under Section 5-04 shall apply. Asphalt shall be PG-6422 with the asphalt percent of the total mixture between 5.5% and 7.5%.	Yes		
7	Material of each size and type shall be available during any work day, Monday through Friday, between the hours of 8:00 a.m. and 5:00 p.m., upon 24-hour notice by the City. It is understood that hot mix machinery shuts down during the winter months. The requesting Department or Division Head in charge of the work and the Vendor's representative shall establish, by mutual consent, a delivery schedule.	Yes		
8	The supplier is required to have suitable loading equipment available each working day from 8:00 a.m. to 5:00 p.m. with a bucket size not less than 1-1/2 cu. yd.	Yes		
9	Should the supplier be unable to or refuse to supply materials, on any given day, against this predetermined delivery schedule to which he has agreed and the City is forced to do the work with materials bought from a different supplier, the difference in the bid price of the materials and that paid the new supplier, in order to do the work, shall be for the account of the supplier holding the bid award for these products.  Exceptions to this section shall be as follows: A. Unavoidable mechanical breakdowns. B. Strikes. C. Inability to secure component materials. D. Acts of God. <b>Exceptions:</b> Provided the City of Yakima Purchasing Manager is notified in writing by the Supplier of such pending or actual delay. In the event of any delay, the date of delivery shall be extended for a period equal to the time lost due to the reason for the delay.	Yes		Sealcoat chips require a 30 day notice prior to the desired date of pick up
10	The contractor will be required to perform his own plant calibration and preliminary testing of the products to be furnished under this contract.	Yes		

Item #	Specification	Yes	No	Comments
	After the crushed stone surfacing or asphaltic mix meets the specifications, the City shall be notified that the product is ready for pickup/delivery. The City will require two initial samples under supervision of a City representative to verify the quality of the materials offered and additional samples at the City's discretion throughout the crushing activity.	Yes		
11	The contractor will be required to furnish testing laboratory equipment at his plant where the proper equipment, in good repair, will be available for these verification tests until such time as these preliminary tests and verifications have been made.	Yes		
12	The contractor shall furnish a heated pumping system for tack oil at their plant site.	Yes		

## VII. BID FORM

### INVITATION TO BID NO. 12344

**\*Upload with Bid Submittal\***

**TO BIDDER:** PLEASE QUOTE YOUR LOWEST PRICE, BEST DELIVERY DATE AND PAYMENT DISCOUNT TERMS FOR THE FOLLOWING. THE CITY RESERVES THE RIGHT TO REJECT ANY OR ALL BIDS AND TO ACCEPT ANY OR ALL ITEMS AT THE PRICE BID. THE CITY INTENDS TO AWARD THIS CONTRACT WITHIN 60 CALENDAR DAYS.

The City of Yakima is accepting bids on Ready Mix, Rock, Hot & Cold Mix, Tack Oil, and Miscellaneous Additives per Specifications. Contract may be awarded to more than one Bidder.

On items that are designated FOB Vendor's Plant, Bids will be considered from Manufacturer's operating pits within ten (10) miles of at least one of the following addresses:

- 2301 Fruitvale Blvd, Yakima WA 98901
- 204 W Pine, Yakima, WA 98902

**Bidders shall quote prices below for both FOB City Shop Complex and FOB Vendor's Plant. Materials will either be delivered or picked up at the City's option. Quantities below are estimates only and materials will be ordered on an as-needed basis.**

FOB (Freight on Board) Destination: The seller retains the legal title to the goods until they reach the location of the buyer. Seller pays for the transportation of the freight and takes care of additional freight charges until the goods reach the buyer.

***Prices below shall be all inclusive of materials, equipment, labor, delivery, fuel, and all surcharges.***

Item No.	Description	Qty	Unit of Measure	Price Per Unit	Total Price (without tax)
<b>SCHEDULE 1 – COMMERCIAL READY MIX</b>					
State of Washington Class B Concrete, 5-3/4 sack mix, requirements per the following specifications.					
<b>1.a</b>	5.75/Class 3000 Commercial Ready Mix – City Stock #12637 <b>FOB City Shop Complex</b>	<b>1843</b>	<b>Cu. Yd.</b>	<b>\$ <u>N/A</u></b>	<b>\$ <u>N/A</u></b>
<b>1.b</b>	5.75/Class 3000 Commercial Ready Mix – City Stock #12637 <b>FOB Vendor's Plant</b>	<b>1843</b>	<b>Cu. Yd.</b>	<b>\$ <u>N/A</u></b>	<b>\$ <u>N/A</u></b>
<b>2.a – 2.b</b>	<b>Previously Awarded</b>				
<b>SCHEDULE 2 – MANUFACTURED CRUSHED ROCK</b>					
<b>3.a – 3.b</b>	<b>Previously Awarded</b>				



Item No.	Description	Qty	Unit of Measure	Price Per Unit	Total Price (without tax)
4.a	5/8" Minus Manufactured Crushed Rock – City Stock #7393 <b>FOB City Shop Complex</b>	5100	Tons	\$ <u>N/A</u>	\$ <u>N/A</u>
4.b	5/8" Minus Manufactured Crushed Rock – City Stock #7393 <b>FOB Vendor's Plant</b>	5100	Tons	\$ <u>13.50</u>	\$ <u>68,850.00</u>
5.a	1-1/4" -- 0 Manufactured Crushed Rock - <b>FOB City Shop Complex</b>	100	Tons	\$ <u>N/A</u>	\$ <u>N/A</u>
5.b	1-1/4" -- 0 Manufactured Crushed Rock - <b>FOB Vendor's Plant</b>	100	Tons	\$ <u>13.50</u>	\$ <u>1,350.00</u>
6.a	3/8" -- #4 Sealcoat Chips – <b>FOB City Shop Complex</b>	5000	Tons	\$ <u>N/A</u>	\$ <u>N/A</u>
6.b	3/8" -- <del>#4</del> Sealcoat Chips – <b>#10</b> <b>FOB Vendor's Plant</b>	5000	Tons	\$ <u>15.50</u>	\$ <u>77,500.00</u>
7.a	1/2" -- #4 Sealcoat Chips – <b>FOB City Shop Complex</b>	3000	Tons	\$ <u>N/A</u>	\$ <u>N/A</u>
7.b	1/2" -- #4 Sealcoat Chips – <b>FOB Vendor's Plant</b>	3000	Tons	\$ <u>15.50</u>	\$ <u>46,500.00</u>
8.a	Drain Rock, 1 1/2" Round Washed Rock– City Stock #7705 <b>FOB City Shop Complex</b>	100	Tons	\$ <u>N/A</u>	\$ <u>N/A</u>
8.b	Drain Rock, 1 1/2" Round Washed Rock –City Stock #7705 <b>FOB Vendor's Plant</b>	100	Tons	\$ <u>N/A</u>	\$ <u>N/A</u>
9.a	1/4" minus - Chips for sanding – maintenance rock <b>FOB City Shop Complex</b>	1500	Tons	\$ <u>N/A</u>	\$ <u>N/A</u>
9.b	1/4" minus - Chips for sanding – maintenance rock <b>FOB Vendor's Plant</b>	1500	Tons	\$ <u>16.00</u>	\$ <u>24,000.00</u>
<b>SCHEDULE 3 – ASPHALIC HOT AND COLD MIX</b>					
10 – 15.b	Previously Awarded				
<b>SCHEDULE 4 – TACK OIL</b>					
16	Previously Awarded				
<b>SCHEDULE 5 – MISCELLANEOUS</b>					
17	Previously Awarded				
18	Previously Awarded				

Item No.	Description	Qty	Unit of Measure	Price Per Unit	Total Price (without tax)
19	Demurrage / Stand-by Excess for Mixer over 2 HR unload time or in excess of six minutes per Cu. Yd., whichever cost to the City is less, and when the delay is caused by the City	1	Minute	\$ <u>N/A</u>	\$ <u>N/A</u>
20	Split/Short Loads for Concrete. State minimum concrete load (e.g. 9 cu yd)  State Minimum: _____	1	Load	\$ <u>N/A</u>	\$ <u>N/A</u>
SUBTOTAL					\$ <u>218,200.00</u>
WA STATE SALES TAX – Destination Based @ <u>8.3</u> %					\$ <u>18,110.60</u>
TOTAL					\$ <u>236,310.60</u>
<b>THIS FIELD IS MANDATORY. FAILURE TO COMPLETE MAY RESULT IN REJECTION OF BID</b>  List discount offered off list price for any other items not specifically listed above: <u>10</u> % OR Percent markup from cost: <u>N/A</u> %					

## VIII. BIDDER QUESTIONNAIRE

Page 1 of 2

INSTRUCTIONS: Provide the requested information, sign and date. If the Owner requires further description, the Owner may request bidder to provide such information within a mandatory due date. You must submit this completed form to the Owner with your Bid Proposal. **Failure to submit this form fully complete, may result in disqualification of Bid.**

### BIDDER INFORMATION

**Bidder's Legal Name:** Granite Construction Company

**Company's dba:** (if applicable) N/A

CEO/President  
Name: Kyle Larkins

Business License No. 170187 UBI No. 409-023-062 Federal EIN No. 94-0519552

Phone ( 509 ) 823-0641 Toll Free Phone ( )

FAX ( ) N/A E-Mail Address Keith.Majors@gcinc.com

Mailing Address 80 Pond Rd

City Yakima State WA Zip + 4 98901-9354

Physical Address 80 Pond Rd

City Yakima State WA Zip + 4 98901-9354

### Name the person to contact for questions concerning this proposal.

Name Torrey Hill Title Assistant Plant Manager

Phone (209 ) 234-3599 Toll Free Phone ( ) N/A

FAX ( ) N/A E-Mail Address torrey.hill@gcinc.com

Mailing Address 80 Pond Rd

City Yakima State WA Zip + 4 98901-9354

Physical Address 80 Pond Rd

City Yakima State WA Zip + 4 98901-9354

**BIDDER:** Granite Construction Company
**BIDDER QUESTIONNAIRE**

Page 2 of 2

**OWNERSHIP**

 Is your firm a subsidiary, parent, holding company, or affiliate of another firm? Yes: \_\_\_\_\_ No: X ☐

Please explain: \_\_\_\_\_

**COMPLIANCE**

 Within the previous five years, has your firm or any of its owners, partners, or officers, been assessed penalties or found to have violated any laws, rules, or regulations enforced or administered by a governmental entity? *This does not include owners of stock if your firm is a publicly traded corporation.* Yes: \_\_\_\_\_ No: X ☐

Please explain \_\_\_\_\_

 License(s) are required to perform the services sought by this solicitation. Within the previous five years, has your firm had a license suspended by a licensing agency or been found to have violated licensing laws? Yes: \_\_\_\_\_ No: X ☐

Please explain \_\_\_\_\_

**BUSINESS INTEGRITY**

 Is a governmental entity or public utility currently investigating your firm for false claims or material misrepresentations? Yes: \_\_\_\_\_ No: X ☐

Please explain \_\_\_\_\_

 Within the previous five years, has a governmental entity or public utility determined your firm made a false claim or material misrepresentation? Yes: \_\_\_\_\_ No: X ☐

Please explain \_\_\_\_\_

 Within the previous five years, has your firm or any of its owners, partners or officers been convicted of a crime involving the bidding on a government contract, the awarding of a government contract, the performance of a government contract, or of a crime of fraud, theft, embezzlement, perjury, bribery? *This does not include Owners of stock if your firm is a publicly traded corporation.* Yes: \_\_\_\_\_ No: X ☐

Please explain \_\_\_\_\_





# **Bid Tabulation & Comparison**

**Project:** Asphalt and Materials (Rebid 12331)

**Bid Opening:** December 14, 2:00:00 PM PST

**Project No.:** 12344

**Department:** Streets/Water-Irrigation

**Project Manager:** Jay Kendall/Maria Martinez

3 years

Contract Term

Approved:

[Signature]

2/29/2024

City Manager, Date

AWARD AND REASON THEREFORE:	Vendor Name	Vendor Name	Vendor Name	Vendor Name
I recommend award of line items 4b and 5b to Granite Construction, based on theirs being a responsive bid received from a responsible bidder. I recommend that no award be made for line items 1a, 1b, 6b, 7b, 8b, 9b, 19 & 20; due to not receiving any responsive bids from a responsible bidder.  <u>[Signature]</u> BUYER / DATE	Central Pre-Mix <b>NON RESPONSIVE</b>	D & S Rock	Granite Construction	

## **Schedule 1 - Commercial Ready Mix**

State of Washington Class B Concrete, 5-3/4 sack mix, requirements per the following specifications.

No.	Description	Qty.	Unit	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1.a	5.75/Class 3000 Commercial Ready Mix – City Stock #12637 <b>FOB City Shop Complex</b>	1,843	Cu. Yd.	185.00	340,955.00	0.00	0.00	0.00	0.00	0.00	0.00
1.b	5.75/Class 3000 Commercial Ready Mix – City Stock #12637 <b>FOB Vendor's Plant</b>	1,843	Cu. Yd.	185.00	340,955.00	0.00	0.00	0.00	0.00	0.00	0.00
2.a- 2.b	Previously Awarded Under Bid 12331										

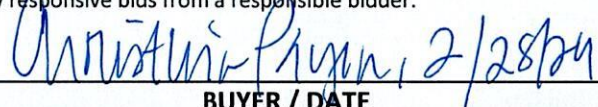
## **Schedule 2 - Manufactured Crushed Rock**

No.	Description	Qty.	Unit	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
3.a- 3.b	Previously Awarded Under Bid 12331										
4.a	5/8" Minus Manufactured Crushed Rock – City Stock #7393 <b>FOB City Shop Complex</b>	5,100	Tons	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.b	5/8" Minus Manufactured Crushed Rock – City Stock #7393 <b>FOB Vendor's Plant</b>	5,100	Tons	13.50	68,850.00	13.50	68,850.00	13.50	68,850.00	0.00	0.00



[illegible]



AWARD AND REASON THEREFORE:				Vendor Name		Vendor Name		Vendor Name		Vendor Name	
I recommend award of line items 4b and 5b to Granite Construction, based on theirs being a responsive bid received from a responsible bidder. I recommend that no award be made for line itmes 1a, 1b, 6b, 7b, 8b, 9b, 19 & 20; due to not receiving any responsive bids from a responsible bidder.   BUYER / DATE				Central Pre-Mix NON RESPONSIVE		D & S Rock		Granite Construction			
Schedule 4 - Tack Oil											
16	Previously Awarded Under Bid 12331										
Schedule 5 - Miscellaneous											
No.	Description	Qty.	Unit	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
17-18	Previously Awarded Under Bid 12331										
19	Demurrage / Stand-by Excess for Mixer over 2 HR unload time or in excess of six minutes per Cu. Yd., whichever cost to the City is less, and when the delay is caused by the City	1	Minute	1.75	1.75	0.00	0.00	0.00	0.00	0.00	0.00
20	Split/Short Loads for Concrete. State minimum concrete load (e.g. 9 cu yd)	1	Load	150.00	150.00	0.00	0.00	0.00	0.00	0.00	0.00
	State Minimum			4 cy yd							
Subtotal:				909,336.75		70,200.00		218,200.00		0.00	
WSST - Destination Based 8.3%:				75,474.95		5,826.60		18,110.60		0.00	
Total:				984,811.70		76,026.60		236,310.60		0.00	
Comments:				Did not submit required forms.				Items 6b & 7b did not meet city's technical requirements.			



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 7.D.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Resolution authorizing a quit claim deed to terminate an easement in the vicinity of 1 W Valley Mall Blvd

**SUBMITTED BY:** Bill Preston, Interim Community Development Director

**SUMMARY EXPLANATION:**

As part of a Development permit in 2015, the City of Yakima acquired an interest in a portion of property near Valley Mall Boulevard and Longfibre Road through an Easement Deed from Printing Press Properties, L.L.C. The easement was for street access and construction including sidewalks and maintenance of the street and sidewalks. No money was paid for the Easement. The City of Union Gap brought suit to deny Printing Press Properties the ability to access its property off of Valley Mall Blvd. The Court of Appeals found in favor of Union Gap that access was denied and the decision was not appealed. Since there can be no access off of Valley Mall Blvd, and the City has no use for a road or sidewalks that cannot be accessed, the Easement Deed is unusable.

Since there is no ability to use the property as outlined in the Easement Deed, and the property has negligible, if any, monetary value, staff recommends returning the Easement Deed to Printing Press Properties, L.L.C.

**ITEM BUDGETED:** NA

**STRATEGIC PRIORITY:** Public Trust and Accountability

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Adopt Resolution.

**ATTACHMENTS:**

Description	Upload Date	Type
<input type="checkbox"/> Resolution	3/29/2024	Resolution
<input type="checkbox"/> Quit Claim Deed	3/29/2024	Backup Material



## **RESOLUTION NO. R-2024-\_\_\_\_**

**A RESOLUTION** declaring the property rights obtained by the City in the Easement Deed recorded under Auditor's File Number 7891722 located near the intersection of Valley Mall Boulevard and Longfibre Road, Yakima, Washington, to be surplus to the uses and needs of the City of Yakima, and authorizing disposition of such property rights to Printing Press Properties.

**WHEREAS**, pursuant to RCW 35.22.280(3), the City of Yakima can purchase and dispose of real estate; and

**WHEREAS**, in 2015, as part of a development permit application, the City of Yakima (City) acquired an interest in a portion of property near Valley Mall Boulevard and Longfibre Road, Yakima, Washington, 98903 ("Subject Property") through an Easement Deed to the City of Yakima from Printing Press Properties, L.L.C.; and

**WHEREAS**, the Easement Deed conveyed the property for street access and sidewalks, street and sidewalk construction and access to maintain constructed streets and sidewalks and, based on engineering staff research, no money was paid for the rights conveyed; and

**WHEREAS**, Printing Press Properties, L.L.C. sought access off of Valley Mall Boulevard for a commercial project; and

**WHEREAS**, the City of Union Gap brought suit to deny Printing Press Properties, L.L.C. the ability to access its property off of Valley Mall Boulevard due to the limited access nature of the roadway; and

**WHEREAS**, the Court of Appeals found in favor of Union Gap, and agreed that access off of Valley Mall Boulevard was not allowed, the decision of which was not further appealed; and

**WHEREAS**, since the date of the Easement Deed the City has not used the property for public purpose, and based on the decision of the Court of Appeals, no access will be allowed from Valley Mall Boulevard to the property, rendering the Easement Deed for street access and sidewalks unusable; and

**WHEREAS**, because there is no ability to use the property as outlined in the Easement Deed, the interest in the property has negligible, if any, monetary value and should be returned to Printing Press Properties, L.L.C.; and

**WHEREAS**, the City Council finds and determines that the property described in the Easement Deed between the City of Yakima and Printing Press Properties, L.L.C., recorded under Yakima County Auditor's File Number 7891722, located in Yakima, Washington, is surplus to the uses and needs of the City of Yakima, and that a declaration that the property is surplus, and an authorization for the disposition of the property are in the best interests of the residents of the City of Yakima, and will promote the public health, safety, and welfare; now, therefore,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:**

**Section 1.** Fee title ownership of the property described as follows, located in the vicinity of Valley Mall Boulevard and Longfibre Road, Yakima, Washington (referred to as the "Subject Property") is hereby declared surplus to the uses and needs of the City of Yakima:

That portion of Lot 4A of Second Amended City of Yakima Short Plat recorded under Auditor's File No. 7803506, records of Yakima County, Washington described as follows: Beginning at the Southwest corner of said Lot 4A; thence North 89°14' East, along the South line thereof, 140.38 feet; thence North 80°31'53" West 87.48 feet; thence North 54°38'23" West 32.33 feet; thence South 41°08'18" West 42.11 feet to the West line of said Lot 4A; thence South 0°11'21" West, along the West line, 3.27 feet to the Point of Beginning

including any access rights associated with the Easement Deed. The Easement Deed and survey are attached hereto as Exhibit "1" and fully incorporated herein.

**Section 2.** The City Manager is hereby authorized to dispose of the Subject Property through execution of a Quit Claim Deed which will revert the rights associated with the Easement Deed back to Printing Press Properties, L.L.C. at no cost due to the negligible value of the property and that the property was dedicated at no cost to the City as part of a plan for street and sidewalk access that is no longer allowed.

**Section 3.** Effective Date. This Resolution shall take effect immediately, as provided by law.

**ADOPTED BY THE CITY COUNCIL** this 2<sup>nd</sup> day of April, 2024.

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Patricia Byers, Mayor

ATTEST:

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Rosalinda Ibarra, City Clerk

WHEN RECORDED RETURN TO:

City of Yakima  
c/o Engineering Division  
129 North 2<sup>nd</sup> Street  
Yakima, WA 98901

QUIT CLAIM DEED

Reference No.: 7891722

GRANTOR: CITY OF YAKIMA

GRANTEE: PRINTING PRESS PROPERTIES, L.L.C.  
A Washington limited liability company

LEGAL DESCRIPTION: 1. A portion of the SW ¼, SE ¼, Section 31, T. 13 N., R. 19 E.,  
W.M.  
2. Full legal description found on pages 1-2

ASSESSOR'S PROPERTY TAX PARCEL NO.: 191331-43412

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QUIT CLAIM DEED

The GRANTOR, CITY OF YAKIMA, for and in consideration of value received, conveys and quit claims to GRANTEE, PRINTING PRESS PROPERTIES, L.L.C, a Washington limited liability company, any and all interest held by the City by way of that certain Easement Deed between Grantor and Grantee dated November 9, 2015, and recorded in the Yakima County Auditor's Office under file number 7891722 on November 9, 2015, in the following described property:

That portion of Lot 4A of Second Amended City of Yakima Short Plat recorded under Auditor's File No. 7803506, records of Yakima County, Washington described as follows: Beginning at the Southwest corner of said Lot 4A; thence North 89°14' East, along the South line thereof, 140.38 feet; thence North 80°31'53" West 87.48 feet; thence North 54°38'23" West 32.33 feet; thence South 41°08'18" West 42.11 feet to the West line of

said Lot 4A; thence South 0°11'21" West, along said West line, 3.27 feet to the Point of Beginning.

Situated in Yakima County, State of Washington.

The survey of which is attached hereto as Exhibit A and fully incorporated herein.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

CITY OF YAKIMA

\_\_\_\_\_  
Dave Zabell, Interim City Manager

STATE OF WASHINGTON    )  
  ) ss.  
COUNTY OF YAKIMA     )

I certify that I know or have satisfactory evidence that Dave Zabell is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Interim City Manager of the City of Yakima, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington, residing at: \_\_\_\_\_  
My commission expires: \_\_\_\_\_



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 7.E.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Resolution accepting a Department of Transportation Pedestrian & Bicycle Safety Program grant award for Fred Meyer Active Transportation Pathway Project 2780

**SUBMITTED BY:** Scott Schafer, Director of Public Works  
\* Bill Preston, City Engineer

**SUMMARY EXPLANATION:**

The City of Yakima (City) received a Pedestrian and Bicycle Safety Program grant to improve the multimodal connections in north Yakima. The City worked collaboratively with WSDOT and the William O Douglas Trail Foundation to develop a practical solution plan for needs in the area of 40th Avenue and Fruitvale Boulevard.

The project will include construction of a roundabout, RRFBs, ADA curb ramps, and pedestrian and bicycle crossings.

The state grant award is in the amount of \$1,630,904 and requires no match.

**ITEM BUDGETED:** No

**STRATEGIC PRIORITY:** Public Safety

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Adopt Resolution.

**ATTACHMENTS:**

Description	Upload Date	Type
<input type="checkbox"/> Resolution	3/4/2024	Resolution
<input type="checkbox"/> Award Letter	2/29/2024	Backup Material

## **RESOLUTION NO. R-2024-**

**A RESOLUTION** authorizing acceptance and execution of a state grant program agreement with the Washington State Department of Transportation for the Fred Meyer Active Transportation Pathway Project 2780.

**WHEREAS**, the City of Yakima (City) is improving the functionality and safety of the Fruitvale Boulevard and 40<sup>th</sup> Avenue Intersection as part of the Fred Meyer Active Transportation Pathway Project 2780 (Project); and

**WHEREAS**, improvements include constructing a roundabout at the intersection of 40<sup>th</sup> Ave and Fruitvale Boulevard, RRFBs, ADA curb ramps, and pedestrian and bicycle crossings and path; and

**WHEREAS**, the City has worked collaboratively with the Washington State Department of Transportation (WSDOT) and the William O Douglas Trail Foundation to develop the area for improve multimodal connections in north Yakima around the Fred Meyer location; and

**WHEREAS**, the City of Yakima was selected to receive \$1,630,904, in state funding through the WSDOT 2023-25 Pedestrian & Bicycle Safety Program which requires no local match for the project; and

**WHEREAS**, the City Council finds that it is in the best interests of the City of Yakima and its residents to accept and execute the grant agreement with WSDOT for the Fred Meyer Active Transportation Pathway Project 2780, and authorize the City Manager to take all necessary steps to execute the grant agreement, necessary contracts, and administer the funds received from WSDOT; now, therefore,

### **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:**

Section 1. The City Manager is hereby authorized to accept the Washington State Department of Transportation (WSDOT) grant, not to exceed One Million Six Hundred Thirty Thousand Nine Hundred and Four Dollars (\$1,630,904.00) as described in the Grant Program Agreement, and directed to take all necessary steps to secure the funding for the Project.

Section 2. The appropriate administrative officials of the City are hereby authorized to receive monies and to expend the same as authorized by the WSDOT award.

Section 3. The City Manager, or his designee, shall have responsibility for the administration of said funds and expenditure of said funds received pursuant to the WSDOT award and the budget submitted therewith for the grant.

Section 4. The City Council hereby authorizes the City Manager to execute any and all contracts necessary and not to exceed the budgeted amounts outlined in the agreement, and enter into any other necessary agreements or documents to accomplish the Project funded through the WSDOT award.

Section 5. Severability. If any section, subsection, paragraph, sentence or clause of this resolution is declared invalid or unconstitutional for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of the resolution.

**ADOPTED BY THE CITY COUNCIL** this 2nd day of April, 2024.

ATTEST:

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Patricia Byers, Mayor

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Rosalinda Ibarra, City Clerk



Transportation Building  
310 Maple Park Avenue S.E.  
P.O. Box 47300  
Olympia, WA 98504-7300  
360-705-7000  
TTY: 1-800-833-6388  
[www.wsdot.wa.gov](http://www.wsdot.wa.gov)

June 22, 2023

Mr. Bill Preston, PE  
City Engineer  
City of Yakima  
129 North 2<sup>nd</sup> Street  
Yakima, Washington 98901

**RE: Fred Meyer Active Transportation Pathway  
2023-25 Pedestrian & Bicycle Safety Program  
State Funding**

Dear Mr. Preston:

WSDOT is pleased to advise you that the above-mentioned project was selected to receive funding through the Pedestrian & Bicycle Safety program. The state funding is limited as shown below:

<b>Fred Meyer Active Transportation Pathway</b>	<b>\$1,630,904</b>
<b>Scope:</b> See attached project summary.	

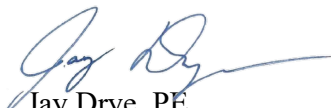
In order to meet state requirements, the following are required:

- Project expenditures incurred before receiving notice from Local Programs of state fund authorization are not eligible for reimbursement.
- Please refer to the Local Programs webpage for detailed authorization information, including: (<https://wsdot.wa.gov/business-wsdot/support-local-programs>)
  - ✓ Local Agency Guidelines (LAG) manual for detailed requirements.
  - ✓ Transportation Improvement Program (TIP) and Statewide Transportation Improvement Program (STIP) amendments, as applicable.
  - ✓ Funding and billing forms; and
  - ✓ Local Project Report required to be completed by the end of June and December each year. To access the database, you will need an account name and password. Your account name is **Yakima** and your password is **Yakim007**. The password is case sensitive.

As a reminder, Local Programs encourages all agencies to submit monthly progress billings to ensure timely reimbursement of eligible expenditures.

For assistance, please contact your Region Local Programs Engineer, Randy Giles, at (509) 577-1780 or [Randy.Giles@wsdot.wa.gov](mailto:Randy.Giles@wsdot.wa.gov).

Sincerely,

  
Jay Drye, PE  
Director  
Local Programs

cc: Christina Wickenhagen, Executive Director, YVCOG  
Randy Giles, South Central Region Local Program Engineer



## Project Summary

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**Program:** Pedestrian and Bicycle Program

**Date:** May 2023

**Agency:** Yakima

**Project Title:** Fred Meyer Active Transportation Pathway: Connecting Fred Meyer Shopping Center To West Powerhouse Road Community And To Yakima Greenway, Naches, And William O. Douglas Trail Systems

**Project Description:** Roundabout, Rectangular Rapid Flashing Beacons (RRFB), New Marked Crosswalk, Green Pavement/Bicycle Intersection Crossing Markings, ADA Curb Ramps, Audible Pedestrian Signal, Bicycle Wayfinding Signs/Markings, Shared-use Path/Trail

### Detailed Project Description:

- 1) At the intersection of N 40<sup>th</sup> Ave and Fruitvale Blvd:
  - a. Construct roundabout with chicanes and pedestrian/bicyclist facilities and crossings
  - b. Provide RRFBs for crossings
  - c. Mark crosswalks through splitter islands on all four legs
  - d. Mark green cross bikes through splitter islands to indicate trail linkages
  - e. Construct ADA curb ramps where final crosswalk design connects to sidewalk
  - f. Provide pedestrian scale illumination for crossings
- 2) On south side of US 12 eastbound offramp (WSDOT ROW) between intersection of N 40th Ave and Fruitvale Blvd and west end of Fred Meyer Parking lot:
  - a. Construct approximately 1,235 ft of shared use path
- 3) From west end of WSDOT ROW portion of path along Fred Meyer easement to W Powerhouse Rd:
  - a. Construct approximately 585' of shared use path
- 4) Other:
  - a. Install bicycle wayfinding signs and markings along project

### Project Schedule:

Begin PE	9/23
Environmental Documents Approved	2/24
Right-of-Way Approved	9/24
Estimated Contract Ad	2/25
Estimated Contract Award Date	3/25
Open to Traffic	11/25
Design Complete (Design-only projects)	

### Project Cost and Award Amount:

Phase	Total Project Cost	Amount Requested	Amount Awarded
Preliminary Engineering	\$300,000.	\$300,000	\$300,000
Right-of-Way	\$100,000	\$100,000	\$100,000

Construction	\$1,230,904	\$1,230,904	\$1,230,904
<b>Total</b>	<b>\$1,630,904</b>	<b>\$1,630,904</b>	<b>\$1,630,904</b>

6

If you agree to the project summary described above, please sign below and return to [Charlotte Claybrooke](#) or [Brian Wood](#).

**Concurrence:** I agree to the project summary described above.

Approving Authority Name (Print): ROBERT W. HARRISON

Approving Authority Signature: Robert W. Harrison

Date: 5/22/2023



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 7.F.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Resolution authorizing a contract with Yakima Valley Partners Habitat for Humanity for the development of a new single-family home located at W 2906 Arlington Ave

**SUBMITTED BY:** Rosylen Oglesby, Assistant City Manager

**SUMMARY EXPLANATION:**

As the annual recipient of HOME Investments funds from the U.S. Department of Housing and Urban Development (HUD), the City of Yakima must invest these funds in affordable housing within its jurisdiction. By granting available HOME funds, the City of Yakima allows for continued decent, safe, and affordable housing within the City of Yakima that serves low-to-moderate-income citizens.

Yakima Valley Partners Habitat for Humanity, as a Qualified CHDO, is requesting Eighty-Seven Thousand Five Hundred Dollars (\$87,500.00) to assist with the construction of a new Single-Family low-income housing unit.

Projects that receive funding from the City of Yakima HOME program must be consistent with the City Consolidated Plan, which guides HOME funding, and the City Comprehensive Plan.

**ITEM BUDGETED:** Yes

**STRATEGIC PRIORITY:** Economic Development

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Adopt Resolution.

**ATTACHMENTS:**

Description	Upload Date	Type
<input type="checkbox"/> Resolution_2906 W Arlington	3/29/2024	Resolution
<input type="checkbox"/> Agreement_2906 W Arlington	4/2/2024	Contract

## **RESOLUTION NO. R-2024-**

**A RESOLUTION** authorizing an agreement with Yakima Valley Partners Habitat for Humanity for up to Eighty-Seven Thousand Five Hundred Dollars (\$87,500) in U.S. Department of Housing and Urban Development (HUD), HOME Investment Partnerships Program (HOME) funds for the construction of a low-income housing unit at 2906 W Arlington Avenue.

**WHEREAS**, the City received money from the HUD's HOME Program under CFDA Contract # 14.239 in the amount of \$573,858, which must be used to invest in affordable housing in the City of Yakima and

**WHEREAS**, this proposal's existing lot of record will be developed with a single-family home at 2906 W. Arlington Avenue, Yakima, WA 98902.

**WHEREAS**, Yakima Valley Partners Habitat for Humanity has a proven track record of creating community-based housing for the benefit of low to moderate-income homeownership units within the City of Yakima and

**WHEREAS**, Yakima Valley Partners Habitat for Humanity is a Certified Community Housing Development Organization (CHDO) and is eligible to receive funding for projects under the terms of HOME contracts for units dedicated to low to moderate-income persons and families and seek funding for the land acquisition and development, which are eligible activities under the HOME program, and

**WHEREAS**, pursuant to federal requirements, the newly constructed single-family dwelling will be monitored for HUD HOME Investment affordability beginning at the time of completion as outlined in the contract, through a period of not less than fifteen (15) years, and

**WHEREAS**, The City Council of the City of Yakima finds that it is in the best interests of the City and its residents to enter into an agreement with Yakima Valley Partners Habitat for Humanity to provide funding for land acquisition and development costs for an affordable housing unit with federal monies provided by HUD through the HOME Investment program, now, therefore,

### **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:**

The City Manager is hereby authorized to execute an Agreement with Yakima Valley Partners Habitat for Humanity for Eighty-Seven Thousand Five Hundred Dollars (\$87,500) in Federal Housing and Urban Development HOME Investment funds to acquire land and construct a single-family housing unit for a low—to moderate-income person within the City of Yakima. A copy of the agreement is attached hereto.

**ADOPTED BY THE CITY COUNCIL** this 2<sup>nd</sup> day of April, 2024.

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Patricia Byers, Mayor

ATTEST:

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Rosalinda Ibarra, City Clerk

**CONTRACT BETWEEN THE CITY OF YAKIMA  
OFFICE OF NEIGHBORHOOD DEVELOPMENT SERVICES  
AND DEVELOPER – YAKIMA VALLEY PARTNERS HABITAT FOR HUMANITY  
(2906 W. Arlington Ave.)**

1. CFDA: 14.239 HOME INVESTMENT PARTNERSHIP PROGRAM
2. DEVELOPER/AWARDEE: Yakima Valley Partners Habitat for Humanity
3. HUD Entity Type: DEVELOPER
4. Address: 21 W. Mead Ave. Ste 110, Yakima, WA. 98902
5. Phone: (509) 453-8077
6. Contact Person: Meloney Rosen, Director of Yakima Valley Partners Habitat for Humanity
7. Title of Service or Program being funded: New Construction of single-family homes located at: 2906 W. Arlington Ave., Yakima, WA 98902.
8. Awarding Federal Agency: U.S. Department of Housing and Urban Development.
9. Unique Entity Identifier Number: HU9AXMBCSDA2
10. Federal Award Year and Federal Award Number: 2020, 2021, & 2022; M20-MC530203; M21-MC530203; M22-MC530203.
11. Amount of Contract Award: \$87,500 (HOME) CFDA Contract # 14.239
12. The term of this Contract shall commence upon the execution date of the Developer's receipt of "Letter to Proceed" from the City of Yakima Office or Neighborhood Development Services, and the project will begin construction within twelve months of entering this Contract and will be completed by **April 2, 2025**, at midnight, unless sooner terminated by either party in accordance with **Section XV of Exhibit "A,"** attached hereto and incorporated herein by this reference.
13. This contract award and the rights and obligations of both parties hereto shall be subject to and governed by the following:
  - (a) "Terms and Conditions" attached hereto as **Exhibit "A"** and incorporated herein by this reference; and
  - (b) Operating budget, including the funding sources and uses statement and the work plan, attached hereto as **Exhibit "B"** and incorporated herein by this reference.
  - (c) City of Yakima Resolution No. **R-2024-**, a copy of which is attached hereto as Exhibit "C" and incorporated herein by this reference.
14. Final Contract payment shall be subject to the satisfactory completion of the project described in **Exhibit "B"**, and satisfaction of all contract terms and conditions, including, but not limited to, the submission of the final report and billing invoice information within thirty (30) days of the contract closing date, and

as stated in **Exhibit “A”, Exhibit “B” and Exhibit “C”**.

This written document, together with all of the incorporated exhibits hereto, constitutes the entire Contract and terms of agreement between the parties hereto.

IN WITNESS THEREOF the parties have executed this Contract as of the day and year stated below.

**CITY OF YAKIMA**

**DEVELOPER: Habitat for Humanity**

\_\_\_\_\_  
Dave Zabell, Interim City Manager

By:\_\_\_\_\_  
Meloney Rosen

Date:\_\_\_\_\_

Title: Executive Director

Date:\_\_\_\_\_

**ATTEST**

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk

City Contract No.:

## EXHIBIT “A”

### TERMS AND CONDITIONS

This Contract is to provide HOME Investment Partnerships Program (HOME) funding for the construction of 1 new affordable homeownership units in the City of Yakima. All housing developed with funding provided by this Contract shall be pursuant to the HOME Program's and this Contract's regulations. The term of this Contract and the provisions herein shall be extended to cover the affordability period hereby designated as fifteen (15) years. The affordability period in this Project will be activated on the date after the Developer has provided the City staff with a project completion report upon initial occupancy of the units, and this information will be entered into H.U.D.'s Integrated Disbursement Information System (IDIS) System.

All terms used in this Contract shall be consistent with the HOME Program and its implementing regulations at 24 C.F.R. Part 92. Developer agrees to comply with all requirements related to this Project as outlined in the Code for Federal Regulations listed in 24 C.F.R. Part 92 and 24 C.F.R. Part 58 (as amended). In any instance where the City requirements are more restrictive than the Code for Federal Regulations, the City requirements shall take precedence over the Federal Regulations. The Developer, with this Contract, intends, declares, and covenants that the regulatory and restrictive covenants set forth herein governing the use, income, occupancy, sale, lease, or transfer of the assisted HOME units shall be binding upon the Developer for such term, and are not merely personal covenants of the Developer, but are contractual in nature.

**WHEREAS**, the City is the recipient of a U.S. Department of Housing and Urban Development (H.U.D.) grant under the HOME Investment Partnership Provisions of the Cranston-Gonzales National Affordable Housing Act (42 U.S. C 12742) and will administer said grant; and

**WHEREAS**, the City of Yakima, as a recipient of HOME Investment Partnerships Program Funds from the U.S. Department of Housing and Urban Development (HUD), including funds that are reserved for the use of Community Housing Development Organizations (CHDOs); and

WHEREAS, the DEVELOPER has been certified with the CITY as an eligible CHDO, that maintains, develops, and constructs affordable housing in the State of Washington and is eligible to participate in the City's service area(s) under the provisions of Section 212 of the Cranston-Gonzales Act (42 U.S. C 14742) as amended by the Housing and Community Development Act of 1992; and

NOW, THEREFORE the AWARDEE/DEVELOPER hereby agrees to undertake, that certain community development or housing assistance project described in **Exhibit “B”**, **Project Summary** (hereinafter sometimes referred to as “the Project”) for the following locations:

#### 1. 2906 W Arlington Avenue

pursuant to the terms and conditions of the Contract and its Exhibits.

## Section I – Definitions

A. **AGENCY** – is hereby defined as the Office of Neighborhood Development Services, the HOME Program administering agency of the City of Yakima. For the purpose of this Contract and all administration of HOME funds, the AGENCY shall act on behalf of the CITY in the execution and fiscal and programmatic control of this contract. The term “Approval by the CITY” or like term used in this Contract shall in no way relieve the DEVELOPER from any duties or responsibilities under the terms of this Contract, or obligation State or local law or regulation.

B. **FEE** – is hereby defined as the amount of money the CITY agrees to pay and the DEVELOPER agrees to accept as payment in full for all the professional, technical and construction services rendered pursuant to this Contract to complete the WORK as further defined in **Section III - SCOPE OF WORK**, hereof.

C. **WORK** – is hereby defined as all the professional, technical and construction services to be rendered or provided by the DEVELOPER as described here.

D. **PROJECT** – is defined in **Section II - Project and Exhibit B** Attached hereto and fully incorporated herein.

E. **HOME** – is hereby defined as the HOME Investment Partnerships Program as described in 24 CFR Part 92, under the authority of 42 U.S.C. 3535 (d) and 12701 - 12839.

## Section II- Project

DEVELOPER’s Project will develop one (1) single-family home that will be sold to low-income, qualified first-time homebuyers.

## Section III – Term

### A. GENERAL

The DEVELOPER expressly agrees to complete all work required by this Contract in accordance with the timetable set forth as follows:

#### ***Milestone Deadline***

Project Start Date: Date of signature.

Project Completion Date: **April 2, 2025**

Duration of Contract: Through the end of the Affordability Period (see Section B)

The amount of grant funding that the City hereby sub-grants to the DEVELOPER is **Eighty Seven Thousand Five Hundred (\$87,500.00)** for the Project.

**This Exhibit A** consists of one (1) undeveloped lots in the City of Yakima owned by the Developer. Public water and sewer are provided to the unit(s) and available from the City of Yakima. Electrical service is also available at the sites.

The new affordable housing units will be designated HOME homeownership units and, as such, shall only be sold to income-eligible buyers for the affordability period. The buyer shall have an income at or below 80% A.M.I. (area median income) based on the current H.U.D. limits at the time of execution of the sale. Income eligibility shall be determined



using the "**Technical Guide for Determining Income and Allowance for the HOME Program**" provided by the U.S. Department of Housing and Urban Development (H.U.D.) and shall include source documentation.

The sales price of each unit may not exceed 95 percent of the maximum purchase prices for the area. The HOME-assisted unit(s) shall remain in compliance with the HOME Program (24 C.F.R. Part 92.252(e)) for FIFTEEN (15) years after the Project is officially completed. The Project is officially completed when the property construction is completed, the property passes ongoing and final construction inspections by City staff, a Certificate of Occupancy is issued by the jurisdictional building inspections department, HOME-assisted units are occupied, and the required beneficiary data is submitted to the City staff to enter into H.U.D.'s Integrated Disbursement Information System (IDIS) System.

## **B. AFFORDABILITY**

In addition, this project is subject to ongoing compliance requirements of HOME for FIFTEEN (15) years from the date the project is completed. The project is considered completed when the City draws the final drawdown of HOME funds. During this compliance period, the DEVELOPER will ensure continued compliance with HOME requirements. For homebuyer units, this includes monitoring units for principal residency and recapture of funds at the time of resale. A restrictive covenant shall be executed for the total amount of assistance and will include the applicable HOME requirements, including resale/recapture provisions and property use restrictions, to ensure the enforcement of the HOME requirements. These requirements, which pertain to occupancy, income, and an affordability period, are required in order to maintain the development subsidy investment as a forgivable loan in the affordable housing units for the compliance period. The covenant shall be executed and attached to the property prior to final payment being made with transfer of the property from DEVELOPER to a third party.

## **C. TIME IS OF THE ESSENCE**

Timely completion of the work specified in this contract is an integral and essential part of performance. The expenditure of HOME funds is subject to Federal deadlines and could result in the loss of the Federal funds. By the acceptance and execution of this contract, it is understood and agreed by the DEVELOPER that the PROJECT will be completed as expeditiously as possible and that the DEVELOPER will make every effort to ensure that the project will proceed and will not be delayed. Failure to meet these deadlines can result in cancellation of this contract and the revocation of HOME funds. Since it is mutually agreed that time is of the essence as regards this contract, the DEVELOPER shall cause appropriate provisions to be inserted in all contracts or subcontracts relative to the work tasks required by this Contract in order to ensure that the PROJECT will be completed according to the timetable set forth. It is intended that such provisions inserted in any subcontracts be, to the fullest extent permitted by law and equity, binding for the benefit of the CITY and enforceable by the CITY against the DEVELOPER and its successors and assigns to the project or any part thereof or any interest therein. The aforementioned document will be considered to be a part and portion of this Contract by reference. The DEVELOPER will complete the construction of the one (1) unit **by April 2, 2025**, including the sale of the units.

The DEVELOPER is required to submit performance reports on program/project status and activities through project completion as requested by the City staff. The Developer will allow and help facilitate required inspections and monitoring of the Project by City

staff. The DEVELOPER agrees to execute the covenant and attach it the property prior to final payment being made with transfer from DEVELOPER to a third party. Termination of the Contract will occur automatically upon the expiration of the Contract period. Project Extension Request must be approved by the CITY.

In the event the DEVELOPER is unable to meet the above schedule or complete the above services because of delays resulting from Acts of God, untimely review and approval by the CITY and other governmental authorities having jurisdiction over the PROJECT, or other delays that are not caused by the DEVELOPER, the CITY shall grant a reasonable extension of time for completion of the WORK. It shall be the responsibility of the DEVELOPER to notify the CITY promptly in writing whenever a delay is anticipated or experienced and to inform the CITY of all facts and details related to the delay.

#### **D. COMMENCEMENT OF WORK**

The City of Yakima, through ONDS, shall furnish the DEVELOPER with written notice to proceed upon release of funds from HUD related to the Project pursuant to 24 CFR Part 58. No work on the Project shall occur prior to the notice to proceed without written approval from the City of Yakima.

#### **Section IV – Scope of Work**

The DEVELOPER, in close coordination with the CITY, shall perform all professional services (the "WORK") necessary to complete the development and occupancy of the following project in full compliance with the terms of this Contract, including, but not limited to, **Exhibit "B"**. (*Use of HOME funds, property location, budget, completion schedule & compliance term*):

From the contract execution date to continue until the termination date as specified within this contract, building and constructing a new home and will be monitored for a FIFTEEN (15) year affordability period per HUD regulations governing HOME Investment funded projects.

It is understood that the DEVELOPER will provide a specific working budget and realistic timetable as relates to: acquisition, construction/rehabilitation, soft costs, development fees and other allowable costs/activities prior to any fund usage. Said budget shall identify all sources and uses of funds, and allocate HOME and non-HOME funds to activities or line items. The aforementioned Work tasks will be performed in essentially the manner proposed in the DEVELOPER's proposal as received by the AGENCY on **November 2, 2022**. The aforementioned document will be considered to be a part and portion of this Contract fully incorporated herein.

1. **Eligible Use of Funds.** HOME funds available under this Contract will be used for the construction of the property. Other eligible costs include the cost of construction, legal and recording fees, environmental review costs, and survey costs or associated costs for site review. Other eligible costs will be paid by the DEVELOPER of the local match: *Project Soft Costs* must be "reasonable and necessary." These costs may include the following:

Professional Related Costs:

- Loan origination fees
- Credit reports fees

- Title report and update fees
- Recordation fees
- Preparation and filing of legal document fees
- Appraisal Report fees
- Market Study Report fees
- Attorney's fees
- Loan processing fees
- Developer fees

Construction Related Costs:

- Architectural fees
- Engineering fees
- Preparation of work write-ups/cost estimate fees
- Builder's fees

Other Costs:

- Project audit costs
- Affirmative marketing and fair housing costs
- Relocation costs

*Eligible Hard Costs* must be "reasonable and necessary." These costs may include the following:

- Costs to meet the applicable building standards in effect at the time a building permit is obtained from the locality
- Costs to make essential improvements, including the actual costs of construction or rehabilitation
- Energy-related repairs or improvements
- Improvements necessary to permit use by handicapped persons
- Abatement of lead-based paint hazards
- Costs to repair or replace major housing systems in danger of failure in existing structures
- Costs to demolish existing structures
- Costs for improvements to the project site and utility connections
- Costs to acquiring optioned improved or unimproved land for new construction or rehabilitation projects
- Incipient repairs and general property improvements of a non-luxury nature

2. **Funded Amount and Other Funding Sources.** The CITY is hereby providing from the F.Y. 2020, F.Y. 2021, and F.Y. 2022 CHDO set aside funding in the amount of up to **eighty-seven thousand, five hundred dollars and 00/100 (\$87,500)**, for activities identified in this Contract and listed in the Project Budget. The funds are granted to the Developer for the construction of **one (1)** new affordable homeownership units in the City of Yakima. The Developer will provide any additional funding necessary over and above the financial commitment to complete the Project as approved in the application for HOME assistance. If the Project comes in under budget, the Developer will only be reimbursed for actual eligible costs. Also, volunteer hours and additional funding beyond HOME funds will be counted as local matches.
3. **Maximum HOME Subsidy.** H.U.D. requires that the maximum HOME per-unit subsidy not be increased above 240 percent of the base limits authorized by

§211(d)(3)(ii) of the National Housing Act. HOME subsidy under this Contract is **\$87,500 for 2906 W Arlington Avenue**, and does not exceed this regulation. The property is located within the City of Yakima limits.

## **Section V – Reimbursement of Expenses & Developer Fees**

### **A. GENERAL.**

Project expenses (excluding developer fees) shall be paid based on vouchers for actual expenses incurred or paid. Requests for payment must be submitted by the DEVELOPER on forms specified by the CITY, with adequate and proper documentation of eligible costs incurred in compliance with 24 CFR 92.206 and necessary for HUD IDIS disbursement requirements. All such expenses shall be in conformance with the approved project budget. Budget revision and approval shall be required prior to payment of any expenses not conforming to the approved project budget.

The City reserves the right to hold payment until adequate documentation has been provided by the Developer and reviewed by the City. The Developer agrees to the following provisions in satisfying the terms and conditions of this contract:

### **B. PAYMENT AND DISBURSEMENTS:**

Disbursements by the City of Yakima from this contract/grant award shall be on a reimbursement basis covering actual expenditures by the Developer or obligations of the Developer currently due and owing but not paid. Disbursements shall be limited to allowable eligible costs and so shall be made upon the occurrence of all the following, in addition to any other conditions contained herein or in the special conditions:

1. Receipt by the City of Yakima ONDS of a written reimbursement request on forms provided by the City of Yakima ONDS supported by copies of vouchers, invoices, salary and wage summaries, or other acceptable documentation; and
2. Determination by the City of Yakima ONDS that the expenditures or obligations for which reimbursement is sought constitute allowable eligible costs under the HOME Program and also fall within the applicable Project Budget.

The Developer shall submit written claims for reimbursement of services performed under this Contract. Pay requests with documentation/invoices for requested costs may be submitted monthly during the Project. Exceptions to this practice may be made based on the amount and frequency of requests based on the financial needs of the contractors. The DEVELOPER may not request disbursement of funds under this Contract until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed.

The Developer **must** notify the City's Staff at the same time notification is made to the local government for the following inspections (if applicable):

- a) Foundation Inspection
- b) Slab Inspection

- c) Rough-In Inspection
- d) Insulation Inspection
- e) Final Inspection

**Note: Failure to notify the City staff for inspections may result in work having to be redone at the Developer's cost so that the inspection can be completed.**

### **C. CHANGE ORDERS**

No payment shall be made for any service rendered by the Developer except for services within the scope of a category set forth in the budget in **Exhibit "B"** of this Contract, and all funds received must be used for service as identified in **Exhibit "B"** of this Contract.

Change orders may occur during the course of construction, either initiated by the Developer. All change orders must be submitted for review to the City staff **prior** to approval to ensure that the scope of the Project is not altered.

1. The Developer shall submit to the City of Yakima ONDS a written request for approval of budget revision when a proposed revision would result in an increase or decrease of ten percent (10%) or more per home from what has been set forth in the approved budget subject category. The City's written budget revision approval must be received by the Developer prior to the Developer incurring any expenditures against the revised budget subject categories.
2. When the revision of the Developer budget does not exceed ten percent (10%) of an approved budget subject category, the Developer must submit a revised budget to the City of Yakima ONDS prior to the submittal of claims against the budget.

## **Section VI – Roles and Responsibilities**

- A. **Incur Costs.** The Developer will not incur costs, make any commitments, or take any physical action on a property to be assisted with HOME funds until approved by City staff. Environmental clearance of the sites and a Removal of Grant Conditions and Authority of Use H.U.D. Funds must be in place prior to any physical activity on the project site.
- B. **Eligible Applicant.** The DEVELOPER commits to providing an eligible applicant according to the recognized HOME guidelines for any HOME-assisted unit. The occupant's/applicant's income will fall within the required H.U.D. guidelines for L.M.I. persons to qualify for assistance. The DEVELOPER shall provide the CITY's Office of Neighborhood Development Services staff with a copy of the application and income verification of the proposed renters/occupants prior to the occupancy of the units. Verification includes all third-party verification in order to ensure that the low-to-moderate income requirements are met. All units funded by this Contract are subject to the income guidelines.

The DEVELOPER shall provide the CITY copies of recorded mortgages, deeds, and any other instruments executed related to the HOME-assisted property. DEVELOPER agrees to provide the necessary personnel and equipment to oversee, manage, and maintain any units for which HOME funds are provided.

The HOME units shall be inspected by the jurisdictional building inspector and shall meet all local and state building codes as applicable for the City and/or City of Yakima prior to occupancy. A copy of the permit to occupy the unit for each structure will be submitted to the CITY prior to final payment. The City staff shall provide guidance on HOME compliance and assist the Developer as needed in the review of the applicant's application and verifications to ensure eligibility within HOME income limits, providing a suggested language for inclusion of HOME requirements in sales documents if applicable; and applicable procurement of construction, materials, small purchases, and contract labor. The staff will review and approve requests for payment and conduct site visits to confirm construction progress. Payment will be made within twenty days of approved invoices/pay requests.

- C. **Participating Jurisdiction.** As a HOME Participating Jurisdiction, the CITY will be primarily responsible for implementing this Contract and for day-to-day communications with the Developer. As such, references to the "City HOME staff" or "City Staff" within this Contract should be construed to indicate that the Office of Neighborhood Development Services (ONDS) will communicate with the DEVELOPER on behalf of the CITY and as its administrative agent relative to the HOME program. In the event the CITY replaces or terminates ONDS as its administrative agent for the HOME program, it will provide notice to the DEVELOPER as provided for herein. The DEVELOPER further agrees to fully cooperate with the ONDS staff or with any future administrative agent designated by the CITY as the City's authorized agent for purposes of administering its HOME Program.
- D. **Inspection of Records.** The CITY reserves the right to inspect records and project sites to determine that reimbursement and compensation requests are reasonable. The CITY also reserves the right to hold payment until adequate documentation has been provided and reviewed.
- E. **Audit of Records.** The CITY shall have the right to review and audit all records of the DEVELOPER pertaining to any payment by the CITY. Said records shall be maintained for a period of the HOME-required affordability period.
- H. **Unauthorized Use.** This grant shall not be utilized to substantially reduce the amount of local financial support for community development activities below the level of such support prior to the availability of such assistance.
- I. **Return of Funds** The DEVELOPER shall return to the City all monies provided by the City if any of the following occur: the DEVELOPER materially changes the primary purpose and scope of the Project as described in **Exhibit B**, or the DEVELOPER is unable to continue and/or provide services as described in **Exhibit B**.

## **Section VI – Project Requirements**

The DEVELOPER agrees to comply with all requirements of the HOME Program as stated in 24 CFR Part 92, including but not limited to the following.

### **A. Environmental Review**

No HOME project funds will be advanced, and no costs can be incurred, until the

City has conducted an environmental review of the proposed project site as required under 24 CFR Part 58. The environmental review may result in a decision to proceed with, modify or cancel the project. Notwithstanding any provision of this Contract, the parties hereto agree and acknowledge that this Contract does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by the CITY of a release of funds from the U.S. Department of Housing and Urban Development [or the State of Washington] under 24 CFR Part 58. Further, the DEVELOPER will not undertake or commit any funds to physical or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation, conversion, repair or construction prior to the environmental clearance, and must indicate that the violation of this provision may result in the denial of any funds under the contract. The DEVELOPER shall comply with all Federal, State, and Local Laws and Regulations for the duration of this Project, including but not limited to the Cranston-Gonzales Act, as amended by the Housing and Community Development Act of 1992; regulations continued in 24 C.F.R. Part 92; Federal O.M.B. Circular A-110 Attachments B, F, H (paragraph 2) and O, O.M.B. Circular A-122, zoning, building, housing and other codes and regulations of the jurisdiction where Project is located; and such other Federal, State, and Local Laws, rules and regulations as may apply to the Project including Nondiscrimination and Fair Housing Laws.

The City of Yakima, through the AGENCY retains environmental review responsibility for purposes of fulfilling requirements of the National Environmental Policy Act, under which the City of Yakima may require the DEVELOPER to furnish data, information and assistance for the City's review and assessment in determining whether the City must prepare an Environmental Impact Statement.

The Environmental Review was completed on **2906 W Arlington Avenue – 04/28/2023**. All mitigation if required in the Environmental Review shall be completed by DEVELOPER as part of the Project.

The DEVELOPER retains responsibility for fulfilling the requirements of the State Environmental Policy Act (SEPA) and regulations and ordinances adopted thereunder.

In addition to the requirements of Section XIV below, in the event DEVELOPER fails to furnish any data, information, forms, or documents requested by the City to fulfill its obligations under the National Environmental Policy Act or any other federal or state environmental policy, law, or regulation, Failure to furnish data, information, forms or documents shall result in a withholding of funds for payment and, if funds have been disbursed, a requirement to repay all funds associated with this Contract to the City and may result in termination of this Contract. The DEVELOPER expressly agrees to do all things necessary and take all necessary steps to facilitate the environmental review of the Project.

## **B. Property Standards.**

According to 24 CFR 92.251 Property Standards, Housing that is purchased, constructed, or rehabilitated with HOME funds must meet all applicable local, state, and/or CITY construction standards, ordinances, and zoning ordinances at the time of project completion and throughout the period of affordability. In the absence of a local code for new construction or rehabilitation, HOME-assisted

new construction or rehabilitation must meet, as applicable, one of three model codes: Uniform Building Code (ICBO), National Building Code (BOCA), Standard (Southern) Building Code (SBCCI); or the Council of American Building Officials (CABO) one or two family code; or the Minimum Property Standards (M.P.S.) in 24 CFR 200.925 or 200.926 and/or minimum property standards established by the CITY on behalf of the HOME Program. All construction will be inspected by the City staff prior to receipt of final payments.

The housing must meet the accessibility requirements at 24 C.F.R. part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). Covered multifamily dwellings, as defined at 24 CFR 100.201, must also meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-3619). The Fair Housing Act requires that all multi-family dwellings must meet the design and construction requirements at 24 CFR 100.205. Refer to CABO/ANSI section A117.1 for specific requirements. A Section 504 Physically handicapped person is defined as an individual who has a physical impairment, including impaired sensory, manual, or speaking abilities, that results in a function limitation in gaining access to and using a building or facility. The housing provides accessibility, adaptability, and accessible routes.

1. **504 Requirements for New Construction Projects:** Projects with (5) or more units will have at least 5% of the units accessible to individuals with mobility impairments AND at least 2% of the units accessible to individuals with sensory impairments. As this Project only consists of **one (1)** units, 504 requirements do not apply.
2. **Fair Housing Act:** The Fair Housing Act requires seven basic requirements that must be met to comply with the access requirements, which are:
  - An accessible building entrance on an accessible route
  - Accessible common and public use areas
  - Usable doors (usable by a person in a wheelchair)
  - Accessible route into and through the dwelling unit
  - Light switches, electrical outlets, thermostats, and other environmental controls in accessible locations
  - Reinforced walls in bathrooms for later installation of grab bars
  - Usable kitchens and bathrooms

An owner of rental housing assisted with HOME funds must maintain the housing in compliance with all applicable State and local housing quality standards and code requirements, and if there are no such standards or code requirements, the housing must meet the housing quality standards in 24 CFR 982.401, for the entire length of the affordability period.

### **C. Property Restrictions**

1. **Restrictions on the Sale or Transfer of Land and Improvements.** Developer agrees that throughout the term of this Contract, and in order to satisfy the requirements of the HOME Program, the Developer will not sell or transfer any part of the project premises or any interest in it without the City's prior written consent, including a transfer of all or part of the project premises to any person that does not use the project premises for "affordable housing" within the meaning of the HOME Program. Upon the occurrence of any of the above, the Developer will provide immediate payment in full of the entire principal under this Contract.



2. **Covenants to Run with Land.** The Developer agrees to execute and record a restrictive covenant instrument that is secondary to all other financing and/or security instruments, any other use restrictions, easements, liens, or other encumbrances of record, except for those previously disclosed on a commitment for title insurance issued to the City or those explicitly approved by the City and the City Attorney. Developer intends, declares, and covenants, on its behalf and on behalf of all future holders of any interest in and to the project premises described in "**Exhibit A**" during the term of this Contract, that this Contract and the covenants and restrictions set forth in this Contract regulating and restricting the use, occupancy, sale, lease or transfer of the Premises (i) shall be and are covenants running with the land, encumbering the land for the term of this Contract, binding upon the Grantee's successors in title and all subsequent Grantees and tenants or transferee of the premises, (ii) are not merely personal covenants of the Grantee, but are contractual in nature and condition precedent to the Grantee obtaining the HOME Grant, and (iii) shall bind the Grantee and the Grantee's grantees, lessees, heirs, assigns, personal representatives for transferee during the term of this Contract. The Grantee hereby agrees that any and all requirements of the laws of the State of Washington to be satisfied in order for the provisions of this Contract to constitute property use restrictions and covenants running with the land shall be deemed to be satisfied in full, and that any requirements or privileges of the estate are intended to be satisfied, or in the alternative, that an equitable servitude has been created to ensure that these restrictions run with the land. For the Term of this Contract, each and every contract, deed, or other instruments hereafter executed conveying the project premises described in "**Exhibit A**," or a portion thereof, shall expressly provide that such conveyance is subject to this Contract provided; however, the covenants contained herein shall survive and be effective regardless of whether such contract, deed, or other instruments hereafter executed conveying the project premises, or a portion thereof, specifically provides that such contract, lease or conveyance is subject to this Contract.
  
3. **Affordability Restrictions.** Any unit constructed on this property assisted with HOME funds must remain occupied by a low to moderate-income family/person for a period of FIFTEEN (15) years to meet the affordability required by the HOME investment in the Project. The Developer agrees to enforce the affordability requirements under 24 CFR 92.252(e) as applicable and agrees to repay the HOME funds if the housing does not meet the affordability requirements for the specified time period.

For new construction homeownership projects, the period of affordability is FIFTEEN (15) years. The affordability period in homeownership projects will be activated on the date after the Developer provides the City with a project completion report, and this form has been entered into H.U.D.'s Integrated Disbursement Information System (IDIS) detailing the following:

- Household size
- Gross annual household income
- Racial and ethnic characteristics
- 1. Property owner's name
- 2. Whether any household member is disabled
- 3. Designation as a mobility or sensory-handicapped unit

- 4. Sales date
- 5. Bedroom Size
  - Purchase Price
  - Date of Certificate of Occupancy

Project completion reports are to be submitted by the Developer when the HOME-assisted unit is purchased and occupied, no later than 90 days after the issue of the Certificate of Occupancy. Developer agrees to execute the Restrictive Covenant at or before the completion of the Project. If Developer does not comply with providing project completion reports within the 90-day period following the issuance of the Certificate of Occupancy, the organization will be ineligible to apply for additional HOME funding, and any current awards will be revoked.

The affordability period **does not** end upon early payoff of the HOME assistance, if applicable.

- 4. **Maintaining Homeownership Housing Affordability: CFR 92.254.** The income of each unit must be determined initially using Section 8 (Part 5) definition of annual (gross) income.
- 5. **Income Determinations.** The Developer agrees to perform the income determination requirements of 24 CFR 92.203.

Eligible Incomes: the Developer must determine that each family or individual is income-eligible. The Developer is required to use third-party source documents to evidence annual income (e.g., wage statement, interest statement, and unemployment compensation statement) for the family or individual. Owners must use the Part 5 definition as defined in the "**Technical Guide for Determining Income and Allowance for the HOME Program**" provided by the U.S. Department of Housing and Urban Development (H.U.D.).

#### D. CHDO Responsibilities

- 1. **Expenditure Requirements.** The DEVELOPER will ensure that any expenditure of HOME funds will be in compliance with the requirements at 24 CFR 92.206, *Eligible Costs*, and acknowledges that HOME funds will only be provided as reimbursement for eligible costs incurred, including actual expenditures or invoices for work completed.
- 2. **Owner-Occupied Qualifications.** The DEVELOPER will ensure that all HOME assisted units will be in compliance with 24 CFR 92.254 (*Qualification as affordable housing, Homeownership*), including documenting that the property is eligible under 24 CFR 92.254(a)(1) – (2), and will maintain compliance during the minimum compliance period.
- 3. **Project Beneficiary Information.** The designated HOME-assisted units of this PROJECT will meet the affordability requirements as found in 24 CFR 92.254 (*Qualification as affordable housing, Homeownership*) as applicable. The DEVELOPER shall collect and maintain Project beneficiary information pertaining to household size, income levels, racial characteristics, and the presence of Female-Headed Households in order to determine low and moderate-income benefits in a cumulative and individual manner. Income documentation shall be in a form consistent

with HOME requirements as stated in the H.U.D. ***Technical Guide for Determining Income and Allowances Under the HOME Program.***

4. **Notes & Mortgages.** If the Project is to be owner-occupied, the DEVELOPER shall ensure that any NOTES and MORTGAGES recorded for homebuyers shall be in compliance with 24 CFR 92.254 and that the DEVELOPER will monitor each unit for principal residency (under 92.254 (a)(3)) and resale/recapture (under 92.254 (a)(4) – (5)).
5. **HOME Match.** DEVELOPER will provide any documentation required by the AGENCY regarding match as may be required to document match for purposes of the HOME program.
6. **Lease Purchase Option.** If the property is sold through a lease-purchase contract, the DEVELOPER will ensure compliance with 24 CFR 92.254(a)(7), as modified by the 1999 Appropriations Act, Section 599B.
7. **Monitoring.** DEVELOPER will be monitored by the AGENCY for compliance with the regulations of 24 CFR 92 for the compliance period specified above. The DEVELOPER will provide reports and access to project files as requested by the AGENCY during the PROJECT and for Five (5) years after completion and closeout of the CONTRACT.

#### **E. Other Federal Requirements**

1. **H.U.D. Generally Applicable Definitions & Requirements; Waivers.** The Developer agrees to conform to all Federal and State regulatory requirements, including the Federal requirements set forth in 24 C.F.R. Part 5, Subpart A, those described in 24 C.F.R. Part 92, Subpart H, Section 350-359, as well as the City's Housing and Property Standards and the applicable Yakima Municipal Code sections. The Federal and City requirements include nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended, or ineligible contractors; and drug-free workplace.
2. **Nondiscrimination & Equal Opportunity:** The Contract is made available in conformity with the non-discrimination and equal opportunity requirements set forth in 24 C.F.R. Part 511.10(m), as follows: The requirements of Executive Order 11063, and with Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d as amended by Executive Order 12259 (3 C.F.R., 1959- 1963 Comp., p. 652 and 3 C.F.R., 1980 Comp., p. 307). The Act prohibits discrimination against individuals on the basis of race, color, religion, sex, or national origin in the sale, rental, leasing, or other disposition of residential property or in the use or occupancy of housing assisted with Federal funds. The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, 42 USC 6101-07, and the prohibitions against discrimination against handicapped individuals under Section 504 of the Rehabilitation Act of 1973, 29 USC 794. The nondiscrimination requirements in Section 282 of the Act are applicable.
3. **Fair Housing:** *The Fair Housing Act* (42 U.S.C. 3601-19) and implementing regulations at 24 C.F.R. part 100 *et seq.*; The Act prohibits discrimination in the sale of housing, the financing of housing, or the

provisions of brokerage servers against any person on the basis of race, color, religion, sex, national origin, handicap, or familial status.

4. **Disclosure & Anti-Lobbying Requirements:** The Developer assures that no Federal funds have been or will be paid by or on behalf of the Developer to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any Contract or any modification of any Federal contract, grant loan, or Contract. If any other funds other than Federal funds have been paid or will be paid to persons for influencing any above-named persons in connection with this Project, the Developer shall complete and submit the "Disclosure Form to Report Lobbying" in accordance with its instructions.
  
5. **Affirmative Marketing (required for projects with five or more HOME-assisted units):** The Developer will follow an affirmative marketing plan approved by the City. This affirmative marketing plan consists of the steps of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status, or disability. (The affirmative marketing procedures do not apply to families with Section 8 Tenant-Based Rental Housing assistance or families with Tenant-Based Rental Assistance provided with HOME funds.) The Affirmative Marketing Plan will include:
  - Methods for informing the public, owners, and potential tenants about Federal Fair Housing Laws and the County's Affirmative Marketing Policy (e.g., the use of the Equal Housing Opportunity logotype or slogan in press releases and solicitations for owners and written communication to fair housing and other groups);
  - Requirements and practices each owner must adhere to in order to carry out the Affirmative Marketing Procedures and Requirements (e.g., use of commercial media, use of community contacts, use of the Equal Housing Opportunity logotype or slogans, and display of Fair Housing poster);
  - Procedures to be used by owners to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach (e.g., use of community organizations, places of worship, employment centers, Fair Housing groups, or housing counseling agencies);
  - Records that will be kept describing actions taken by the owners to affirmatively market units and records to assess the results of these actions; and
  - A description of how the Developer will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.
  
6. **Minority outreach:** The Developer will take necessary affirmative steps to ensure that minority firms and women's business enterprises are used whenever possible. Because this is a certified Community Housing Development Organization, Procurement does not apply. Procurement regulations at 24 C.F.R. Part 85.36(e) specify that MBE/WBE outreach

activities apply to all contracting opportunities facilitated by HOME-funded activities, including contracts related to construction, rental assistance, and HOME program administration. There are no monetary thresholds that trigger MBE/WBE outreach requirements. They apply to all contracts awarded in conjunction with HOME-assisted projects. The HOME Construction Performance Standards Manual provides complete details of the requirements that will be followed. HOME regulations require that the following minimum affirmative steps are taken to ensure MBE/WBE are afforded every opportunity to participate in HOME-generated contracts.

- Placing minorities and women on solicitation lists;
- Assuring that M.B.E. and WBE firms are solicited whenever they are potential sources;
- Dividing the total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business enterprises and women business enterprises;
- Where the requirement permits, establishing delivery schedules that encourage participation by small and minority business enterprises and women business enterprises;
- Using the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce and
- Requiring the prime contractor, if subcontractors are to be let, to take all the same actions.

**7. Religious Activities:** The Developer agrees, as directly funded under the HOME program, not to engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the assistance funded under the HOME program. The Developer also agrees that religious activities such as worship, religious instruction, or proselytization will be offered separately, in time and location, and it is the beneficiary's voluntary decision to participate. These separate religious activities cannot be funded by the HOME program. Religious organizations providing HOME assistance will not discriminate against program beneficiaries based on religious character, belief, or affiliation. HOME funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities.

**8. Davis Bacon.** If any project under this Contract involves the construction or rehabilitation of 12 or more HOME-assisted units, the DEVELOPER shall comply with the provisions of the Davis-Bacon Act (40 U.S.C. 276 a to a - 7) as supplemented by AGENCY of Labor regulations (29 C.F.R., Part 5), as amended.

## **Section VII – Repayment of Loan**

**A. Repayment.** All HOME funds are subject to repayment in the event the PROJECT does not meet the Project Requirements as outlined above or if DEVELOPER violates any provisions of this Contract with regards to HOME and/or HUD requirements.

- B. **Reversion.** It is understood that upon the completion of the PROJECT, any HOME funds reserved but not expended under this contract will revert to the CITY.
- C. **Owner Occupancy.** If the PROJECT is for owner-occupancy, the DEVELOPER shall lend the HOME funds to the individual buyers in an amount sufficient to make the purchase affordable. Any HOME funds that reduce the price of the property below the fair market value of the property shall be secured by a HOME note and mortgage as required in 24 CFR 92.254(a)(5)(ii), using the note and mortgage prescribed or approved by the AGENCY (and consistent with the method of recapture identified in the CITY's "Consolidated Plan").
- D. **Program, CHDO Proceeds.** No program income or CHDO proceeds are anticipated for this Project. However, if CHDO proceeds are determined by H.U.D. and/or the City to have been received, all net sales proceeds from the sale of units are considered to be CHDO proceeds that may be retained by the DEVELOPER and used in conformance with 24 CFR 92.300(a)(2), to be retained by the CHDO and used to further affordable housing for qualified first-time home buyers within the City of Yakima. The Developer must submit a CHDO Program Income Plan to the City for approval. Program Income must be used for HOME-eligible activities or other approved affordable housing activities. Income from the sale, rental, or use of real estate by the project owner, Developer, or sponsor is not treated as program income.

## **Section VIII – CHDO Provisions**

It is understood that the DEVELOPER has certified that it is and will maintain CHDO (Community Housing Development Organization) status for the term of the PROJECT in accordance with 24 CFR 92. The DEVELOPER agrees to provide information as may be requested by the AGENCY to document its continued compliance, including but not limited to an annual board roster and certification of continued compliance. Any funds advanced as CHDO pre-development funds must be in compliance with 24 CFR 92.301, and are forgivable only under the terms in 24 CFR 92.301.

Any funds advanced to the CHDO as CHDO Operating Expenses must be expended in compliance with 24 CFR 92.208. Any funds that the CHDO is permitted to retain as CHDO proceeds from this project shall be used in compliance with 24 CFR 92.300(a)(2) or as specified in this Contract.

## **Section IX – Procurement Standards**

The DEVELOPER shall establish procurement procedures to ensure that materials and services are obtained in a cost-effective manner. When procuring for services to be provided under this contract, the DEVELOPER shall comply at a minimum with the nonprofit procurement standards at 24 CFR 84.40 - .48.

The Developer agrees to conform to all Federal and State regulatory requirements, including the Federal requirements set forth in 24 C.F.R. 5, Subpart A, as well as the City's municipal code, and Housing and Property Standards. The Federal and City requirements include nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended, or ineligible contractors; and drug-free workplace.

In addition, the following requirements are imposed on any procurement under this PROJECT:

Any personal property having a useful life of more than one year and purchased wholly or in part with sub-grant funds at a cost of three hundred dollars (\$300) or more per item, shall upon its purchase or receipt become the property of the City of Yakima and/or federal government. Final ownership and disposition of such property shall be determined under the provisions of Attachment N of OMB, A-102. The Developer shall be responsible for all such property, including its care and maintenance, and shall comply with the following procedural requirements:

1. Property records shall be maintained accurately and provide for: A description of the property; manufacturer's serial number or other identification number; acquisition date and cost; source of the property; percentage of HOME funds used in the purchase of property; location, use, and condition of the property.
2. A physical inventory of property shall be taken and the results reconciled with the property records at least once every two years to verify the existence, current utilization, and continued need for the property.
3. A control system shall be in effect to ensure adequate safeguards to prevent lose, damage, or theft to the property. Any loss, damage, or theft of the property shall be investigated and fully documented.
4. Adequate maintenance procedures shall be implemented to keep the property in good condition.
5. If the Developer elects to capitalize and depreciate such nonexpendable personal property in lieu of claiming the acquisition cost as a direct item of cost, title to such property shall remain with the Developer. An election to capitalize and depreciate or claim acquisition cost as a direct item of cost shall be irrevocable.
6. Nonexpendable personal property purchased by the Developer under the terms of this Contract, in which title is vested in the City of Yakima or Federal Government shall not be rented, loaned, or otherwise passed to any person, partnership, corporation, association or organization without the prior express approval of the City of Yakima ONDS.
7. Any nonexpendable personal property furnished to, or purchased by, the Developer, title to which is vested in the City of Yakima ONDS or federal government shall, unless otherwise provided herein or approved by the Contracting Officer, be used only for the performance of activities defined in this Contract.
8. As a condition prerequisite to reimbursement for the purchase of nonexpendable personal property, title to which shall vest in the City of Yakima ONDS or federal government, the Developer agrees to execute such security agreements and other documents as shall be necessary for the City of Yakima ONDS or federal government to perfect its interest in such property in accordance with the "Uniform Commercial Code-Secured Transactions" as codified in Article 9A of RCW Chapter 62A.
9. The Developer shall be responsible for any loss or damage to the property of the City of Yakima ONDS or federal government (including expenses

entered thereunto) which results from negligence, willful misconduct, or lack of good faith on the part of the Developer to maintain and administer in accordance with sound management practices that property, to ensure that the property will be returned to the City of Yakima ONDS or federal government in like condition to that in which condition the property was acquired by purchase, fair wear and tear accepted.

In addition, it is understood that any DEVELOPER that can be considered to be a religious organization shall abide by all portions of 24 CFR 92.257.

## **Section X – Conflict of Interest Provisions**

The DEVELOPER warrants and covenants that it presently has no interest and shall not acquire any interest, directly or indirectly, which could conflict in any manner or degree with the performance of its services hereunder. The DEVELOPER further warrants and covenants that in the performance of this contract, no person having such interest shall be employed. HOME conflict of interest provisions, as stated in 24 CFR 92.356, apply to the award of any contracts under the contract and the selection of tenant households to occupy HOME-assisted units. No employee, agent, consultant, elected official, or appointed official of the DEVELOPER may obtain a financial interest or unit benefits from a HOME-assisted activity, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. This prohibition includes the following:

- Any interest in any contract, subcontract or agreement with respect to a HOME-assisted project or program administered by the DEVELOPER, or the proceeds thereunder; or
- Any unit benefits or financial assistance associated with HOME projects or programs administered by the DEVELOPER, including:

Occupancy of a rental housing unit in a HOME-assisted rental project;

Receipt of HOME tenant-based rental assistance;

Purchase or occupancy of a homebuyer unit in a HOME-assisted project;

Receipt of HOME homebuyer acquisition assistance; or

Receipt of HOME owner-occupied rehabilitation assistance.

This prohibition does not apply to an employee or agent of the DEVELOPER who occupies a HOME assisted unit as the on-site project manager or maintenance worker. In addition, no member of Congress of the United States, official or employee of HUD, or official or employee of the Participating Jurisdiction shall be permitted to receive or share any financial or unit benefits arising from the HOME-assisted project or program. Prior to the implementation of the HOME-assisted activity, exceptions to these provisions may be requested by the DEVELOPER in writing to the Participating Jurisdiction. The DEVELOPER must demonstrate and certify that the policies and procedures adopted for the activity will ensure fair treatment of all parties, and that the covered persons referenced in this policy will have no inside information or undue influence regarding the award of contracts or benefits of the HOME assistance. The Jurisdiction may grant exceptions or forward the requests to HUD as permitted by 24 CFR 92.356, 85.36 and



84.42, as they apply.

## **Section XI – City Responsibilities**

The CITY shall furnish the DEVELOPER with the following services and information from existing CITY records and CITY files:

- A. Requirements.** The CITY shall provide to the DEVELOPER information regarding its requirements for the PROJECT.
- B. Regulation Updates.** The CITY will provide the DEVELOPER with any changes in HOME regulations or program limits that affect the project, including but not limited to income limits, property value limits and rent limits.
- C. Progress Inspections.** The CITY will conduct progress inspections of work completed to protect its interests as lender and regulatory authority for the project, and will provide information to the DEVELOPER regarding any progress inspections or monitoring to assist it in ensuring compliance. CITY's review and approval of the WORK will relate only to overall compliance with the general requirements of this Contract and HOME regulations, and all CITY regulations and ordinances. Nothing contained herein shall relieve the DEVELOPER of any responsibility as provided under this Contract.

## **Section XII – Equal Employment Opportunity**

During the performance of this contract, the DEVELOPER agrees as follows:

- A. Nondiscrimination.** The DEVELOPER will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin(s). The DEVELOPER will take affirmative action to ensure the applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin(s). Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The DEVELOPER agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer of the CITY setting forth the provisions of this nondiscrimination clause.
- B. Solicitation/Advertisement.** The DEVELOPER will, in all solicitations or advertisements for employees placed by or on behalf of the DEVELOPER, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- C. Labor Unions.** The DEVELOPER will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the DEVELOPER's contracting officer, advising the labor union or worker's representative of the DEVELOPER's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

**D. Executive Order 11246.** The DEVELOPER will:

- Comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- Furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the AGENCY and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and order.
- In the event the DEVELOPER is found to be in noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations or orders, this contract may be canceled, terminated or suspended in whole or in part and the DEVELOPER may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965 or by rule, regulations, or order of the Secretary of Labor or as otherwise provided by law.
- Include the provisions of paragraphs (a) through (g) of this contract in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The DEVELOPER will take such action with respect to any subcontract or purchase order as the AGENCY may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the DEVELOPER becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the AGENCY, the DEVELOPER may request the United States to enter into such litigation to protect the interest of the United States.

### **Section XIII – Labor, Training & Business Opportunity**

The DEVELOPER agrees to comply with the federal regulations governing training, employment and business opportunities as follows:

- A. Performance.** It is agreed that the WORK to be performed under this contract is on a project assisted under a program providing direct Federal financial assistance from the US Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701 u, as well as any and all applicable amendments thereto. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given low- and moderate-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the project area.
- B. Compliance.** The DEVELOPER shall comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 Code of Federal Regulations and all applicable rules and orders of the AGENCY of Housing and Urban Development issued thereunder as well as any and all applicable amendments thereto prior to

the execution of this contract as well as during the term of this contract. The DEVELOPER certifies and agrees that it is under no contractual or other disability, which would prevent it from complying with these requirements as well as any and all applicable amendments thereto.

- C. **Subcontract.** The DEVELOPER will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the CITY, take appropriate action pursuant to the subcontractor upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, in 24 Code of Federal Regulations. The DEVELOPER will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 code of Federal Regulations and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with these requirements as well as with any and all applicable amendments thereto.
- D. **Conditions.** Compliance with the provisions of Section 3, the regulations set forth in 24 Code of Federal Regulations and all applicable rules and orders of the AGENCY of Housing and Urban Development issued thereunder prior to the execution of the contract shall be a condition precedent to federal financial assistance being provided to the PROJECT as well as a continuing condition, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the DEVELOPER or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by 24 Code of Federal Regulations as well as with any and all applicable amendments thereto.

#### **Section XIV – Compliance with Federal, State & Local Laws**

- A. **Civil Rights Act.** The DEVELOPER covenants and warrants that it will comply with all applicable laws, ordinances, codes, rules and regulations of the state local and federal governments, and all amendments thereto, including, but not limited to; Title 8 of the Civil Rights Act of 1968 PL.90-284; Executive Order 11063 on Equal Opportunity and Housing Section 3 of the Housing and Urban Development Act of 1968; Housing and Community Development Act of 1974, as well as all requirements set forth in 24 CFR 92 of the HOME INVESTMENT PARTNERSHIP PROGRAM. The DEVELOPER covenants and warrants that it will indemnify and hold the CITY forever free and harmless with respect to any and all damages whether directly or indirectly arising out of the provisions and maintenance of this contract. The DEVELOPER agrees to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). The DEVELOPER further warrants and agrees to include or cause to be included the criteria and requirements of this section in every non-exempt subcontract in excess of \$100,000. The DEVELOPER also agrees to take such action as the federal, state or local government may direct to enforce aforesaid provisions.
- B. **Procurement And Construction Or Repair Project Requirements.** The following Federal provisions may apply, among others, to this Contract:
  - 1. Certification Regarding Debarment, Suspension Or Ineligibility And Voluntary Exclusion—Primary And Lower Tier Covered Transactions

a) The DEVELOPER, defined as the primary participant and its principals, certifies by signing these General Terms and Conditions that to the best of its knowledge and belief that they:

- i. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- ii. Have not within a three-year period preceding this Contract, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public or private contract or transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
- iii. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this section;
- iv. Have not within a three-year period preceding the signing of this Contract had one or more public transactions (Federal, State, or local) terminated for cause of default;
- v. Where the DEVELOPER is unable to certify to any of the statements in this Contract, the DEVELOPER shall attach an explanation to this Contract;
- vi. The DEVELOPER agrees by signing this Contract that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction; and
- vii. The DEVELOPER further agrees by signing this Contract that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," as follows, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions:

b) LOWER TIER COVERED TRANSACTIONS

- i. Each lower tier contractor certifies, by signing this Contract that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

- ii. Where the lower tier contractor is unable to certify to any of the statements in this Contract, such contractor shall attach an explanation to this Contract.
- 2. **Affirmative Action & Nondiscrimination Obligations.** Office of Federal Contract Compliance Programs regulations, 41 CFR Part 60, Executive Order 11246 as amended by Executive Order 12086, and 24 CFR 570.601 (Discrimination prohibited).
- 3. **Lead Based Paint.** The Lead Based Paint Poisoning Prevention Act, 42 USC Section 4831 et seq., and HUD regulations implementing the Act, 24 CFR Part 35, where, residential structures are involved. The Contractor shall provide whatever assistance is necessary to enable the City of Yakima's Building Official to carry out its inspection and certification responsibility under those regulations.
- 4. **Historic Preservation.** Historic and Archaeological Preservation requirements as set forth in 24 CFR Section 570.604.36 CFR Part 800, RCW 27.44.010 (Native American Burial Law), RCW 27.53.010-.090 (Protection of Archaeological Resources), and RCW 43.51.750-.820 (Preservation of Historic Properties).
- 5. **Architectural Barriers.** Architectural Barriers Act of 1968 as amended, 42 USC Section 4151 et seq., implementing regulations, and Chapter 70.92 RCW.
- 6. **Property Standards.** Accessibility Standard as set forth in 24 CFR 92.251(a).
- 7. **Clean Air & Other Environmental Protections.** Clean Air Act as amended, 42 USC Section 1857 et seq; Water Pollution Control Act, as amended, 33 USC Section 1251 et seq.; and Environmental Protection Agency regulations, 40 CFR Part 15.
- 8. **Employment & Other Economic Opportunities.** Section 3 of the Housing and Urban Development Act of 1968 (12 USC Section 1701u) and 24 CFR Part 135 (Employment opportunities for project area businesses and low-income persons).
- 9. **Contract Work Hours & Safety Standards.** Contract Work Hours and Safety Standards Act, 40 USC Chapter 5, Sections 327-333, (Overtime Compensation).
- 10. **Rate of Wages.** Davis-Bacon Act, as amended, 40 USC Chapter 3, Sections 276a – 276a – 5, and RCW Chapter 3 – 12 (Prevailing Wage Rates).
- 11. **Procurement.** 2 CFR Part 200 (Procurement Standards) and Federal Management Circular, FMC 74-4.
- 12. **Relocation & Acquisition.** The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and regulations contained in 24 CFR Parts 42 and 570.
- 13. **Nondiscrimination in Federally Assisted Programs.** Title VI of the Civil Rights Act of 1964 (P.L. 88-352) as amended, and HUD regulations with

respect thereto including the regulations under 24 CFR Part 1. In the sale, lease or other transfer of land acquired, cleared or improved with assistance provided under this Contract, and Developer shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination upon the basis of race, color, religion, sex, or national origin, in the sale, lease or rental, or in the use or occupancy of such land or any improvements erected or to be erected thereon, and providing that the Developer, the County, and the United States are beneficiaries of and entitled to enforce such covenant. The Developer, in undertaking its obligation in carrying out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant and will not itself so discriminate.

14. **Nondiscrimination Based on Age.** Age Discrimination Act of 1975 (24 CFR 146).

15. **Nondiscrimination in Housing.** Fair Housing Act (24 CFR 100, CFR 107 and 24 CFR 1).

16. **State Housing Standards.** Washington State/Local Building Codes/Housing Quality Standards (24 CFR 882.109).

17. **Minority & Women Owned Businesses.** WBE/MBE (24 CFR 85.36 (e)).

C. **Applicable Licensing & Certifications.** The DEVELOPER agrees to comply with all applicable Federal, State, City and Municipal standards for licensing, certification and operation of facilities and programs, and accreditation and licensing of individuals, and any other standards or criteria as described in the Contract to assure quality of services.

D. **Taxes & Other Insurances.** The DEVELOPER shall be solely responsible for and shall pay all taxes, deductions, and assessments, including but not limited to, sales tax, federal income tax, FICA, social security tax, assessments for unemployment and industrial injury insurance, and other deductions from income which may be required by law or assessed against either party as a result of this Contract. In the event the City is assessed a tax or assessment as a result of this Contract, the DEVELOPER shall pay the same before it becomes due.

## **Section XV – Suspension & Termination**

In accordance with 24 CFR 85.43, suspension or termination may occur if the DEVELOPER materially fails to comply with any term of the award, and that the award may be terminated for convenience in accordance with 24 CFR 85.44.

If, through any cause, the DEVELOPER shall fail to fulfill in timely and proper manner its obligations under this contract, or if the DEVELOPER shall violate any of the covenants, agreements, or stipulations of this contract, the CITY shall thereupon have the right to terminate this contract by giving written notice to the DEVELOPER of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, the DEVELOPER shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder to the date of said termination. Notwithstanding the above, the DEVELOPER shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of the contract by the DEVELOPER and the CITY may withhold any payments to the

DEVELOPER for the purpose of setoff until such time as the exact amount of damages due the CITY from the DEVELOPER is determined whether by court of competent jurisdiction or otherwise.

## **Section XVI – Termination for Convenience of the CITY**

The CITY may terminate for its convenience this contract at any time by giving at least thirty (30) days notice in writing to the DEVELOPER. If the contract is terminated by the CITY, as provided herein, the City will reimburse for any actual and approved expenses incurred, including those costs involved in terminating the contracts and shutting down the work as of the date of notice, and the DEVELOPER will be paid as a FEE an amount which bears the same ratio to the total compensation as the services actually performed bear to the total service of the DEVELOPER covered by this contract, less payments of compensation previously made.

## **Section XVII – Default-Loss of Grant Funds**

If the DEVELOPER fails in any manner to fully perform and carry out any of the terms, covenants, and conditions of the contract, and more particularly if the DEVELOPER refuses or fails to proceed with the work with such diligence as will ensure its completion within the time fixed by the schedule set forth in **Exhibit B** of this contract, the DEVELOPER shall be in default and notice in writing shall be given to the DEVELOPER of such default by the AGENCY or an agent of the AGENCY.

If the DEVELOPER fails to cure such default within such time as may be required by such notice, the CITY, acting by and through the AGENCY, may at its option terminate and cancel the contract. In the event of such termination, all grant funds awarded to the DEVELOPER pursuant to this contract shall be immediately revoked and any approvals related to the PROJECT shall immediately be deemed revoked and canceled. In such event, the DEVELOPER will no longer be entitled to receive any compensation for work undertaken after the date of the termination of this contract, as the grant funds will no longer be available for this project. Such termination shall not affect or terminate any of the rights of the CITY as against the DEVELOPER then existing, or which may thereafter accrue because of such default, and the foregoing provision shall be in addition to all other rights and remedies available to the CITY under the law and the note and mortgage (if in effect), including but not limited to compelling the DEVELOPER to complete the project in accordance with the terms of this contract, in a court of equity. The waiver of a breach of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition hereof.

This Contract may further be terminated by the City upon written demand by the City or AGENCY for assurances that the terms of the Project description are not being timely complied with, if such assurances are not made to the City's satisfaction within thirty (30) days of the date of such written demand.

## **Section XVIII—Close Out**

Within thirty (30) days of the contract closing date, the DEVELOPER shall submit a final invoice that includes all unpaid invoices and a final report. Final payment shall be made only after the CITY has determined that all services have been rendered, files and documentation delivered (including the final invoices and final report), covenants are recorded against the property, and units have been placed in service in full compliance

with HOME regulations, including submission of a completion report and documentation of eligible occupancy, property standards and long-term use restrictions. If the final invoices and report are not received within thirty (30) days of the contract closing date, DEVELOPER understands and agrees that it will not receive any payment for any final pending unpaid invoices. The CITY will retain ten percent (10%) until City has determined that all services have been rendered.

In the event this Contract is terminated in whole or in part for any reason, the following provisions shall apply:

- A. Upon written request by the DEVELOPER, the CITY shall make or arrange for payment to the DEVELOPER of allowable reimbursable costs not covered by previous payments.
- B. DEVELOPER shall submit within fifteen (15) days after the date of expiration of this Contract, all financial, performance and other reports required by this Contract, and in addition, will cooperate in a program audit by the CITY or its designee.
- C. In the event a financial audit has not been performed prior to close out of this Contract, the CITY and AGENCY retain the right to withhold a just and reasonable sum from the final payment to the DEVELOPER until the final audit is performed, submitted to, and reviewed by the CITY and AGENCY.

## **Section XIX– Reporting Responsibilities**

DEVELOPER agrees to submit any and all quarterly reports required by HUD or the CITY to the AGENCY on the following due dates: October 1, January 1, April 1, and July 1, next following the date of this contract. The AGENCY will send the DEVELOPER one reminder notice if the quarterly report has not been received fourteen (14) days after the due date. If the DEVELOPER has not submitted a report fourteen (14) days after the date on the reminder notice, the CITY will have the option to terminate the contract as described in this contract. In addition, the DEVELOPER agrees to provide the AGENCY information as required to determine program eligibility, in meeting national objectives, and financial records pertinent to the project. Additional reporting requirements are included in **Exhibit B**.

## **Section XX - Inspection, Monitoring & Access to Records**

A. The CITY reserves the right to inspect, monitor, and observe work and services performed by the DEVELOPER at any and all reasonable times. The CITY reserves the right to audit the records of the DEVELOPER any time during the performance of this Contract and for a period of five years after final payment is made under this Contract. If required, the DEVELOPER will provide the AGENCY with a certified audit of the DEVELOPER's records representing the Fiscal Year during which the PROJECT becomes complete whenever the amount listed in SECTION VII is at or exceeds \$300,000, pursuant to the requirements of OMB Circular A-133. Access shall be immediately granted to the CITY, HUD, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the DEVELOPER or its contractors which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

B. The records relating to this Contract shall be promptly furnished to the City upon request. Until the expiration of six (6) years after the termination date of this Contract,



or for a longer period of time if required by law or the Washington State Secretary of State's record retention schedule, DEVELOPER shall retain and provide the City access to all of the DEVELOPER's books, documents, papers and records which are related to this Contract. If any litigation, claim, or audit is started before the expiration of the six-year period or retention schedule time period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

C. All records relating to the DEVELOPER and this Contract must be made available to the City and produced to third parties, if required, pursuant to the Washington State Public Records Act, Chapter 42.56 RCW, or by law. All records relating to this Contract must be retained by DEVELOPER for the minimum period of time required pursuant to the Washington State Secretary of State's records retention schedule.

D. The terms and conditions of this section shall survive any expiration or termination of this Contract.

## **Section XXI – Insurance**

A. **No Insurance.** It is understood that the City does not maintain liability insurance for the DEVELOPER and/or its employees, agents, officers, and subcontractors.

B. **Commercial Liability Insurance.** On or before the effective date of this Contract, the DEVELOPER shall provide the City with a certificate of insurance and additional insured endorsements as proof of liability insurance in the minimum amount of Two Million Dollars (\$2,000,000.00) that clearly states who the provider is, the amount of coverage, the policy number, and when the policy and provisions provided are in effect (any statement in the certificate to the effect of "this certificate is issued as a matter of information only and confers no right upon the certificate holder" shall be deleted). Said policy shall be in effect for the duration of this Contract. The certificate of insurance and additional insured endorsements shall name the City of Yakima, its elected officials, officers, agents, employees and volunteers as additional insureds, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the City thirty (30) calendar days prior written notice. The insurance shall be with an insurance company or companies rated A-VII or higher in Best's Guide and admitted in the State of Washington. If DEVELOPER carries higher coverage limits, such limits shall be shown on the Certificate of Insurance and Endorsements, and the City, its elected and appointed officials, employees, agents, attorneys and volunteers shall be named as additional insureds for such higher limits. The requirements contained herein, as well as the City of Yakima's review or acceptance of insurance maintained by the DEVELOPER, is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by the DEVELOPER under this Contract.

C. **Commercial Automobile Liability Insurance.** On or before the date this Contract is fully executed by the parties, DEVELOPER shall provide the CITY with a certificate of insurance and additional insured endorsements as proof of commercial automobile liability insurance with minimum liability limit of Two Million Dollars (\$2,000,000.00) combined single limit bodily injury and property damage. Automobile liability will apply to "Any Auto" and be shown on the certificate. The certificate shall clearly state who the provider is, the amount of coverage, the policy number, and when the policy and provisions provided are in effect (any statement in the certificate to the effect of "this certificate is issued as

a matter of information only and confers no right upon the certificate holder" shall be deleted). Said policy shall be in effect for the duration of this Contract. The certificate of insurance and additional insured endorsements shall name the City of Yakima, its elected officials, officers, agents, employees and volunteers as additional insureds, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the City thirty (30) calendar days prior written notice. The insurance shall be with an insurance company or companies rated A-VII or higher in Best's Guide and admitted in the State of Washington. If DEVELOPER carries higher coverage limits, such limits shall be shown on the Certificate of Insurance and Endorsements, and the City, its elected and appointed officials, employees, agents, attorneys and volunteers shall be named as additional insureds for such higher limits. The requirements contained herein, as well as the City of Yakima's review or acceptance of insurance maintained by the DEVELOPER, is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by the DEVELOPER under this Contract.

- D. **Workers' Compensation.** DEVELOPER and all subcontractor(s) shall at all times comply with all applicable workers' compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable, and shall maintain Employer's Liability insurance with a limit of no less than \$1,000,000.00. The City shall not be held responsible in any way for claims filed by DEVELOPER or its employees for services performed under the terms of this Contract. DEVELOPER agrees to assume full liability for all claims arising from this Contract including claims resulting from negligent acts of all subcontractor(s). DEVELOPER is responsible to ensure subcontractor(s) have insurance as needed. Failure of subcontractors(s) to comply with insurance requirements does not limit DEVELOPER's liability or responsibility.
- E. **Insurance Provided By Subcontractors.** The DEVELOPER shall ensure that all subcontractors it utilizes for work/services rendered under this Contract shall comply with all of the above insurance requirements.
- F. **Insurance Coverage.** DEVELOPER's insurance coverage shall be primary insurance with respect to those who are Additional Insureds under this Contract. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be in excess of the DEVELOPER's insurance and neither the City nor its insurance providers shall contribute to any settlements, defense costs, or other payments made by DEVELOPER's insurance. All additional insured endorsements required by this Section shall include an explicit waiver of subrogation.
- G. **Maintenance of Insurance.** If at any time during the life of this Contract, or any extension, DEVELOPER fails to maintain the required insurance in full force and effect, all services or requirements under this Contract shall be discontinued immediately. Any failure to maintain the required insurance may be sufficient cause for the City to terminate the Contract.
- H. **Verification of Coverage.** Failure of the City to demand verification of coverage with the insurance requirements outlined in this Section, or failure of the City to identify a deficiency from the insurance documentation provided, shall not be construed as a waiver of DEVELOPER's obligation to maintain such insurance.

## Section XXII – General Conditions

- A. **Notice & Communications.** All notices or other communication which shall or may be given pursuant to this Contract shall be in writing and shall be delivered by personal service, or by registered mail addressed to the other party at the address indicated herein or as the same may be changed from time to time. Such notice shall be deemed given on the day on which personally served; or, if by mail, on the fifth day after being posted or the date of actual receipt, whichever is earlier.

City address: City Manager  
Yakima City Hall  
129 North 2<sup>nd</sup> Street  
Yakima, Washington 98901

Copy To: Office of Neighborhood Development Services  
City of Yakima  
129 N 2<sup>nd</sup> Street  
Yakima, Washington 98901

DEVELOPER address: Yakima Valley Partners Habitat for Humanity  
21 W. Mead Ave. Ste # 110  
Yakima, Washington 98902:

- B. **Title & Headings.** Title and paragraph headings are for convenient reference and are not a part of this Contract.
- C. **Contract Conflict.** In the event of conflict between the terms of this Contract and any terms or conditions contained in any attached documents, a conflict or inconsistency shall be resolved by giving precedence in the following order:
1. Appropriate provisions of state and federal statutes and regulations including HUD regulations governing this Project.
  2. Terms and Conditions (**Exhibit A**).
  3. Those attachments incorporated by reference herein, including the statement of work and/or project description, and approved HUD grant budget, in the order in which they are attached.
  4. City of Yakima Resolution authorizing this Contract.
  5. Any other provisions whether incorporated by reference herein or otherwise, provided that nothing herein shall be construed as giving preference to provisions of this Contract and/or grant award over any provisions of law.
- D. **Waiver & Breaches.** No waiver or breach of any provision of this Contract shall constitute a waiver of a subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.
- E. **Contract Enforcement.** The parties hereto agree that this Contract shall be construed and enforced according to the laws of the State of Washington. The venue for any action to enforce or interpret this Contract shall lie in the Superior Court of Washington for Yakima County.
- F. **Modified to the Extent Necessary.** Should any provisions, paragraphs, sentences, words or phrases contained in this Contract be determined by a court

of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Washington or the City of Yakima, such provisions, paragraphs, sentences, words or phrases shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable to conform with such laws, then same shall be deemed severable, and in either event, the remaining terms and provisions of this Contract shall remain unmodified and in full force and effect.

- G. **Anti-Kickbacks.** The DEVELOPER shall comply with the provisions of the Copeland Anti-Kick-Back Act (18 U.S.C. 874) as supplemented in the AGENCY of Labor Regulations (29 CFR Part 3), as amended.
- H. **Contract Work Hours & Safety Standards.** The DEVELOPER shall comply with the provisions of sections 103 and 107 of the Contract Work Hours and Safety Standard Act (40 U.S.C. 327-330) as supplemented by AGENCY of Labor regulations (29 CFR, Part 5), as amended.
- I. **Inclusion of Anti-Kickbacks & Contract Work Hours and Standards – Subcontracts.** The DEVELOPER further warrants and agrees to include or cause to be included the criteria and requirements of paragraphs (G) through (H) of this section in every nonexempt subcontract. The DEVELOPER also agrees to take such action as the federal, state or local government may direct to enforce aforesaid provisions.
- J. **Delegation of Duties.** The obligations undertaken by the DEVELOPER pursuant to this Contract shall not be delegated or assigned to any other person or agency unless CITY shall first consent to the performance or assignment of such service or any part thereof by another person or agency. The City has sole discretion in determining whether to provide its consent.
- K. **Binding & Modifications.** This Contract shall be binding upon the parties hereto, their heirs, executors, legal representative, successors and assigns. Modifications to this Contract shall be in writing and executed by both parties, except for budget adjustments which process is specified above.
- L. **Indemnify & Hold Harmless.** DEVELOPER agrees to release, defend, indemnify and hold harmless the City, its elected and appointed officials, officers, employees, agents, representatives, insurers, attorneys, and volunteers from any and all liabilities, losses, damages, and expenses related to all claims, suits, arbitration actions, investigations, and regulatory or other governmental proceedings arising from or in connection with this Contract or the acts, failures to act, errors or omissions of the Association, or any of Association's agents, subcontractors, volunteers, or participants in performance of this Contract.

Nothing contained in this Section of this Contract shall be construed to create a liability or a right of indemnification in any third party.

The provisions of this Section regarding indemnification and the Section above regarding insurance coverage shall survive the termination of this Contract.

- M. **Independent Contractors.** The DEVELOPER and its employees and agents shall be deemed to be independent contractors, and not agents or employees of the CITY, and shall not attain any rights or benefits under the civil service or pension ordinances of the CITY, or any rights generally afforded classified or

unclassified employee; further they shall not be deemed entitled to state Compensation benefits as an employee of the CITY.

- N. **Availability of Funds.** Funding for this Contract is contingent on the availability of funds and continued authorization for program activities and is subject to amendment or termination due to lack of funds, or authorization, reduction of funds, and/or change in regulations.
- O. **Disclosure of Confidential Information.** The use or disclosure by any party of any confidential information concerning a recipient or client for any purpose not directly connected with the City's or the DEVELOPER'S responsibilities with respect to services provided under this Contract is prohibited except on written consent of the recipient or client, their attorney or their responsible parent or guardian or as otherwise provided by law.
- P. **Reassignment of Services.** The DEVELOPER shall not assign or subcontract any portion of services provided within the terms of this Contract without obtaining prior written approval from the City, at its sole discretion. All terms and conditions of this Contract shall apply to any approved subcontract or assignment related to the Contract.
- Q. **Illegal Provisions.** It is understood and agreed by the parties hereto that if any part, term, or provision of this Contract is held by the courts to be illegal, the validity of the remaining provisions shall not be affected; and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular provision held to be invalid. If it should appear that any provision hereof is in conflict with any statutory provision of the United States or the State of Washington, said provisions which may conflict therewith shall be deemed modified to conform to such statutory provision.
- R. **Survival.** Any provision of this Contract which imposes an obligation after termination or expiration of this Contract shall survive the term or expiration of this Contract and shall be binding on the parties to this Contract.

## Exhibit “B”

### Yakima Valley Partners Habitat for Humanity

#### A.) PROPOSAL SUMMARY/PROJECT ABSTRACT

Yakima Valley Partners Habitat for Humanity will construct a single-family home located at **2906 W. Arlington Ave.** and sell it to a qualified low-income, first-time homebuyer and monitor the “Affordability Period” for a period of no less than FIFTEEN (15) years, after which all net proceeds shall be granted to Habitat.

#### B.) ASSESSMENT OF NEED/PROBLEM STATEMENT

Yakima Valley Partners Habitat for Humanity will provide the construction of a single-family dwelling to be sold to a qualified low to moderate-income first-time homebuyer and monitor the project for a period of no less than FIFTEEN (15) year affordability period in exchange for all net proceeds redeemed from the sale of the home located at **2906 W. Arlington Ave.**

#### C.) PROGRAM GOAL AND OBJECTIVES

##### Goal

Create another affordable single-family residence within in the City of Yakima.

##### Objectives

1. Prepare the site for construction.
2. Construct a new single-family dwelling.
3. Sell the new single-family home to a qualified low to moderate first-time homebuyer.

#### D.) METHODOLOGY

From the contract execution date to continue until the termination date as specified within this contract, Yakima Valley Partners Habitat for Humanity will construct a new single-family dwelling to be sold to a qualified low to moderate first time homebuyer to be monitored for a FIFTEEN (15) year affordability period per HUD regulations governing HOME Investment funded projects.

#### E.) OUTCOMES & EVALUATION

As a condition of reimbursement, Habitat for Humanity will,

1. Prepare the site for construction.
2. Construct a new Single-family dwelling.
3. Sell the property and dwelling to a qualified low to moderate-income first-time homebuyer.
4. Monitor the property at **290 W. Arlington Ave.** for a period of no less than a FIFTEEN (15) year affordability period as per HOME Investment requirements.

#### F.) BUDGET

Yakima Valley Partners Habitat for Humanity will be **reimbursed up to \$87,500** between the contract execution date and end upon completion of construction, for eligible activities, subject to the terms and conditions of the Contract.

**Exhibit “C”**

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**Exhibit “D”****Subrecipient Request for Funding Application**

Is the attached proposal as submitted to the City of Yakima on November 2, 2022.



**EXHIBIT D****Office of Neighborhood Development Services (ONDS)**

Yakima Valley Partners  
Habitat for Humanity  
Single Family Dwelling Construction  
2906 W Arlington, Yakima WA 98902  
November 2, 2022

### Yakima County Projected Need for New Housing Units – 2015-2040

	2015 Population Estimates	2040 Population Projected	Projected New Residents	Persons Per Household	2040 Projected New Housing Units	Average New Housing Units Needed Annually
Yakima Co	249,970	318,494	68,524	3.0	22,841	914
Yakima City	93,220	117,608	24,388	2.6	9,380	375
Toppenish	8,965	10,377	1,412	3.7	382	15
Sunnyside	16,280	19,578	3,298	3.4	970	39
Granger	3,640	4,816	1,176	4.4	267	11
Grandview	11,200	19,578	8,378	3.4	2,464	99

**Source: Based on OFM Median Population Projections & 2015 OFM Actuals**

Yakima Valley Partners Habitat for Humanity is proposing build sites in 3 locations throughout the city of Yakima in the next 18 months. Our program specifically targets and serves households earning low to very low income according to HUD median annual household income.

Habitat pre-qualifies program applicants based on willingness to partner, need, current living situation, and ability to pay for the Habitat home. Once selected for our program, we provide housing counseling focused on credit management and or repair, budgeting, and pre-purchase education. Applicants are referred to other community non-profit agencies for first time home buyer education & other additional assistance as deemed necessary.

Yakima Valley Partners Habitat for Humanity (YVPHFH) is seeking assistance in building affordable housing on a lot owned by YVPHFH. We are proposing construction of a single-family home on Voelker Ave in Yakima utilizing HOME funds. In partnership with the Office of Neighborhood Development Services (ONDS), YVPHFH will build a 4 bedroom 1-1/2-bathroom 1240 square foot home. The proposed home will serve a low to very low-income family. This family will be pre-qualified, first-time home buyers, whose income is between 30%-80% of the Area Median Income (AMI) for Yakima County.

### Market Assessment – Housing Needs

Yakima Valley Partners Habitat for Humanity has identified three Key Factors driving Affordable Housing Needs in Yakima County, specifically within the city of Yakima:

1. Low Wages - The proposed projects target households whose incomes are at or below 80% Area Median Income for Yakima County. These include agricultural workers, service employees, medical clinic employees, school district employees and other professionals. Typically, these households cannot afford full market rate homes and financing for the acquisition of a new home.
2. Aging Housing Stock - There are pre-existing homes in the City and County, available for purchase, however; most of these homes are older and in need of considerable

repair and/or rehabilitation. In addition, the age of the homes may either require additional mitigation costs for asbestos and/or lead-based paint or expose new unsuspecting homebuyers and their households to dangerous toxins should they do the repairs themselves.

3. Housing Shortage - There are semi-new and new construction homes on the market for sale. With the current shortage, the demand for new homes has increased the average market price and limits options for households with fewer resources and lower income.

### **Program Purpose and Projected Outcome**

YVPHFH's intent is to build and provide affordable housing opportunities to low-income households in Yakima County. Our proven partnership over the years shows the value and impact we create when working together.

The project involves development of a single parcel number 181326-23555 at 2906 West Arlington Ave., Yakima to enable construction of a single-family residence. This parcel provides enough land for a single-family construction residence to be constructed by YVPHFH. Actual construction of the home will take place in 2024-2025.

The specific project that this application refers to is typical of the Yakima Valley Partners Habitat for Humanity process detailed below.

Volunteers account for most of all labor needed on a Habitat job site. Volunteers for this project will include students in the Perry Tech Electrical program, Habitat for Humanity households, & friends working to complete their "sweat equity" hours. Volunteers will be involved in all areas of the organization including committee work, job site construction, and office assistants.

Yakima Valley Partners Habitat for Humanity is a non-profit, non-denominational Christian housing organization that builds homes in partnership with qualified low-income households in the Yakima Valley. Our households' incomes are within 30-80% of the median income for households in Yakima County. We offer two funding options for program participants: One - a zero-interest mortgage funding by YVPHFH; Two - for higher AMI applicants we offer 3<sup>rd</sup> party funding through Yakima Federal Savings & Loan, with a low interest mortgage program designed specifically for our participants, which closely mirrors the USDA 502 Loans. This funding approach makes decent, affordable housing a reality for more households than we would be able to serve if we only used in house funding.

Yakima Valley Partners Habitat for Humanity's Affiliate is governed by an Affiliate Board of Directors. This board is comprised with a minimum of 1/3 of the members being representatives of the communities we serve.

Founded in 1984, Yakima Valley Partners Habitat for Humanity has completed 196 new homes, representing nearly 850 individuals whose lives have been changed through our program. These homes represent nearly \$20,000,000 in property value added to the local tax rolls. This is yet another way Habitat for Humanity has aided in stimulating the local

economy. Additionally, we have several hundred volunteers, both locally and from all over the nation, provide thousands of hours of volunteer work for our program each year.

### **How It Works**

Each year our Board of Directors determines where and how many homes we will be able to build the following year. This is based on budget and land availability in the different communities. We seek to build 40% of our homes in Yakima and 60% in the mid and Lower Valley.

We then advertise an application meeting for those who would like to apply for a Habitat for Humanity home. At this meeting we explain the process and the Family Selection Criterion. It is as follows:

#### **1. Ability to Repay:**

YVPHfH's program is a self-help program which requires participants to purchase their home. Our pricing process is layered to achieve maximum affordability for our participants. We set the purchase price at fair market value based on a 3<sup>rd</sup> party appraisal. We then determine the participants affordable mortgage limit. YVPHfH then assists the participants with grants and in most cases a forgivable 2<sup>nd</sup> mortgage to meet the affordability needs and requirements of participants and our funding terms. This process helps us accomplish an affordable mortgage payment (not to exceed 30% of the household's income). Our participants' mortgage payments (include principal, taxes, and insurance) are typically less than their current rent. All funds received from 1<sup>st</sup> mortgages of our homes are used for the construction of future homes. This makes Habitat for Humanity a self-perpetuating home ownership program. Qualified households earn between 30% and 80% of the median area income.

#### **2. Willingness to Partner:**

The chosen households must be willing to invest at least 500 hours of "sweat equity" with YVPHfH. Sweat equity hours must include a minimum of 125 hours of construction on their home or other Habitat homes and 75 hours in approved "Homeowner Education" courses. This includes a financial literacy program, currently using LOVE Inc.'s program and a "First time home buyer" class.

#### **3. Current Living Conditions:**

The current living conditions of a family must create a burden in at least one of the following areas:

- Health and Safety
- Over Crowding
- Financial Hardship

Applications are accepted in person at our administration office. Applicants who meet the above criteria are then reviewed by the Homeowner Selection Committee for verification of the participant selection criteria. When this is complete the households are presented to the Affiliate Board of Directors for approval.

The homeowner selection process is ongoing until all current projected homes are matched with a family.

### Funding

Most of the funding for YVPHFH projects is from foundations, local businesses, churches, and individuals. Government grants, when available, are used for land acquisition, infrastructure (sewer, water, etc.) development, and administration costs.

Additionally, Yakima Valley Partners will fund the project through income received from Habitat Store profits, general donations, and funds from principal payments being made by current homeowners paying their monthly mortgage payment.

### PROJECT FINANCIAL INFORMATION

Total Cost:	CHDO request:	Other financing:
\$ 285,750	\$ 87,500	\$ 198,250
CHDO request as % of total cost <u>30.6</u> %		
CHDO request from the City: Loan: \$		Grant: \$ 87,500
Funds to be returned to the City: Yes <input type="checkbox"/>		No <input checked="" type="checkbox"/>
See attached Subsidy Analysis and Cost Estimate		

### PROJECT SCHEDULE

#### ACTION:

##### Site:

Option

Completed

Acquisition

February 3, 2021

##### NON-CHDO Financing:

Application

Pre-approved Loan Funding

Conditional Commitment

January 1, 2022

Firm Commitment

June 1, 2022

##### Design:

Selection of Architect  
Partners

Completed – Yakima Valley

Preliminary Designs

April 2018

Final Designs

June 2022

##### Bidding:

Advertise

N/A

Open Bids

N/A

Award Bids

N/A. All work is done by staff and volunteers

##### Construction:

Begin Construction

March 2024

Complete Construction

12/31/2024

##### Occupancy:

HomeTransfer to low income family

January 2025

### PROJECT DEVELOPMENT TEAM

The following companies or individuals constitute the development team. Where individual members have not yet been identified, the City must be notified as they are selected.

Staff Contact Person:	Meloney Rosen
Other Financial Sources:	Yakima Federal Savings and Loan, Enero Macias
Other Partnerships:	Perry Tech Electrical Programs
Other:	Building Committee: Chair - Darin Peters, Regional Project Manager for Pontifex, Charlie Eglin – Contractor, Jeff Swan, County Judge, Rip Hollingbery, Retired Architect, Gus Carvajal, Dynamic Solar, Habitat Staff - Greg Rapp, Construction Manager, David Reeder & Gary Green site supervisors.

### **CERTIFICATION**

I hereby certify that the above statements are true; that I am authorized to sign this application and to make these statements, on behalf of the applicant organization; and that the organization understands that misrepresentation of any facts which leads to the improper allocation and expenditure of public funds may result in legal action against the organization for retrieval or any such funds and appropriate penalties.

Signed:

  
 \_\_\_\_\_  
 Signature

February 16, 2024  
 \_\_\_\_\_  
 Date

Meloney Rosen  
 \_\_\_\_\_  
 Name

Executive Director  
 \_\_\_\_\_  
 Title

Yakima Valley Partners Habitat for Humanity  
 \_\_\_\_\_  
 Organization



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 7.G.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Resolution authorizing a contract with Yakima Valley Partners Habitat for Humanity for the development of a new single-family home located at W 2908 Arlington Ave

**SUBMITTED BY:** Rosylen Oglesby, Assistant City Manager

**SUMMARY EXPLANATION:**

As the annual recipient of HOME Investments funds from the U.S. Department of Housing and Urban Development (HUD), the City of Yakima must invest these funds in affordable housing within its jurisdiction. By granting available HOME funds, the City of Yakima allows for continued decent, safe, and affordable housing within the City of Yakima that serves low-to-moderate-income citizens.

Yakima Valley Partners Habitat for Humanity, as a Qualified CHDO, is requesting Eighty-Seven Thousand Five Hundred Dollars (\$87,500.00) to assist with the construction of a new Single-Family low-income housing unit.

Projects that receive funding from the City of Yakima HOME program must be consistent with the City Consolidated Plan, which guides HOME funding, and the City Comprehensive Plan.

**ITEM BUDGETED:** Yes

**STRATEGIC PRIORITY:** Economic Development

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Adopt Resolution.

**ATTACHMENTS:**

Description	Upload Date	Type
<input type="checkbox"/> Resolution_2908 w arlington	3/29/2024	Resolution
<input type="checkbox"/> Agreement_2908 W Arlington	4/2/2024	Contract

## **RESOLUTION NO. R-2024-**

**A RESOLUTION** authorizing an agreement with Yakima Valley Partners Habitat for Humanity for up to Eighty-Seven Thousand Five Hundred Dollars (\$87,500) in U.S. Department of Housing and Urban Development (HUD), HOME Investment Partnerships Program (HOME) funds for the construction of a low-income housing unit at 2908 W. Arlington Avenue.

**WHEREAS**, the City received money from the HUD's HOME Program under CFDA Contract # 14.239 in the amount of \$573,858, which must be used to invest in affordable housing in the City of Yakima and

**WHEREAS**, this proposal's existing lot of record will be developed with a single-family home at 2908 W. Arlington Avenue, Yakima, WA 98902.

**WHEREAS**, Yakima Valley Partners Habitat for Humanity has a proven track record of creating community-based housing for the benefit of low to moderate-income homeownership units within the City of Yakima and

**WHEREAS**, Yakima Valley Partners Habitat for Humanity is a Certified Community Housing Development Organization (CHDO) and is eligible to receive funding for projects under the terms of HOME contracts for units dedicated to low to moderate-income persons and families and seek funding for the land acquisition and development, which are eligible activities under the HOME program, and

**WHEREAS**, pursuant to federal requirements, the newly constructed single-family dwelling will be monitored for HUD HOME Investment affordability beginning at the time of completion as outlined in the contract, through a period of not less than fifteen (15) years, and

**WHEREAS**, The City Council of the City of Yakima finds that it is in the best interests of the City and its residents to enter into an agreement with Yakima Valley Partners Habitat for Humanity to provide funding for land acquisition and development costs for an affordable housing unit with federal monies provided by HUD through the HOME Investment program, now, therefore,

### **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:**

The City Manager is hereby authorized to execute an Agreement with Yakima Valley Partners Habitat for Humanity for Eighty-Seven Thousand Five Hundred Dollars (\$87,500) in Federal Housing and Urban Development HOME Investment funds to acquire land and construct a single-family housing unit for a low—to moderate-income person within the City of Yakima. A copy of the agreement is attached hereto.

**ADOPTED BY THE CITY COUNCIL** this 2<sup>nd</sup> day of April, 2024.

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Patricia Byers, Mayor

ATTEST:

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Rosalinda Ibarra, City Clerk



**CONTRACT BETWEEN THE CITY OF YAKIMA  
OFFICE OF NEIGHBORHOOD DEVELOPMENT SERVICES  
AND DEVELOPER – YAKIMA VALLEY PARTNERS HABITAT FOR HUMANITY  
(2908 W. Arlington Ave.)**

1. CFDA: 14.239 HOME INVESTMENT PARTNERSHIP PROGRAM
2. DEVELOPER/AWARDEE: Yakima Valley Partners Habitat for Humanity
3. HUD Entity Type: DEVELOPER
4. Address: 21 W. Mead Ave. Ste 110, Yakima, WA. 98902
5. Phone: (509) 453-8077
6. Contact Person: Meloney Rosen, Director of Yakima Valley Partners Habitat for Humanity
7. Title of Service or Program being funded: New Construction of single-family homes located at: 2908 W. Arlington Ave., Yakima, WA 98902.
8. Awarding Federal Agency: U.S. Department of Housing and Urban Development.
9. Unique Entity Identifier Number: HU9AXMBCSDA2
10. Federal Award Year and Federal Award Number: 2020, 2021, & 2022; M20-MC530203; M21-MC530203; M22-MC530203.
11. Amount of Contract Award: \$87,500 (HOME) CFDA Contract # 14.239
12. The term of this Contract shall commence upon the execution date of the Developer's receipt of "Letter to Proceed" from the City of Yakima Office or Neighborhood Development Services, and the project will begin construction within twelve months of entering this Contract and will be completed by **April 2, 2025**, at midnight, unless sooner terminated by either party in accordance with **Section XV of Exhibit "A,"** attached hereto and incorporated herein by this reference.
13. This contract award and the rights and obligations of both parties hereto shall be subject to and governed by the following:
  - (a) "Terms and Conditions" attached hereto as **Exhibit "A"** and incorporated herein by this reference; and
  - (b) Operating budget, including the funding sources and uses statement and the work plan, attached hereto as **Exhibit "B"** and incorporated herein by this reference.
  - (c) City of Yakima Resolution No. **R-2024-**, a copy of which is attached hereto as Exhibit "C" and incorporated herein by this reference.
14. Final Contract payment shall be subject to the satisfactory completion of the project described in **Exhibit "B"**, and satisfaction of all contract terms and conditions, including, but not limited to, the submission of the final report and billing invoice information within thirty (30) days of the contract closing date, and

as stated in **Exhibit “A”, Exhibit “B” and Exhibit “C”**.

This written document, together with all of the incorporated exhibits hereto, constitutes the entire Contract and terms of agreement between the parties hereto.

IN WITNESS THEREOF the parties have executed this Contract as of the day and year stated below.

**CITY OF YAKIMA**

**DEVELOPER: Habitat for Humanity**

\_\_\_\_\_  
Dave Zabell, Interim City Manager

By:\_\_\_\_\_  
Meloney Rosen

Date:\_\_\_\_\_

Title: Executive Director

Date:\_\_\_\_\_

**ATTEST**

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk

City Contract No.:

## EXHIBIT “A”

### TERMS AND CONDITIONS

This Contract is to provide HOME Investment Partnerships Program (HOME) funding for the construction of 1 new affordable homeownership units in the City of Yakima. All housing developed with funding provided by this Contract shall be pursuant to the HOME Program's and this Contract's regulations. The term of this Contract and the provisions herein shall be extended to cover the affordability period hereby designated as fifteen (15) years. The affordability period in this Project will be activated on the date after the Developer has provided the City staff with a project completion report upon initial occupancy of the units, and this information will be entered into H.U.D.'s Integrated Disbursement Information System (IDIS) System.

All terms used in this Contract shall be consistent with the HOME Program and its implementing regulations at 24 C.F.R. Part 92. Developer agrees to comply with all requirements related to this Project as outlined in the Code for Federal Regulations listed in 24 C.F.R. Part 92 and 24 C.F.R. Part 58 (as amended). In any instance where the City requirements are more restrictive than the Code for Federal Regulations, the City requirements shall take precedence over the Federal Regulations. The Developer, with this Contract, intends, declares, and covenants that the regulatory and restrictive covenants set forth herein governing the use, income, occupancy, sale, lease, or transfer of the assisted HOME units shall be binding upon the Developer for such term, and are not merely personal covenants of the Developer, but are contractual in nature.

**WHEREAS**, the City is the recipient of a U.S. Department of Housing and Urban Development (H.U.D.) grant under the HOME Investment Partnership Provisions of the Cranston-Gonzales National Affordable Housing Act (42 U.S. C 12742) and will administer said grant; and

**WHEREAS**, the City of Yakima, as a recipient of HOME Investment Partnerships Program Funds from the U.S. Department of Housing and Urban Development (HUD), including funds that are reserved for the use of Community Housing Development Organizations (CHDOs); and

WHEREAS, the DEVELOPER has been certified with the CITY as an eligible CHDO, that maintains, develops, and constructs affordable housing in the State of Washington and is eligible to participate in the City's service area(s) under the provisions of Section 212 of the Cranston-Gonzales Act (42 U.S. C 14742) as amended by the Housing and Community Development Act of 1992; and

NOW, THEREFORE the AWARDEE/DEVELOPER hereby agrees to undertake, that certain community development or housing assistance project described in **Exhibit “B”, Project Summary** (hereinafter sometimes referred to as “the Project”) for the following locations:

#### 1. 2908 W Arlington Avenue

pursuant to the terms and conditions of the Contract and its Exhibits.

## Section I – Definitions

A. **AGENCY** – is hereby defined as the Office of Neighborhood Development Services, the HOME Program administering agency of the City of Yakima. For the purpose of this Contract and all administration of HOME funds, the AGENCY shall act on behalf of the CITY in the execution and fiscal and programmatic control of this contract. The term “Approval by the CITY” or like term used in this Contract shall in no way relieve the DEVELOPER from any duties or responsibilities under the terms of this Contract, or obligation State or local law or regulation.

B. **FEE** – is hereby defined as the amount of money the CITY agrees to pay and the DEVELOPER agrees to accept as payment in full for all the professional, technical and construction services rendered pursuant to this Contract to complete the WORK as further defined in **Section III - SCOPE OF WORK**, hereof.

C. **WORK** – is hereby defined as all the professional, technical and construction services to be rendered or provided by the DEVELOPER as described here.

D. **PROJECT** – is defined in **Section II - Project and Exhibit B** Attached hereto and fully incorporated herein.

E. **HOME** – is hereby defined as the HOME Investment Partnerships Program as described in 24 CFR Part 92, under the authority of 42 U.S.C. 3535 (d) and 12701 - 12839.

## Section II- Project

DEVELOPER’s Project will develop one (1) single-family home that will be sold to low-income, qualified first-time homebuyers.

## Section III – Term

### A. GENERAL

The DEVELOPER expressly agrees to complete all work required by this Contract in accordance with the timetable set forth as follows:

#### ***Milestone Deadline***

Project Start Date: Date of signature.

Project Completion Date: **April 2, 2025**

Duration of Contract: Through the end of the Affordability Period (see Section B)

The amount of grant funding that the City hereby sub-grants to the DEVELOPER is **Eighty Seven Thousand Five Hundred (\$87,500.00)** for the Project.

**This Exhibit A** consists of one (1) undeveloped lots in the City of Yakima owned by the Developer. Public water and sewer are provided to the unit(s) and available from the City of Yakima. Electrical service is also available at the sites.

The new affordable housing units will be designated HOME homeownership units and, as such, shall only be sold to income-eligible buyers for the affordability period. The buyer shall have an income at or below 80% A.M.I. (area median income) based on the current H.U.D. limits at the time of execution of the sale. Income eligibility shall be determined

using the "**Technical Guide for Determining Income and Allowance for the HOME Program**" provided by the U.S. Department of Housing and Urban Development (H.U.D.) and shall include source documentation.

The sales price of each unit may not exceed 95 percent of the maximum purchase prices for the area. The HOME-assisted unit(s) shall remain in compliance with the HOME Program (24 C.F.R. Part 92.252(e)) for FIFTEEN (15) years after the Project is officially completed. The Project is officially completed when the property construction is completed, the property passes ongoing and final construction inspections by City staff, a Certificate of Occupancy is issued by the jurisdictional building inspections department, HOME-assisted units are occupied, and the required beneficiary data is submitted to the City staff to enter into H.U.D.'s Integrated Disbursement Information System (IDIS) System.

## **B. AFFORDABILITY**

In addition, this project is subject to ongoing compliance requirements of HOME for FIFTEEN (15) years from the date the project is completed. The project is considered completed when the City draws the final drawdown of HOME funds. During this compliance period, the DEVELOPER will ensure continued compliance with HOME requirements. For homebuyer units, this includes monitoring units for principal residency and recapture of funds at the time of resale. A restrictive covenant shall be executed for the total amount of assistance and will include the applicable HOME requirements, including resale/recapture provisions and property use restrictions, to ensure the enforcement of the HOME requirements. These requirements, which pertain to occupancy, income, and an affordability period, are required in order to maintain the development subsidy investment as a forgivable loan in the affordable housing units for the compliance period. The covenant shall be executed and attached to the property prior to final payment being made with transfer of the property from DEVELOPER to a third party.

## **C. TIME IS OF THE ESSENCE**

Timely completion of the work specified in this contract is an integral and essential part of performance. The expenditure of HOME funds is subject to Federal deadlines and could result in the loss of the Federal funds. By the acceptance and execution of this contract, it is understood and agreed by the DEVELOPER that the PROJECT will be completed as expeditiously as possible and that the DEVELOPER will make every effort to ensure that the project will proceed and will not be delayed. Failure to meet these deadlines can result in cancellation of this contract and the revocation of HOME funds. Since it is mutually agreed that time is of the essence as regards this contract, the DEVELOPER shall cause appropriate provisions to be inserted in all contracts or subcontracts relative to the work tasks required by this Contract in order to ensure that the PROJECT will be completed according to the timetable set forth. It is intended that such provisions inserted in any subcontracts be, to the fullest extent permitted by law and equity, binding for the benefit of the CITY and enforceable by the CITY against the DEVELOPER and its successors and assigns to the project or any part thereof or any interest therein. The aforementioned document will be considered to be a part and portion of this Contract by reference. The DEVELOPER will complete the construction of the one (1) unit **by April 2, 2025**, including the sale of the units.

The DEVELOPER is required to submit performance reports on program/project status and activities through project completion as requested by the City staff. The Developer will allow and help facilitate required inspections and monitoring of the Project by City

staff. The DEVELOPER agrees to execute the covenant and attach it the property prior to final payment being made with transfer from DEVELOPER to a third party. Termination of the Contract will occur automatically upon the expiration of the Contract period. Project Extension Request must be approved by the CITY.

In the event the DEVELOPER is unable to meet the above schedule or complete the above services because of delays resulting from Acts of God, untimely review and approval by the CITY and other governmental authorities having jurisdiction over the PROJECT, or other delays that are not caused by the DEVELOPER, the CITY shall grant a reasonable extension of time for completion of the WORK. It shall be the responsibility of the DEVELOPER to notify the CITY promptly in writing whenever a delay is anticipated or experienced and to inform the CITY of all facts and details related to the delay.

#### **D. COMMENCEMENT OF WORK**

The City of Yakima, through ONDS, shall furnish the DEVELOPER with written notice to proceed upon release of funds from HUD related to the Project pursuant to 24 CFR Part 58. No work on the Project shall occur prior to the notice to proceed without written approval from the City of Yakima.

#### **Section IV – Scope of Work**

The DEVELOPER, in close coordination with the CITY, shall perform all professional services (the "WORK") necessary to complete the development and occupancy of the following project in full compliance with the terms of this Contract, including, but not limited to, **Exhibit "B"**. (*Use of HOME funds, property location, budget, completion schedule & compliance term*):

From the contract execution date to continue until the termination date as specified within this contract, building and constructing a new home and will be monitored for a FIFTEEN (15) year affordability period per HUD regulations governing HOME Investment funded projects.

It is understood that the DEVELOPER will provide a specific working budget and realistic timetable as relates to: acquisition, construction/rehabilitation, soft costs, development fees and other allowable costs/activities prior to any fund usage. Said budget shall identify all sources and uses of funds, and allocate HOME and non-HOME funds to activities or line items. The aforementioned Work tasks will be performed in essentially the manner proposed in the DEVELOPER's proposal as received by the AGENCY on **November 2, 2022**. The aforementioned document will be considered to be a part and portion of this Contract fully incorporated herein.

1. **Eligible Use of Funds.** HOME funds available under this Contract will be used for the construction of the property. Other eligible costs include the cost of construction, legal and recording fees, environmental review costs, and survey costs or associated costs for site review. Other eligible costs will be paid by the DEVELOPER of the local match: *Project Soft Costs* must be "reasonable and necessary." These costs may include the following:

Professional Related Costs:

- Loan origination fees
- Credit reports fees

- Title report and update fees
- Recordation fees
- Preparation and filing of legal document fees
- Appraisal Report fees
- Market Study Report fees
- Attorney's fees
- Loan processing fees
- Developer fees

Construction Related Costs:

- Architectural fees
- Engineering fees
- Preparation of work write-ups/cost estimate fees
- Builder's fees

Other Costs:

- Project audit costs
- Affirmative marketing and fair housing costs
- Relocation costs

*Eligible Hard Costs* must be "reasonable and necessary." These costs may include the following:

- Costs to meet the applicable building standards in effect at the time a building permit is obtained from the locality
- Costs to make essential improvements, including the actual costs of construction or rehabilitation
- Energy-related repairs or improvements
- Improvements necessary to permit use by handicapped persons
- Abatement of lead-based paint hazards
- Costs to repair or replace major housing systems in danger of failure in existing structures
- Costs to demolish existing structures
- Costs for improvements to the project site and utility connections
- Costs to acquiring optioned improved or unimproved land for new construction or rehabilitation projects
- Incipient repairs and general property improvements of a non-luxury nature

2. **Funded Amount and Other Funding Sources.** The CITY is hereby providing from the F.Y. 2020, F.Y. 2021, and F.Y. 2022 CHDO set aside funding in the amount of up to **eighty-seven thousand, five hundred dollars and 00/100 (\$87,500)**, for activities identified in this Contract and listed in the Project Budget. The funds are granted to the Developer for the construction of **one (1)** new affordable homeownership units in the City of Yakima. The Developer will provide any additional funding necessary over and above the financial commitment to complete the Project as approved in the application for HOME assistance. If the Project comes in under budget, the Developer will only be reimbursed for actual eligible costs. Also, volunteer hours and additional funding beyond HOME funds will be counted as local matches.
3. **Maximum HOME Subsidy.** H.U.D. requires that the maximum HOME per-unit subsidy not be increased above 240 percent of the base limits authorized by

§211(d)(3)(ii) of the National Housing Act. HOME subsidy under this Contract is **\$87,500 for 2908 W Arlington Avenue**, and does not exceed this regulation. The property is located within the City of Yakima limits.

## **Section V – Reimbursement of Expenses & Developer Fees**

### **A. GENERAL.**

Project expenses (excluding developer fees) shall be paid based on vouchers for actual expenses incurred or paid. Requests for payment must be submitted by the DEVELOPER on forms specified by the CITY, with adequate and proper documentation of eligible costs incurred in compliance with 24 CFR 92.206 and necessary for HUD IDIS disbursement requirements. All such expenses shall be in conformance with the approved project budget. Budget revision and approval shall be required prior to payment of any expenses not conforming to the approved project budget.

The City reserves the right to hold payment until adequate documentation has been provided by the Developer and reviewed by the City. The Developer agrees to the following provisions in satisfying the terms and conditions of this contract:

### **B. PAYMENT AND DISBURSEMENTS:**

Disbursements by the City of Yakima from this contract/grant award shall be on a reimbursement basis covering actual expenditures by the Developer or obligations of the Developer currently due and owing but not paid. Disbursements shall be limited to allowable eligible costs and so shall be made upon the occurrence of all the following, in addition to any other conditions contained herein or in the special conditions:

1. Receipt by the City of Yakima ONDS of a written reimbursement request on forms provided by the City of Yakima ONDS supported by copies of vouchers, invoices, salary and wage summaries, or other acceptable documentation; and
2. Determination by the City of Yakima ONDS that the expenditures or obligations for which reimbursement is sought constitute allowable eligible costs under the HOME Program and also fall within the applicable Project Budget.

The Developer shall submit written claims for reimbursement of services performed under this Contract. Pay requests with documentation/invoices for requested costs may be submitted monthly during the Project. Exceptions to this practice may be made based on the amount and frequency of requests based on the financial needs of the contractors. The DEVELOPER may not request disbursement of funds under this Contract until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed.

The Developer **must** notify the City's Staff at the same time notification is made to the local government for the following inspections (if applicable):

- a) Foundation Inspection
- b) Slab Inspection



- c) Rough-In Inspection
- d) Insulation Inspection
- e) Final Inspection

**Note: Failure to notify the City staff for inspections may result in work having to be redone at the Developer's cost so that the inspection can be completed.**

### **C. CHANGE ORDERS**

No payment shall be made for any service rendered by the Developer except for services within the scope of a category set forth in the budget in **Exhibit "B"** of this Contract, and all funds received must be used for service as identified in **Exhibit "B"** of this Contract.

Change orders may occur during the course of construction, either initiated by the Developer. All change orders must be submitted for review to the City staff **prior** to approval to ensure that the scope of the Project is not altered.

1. The Developer shall submit to the City of Yakima ONDS a written request for approval of budget revision when a proposed revision would result in an increase or decrease of ten percent (10%) or more per home from what has been set forth in the approved budget subject category. The City's written budget revision approval must be received by the Developer prior to the Developer incurring any expenditures against the revised budget subject categories.
2. When the revision of the Developer budget does not exceed ten percent (10%) of an approved budget subject category, the Developer must submit a revised budget to the City of Yakima ONDS prior to the submittal of claims against the budget.

### **Section VI – Roles and Responsibilities**

- A. **Incur Costs.** The Developer will not incur costs, make any commitments, or take any physical action on a property to be assisted with HOME funds until approved by City staff. Environmental clearance of the sites and a Removal of Grant Conditions and Authority of Use H.U.D. Funds must be in place prior to any physical activity on the project site.
- B. **Eligible Applicant.** The DEVELOPER commits to providing an eligible applicant according to the recognized HOME guidelines for any HOME-assisted unit. The occupant's/applicant's income will fall within the required H.U.D. guidelines for L.M.I. persons to qualify for assistance. The DEVELOPER shall provide the CITY's Office of Neighborhood Development Services staff with a copy of the application and income verification of the proposed renters/occupants prior to the occupancy of the units. Verification includes all third-party verification in order to ensure that the low-to-moderate income requirements are met. All units funded by this Contract are subject to the income guidelines.

The DEVELOPER shall provide the CITY copies of recorded mortgages, deeds, and any other instruments executed related to the HOME-assisted property. DEVELOPER agrees to provide the necessary personnel and equipment to oversee, manage, and maintain any units for which HOME funds are provided.

The HOME units shall be inspected by the jurisdictional building inspector and shall meet all local and state building codes as applicable for the City and/or City of Yakima prior to occupancy. A copy of the permit to occupy the unit for each structure will be submitted to the CITY prior to final payment. The City staff shall provide guidance on HOME compliance and assist the Developer as needed in the review of the applicant's application and verifications to ensure eligibility within HOME income limits, providing a suggested language for inclusion of HOME requirements in sales documents if applicable; and applicable procurement of construction, materials, small purchases, and contract labor. The staff will review and approve requests for payment and conduct site visits to confirm construction progress. Payment will be made within twenty days of approved invoices/pay requests.

- C. **Participating Jurisdiction.** As a HOME Participating Jurisdiction, the CITY will be primarily responsible for implementing this Contract and for day-to-day communications with the Developer. As such, references to the "City HOME staff" or "City Staff" within this Contract should be construed to indicate that the Office of Neighborhood Development Services (ONDS) will communicate with the DEVELOPER on behalf of the CITY and as its administrative agent relative to the HOME program. In the event the CITY replaces or terminates ONDS as its administrative agent for the HOME program, it will provide notice to the DEVELOPER as provided for herein. The DEVELOPER further agrees to fully cooperate with the ONDS staff or with any future administrative agent designated by the CITY as the City's authorized agent for purposes of administering its HOME Program.
- D. **Inspection of Records.** The CITY reserves the right to inspect records and project sites to determine that reimbursement and compensation requests are reasonable. The CITY also reserves the right to hold payment until adequate documentation has been provided and reviewed.
- E. **Audit of Records.** The CITY shall have the right to review and audit all records of the DEVELOPER pertaining to any payment by the CITY. Said records shall be maintained for a period of the HOME-required affordability period.
- H. **Unauthorized Use.** This grant shall not be utilized to substantially reduce the amount of local financial support for community development activities below the level of such support prior to the availability of such assistance.
- I. **Return of Funds** The DEVELOPER shall return to the City all monies provided by the City if any of the following occur: the DEVELOPER materially changes the primary purpose and scope of the Project as described in **Exhibit B**, or the DEVELOPER is unable to continue and/or provide services as described in **Exhibit B**.

## **Section VI – Project Requirements**

The DEVELOPER agrees to comply with all requirements of the HOME Program as stated in 24 CFR Part 92, including but not limited to the following.

### **A. Environmental Review**

No HOME project funds will be advanced, and no costs can be incurred, until the

City has conducted an environmental review of the proposed project site as required under 24 CFR Part 58. The environmental review may result in a decision to proceed with, modify or cancel the project. Notwithstanding any provision of this Contract, the parties hereto agree and acknowledge that this Contract does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by the CITY of a release of funds from the U.S. Department of Housing and Urban Development [or the State of Washington] under 24 CFR Part 58. Further, the DEVELOPER will not undertake or commit any funds to physical or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation, conversion, repair or construction prior to the environmental clearance, and must indicate that the violation of this provision may result in the denial of any funds under the contract. The DEVELOPER shall comply with all Federal, State, and Local Laws and Regulations for the duration of this Project, including but not limited to the Cranston-Gonzales Act, as amended by the Housing and Community Development Act of 1992; regulations continued in 24 C.F.R. Part 92; Federal O.M.B. Circular A-110 Attachments B, F, H (paragraph 2) and O, O.M.B. Circular A-122, zoning, building, housing and other codes and regulations of the jurisdiction where Project is located; and such other Federal, State, and Local Laws, rules and regulations as may apply to the Project including Nondiscrimination and Fair Housing Laws.

The City of Yakima, through the AGENCY retains environmental review responsibility for purposes of fulfilling requirements of the National Environmental Policy Act, under which the City of Yakima may require the DEVELOPER to furnish data, information and assistance for the City's review and assessment in determining whether the City must prepare an Environmental Impact Statement.

The Environmental Review was completed on **2908 W Arlington Avenue – 04/28/2023**. All mitigation if required in the Environmental Review shall be completed by DEVELOPER as part of the Project.

The DEVELOPER retains responsibility for fulfilling the requirements of the State Environmental Policy Act (SEPA) and regulations and ordinances adopted thereunder.

In addition to the requirements of Section XIV below, in the event DEVELOPER fails to furnish any data, information, forms, or documents requested by the City to fulfill its obligations under the National Environmental Policy Act or any other federal or state environmental policy, law, or regulation, Failure to furnish data, information, forms or documents shall result in a withholding of funds for payment and, if funds have been disbursed, a requirement to repay all funds associated with this Contract to the City and may result in termination of this Contract. The DEVELOPER expressly agrees to do all things necessary and take all necessary steps to facilitate the environmental review of the Project.

## **B. Property Standards.**

According to 24 CFR 92.251 Property Standards, Housing that is purchased, constructed, or rehabilitated with HOME funds must meet all applicable local, state, and/or CITY construction standards, ordinances, and zoning ordinances at the time of project completion and throughout the period of affordability. In the absence of a local code for new construction or rehabilitation, HOME-assisted

new construction or rehabilitation must meet, as applicable, one of three model codes: Uniform Building Code (ICBO), National Building Code (BOCA), Standard (Southern) Building Code (SBCCI); or the Council of American Building Officials (CABO) one or two family code; or the Minimum Property Standards (M.P.S.) in 24 CFR 200.925 or 200.926 and/or minimum property standards established by the CITY on behalf of the HOME Program. All construction will be inspected by the City staff prior to receipt of final payments.

The housing must meet the accessibility requirements at 24 C.F.R. part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). Covered multifamily dwellings, as defined at 24 CFR 100.201, must also meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-3619). The Fair Housing Act requires that all multi-family dwellings must meet the design and construction requirements at 24 CFR 100.205. Refer to CABO/ANSI section A117.1 for specific requirements. A Section 504 Physically handicapped person is defined as an individual who has a physical impairment, including impaired sensory, manual, or speaking abilities, that results in a function limitation in gaining access to and using a building or facility. The housing provides accessibility, adaptability, and accessible routes.

1. **504 Requirements for New Construction Projects:** Projects with (5) or more units will have at least 5% of the units accessible to individuals with mobility impairments AND at least 2% of the units accessible to individuals with sensory impairments. As this Project only consists of **one (1)** units, 504 requirements do not apply.
2. **Fair Housing Act:** The Fair Housing Act requires seven basic requirements that must be met to comply with the access requirements, which are:
  - An accessible building entrance on an accessible route
  - Accessible common and public use areas
  - Usable doors (usable by a person in a wheelchair)
  - Accessible route into and through the dwelling unit
  - Light switches, electrical outlets, thermostats, and other environmental controls in accessible locations
  - Reinforced walls in bathrooms for later installation of grab bars
  - Usable kitchens and bathrooms

An owner of rental housing assisted with HOME funds must maintain the housing in compliance with all applicable State and local housing quality standards and code requirements, and if there are no such standards or code requirements, the housing must meet the housing quality standards in 24 CFR 982.401, for the entire length of the affordability period.

### **C. Property Restrictions**

1. **Restrictions on the Sale or Transfer of Land and Improvements.** Developer agrees that throughout the term of this Contract, and in order to satisfy the requirements of the HOME Program, the Developer will not sell or transfer any part of the project premises or any interest in it without the City's prior written consent, including a transfer of all or part of the project premises to any person that does not use the project premises for "affordable housing" within the meaning of the HOME Program. Upon the occurrence of any of the above, the Developer will provide immediate payment in full of the entire principal under this Contract.

2. **Covenants to Run with Land.** The Developer agrees to execute and record a restrictive covenant instrument that is secondary to all other financing and/or security instruments, any other use restrictions, easements, liens, or other encumbrances of record, except for those previously disclosed on a commitment for title insurance issued to the City or those explicitly approved by the City and the City Attorney. Developer intends, declares, and covenants, on its behalf and on behalf of all future holders of any interest in and to the project premises described in "**Exhibit A**" during the term of this Contract, that this Contract and the covenants and restrictions set forth in this Contract regulating and restricting the use, occupancy, sale, lease or transfer of the Premises (i) shall be and are covenants running with the land, encumbering the land for the term of this Contract, binding upon the Grantee's successors in title and all subsequent Grantees and tenants or transferee of the premises, (ii) are not merely personal covenants of the Grantee, but are contractual in nature and condition precedent to the Grantee obtaining the HOME Grant, and (iii) shall bind the Grantee and the Grantee's grantees, lessees, heirs, assigns, personal representatives for transferee during the term of this Contract. The Grantee hereby agrees that any and all requirements of the laws of the State of Washington to be satisfied in order for the provisions of this Contract to constitute property use restrictions and covenants running with the land shall be deemed to be satisfied in full, and that any requirements or privileges of the estate are intended to be satisfied, or in the alternative, that an equitable servitude has been created to ensure that these restrictions run with the land. For the Term of this Contract, each and every contract, deed, or other instruments hereafter executed conveying the project premises described in "**Exhibit A**," or a portion thereof, shall expressly provide that such conveyance is subject to this Contract provided; however, the covenants contained herein shall survive and be effective regardless of whether such contract, deed, or other instruments hereafter executed conveying the project premises, or a portion thereof, specifically provides that such contract, lease or conveyance is subject to this Contract.
  
3. **Affordability Restrictions.** Any unit constructed on this property assisted with HOME funds must remain occupied by a low to moderate-income family/person for a period of FIFTEEN (15) years to meet the affordability required by the HOME investment in the Project. The Developer agrees to enforce the affordability requirements under 24 CFR 92.252(e) as applicable and agrees to repay the HOME funds if the housing does not meet the affordability requirements for the specified time period.

For new construction homeownership projects, the period of affordability is FIFTEEN (15) years. The affordability period in homeownership projects will be activated on the date after the Developer provides the City with a project completion report, and this form has been entered into H.U.D.'s Integrated Disbursement Information System (IDIS) detailing the following:

- Household size
- Gross annual household income
- Racial and ethnic characteristics
- 1. Property owner's name
- 2. Whether any household member is disabled
- 3. Designation as a mobility or sensory-handicapped unit

- 4. Sales date
- 5. Bedroom Size
  - o Purchase Price
  - o Date of Certificate of Occupancy

Project completion reports are to be submitted by the Developer when the HOME-assisted unit is purchased and occupied, no later than 90 days after the issue of the Certificate of Occupancy. Developer agrees to execute the Restrictive Covenant at or before the completion of the Project. If Developer does not comply with providing project completion reports within the 90-day period following the issuance of the Certificate of Occupancy, the organization will be ineligible to apply for additional HOME funding, and any current awards will be revoked.

The affordability period **does not** end upon early payoff of the HOME assistance, if applicable.

- 4. **Maintaining Homeownership Housing Affordability: CFR 92.254.** The income of each unit must be determined initially using Section 8 (Part 5) definition of annual (gross) income.
- 5. **Income Determinations.** The Developer agrees to perform the income determination requirements of 24 CFR 92.203.

Eligible Incomes: the Developer must determine that each family or individual is income-eligible. The Developer is required to use third-party source documents to evidence annual income (e.g., wage statement, interest statement, and unemployment compensation statement) for the family or individual. Owners must use the Part 5 definition as defined in the "**Technical Guide for Determining Income and Allowance for the HOME Program**" provided by the U.S. Department of Housing and Urban Development (H.U.D.).

#### D. CHDO Responsibilities

- 1. **Expenditure Requirements.** The DEVELOPER will ensure that any expenditure of HOME funds will be in compliance with the requirements at 24 CFR 92.206, *Eligible Costs*, and acknowledges that HOME funds will only be provided as reimbursement for eligible costs incurred, including actual expenditures or invoices for work completed.
- 2. **Owner-Occupied Qualifications.** The DEVELOPER will ensure that all HOME assisted units will be in compliance with 24 CFR 92.254 (*Qualification as affordable housing, Homeownership*), including documenting that the property is eligible under 24 CFR 92.254(a)(1) – (2), and will maintain compliance during the minimum compliance period.
- 3. **Project Beneficiary Information.** The designated HOME-assisted units of this PROJECT will meet the affordability requirements as found in 24 CFR 92.254 (*Qualification as affordable housing, Homeownership*) as applicable. The DEVELOPER shall collect and maintain Project beneficiary information pertaining to household size, income levels, racial characteristics, and the presence of Female-Headed Households in order to determine low and moderate-income benefits in a cumulative and individual manner. Income documentation shall be in a form consistent

with HOME requirements as stated in the H.U.D. ***Technical Guide for Determining Income and Allowances Under the HOME Program.***

4. **Notes & Mortgages.** If the Project is to be owner-occupied, the DEVELOPER shall ensure that any NOTES and MORTGAGES recorded for homebuyers shall be in compliance with 24 CFR 92.254 and that the DEVELOPER will monitor each unit for principal residency (under 92.254 (a)(3)) and resale/recapture (under 92.254 (a)(4) – (5)).
5. **HOME Match.** DEVELOPER will provide any documentation required by the AGENCY regarding match as may be required to document match for purposes of the HOME program.
6. **Lease Purchase Option.** If the property is sold through a lease-purchase contract, the DEVELOPER will ensure compliance with 24 CFR 92.254(a)(7), as modified by the 1999 Appropriations Act, Section 599B.
7. **Monitoring.** DEVELOPER will be monitored by the AGENCY for compliance with the regulations of 24 CFR 92 for the compliance period specified above. The DEVELOPER will provide reports and access to project files as requested by the AGENCY during the PROJECT and for Five (5) years after completion and closeout of the CONTRACT.

#### **E. Other Federal Requirements**

1. **H.U.D. Generally Applicable Definitions & Requirements; Waivers.** The Developer agrees to conform to all Federal and State regulatory requirements, including the Federal requirements set forth in 24 C.F.R. Part 5, Subpart A, those described in 24 C.F.R. Part 92, Subpart H, Section 350-359, as well as the City's Housing and Property Standards and the applicable Yakima Municipal Code sections. The Federal and City requirements include nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended, or ineligible contractors; and drug-free workplace.
2. **Nondiscrimination & Equal Opportunity:** The Contract is made available in conformity with the non-discrimination and equal opportunity requirements set forth in 24 C.F.R. Part 511.10(m), as follows: The requirements of Executive Order 11063, and with Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d as amended by Executive Order 12259 (3 C.F.R., 1959- 1963 Comp., p. 652 and 3 C.F.R., 1980 Comp., p. 307). The Act prohibits discrimination against individuals on the basis of race, color, religion, sex, or national origin in the sale, rental, leasing, or other disposition of residential property or in the use or occupancy of housing assisted with Federal funds. The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, 42 USC 6101-07, and the prohibitions against discrimination against handicapped individuals under Section 504 of the Rehabilitation Act of 1973, 29 USC 794. The nondiscrimination requirements in Section 282 of the Act are applicable.
3. **Fair Housing:** *The Fair Housing Act* (42 U.S.C. 3601-19) and implementing regulations at 24 C.F.R. part 100 *et seq.*; The Act prohibits discrimination in the sale of housing, the financing of housing, or the

provisions of brokerage servers against any person on the basis of race, color, religion, sex, national origin, handicap, or familial status.

4. **Disclosure & Anti-Lobbying Requirements:** The Developer assures that no Federal funds have been or will be paid by or on behalf of the Developer to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any Contract or any modification of any Federal contract, grant loan, or Contract. If any other funds other than Federal funds have been paid or will be paid to persons for influencing any above-named persons in connection with this Project, the Developer shall complete and submit the "Disclosure Form to Report Lobbying" in accordance with its instructions.
  
5. **Affirmative Marketing (required for projects with five or more HOME-assisted units):** The Developer will follow an affirmative marketing plan approved by the City. This affirmative marketing plan consists of the steps of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status, or disability. (The affirmative marketing procedures do not apply to families with Section 8 Tenant-Based Rental Housing assistance or families with Tenant-Based Rental Assistance provided with HOME funds.) The Affirmative Marketing Plan will include:
  - Methods for informing the public, owners, and potential tenants about Federal Fair Housing Laws and the County's Affirmative Marketing Policy (e.g., the use of the Equal Housing Opportunity logotype or slogan in press releases and solicitations for owners and written communication to fair housing and other groups);
  - Requirements and practices each owner must adhere to in order to carry out the Affirmative Marketing Procedures and Requirements (e.g., use of commercial media, use of community contacts, use of the Equal Housing Opportunity logotype or slogans, and display of Fair Housing poster);
  - Procedures to be used by owners to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach (e.g., use of community organizations, places of worship, employment centers, Fair Housing groups, or housing counseling agencies);
  - Records that will be kept describing actions taken by the owners to affirmatively market units and records to assess the results of these actions; and
  - A description of how the Developer will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.
  
6. **Minority outreach:** The Developer will take necessary affirmative steps to ensure that minority firms and women's business enterprises are used whenever possible. Because this is a certified Community Housing Development Organization, Procurement does not apply. Procurement regulations at 24 C.F.R. Part 85.36(e) specify that MBE/WBE outreach



activities apply to all contracting opportunities facilitated by HOME-funded activities, including contracts related to construction, rental assistance, and HOME program administration. There are no monetary thresholds that trigger MBE/WBE outreach requirements. They apply to all contracts awarded in conjunction with HOME-assisted projects. The HOME Construction Performance Standards Manual provides complete details of the requirements that will be followed. HOME regulations require that the following minimum affirmative steps are taken to ensure MBE/WBE are afforded every opportunity to participate in HOME-generated contracts.

- Placing minorities and women on solicitation lists;
- Assuring that M.B.E. and WBE firms are solicited whenever they are potential sources;
- Dividing the total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business enterprises and women business enterprises;
- Where the requirement permits, establishing delivery schedules that encourage participation by small and minority business enterprises and women business enterprises;
- Using the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce and
- Requiring the prime contractor, if subcontractors are to be let, to take all the same actions.

**7. Religious Activities:** The Developer agrees, as directly funded under the HOME program, not to engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the assistance funded under the HOME program. The Developer also agrees that religious activities such as worship, religious instruction, or proselytization will be offered separately, in time and location, and it is the beneficiary's voluntary decision to participate. These separate religious activities cannot be funded by the HOME program. Religious organizations providing HOME assistance will not discriminate against program beneficiaries based on religious character, belief, or affiliation. HOME funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities.

**8. Davis Bacon.** If any project under this Contract involves the construction or rehabilitation of 12 or more HOME-assisted units, the DEVELOPER shall comply with the provisions of the Davis-Bacon Act (40 U.S.C. 276 a to a - 7) as supplemented by AGENCY of Labor regulations (29 C.F.R., Part 5), as amended.

## **Section VII – Repayment of Loan**

**A. Repayment.** All HOME funds are subject to repayment in the event the PROJECT does not meet the Project Requirements as outlined above or if DEVELOPER violates any provisions of this Contract with regards to HOME and/or HUD requirements.

- B. **Reversion.** It is understood that upon the completion of the PROJECT, any HOME funds reserved but not expended under this contract will revert to the CITY.
- C. **Owner Occupancy.** If the PROJECT is for owner-occupancy, the DEVELOPER shall lend the HOME funds to the individual buyers in an amount sufficient to make the purchase affordable. Any HOME funds that reduce the price of the property below the fair market value of the property shall be secured by a HOME note and mortgage as required in 24 CFR 92.254(a)(5)(ii), using the note and mortgage prescribed or approved by the AGENCY (and consistent with the method of recapture identified in the CITY's "Consolidated Plan").
- D. **Program, CHDO Proceeds.** No program income or CHDO proceeds are anticipated for this Project. However, if CHDO proceeds are determined by H.U.D. and/or the City to have been received, all net sales proceeds from the sale of units are considered to be CHDO proceeds that may be retained by the DEVELOPER and used in conformance with 24 CFR 92.300(a)(2), to be retained by the CHDO and used to further affordable housing for qualified first-time home buyers within the City of Yakima. The Developer must submit a CHDO Program Income Plan to the City for approval. Program Income must be used for HOME-eligible activities or other approved affordable housing activities. Income from the sale, rental, or use of real estate by the project owner, Developer, or sponsor is not treated as program income.

## **Section VIII – CHDO Provisions**

It is understood that the DEVELOPER has certified that it is and will maintain CHDO (Community Housing Development Organization) status for the term of the PROJECT in accordance with 24 CFR 92. The DEVELOPER agrees to provide information as may be requested by the AGENCY to document its continued compliance, including but not limited to an annual board roster and certification of continued compliance. Any funds advanced as CHDO pre-development funds must be in compliance with 24 CFR 92.301, and are forgivable only under the terms in 24 CFR 92.301.

Any funds advanced to the CHDO as CHDO Operating Expenses must be expended in compliance with 24 CFR 92.208. Any funds that the CHDO is permitted to retain as CHDO proceeds from this project shall be used in compliance with 24 CFR 92.300(a)(2) or as specified in this Contract.

## **Section IX – Procurement Standards**

The DEVELOPER shall establish procurement procedures to ensure that materials and services are obtained in a cost-effective manner. When procuring for services to be provided under this contract, the DEVELOPER shall comply at a minimum with the nonprofit procurement standards at 24 CFR 84.40 - .48.

The Developer agrees to conform to all Federal and State regulatory requirements, including the Federal requirements set forth in 24 C.F.R. 5, Subpart A, as well as the City's municipal code, and Housing and Property Standards. The Federal and City requirements include nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended, or ineligible contractors; and drug-free workplace.

In addition, the following requirements are imposed on any procurement under this PROJECT:

Any personal property having a useful life of more than one year and purchased wholly or in part with sub-grant funds at a cost of three hundred dollars (\$300) or more per item, shall upon its purchase or receipt become the property of the City of Yakima and/or federal government. Final ownership and disposition of such property shall be determined under the provisions of Attachment N of OMB, A-102. The Developer shall be responsible for all such property, including its care and maintenance, and shall comply with the following procedural requirements:

1. Property records shall be maintained accurately and provide for: A description of the property; manufacturer's serial number or other identification number; acquisition date and cost; source of the property; percentage of HOME funds used in the purchase of property; location, use, and condition of the property.
2. A physical inventory of property shall be taken and the results reconciled with the property records at least once every two years to verify the existence, current utilization, and continued need for the property.
3. A control system shall be in effect to ensure adequate safeguards to prevent loss, damage, or theft to the property. Any loss, damage, or theft of the property shall be investigated and fully documented.
4. Adequate maintenance procedures shall be implemented to keep the property in good condition.
5. If the Developer elects to capitalize and depreciate such nonexpendable personal property in lieu of claiming the acquisition cost as a direct item of cost, title to such property shall remain with the Developer. An election to capitalize and depreciate or claim acquisition cost as a direct item of cost shall be irrevocable.
6. Nonexpendable personal property purchased by the Developer under the terms of this Contract, in which title is vested in the City of Yakima or Federal Government shall not be rented, loaned, or otherwise passed to any person, partnership, corporation, association or organization without the prior express approval of the City of Yakima ONDS.
7. Any nonexpendable personal property furnished to, or purchased by, the Developer, title to which is vested in the City of Yakima ONDS or federal government shall, unless otherwise provided herein or approved by the Contracting Officer, be used only for the performance of activities defined in this Contract.
8. As a condition prerequisite to reimbursement for the purchase of nonexpendable personal property, title to which shall vest in the City of Yakima ONDS or federal government, the Developer agrees to execute such security agreements and other documents as shall be necessary for the City of Yakima ONDS or federal government to perfect its interest in such property in accordance with the "Uniform Commercial Code-Secured Transactions" as codified in Article 9A of RCW Chapter 62A.
9. The Developer shall be responsible for any loss or damage to the property of the City of Yakima ONDS or federal government (including expenses

entered thereunto) which results from negligence, willful misconduct, or lack of good faith on the part of the Developer to maintain and administer in accordance with sound management practices that property, to ensure that the property will be returned to the City of Yakima ONDS or federal government in like condition to that in which condition the property was acquired by purchase, fair wear and tear accepted.

In addition, it is understood that any DEVELOPER that can be considered to be a religious organization shall abide by all portions of 24 CFR 92.257.

## **Section X – Conflict of Interest Provisions**

The DEVELOPER warrants and covenants that it presently has no interest and shall not acquire any interest, directly or indirectly, which could conflict in any manner or degree with the performance of its services hereunder. The DEVELOPER further warrants and covenants that in the performance of this contract, no person having such interest shall be employed. HOME conflict of interest provisions, as stated in 24 CFR 92.356, apply to the award of any contracts under the contract and the selection of tenant households to occupy HOME-assisted units. No employee, agent, consultant, elected official, or appointed official of the DEVELOPER may obtain a financial interest or unit benefits from a HOME-assisted activity, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. This prohibition includes the following:

- Any interest in any contract, subcontract or agreement with respect to a HOME-assisted project or program administered by the DEVELOPER, or the proceeds thereunder; or
- Any unit benefits or financial assistance associated with HOME projects or programs administered by the DEVELOPER, including:

Occupancy of a rental housing unit in a HOME-assisted rental project;

Receipt of HOME tenant-based rental assistance;

Purchase or occupancy of a homebuyer unit in a HOME-assisted project;

Receipt of HOME homebuyer acquisition assistance; or

Receipt of HOME owner-occupied rehabilitation assistance.

This prohibition does not apply to an employee or agent of the DEVELOPER who occupies a HOME assisted unit as the on-site project manager or maintenance worker. In addition, no member of Congress of the United States, official or employee of HUD, or official or employee of the Participating Jurisdiction shall be permitted to receive or share any financial or unit benefits arising from the HOME-assisted project or program. Prior to the implementation of the HOME-assisted activity, exceptions to these provisions may be requested by the DEVELOPER in writing to the Participating Jurisdiction. The DEVELOPER must demonstrate and certify that the policies and procedures adopted for the activity will ensure fair treatment of all parties, and that the covered persons referenced in this policy will have no inside information or undue influence regarding the award of contracts or benefits of the HOME assistance. The Jurisdiction may grant exceptions or forward the requests to HUD as permitted by 24 CFR 92.356, 85.36 and

84.42, as they apply.

## **Section XI – City Responsibilities**

The CITY shall furnish the DEVELOPER with the following services and information from existing CITY records and CITY files:

- A. Requirements.** The CITY shall provide to the DEVELOPER information regarding its requirements for the PROJECT.
- B. Regulation Updates.** The CITY will provide the DEVELOPER with any changes in HOME regulations or program limits that affect the project, including but not limited to income limits, property value limits and rent limits.
- C. Progress Inspections.** The CITY will conduct progress inspections of work completed to protect its interests as lender and regulatory authority for the project, and will provide information to the DEVELOPER regarding any progress inspections or monitoring to assist it in ensuring compliance. CITY's review and approval of the WORK will relate only to overall compliance with the general requirements of this Contract and HOME regulations, and all CITY regulations and ordinances. Nothing contained herein shall relieve the DEVELOPER of any responsibility as provided under this Contract.

## **Section XII – Equal Employment Opportunity**

During the performance of this contract, the DEVELOPER agrees as follows:

- A. Nondiscrimination.** The DEVELOPER will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin(s). The DEVELOPER will take affirmative action to ensure the applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin(s). Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The DEVELOPER agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer of the CITY setting forth the provisions of this nondiscrimination clause.
- B. Solicitation/Advertisement.** The DEVELOPER will, in all solicitations or advertisements for employees placed by or on behalf of the DEVELOPER, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- C. Labor Unions.** The DEVELOPER will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the DEVELOPER's contracting officer, advising the labor union or worker's representative of the DEVELOPER's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

**D. Executive Order 11246.** The DEVELOPER will:

- Comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- Furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the AGENCY and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and order.
- In the event the DEVELOPER is found to be in noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations or orders, this contract may be canceled, terminated or suspended in whole or in part and the DEVELOPER may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965 or by rule, regulations, or order of the Secretary of Labor or as otherwise provided by law.
- Include the provisions of paragraphs (a) through (g) of this contract in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The DEVELOPER will take such action with respect to any subcontract or purchase order as the AGENCY may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the DEVELOPER becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the AGENCY, the DEVELOPER may request the United States to enter into such litigation to protect the interest of the United States.

### **Section XIII – Labor, Training & Business Opportunity**

The DEVELOPER agrees to comply with the federal regulations governing training, employment and business opportunities as follows:

- A. Performance.** It is agreed that the WORK to be performed under this contract is on a project assisted under a program providing direct Federal financial assistance from the US Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701 u, as well as any and all applicable amendments thereto. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given low- and moderate-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the project area.
- B. Compliance.** The DEVELOPER shall comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 Code of Federal Regulations and all applicable rules and orders of the AGENCY of Housing and Urban Development issued thereunder as well as any and all applicable amendments thereto prior to

the execution of this contract as well as during the term of this contract. The DEVELOPER certifies and agrees that it is under no contractual or other disability, which would prevent it from complying with these requirements as well as any and all applicable amendments thereto.

- C. **Subcontract.** The DEVELOPER will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the CITY, take appropriate action pursuant to the subcontractor upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, in 24 Code of Federal Regulations. The DEVELOPER will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 code of Federal Regulations and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with these requirements as well as with any and all applicable amendments thereto.
- D. **Conditions.** Compliance with the provisions of Section 3, the regulations set forth in 24 Code of Federal Regulations and all applicable rules and orders of the AGENCY of Housing and Urban Development issued thereunder prior to the execution of the contract shall be a condition precedent to federal financial assistance being provided to the PROJECT as well as a continuing condition, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the DEVELOPER or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by 24 Code of Federal Regulations as well as with any and all applicable amendments thereto.

#### **Section XIV – Compliance with Federal, State & Local Laws**

- A. **Civil Rights Act.** The DEVELOPER covenants and warrants that it will comply with all applicable laws, ordinances, codes, rules and regulations of the state local and federal governments, and all amendments thereto, including, but not limited to; Title 8 of the Civil Rights Act of 1968 PL.90-284; Executive Order 11063 on Equal Opportunity and Housing Section 3 of the Housing and Urban Development Act of 1968; Housing and Community Development Act of 1974, as well as all requirements set forth in 24 CFR 92 of the HOME INVESTMENT PARTNERSHIP PROGRAM. The DEVELOPER covenants and warrants that it will indemnify and hold the CITY forever free and harmless with respect to any and all damages whether directly or indirectly arising out of the provisions and maintenance of this contract. The DEVELOPER agrees to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). The DEVELOPER further warrants and agrees to include or cause to be included the criteria and requirements of this section in every non-exempt subcontract in excess of \$100,000. The DEVELOPER also agrees to take such action as the federal, state or local government may direct to enforce aforesaid provisions.
- B. **Procurement And Construction Or Repair Project Requirements.** The following Federal provisions may apply, among others, to this Contract:
  - 1. Certification Regarding Debarment, Suspension Or Ineligibility And Voluntary Exclusion—Primary And Lower Tier Covered Transactions

a) The DEVELOPER, defined as the primary participant and its principals, certifies by signing these General Terms and Conditions that to the best of its knowledge and belief that they:

- i. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- ii. Have not within a three-year period preceding this Contract, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public or private contract or transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
- iii. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this section;
- iv. Have not within a three-year period preceding the signing of this Contract had one or more public transactions (Federal, State, or local) terminated for cause of default;
- v. Where the DEVELOPER is unable to certify to any of the statements in this Contract, the DEVELOPER shall attach an explanation to this Contract;
- vi. The DEVELOPER agrees by signing this Contract that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction; and
- vii. The DEVELOPER further agrees by signing this Contract that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," as follows, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions:

b) LOWER TIER COVERED TRANSACTIONS

- i. Each lower tier contractor certifies, by signing this Contract that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.



- ii. Where the lower tier contractor is unable to certify to any of the statements in this Contract, such contractor shall attach an explanation to this Contract.
- 2. **Affirmative Action & Nondiscrimination Obligations.** Office of Federal Contract Compliance Programs regulations, 41 CFR Part 60, Executive Order 11246 as amended by Executive Order 12086, and 24 CFR 570.601 (Discrimination prohibited).
- 3. **Lead Based Paint.** The Lead Based Paint Poisoning Prevention Act, 42 USC Section 4831 et seq., and HUD regulations implementing the Act, 24 CFR Part 35, where, residential structures are involved. The Contractor shall provide whatever assistance is necessary to enable the City of Yakima's Building Official to carry out its inspection and certification responsibility under those regulations.
- 4. **Historic Preservation.** Historic and Archaeological Preservation requirements as set forth in 24 CFR Section 570.604.36 CFR Part 800, RCW 27.44.010 (Native American Burial Law), RCW 27.53.010-.090 (Protection of Archaeological Resources), and RCW 43.51.750-.820 (Preservation of Historic Properties).
- 5. **Architectural Barriers.** Architectural Barriers Act of 1968 as amended, 42 USC Section 4151 et seq., implementing regulations, and Chapter 70.92 RCW.
- 6. **Property Standards.** Accessibility Standard as set forth in 24 CFR 92.251(a).
- 7. **Clean Air & Other Environmental Protections.** Clean Air Act as amended, 42 USC Section 1857 et seq; Water Pollution Control Act, as amended, 33 USC Section 1251 et seq.; and Environmental Protection Agency regulations, 40 CFR Part 15.
- 8. **Employment & Other Economic Opportunities.** Section 3 of the Housing and Urban Development Act of 1968 (12 USC Section 1701u) and 24 CFR Part 135 (Employment opportunities for project area businesses and low-income persons).
- 9. **Contract Work Hours & Safety Standards.** Contract Work Hours and Safety Standards Act, 40 USC Chapter 5, Sections 327-333, (Overtime Compensation).
- 10. **Rate of Wages.** Davis-Bacon Act, as amended, 40 USC Chapter 3, Sections 276a – 276a – 5, and RCW Chapter 3 – 12 (Prevailing Wage Rates).
- 11. **Procurement.** 2 CFR Part 200 (Procurement Standards) and Federal Management Circular, FMC 74-4.
- 12. **Relocation & Acquisition.** The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and regulations contained in 24 CFR Parts 42 and 570.
- 13. **Nondiscrimination in Federally Assisted Programs.** Title VI of the Civil Rights Act of 1964 (P.L. 88-352) as amended, and HUD regulations with

respect thereto including the regulations under 24 CFR Part 1. In the sale, lease or other transfer of land acquired, cleared or improved with assistance provided under this Contract, and Developer shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination upon the basis of race, color, religion, sex, or national origin, in the sale, lease or rental, or in the use or occupancy of such land or any improvements erected or to be erected thereon, and providing that the Developer, the County, and the United States are beneficiaries of and entitled to enforce such covenant. The Developer, in undertaking its obligation in carrying out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant and will not itself so discriminate.

14. **Nondiscrimination Based on Age.** Age Discrimination Act of 1975 (24 CFR 146).

15. **Nondiscrimination in Housing.** Fair Housing Act (24 CFR 100, CFR 107 and 24 CFR 1).

16. **State Housing Standards.** Washington State/Local Building Codes/Housing Quality Standards (24 CFR 882.109).

17. **Minority & Women Owned Businesses.** WBE/MBE (24 CFR 85.36 (e)).

C. **Applicable Licensing & Certifications.** The DEVELOPER agrees to comply with all applicable Federal, State, City and Municipal standards for licensing, certification and operation of facilities and programs, and accreditation and licensing of individuals, and any other standards or criteria as described in the Contract to assure quality of services.

D. **Taxes & Other Insurances.** The DEVELOPER shall be solely responsible for and shall pay all taxes, deductions, and assessments, including but not limited to, sales tax, federal income tax, FICA, social security tax, assessments for unemployment and industrial injury insurance, and other deductions from income which may be required by law or assessed against either party as a result of this Contract. In the event the City is assessed a tax or assessment as a result of this Contract, the DEVELOPER shall pay the same before it becomes due.

## **Section XV – Suspension & Termination**

In accordance with 24 CFR 85.43, suspension or termination may occur if the DEVELOPER materially fails to comply with any term of the award, and that the award may be terminated for convenience in accordance with 24 CFR 85.44.

If, through any cause, the DEVELOPER shall fail to fulfill in timely and proper manner its obligations under this contract, or if the DEVELOPER shall violate any of the covenants, agreements, or stipulations of this contract, the CITY shall thereupon have the right to terminate this contract by giving written notice to the DEVELOPER of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, the DEVELOPER shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder to the date of said termination. Notwithstanding the above, the DEVELOPER shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of the contract by the DEVELOPER and the CITY may withhold any payments to the

DEVELOPER for the purpose of setoff until such time as the exact amount of damages due the CITY from the DEVELOPER is determined whether by court of competent jurisdiction or otherwise.

## **Section XVI – Termination for Convenience of the CITY**

The CITY may terminate for its convenience this contract at any time by giving at least thirty (30) days notice in writing to the DEVELOPER. If the contract is terminated by the CITY, as provided herein, the City will reimburse for any actual and approved expenses incurred, including those costs involved in terminating the contracts and shutting down the work as of the date of notice, and the DEVELOPER will be paid as a FEE an amount which bears the same ratio to the total compensation as the services actually performed bear to the total service of the DEVELOPER covered by this contract, less payments of compensation previously made.

## **Section XVII – Default-Loss of Grant Funds**

If the DEVELOPER fails in any manner to fully perform and carry out any of the terms, covenants, and conditions of the contract, and more particularly if the DEVELOPER refuses or fails to proceed with the work with such diligence as will ensure its completion within the time fixed by the schedule set forth in **Exhibit B** of this contract, the DEVELOPER shall be in default and notice in writing shall be given to the DEVELOPER of such default by the AGENCY or an agent of the AGENCY.

If the DEVELOPER fails to cure such default within such time as may be required by such notice, the CITY, acting by and through the AGENCY, may at its option terminate and cancel the contract. In the event of such termination, all grant funds awarded to the DEVELOPER pursuant to this contract shall be immediately revoked and any approvals related to the PROJECT shall immediately be deemed revoked and canceled. In such event, the DEVELOPER will no longer be entitled to receive any compensation for work undertaken after the date of the termination of this contract, as the grant funds will no longer be available for this project. Such termination shall not affect or terminate any of the rights of the CITY as against the DEVELOPER then existing, or which may thereafter accrue because of such default, and the foregoing provision shall be in addition to all other rights and remedies available to the CITY under the law and the note and mortgage (if in effect), including but not limited to compelling the DEVELOPER to complete the project in accordance with the terms of this contract, in a court of equity. The waiver of a breach of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition hereof.

This Contract may further be terminated by the City upon written demand by the City or AGENCY for assurances that the terms of the Project description are not being timely complied with, if such assurances are not made to the City's satisfaction within thirty (30) days of the date of such written demand.

## **Section XVIII—Close Out**

Within thirty (30) days of the contract closing date, the DEVELOPER shall submit a final invoice that includes all unpaid invoices and a final report. Final payment shall be made only after the CITY has determined that all services have been rendered, files and documentation delivered (including the final invoices and final report), covenants are recorded against the property, and units have been placed in service in full compliance

with HOME regulations, including submission of a completion report and documentation of eligible occupancy, property standards and long-term use restrictions. If the final invoices and report are not received within thirty (30) days of the contract closing date, DEVELOPER understands and agrees that it will not receive any payment for any final pending unpaid invoices. The CITY will retain ten percent (10%) until City has determined that all services have been rendered.

In the event this Contract is terminated in whole or in part for any reason, the following provisions shall apply:

- A. Upon written request by the DEVELOPER, the CITY shall make or arrange for payment to the DEVELOPER of allowable reimbursable costs not covered by previous payments.
- B. DEVELOPER shall submit within fifteen (15) days after the date of expiration of this Contract, all financial, performance and other reports required by this Contract, and in addition, will cooperate in a program audit by the CITY or its designee.
- C. In the event a financial audit has not been performed prior to close out of this Contract, the CITY and AGENCY retain the right to withhold a just and reasonable sum from the final payment to the DEVELOPER until the final audit is performed, submitted to, and reviewed by the CITY and AGENCY.

## **Section XIX– Reporting Responsibilities**

DEVELOPER agrees to submit any and all quarterly reports required by HUD or the CITY to the AGENCY on the following due dates: October 1, January 1, April 1, and July 1, next following the date of this contract. The AGENCY will send the DEVELOPER one reminder notice if the quarterly report has not been received fourteen (14) days after the due date. If the DEVELOPER has not submitted a report fourteen (14) days after the date on the reminder notice, the CITY will have the option to terminate the contract as described in this contract. In addition, the DEVELOPER agrees to provide the AGENCY information as required to determine program eligibility, in meeting national objectives, and financial records pertinent to the project. Additional reporting requirements are included in **Exhibit B**.

## **Section XX - Inspection, Monitoring & Access to Records**

A. The CITY reserves the right to inspect, monitor, and observe work and services performed by the DEVELOPER at any and all reasonable times. The CITY reserves the right to audit the records of the DEVELOPER any time during the performance of this Contract and for a period of five years after final payment is made under this Contract. If required, the DEVELOPER will provide the AGENCY with a certified audit of the DEVELOPER's records representing the Fiscal Year during which the PROJECT becomes complete whenever the amount listed in SECTION VII is at or exceeds \$300,000, pursuant to the requirements of OMB Circular A-133. Access shall be immediately granted to the CITY, HUD, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the DEVELOPER or its contractors which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

B. The records relating to this Contract shall be promptly furnished to the City upon request. Until the expiration of six (6) years after the termination date of this Contract,

or for a longer period of time if required by law or the Washington State Secretary of State's record retention schedule, DEVELOPER shall retain and provide the City access to all of the DEVELOPER's books, documents, papers and records which are related to this Contract. If any litigation, claim, or audit is started before the expiration of the six-year period or retention schedule time period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

C. All records relating to the DEVELOPER and this Contract must be made available to the City and produced to third parties, if required, pursuant to the Washington State Public Records Act, Chapter 42.56 RCW, or by law. All records relating to this Contract must be retained by DEVELOPER for the minimum period of time required pursuant to the Washington State Secretary of State's records retention schedule.

D. The terms and conditions of this section shall survive any expiration or termination of this Contract.

## **Section XXI – Insurance**

A. **No Insurance.** It is understood that the City does not maintain liability insurance for the DEVELOPER and/or its employees, agents, officers, and subcontractors.

B. **Commercial Liability Insurance.** On or before the effective date of this Contract, the DEVELOPER shall provide the City with a certificate of insurance and additional insured endorsements as proof of liability insurance in the minimum amount of Two Million Dollars (\$2,000,000.00) that clearly states who the provider is, the amount of coverage, the policy number, and when the policy and provisions provided are in effect (any statement in the certificate to the effect of "this certificate is issued as a matter of information only and confers no right upon the certificate holder" shall be deleted). Said policy shall be in effect for the duration of this Contract. The certificate of insurance and additional insured endorsements shall name the City of Yakima, its elected officials, officers, agents, employees and volunteers as additional insureds, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the City thirty (30) calendar days prior written notice. The insurance shall be with an insurance company or companies rated A-VII or higher in Best's Guide and admitted in the State of Washington. If DEVELOPER carries higher coverage limits, such limits shall be shown on the Certificate of Insurance and Endorsements, and the City, its elected and appointed officials, employees, agents, attorneys and volunteers shall be named as additional insureds for such higher limits. The requirements contained herein, as well as the City of Yakima's review or acceptance of insurance maintained by the DEVELOPER, is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by the DEVELOPER under this Contract.

C. **Commercial Automobile Liability Insurance.** On or before the date this Contract is fully executed by the parties, DEVELOPER shall provide the CITY with a certificate of insurance and additional insured endorsements as proof of commercial automobile liability insurance with minimum liability limit of Two Million Dollars (\$2,000,000.00) combined single limit bodily injury and property damage. Automobile liability will apply to "Any Auto" and be shown on the certificate. The certificate shall clearly state who the provider is, the amount of coverage, the policy number, and when the policy and provisions provided are in effect (any statement in the certificate to the effect of "this certificate is issued as

a matter of information only and confers no right upon the certificate holder” shall be deleted). Said policy shall be in effect for the duration of this Contract. The certificate of insurance and additional insured endorsements shall name the City of Yakima, its elected officials, officers, agents, employees and volunteers as additional insureds, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the City thirty (30) calendar days prior written notice. The insurance shall be with an insurance company or companies rated A-VII or higher in Best’s Guide and admitted in the State of Washington. If DEVELOPER carries higher coverage limits, such limits shall be shown on the Certificate of Insurance and Endorsements, and the City, its elected and appointed officials, employees, agents, attorneys and volunteers shall be named as additional insureds for such higher limits. The requirements contained herein, as well as the City of Yakima’s review or acceptance of insurance maintained by the DEVELOPER, is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by the DEVELOPER under this Contract.

- D. **Workers’ Compensation.** DEVELOPER and all subcontractor(s) shall at all times comply with all applicable workers’ compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable, and shall maintain Employer’s Liability insurance with a limit of no less than \$1,000,000.00. The City shall not be held responsible in any way for claims filed by DEVELOPER or its employees for services performed under the terms of this Contract. DEVELOPER agrees to assume full liability for all claims arising from this Contract including claims resulting from negligent acts of all subcontractor(s). DEVELOPER is responsible to ensure subcontractor(s) have insurance as needed. Failure of subcontractors(s) to comply with insurance requirements does not limit DEVELOPER’s liability or responsibility.
- E. **Insurance Provided By Subcontractors.** The DEVELOPER shall ensure that all subcontractors it utilizes for work/services rendered under this Contract shall comply with all of the above insurance requirements.
- F. **Insurance Coverage.** DEVELOPER’s insurance coverage shall be primary insurance with respect to those who are Additional Insureds under this Contract. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be in excess of the DEVELOPER’s insurance and neither the City nor its insurance providers shall contribute to any settlements, defense costs, or other payments made by DEVELOPER’s insurance. All additional insured endorsements required by this Section shall include an explicit waiver of subrogation.
- G. **Maintenance of Insurance.** If at any time during the life of this Contract, or any extension, DEVELOPER fails to maintain the required insurance in full force and effect, all services or requirements under this Contract shall be discontinued immediately. Any failure to maintain the required insurance may be sufficient cause for the City to terminate the Contract.
- H. **Verification of Coverage.** Failure of the City to demand verification of coverage with the insurance requirements outlined in this Section, or failure of the City to identify a deficiency from the insurance documentation provided, shall not be construed as a waiver of DEVELOPER’s obligation to maintain such insurance.

## **Section XXII – General Conditions**

- A. **Notice & Communications.** All notices or other communication which shall or may be given pursuant to this Contract shall be in writing and shall be delivered by personal service, or by registered mail addressed to the other party at the address indicated herein or as the same may be changed from time to time. Such notice shall be deemed given on the day on which personally served; or, if by mail, on the fifth day after being posted or the date of actual receipt, whichever is earlier.

City address: City Manager  
Yakima City Hall  
129 North 2<sup>nd</sup> Street  
Yakima, Washington 98901

Copy To: Office of Neighborhood Development Services  
City of Yakima  
129 N 2<sup>nd</sup> Street  
Yakima, Washington 98901

DEVELOPER address: Yakima Valley Partners Habitat for Humanity  
21 W. Mead Ave. Ste # 110  
Yakima, Washington 98902:

- B. **Title & Headings.** Title and paragraph headings are for convenient reference and are not a part of this Contract.
- C. **Contract Conflict.** In the event of conflict between the terms of this Contract and any terms or conditions contained in any attached documents, a conflict or inconsistency shall be resolved by giving precedence in the following order:
1. Appropriate provisions of state and federal statutes and regulations including HUD regulations governing this Project.
  2. Terms and Conditions (**Exhibit A**).
  3. Those attachments incorporated by reference herein, including the statement of work and/or project description, and approved HUD grant budget, in the order in which they are attached.
  4. City of Yakima Resolution authorizing this Contract.
  5. Any other provisions whether incorporated by reference herein or otherwise, provided that nothing herein shall be construed as giving preference to provisions of this Contract and/or grant award over any provisions of law.
- D. **Waiver & Breaches.** No waiver or breach of any provision of this Contract shall constitute a waiver of a subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.
- E. **Contract Enforcement.** The parties hereto agree that this Contract shall be construed and enforced according to the laws of the State of Washington. The venue for any action to enforce or interpret this Contract shall lie in the Superior Court of Washington for Yakima County.
- F. **Modified to the Extent Necessary.** Should any provisions, paragraphs, sentences, words or phrases contained in this Contract be determined by a court

of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Washington or the City of Yakima, such provisions, paragraphs, sentences, words or phrases shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable to conform with such laws, then same shall be deemed severable, and in either event, the remaining terms and provisions of this Contract shall remain unmodified and in full force and effect.

- G. **Anti-Kickbacks.** The DEVELOPER shall comply with the provisions of the Copeland Anti-Kick-Back Act (18 U.S.C. 874) as supplemented in the AGENCY of Labor Regulations (29 CFR Part 3), as amended.
- H. **Contract Work Hours & Safety Standards.** The DEVELOPER shall comply with the provisions of sections 103 and 107 of the Contract Work Hours and Safety Standard Act (40 U.S.C. 327-330) as supplemented by AGENCY of Labor regulations (29 CFR, Part 5), as amended.
- I. **Inclusion of Anti-Kickbacks & Contract Work Hours and Standards – Subcontracts.** The DEVELOPER further warrants and agrees to include or cause to be included the criteria and requirements of paragraphs (G) through (H) of this section in every nonexempt subcontract. The DEVELOPER also agrees to take such action as the federal, state or local government may direct to enforce aforesaid provisions.
- J. **Delegation of Duties.** The obligations undertaken by the DEVELOPER pursuant to this Contract shall not be delegated or assigned to any other person or agency unless CITY shall first consent to the performance or assignment of such service or any part thereof by another person or agency. The City has sole discretion in determining whether to provide its consent.
- K. **Binding & Modifications.** This Contract shall be binding upon the parties hereto, their heirs, executors, legal representative, successors and assigns. Modifications to this Contract shall be in writing and executed by both parties, except for budget adjustments which process is specified above.
- L. **Indemnify & Hold Harmless.** DEVELOPER agrees to release, defend, indemnify and hold harmless the City, its elected and appointed officials, officers, employees, agents, representatives, insurers, attorneys, and volunteers from any and all liabilities, losses, damages, and expenses related to all claims, suits, arbitration actions, investigations, and regulatory or other governmental proceedings arising from or in connection with this Contract or the acts, failures to act, errors or omissions of the Association, or any of Association's agents, subcontractors, volunteers, or participants in performance of this Contract.

Nothing contained in this Section of this Contract shall be construed to create a liability or a right of indemnification in any third party.

The provisions of this Section regarding indemnification and the Section above regarding insurance coverage shall survive the termination of this Contract.

- M. **Independent Contractors.** The DEVELOPER and its employees and agents shall be deemed to be independent contractors, and not agents or employees of the CITY, and shall not attain any rights or benefits under the civil service or pension ordinances of the CITY, or any rights generally afforded classified or



unclassified employee; further they shall not be deemed entitled to state Compensation benefits as an employee of the CITY.

- N. **Availability of Funds.** Funding for this Contract is contingent on the availability of funds and continued authorization for program activities and is subject to amendment or termination due to lack of funds, or authorization, reduction of funds, and/or change in regulations.
- O. **Disclosure of Confidential Information.** The use or disclosure by any party of any confidential information concerning a recipient or client for any purpose not directly connected with the City's or the DEVELOPER'S responsibilities with respect to services provided under this Contract is prohibited except on written consent of the recipient or client, their attorney or their responsible parent or guardian or as otherwise provided by law.
- P. **Reassignment of Services.** The DEVELOPER shall not assign or subcontract any portion of services provided within the terms of this Contract without obtaining prior written approval from the City, at its sole discretion. All terms and conditions of this Contract shall apply to any approved subcontract or assignment related to the Contract.
- Q. **Illegal Provisions.** It is understood and agreed by the parties hereto that if any part, term, or provision of this Contract is held by the courts to be illegal, the validity of the remaining provisions shall not be affected; and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular provision held to be invalid. If it should appear that any provision hereof is in conflict with any statutory provision of the United States or the State of Washington, said provisions which may conflict therewith shall be deemed modified to conform to such statutory provision.
- R. **Survival.** Any provision of this Contract which imposes an obligation after termination or expiration of this Contract shall survive the term or expiration of this Contract and shall be binding on the parties to this Contract.

## Exhibit “B”

### Yakima Valley Partners Habitat for Humanity

#### A.) PROPOSAL SUMMARY/PROJECT ABSTRACT

Yakima Valley Partners Habitat for Humanity will construct a single-family home located at **2908 W. Arlington Ave.** and sell it to a qualified low-income, first-time homebuyer and monitor the “Affordability Period” for a period of no less than FIFTEEN (15) years, after which all net proceeds shall be granted to Habitat.

#### B.) ASSESSMENT OF NEED/PROBLEM STATEMENT

Yakima Valley Partners Habitat for Humanity will provide the construction of a single-family dwelling to be sold to a qualified low to moderate-income first-time homebuyer and monitor the project for a period of no less than FIFTEEN (15) year affordability period in exchange for all net proceeds redeemed from the sale of the home located at **2908 W. Arlington Ave.**

#### C.) PROGRAM GOAL AND OBJECTIVES

##### Goal

Create another affordable single-family residence within in the City of Yakima.

##### Objectives

1. Prepare the site for construction.
2. Construct a new single-family dwelling.
3. Sell the new single-family home to a qualified low to moderate first-time homebuyer.

#### D.) METHODOLOGY

From the contract execution date to continue until the termination date as specified within this contract, Yakima Valley Partners Habitat for Humanity will construct a new single-family dwelling to be sold to a qualified low to moderate first time homebuyer to be monitored for a FIFTEEN (15) year affordability period per HUD regulations governing HOME Investment funded projects.

#### E.) OUTCOMES & EVALUATION

As a condition of reimbursement, Habitat for Humanity will,

1. Prepare the site for construction.
2. Construct a new Single-family dwelling.
3. Sell the property and dwelling to a qualified low to moderate-income first-time homebuyer.
4. Monitor the property at **290 W. Arlington Ave.** for a period of no less than a FIFTEEN (15) year affordability period as per HOME Investment requirements.

#### F.) BUDGET

Yakima Valley Partners Habitat for Humanity will be **reimbursed up to \$87,500** between the contract execution date and end upon completion of construction, for eligible activities, subject to the terms and conditions of the Contract.

**Exhibit “C”**

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**Exhibit “D”****Subrecipient Request for Funding Application**

Is the attached proposal as submitted to the City of Yakima on November 2, 2022.

**EXHIBIT D****Office of Neighborhood Development Services (ONDS)**

Yakima Valley Partners  
Habitat for Humanity  
Single Family Dwelling Construction  
2908 W Arlington, Yakima WA 98902  
November 2, 2022

### Yakima County Projected Need for New Housing Units – 2015-2040

	2015 Population Estimates	2040 Population Projected	Projected New Residents	Persons Per Household	2040 Projected New Housing Units	Average New Housing Units Needed Annually
Yakima Co	249,970	318,494	68,524	3.0	22,841	914
Yakima City	93,220	117,608	24,388	2.6	9,380	375
Toppenish	8,965	10,377	1,412	3.7	382	15
Sunnyside	16,280	19,578	3,298	3.4	970	39
Granger	3,640	4,816	1,176	4.4	267	11
Grandview	11,200	19,578	8,378	3.4	2,464	99

**Source: Based on OFM Median Population Projections & 2015 OFM Actuals**

Yakima Valley Partners Habitat for Humanity is proposing build sites in 3 locations throughout the city of Yakima in the next 18 months. Our program specifically targets and serves households earning low to very low income according to HUD median annual household income.

Habitat pre-qualifies program applicants based on willingness to partner, need, current living situation, and ability to pay for the Habitat home. Once selected for our program, we provide housing counseling focused on credit management and or repair, budgeting, and pre-purchase education. Applicants are referred to other community non-profit agencies for first time home buyer education & other additional assistance as deemed necessary.

Yakima Valley Partners Habitat for Humanity (YVPHFH) is seeking assistance in building affordable housing on a lot owned by YVPHFH. We are proposing construction of a single-family home on Voelker Ave in Yakima utilizing HOME funds. In partnership with the Office of Neighborhood Development Services (ONDS), YVPHFH will build a 4 bedroom 1-1/2-bathroom 1216 square foot home. The proposed home will serve a low to very low-income family. This family will be pre-qualified, first-time home buyers, whose income is between 30%-80% of the Area Median Income (AMI) for Yakima County.

### Market Assessment – Housing Needs

Yakima Valley Partners Habitat for Humanity has identified three Key Factors driving Affordable Housing Needs in Yakima County, specifically within the city of Yakima:

1. Low Wages - The proposed projects target households whose incomes are at or below 80% Area Median Income for Yakima County. These include agricultural workers, service employees, medical clinic employees, school district employees and other professionals. Typically, these households cannot afford full market rate homes and financing for the acquisition of a new home.
2. Aging Housing Stock - There are pre-existing homes in the City and County, available for purchase, however; most of these homes are older and in need of considerable

repair and/or rehabilitation. In addition, the age of the homes may either require additional mitigation costs for asbestos and/or lead-based paint or expose new unsuspecting homebuyers and their households to dangerous toxins should they do the repairs themselves.

3. Housing Shortage - There are semi-new and new construction homes on the market for sale. With the current shortage, the demand for new homes has increased the average market price and limits options for households with fewer resources and lower income.

### **Program Purpose and Projected Outcome**

YVPHFH's intent is to build and provide affordable housing opportunities to low-income households in Yakima County. Our proven partnership over the years shows the value and impact we create when working together.

The project involves development of a single parcel number 181326-23556 at 2908 West Arlington Ave., Yakima to enable construction of a single-family residence. This parcel provides enough land for a single-family construction residence to be constructed by YVPHFH. Actual construction of the home will take place in 2022-2023.

The specific project that this application refers to is typical of the Yakima Valley Partners Habitat for Humanity process detailed below.

Volunteers account for most of all labor needed on a Habitat job site. Volunteers for this project will include students in the Perry Tech Electrical program, Habitat for Humanity households, & friends working to complete their "sweat equity" hours. Volunteers will be involved in all areas of the organization including committee work, job site construction, and office assistants.

Yakima Valley Partners Habitat for Humanity is a non-profit, non-denominational Christian housing organization that builds homes in partnership with qualified low-income households in the Yakima Valley. Our households' incomes are within 30-80% of the median income for households in Yakima County. We offer two funding options for program participants: One - a zero-interest mortgage funding by YVPHFH; Two - for higher AMI applicants we offer 3<sup>rd</sup> party funding through Yakima Federal Savings & Loan, with a low interest mortgage program designed specifically for our participants, which closely mirrors the USDA 502 Loans. This funding approach makes decent, affordable housing a reality for more households than we would be able to serve if we only used in house funding.

Yakima Valley Partners Habitat for Humanity's Affiliate is governed by an Affiliate Board of Directors. This board is comprised with a minimum of 1/3 of the members being representatives of the communities we serve.

Founded in 1984, Yakima Valley Partners Habitat for Humanity has completed 196 new homes, representing nearly 850 individuals whose lives have been changed through our program. These homes represent nearly \$20,000,000 in property value added to the local tax rolls. This is yet another way Habitat for Humanity has aided in stimulating the local

economy. Additionally, we have several hundred volunteers, both locally and from all over the nation, provide thousands of hours of volunteer work for our program each year.

### **How It Works**

Each year our Board of Directors determines where and how many homes we will be able to build the following year. This is based on budget and land availability in the different communities. We seek to build 40% of our homes in Yakima and 60% in the mid and Lower Valley.

We then advertise an application meeting for those who would like to apply for a Habitat for Humanity home. At this meeting we explain the process and the Family Selection Criterion. It is as follows:

#### **1. Ability to Repay:**

YVPHfH's program is a self-help program which requires participants to purchase their home. Our pricing process is layered to achieve maximum affordability for our participants. We set the purchase price at fair market value based on a 3<sup>rd</sup> party appraisal. We then determine the participants affordable mortgage limit. YVPHfH then assists the participants with grants and in most cases a forgivable 2<sup>nd</sup> mortgage to meet the affordability needs and requirements of participants and our funding terms. This process helps us accomplish an affordable mortgage payment (not to exceed 30% of the household's income). Our participants' mortgage payments (include principal, taxes, and insurance) are typically less than their current rent. All funds received from 1<sup>st</sup> mortgages of our homes are used for the construction of future homes. This makes Habitat for Humanity a self-perpetuating home ownership program. Qualified households earn between 30% and 80% of the median area income.

#### **2. Willingness to Partner:**

The chosen households must be willing to invest at least 500 hours of "sweat equity" with YVPHfH. Sweat equity hours must include a minimum of 125 hours of construction on their home or other Habitat homes and 75 hours in approved "Homeowner Education" courses. This includes a financial literacy program, currently using LOVE Inc.'s program and a "First time home buyer" class.

#### **3. Current Living Conditions:**

The current living conditions of a family must create a burden in at least one of the following areas:

- Health and Safety
- Over Crowding
- Financial Hardship

Applications are accepted in person at our administration office. Applicants who meet the above criteria are then reviewed by the Homeowner Selection Committee for verification of the participant selection criteria. When this is complete the households are presented to the Affiliate Board of Directors for approval.



The homeowner selection process is ongoing until all current projected homes are matched with a family.

### Funding

Most of the funding for YVPHFH projects is from foundations, local businesses, churches, and individuals. Government grants, when available, are used for land acquisition, infrastructure (sewer, water, etc.) development, and administration costs.

Additionally, Yakima Valley Partners will fund the project through income received from Habitat Store profits, general donations, and funds from principal payments being made by current homeowners paying their monthly mortgage payment.

### PROJECT FINANCIAL INFORMATION

Total Cost:	CHDO request:	Other financing:
\$ 285,750	\$ 87,500	\$ 198,250
CHDO request as % of total cost <u>30.6</u> %		
CHDO request from the City: Loan: \$		Grant: \$ 87,500
Funds to be returned to the City: Yes <input type="checkbox"/>		No <input checked="" type="checkbox"/>
See attached Subsidy Analysis and Cost Estimate		

### PROJECT SCHEDULE

#### ACTION:

##### Site:

Option \_\_\_\_\_

Acquisition \_\_\_\_\_

#### NON-CHDO Financing:

Application \_\_\_\_\_

Conditional Commitment \_\_\_\_\_

Firm Commitment \_\_\_\_\_

#### Design:

Selection of Architect  
Partners \_\_\_\_\_

Preliminary Designs \_\_\_\_\_

Final Designs \_\_\_\_\_

#### Bidding:

Advertise \_\_\_\_\_

Open Bids \_\_\_\_\_

Award Bids \_\_\_\_\_

#### Construction:

Begin Construction \_\_\_\_\_

Complete Construction \_\_\_\_\_

#### Occupancy:

HomeTransfer to low income family \_\_\_\_\_

#### Target Date in Months from Project Approval:

Completed \_\_\_\_\_

February 3, 2021 \_\_\_\_\_

Pre-approved Loan Funding \_\_\_\_\_

January 1, 2022 \_\_\_\_\_

June 1, 2022 \_\_\_\_\_

Completed – Yakima Valley \_\_\_\_\_

April 2018 \_\_\_\_\_

June 2022 \_\_\_\_\_

N/A \_\_\_\_\_

N/A \_\_\_\_\_

N/A. All work is done by staff and volunteers \_\_\_\_\_

March 2024 \_\_\_\_\_

12/31/2024 \_\_\_\_\_

January 2025 \_\_\_\_\_

### PROJECT DEVELOPMENT TEAM

The following companies or individuals constitute the development team. Where individual members have not yet been identified, the City must be notified as they are selected.

Staff Contact Person:	Meloney Rosen
Other Financial Sources:	Yakima Federal Savings and Loan, Enero Macias
Other Partnerships:	Perry Tech Electrical Programs
Other:	Building Committee: Chair - Darin Peters, Regional Project Manager for Pontifex, Charlie Eglin – Contractor, Jeff Swan, County Judge, Rip Hollingbery, Retired Architect, Gus Carvajal, Dynamic Solar, Habitat Staff - Greg Rapp, Construction Manager, David Reeder & Gary Green site supervisors.

### CERTIFICATION

I hereby certify that the above statements are true; that I am authorized to sign this application and to make these statements, on behalf of the applicant organization; and that the organization understands that misrepresentation of any facts which leads to the improper allocation and expenditure of public funds may result in legal action against the organization for retrieval or any such funds and appropriate penalties.

Signed:

  
 \_\_\_\_\_  
 Signature

February 16, 2024  
 \_\_\_\_\_  
 Date

Meloney Rosen  
 \_\_\_\_\_  
 Name

Executive Director  
 \_\_\_\_\_  
 Title

Yakima Valley Partners Habitat for Humanity  
 \_\_\_\_\_  
 Organization

# SUBSIDY ANALYSIS

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PROJECT NAME: Yakima Valley Partners Habitat for Humanity

Project Address: 2908 Arlington Ave., Yakima WA 98902

Parcel# 181326-23556

Project Type: (check box) New Construction ☒ Rehabilitation ☐

When was property acquired if Rehab? N/A

Funding Year 2023

How much Funding is being requested? \$87,500.00

What will proposed funding be used for? New Construction  
Construction \$87,500

When will project begin? (Estimated) June 23-Dec 23

Additional Funding Sources if any? None at this time

## Acquisition Funding

Funding Source: City of Yakima HOME

Number of Parcels: 1

Appraisal Amount: \$73,700.00

Purchase Price: \$67,500

## Demolition Costs

Funding Source: N/A

Estimated Demolition Costs: N/A

## Lot Breakdown

Estimated available building lots: 1

Estimated Lot Cost: \$67,500

## SUBSIDY ANALYSIS

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Estimated Demolition Cost per lot:

Estimated Total Lot Cost:

### Construction Funding

Funding Source:

City HOME, & YVP-HFH

Address:

2908 Arlington Ave., Yakima WA 98902

Parcel:

181326-23556

Estimated Construction Amount:

87,500; 98,250; 100,000

### SUBSIDY TOTALS

Acquisition:

Demolition:

Construction:

\$87,500

Rehabilitation:

Estimated Appraised Value:

\$313,000

### Maximum Per Unit Subsidy Limits for Yakima

0 Bedrooms	\$144,050
1 Bedroom	\$165,134
2 Bedrooms	\$200,800
3 Bedrooms	\$259,773
4+ Bedrooms	\$285,148

### Project Justification Summary

Habitat plans to build a 4 bedroom 2 car garage home in central Yakima. This home will be energy efficient, solar ready, and built to Habitat, City, & County standards.

Our program focuses on affordable housing for low and very low-income households. We have selected a participant for this home; the applicant meets all our eligibility criteria:

AMI 55%

Household Size 1 Adult, 3 children

Citizen or Resident US Citizen

The applicant is not currently living in subsidized housing or receiving any other financial assistance.

## Construction Cost Breakdown

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Building Permit	\$2,075.00	Walls & Ceiling		Equipment	
Water Hook-up	\$3,000.00	Sheetrock	\$5,500.00	Range	\$700.00
Well		Tape & Texture	\$5,000.00	Oven	
Excavation & Grading	\$7,500.00	Wallpaper		Hood	\$500.00
Concrete		Paneling		Dishwasher	\$700.00
Foundation	\$11,500.00	Electric		Disposal	
Floors		Wiring	\$11,000.00	Garage Door	\$2,000.00
Walls & Steps	\$7,500.00	Fixtures	\$1,000.00	Central Vac	
Patio	\$1,000.00	Insulation	\$7,500.00	Surround Sound	
Driveway		Hardware		Security System	
Concrete	\$3,000.00	Rough	\$300.00	Refrigerator	\$1,050.00
Asphalt		Finish	\$500.00		
Masonry		Heating			
Concrete Block		Gas/Oil/Propane			
Brick/Stone		Electric		Landscaping	
Fireplace		Heat Pump	\$6,500.00	Topsoil	\$5,000.00
Chimney		Air Conditioning		Lawn	\$2,800.00
Lumber		Millwork		Fence	\$2,800.00
Rough	\$21,600.00	Trim	\$2,600.00		
Finish	\$5,000.00	Cabinets	\$5,500.00		
Carpentry Labor		Frames			
Rough	\$7,000.00	Doors	\$3,000.00		
Finish	\$3,000.00			Garbage Dumpster	\$500.00
Sanitation	\$6,500.00	Glass		Miscellaneous	
Plumbing		Windows	\$2,700.00	PP&L Fees	\$2,000.00
Sewer		Mirrors	\$150.00	Temp Toilet	\$400.00
Septic Tank & Drain field		Painting			
Metal Work		Exterior	\$3,000.00	Site Prep	\$25,000.00
Structural Steel		Interior	\$1,600.00		
Sheet Metal		Tile Work			
Ornamental Iron		Counter Tops			
Roof		Laminate	\$950.00	<b>Subtotal</b>	
Trusses	\$15,000.00	Tile		Profit & Overhead	\$10,000.00
Glulam	\$600.00	Hard Surfaces		Sales Tax	
Composition	\$8,500.00	Floors		Total Construction Costs	
Shakes		Hardwood		Plans & Services	
Hot Mop		Linoleum	\$725.00	Financing Costs	
Gutters		Carpet	\$2,000.00	Sales Costs	
Siding		Laminate	\$2,500.00	Subtotal	
Cement/Stucco/Brick		Tile		Land	\$67,500.00
Trim/Soffits/Fascia				<b>Grand Total</b>	<b>\$285,750.00</b>

Borrower Signature

Date

Borrower Signature

Date

Builder Signature

Date



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 7.H.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Resolution authorizing a contract with Yakima Valley Partners Habitat for Humanity for the development of a new single-family home located at 2910 W Arlington Ave

**SUBMITTED BY:** Rosylen Oglesby, Assistant City Manager

**SUMMARY EXPLANATION:**

As the annual recipient of HOME Investments funds from the U.S. Department of Housing and Urban Development (HUD), the City of Yakima must invest these funds in affordable housing within its jurisdiction. By granting available HOME funds, the City of Yakima allows for continued decent, safe, and affordable housing within the City of Yakima that serves low-to-moderate-income citizens.

Yakima Valley Partners Habitat for Humanity, as a Qualified CHDO, is requesting Eighty-Seven Thousand Five Hundred Dollars (\$87,500.00) to assist with the construction of a new Single-Family low-income housing unit.

Projects that receive funding from the City of Yakima HOME program must be consistent with the City Consolidated Plan, which guides HOME funding, and the City Comprehensive Plan.

**ITEM BUDGETED:** Yes

**STRATEGIC PRIORITY:** Economic Development

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Adopt Resolution.

**ATTACHMENTS:**

Description	Upload Date	Type
<input type="checkbox"/> Resolution_2910 W Arlington	3/29/2024	Resolution
<input type="checkbox"/> Agreement_2910 W Arlington	4/2/2024	Contract

**RESOLUTION NO. R-2024-**

**A RESOLUTION** authorizing an agreement with Yakima Valley Partners Habitat for Humanity for up to Eighty-Seven Thousand Five Hundred Dollars (\$87,500) in U.S. Department of Housing and Urban Development (HUD), HOME Investment Partnerships Program (HOME) funds for the construction of a low-income housing unit at 2910 W. Arlington Avenue.

**WHEREAS**, the City received money from the HUD's HOME Program under CFDA Contract # 14.239 in the amount of \$573,858, which must be used to invest in affordable housing in the City of Yakima and

**WHEREAS**, this proposal's existing lot of record will be developed with a single-family home at 2910 W. Arlington Avenue, Yakima, WA 98902.

**WHEREAS**, Yakima Valley Partners Habitat for Humanity has a proven track record of creating community-based housing for the benefit of low to moderate-income homeownership units within the City of Yakima and

**WHEREAS**, Yakima Valley Partners Habitat for Humanity is a Certified Community Housing Development Organization (CHDO) and is eligible to receive funding for projects under the terms of HOME contracts for units dedicated to low to moderate-income persons and families and seek funding for the land acquisition and development, which are eligible activities under the HOME program, and

**WHEREAS**, pursuant to federal requirements, the newly constructed single-family dwelling will be monitored for HUD HOME Investment affordability beginning at the time of completion as outlined in the contract, through a period of not less than fifteen (15) years, and

**WHEREAS**, The City Council of the City of Yakima finds that it is in the best interests of the City and its residents to enter into an agreement with Yakima Valley Partners Habitat for Humanity to provide funding for land acquisition and development costs for an affordable housing unit with federal monies provided by HUD through the HOME Investment program, now, therefore,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:**

The City Manager is hereby authorized to execute an Agreement with Yakima Valley Partners Habitat for Humanity for Eighty-Seven Thousand Five Hundred Dollars (\$87,500) in Federal Housing and Urban Development HOME Investment funds to acquire land and construct a single-family housing unit for a low—to moderate-income person within the City of Yakima. A copy of the agreement is attached hereto.

**ADOPTED BY THE CITY COUNCIL** this 2<sup>nd</sup> day of April, 2024.

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Patricia Byers, Mayor

ATTEST:

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Rosalinda Ibarra, City Clerk

**CONTRACT BETWEEN THE CITY OF YAKIMA  
OFFICE OF NEIGHBORHOOD DEVELOPMENT SERVICES  
AND DEVELOPER – YAKIMA VALLEY PARTNERS HABITAT FOR HUMANITY  
(2910 W. Arlington Ave.)**

1. CFDA: 14.239 HOME INVESTMENT PARTNERSHIP PROGRAM
2. DEVELOPER/AWARDEE: Yakima Valley Partners Habitat for Humanity
3. HUD Entity Type: DEVELOPER
4. Address: 21 W. Mead Ave. Ste 110, Yakima, WA. 98902
5. Phone: (509) 453-8077
6. Contact Person: Meloney Rosen, Director of Yakima Valley Partners Habitat for Humanity
7. Title of Service or Program being funded: New Construction of single-family homes located at: 2910 W. Arlington Ave., Yakima, WA 98902.
8. Awarding Federal Agency: U.S. Department of Housing and Urban Development.
9. Unique Entity Identifier Number: HU9AXMBCSDA2
10. Federal Award Year and Federal Award Number: 2020, 2021, & 2022; M20-MC530203; M21-MC530203; M22-MC530203.
11. Amount of Contract Award: \$87,500 (HOME) CFDA Contract # 14.239
12. The term of this Contract shall commence upon the execution date of the Developer's receipt of "Letter to Proceed" from the City of Yakima Office or Neighborhood Development Services, and the project will begin construction within twelve months of entering this Contract and will be completed by **April 2, 2025**, at midnight, unless sooner terminated by either party in accordance with **Section XV of Exhibit "A,"** attached hereto and incorporated herein by this reference.
13. This contract award and the rights and obligations of both parties hereto shall be subject to and governed by the following:
  - (a) "Terms and Conditions" attached hereto as **Exhibit "A"** and incorporated herein by this reference; and
  - (b) Operating budget, including the funding sources and uses statement and the work plan, attached hereto as **Exhibit "B"** and incorporated herein by this reference.
  - (c) City of Yakima Resolution No. **R-2024-**, a copy of which is attached hereto as Exhibit "C" and incorporated herein by this reference.
14. Final Contract payment shall be subject to the satisfactory completion of the project described in **Exhibit "B"**, and satisfaction of all contract terms and conditions, including, but not limited to, the submission of the final report and billing invoice information within thirty (30) days of the contract closing date, and



as stated in **Exhibit “A”, Exhibit “B” and Exhibit “C”**.

This written document, together with all of the incorporated exhibits hereto, constitutes the entire Contract and terms of agreement between the parties hereto.

IN WITNESS THEREOF the parties have executed this Contract as of the day and year stated below.

**CITY OF YAKIMA**

**DEVELOPER: Habitat for Humanity**

\_\_\_\_\_  
Dave Zabell, Interim City Manager

By:\_\_\_\_\_  
Meloney Rosen

Date:\_\_\_\_\_

Title: Executive Director

Date:\_\_\_\_\_

**ATTEST**

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk

City Contract No.:

## EXHIBIT “A”

### TERMS AND CONDITIONS

This Contract is to provide HOME Investment Partnerships Program (HOME) funding for the construction of 1 new affordable homeownership units in the City of Yakima. All housing developed with funding provided by this Contract shall be pursuant to the HOME Program's and this Contract's regulations. The term of this Contract and the provisions herein shall be extended to cover the affordability period hereby designated as fifteen (15) years. The affordability period in this Project will be activated on the date after the Developer has provided the City staff with a project completion report upon initial occupancy of the units, and this information will be entered into H.U.D.'s Integrated Disbursement Information System (IDIS) System.

All terms used in this Contract shall be consistent with the HOME Program and its implementing regulations at 24 C.F.R. Part 92. Developer agrees to comply with all requirements related to this Project as outlined in the Code for Federal Regulations listed in 24 C.F.R. Part 92 and 24 C.F.R. Part 58 (as amended). In any instance where the City requirements are more restrictive than the Code for Federal Regulations, the City requirements shall take precedence over the Federal Regulations. The Developer, with this Contract, intends, declares, and covenants that the regulatory and restrictive covenants set forth herein governing the use, income, occupancy, sale, lease, or transfer of the assisted HOME units shall be binding upon the Developer for such term, and are not merely personal covenants of the Developer, but are contractual in nature.

**WHEREAS**, the City is the recipient of a U.S. Department of Housing and Urban Development (H.U.D.) grant under the HOME Investment Partnership Provisions of the Cranston-Gonzales National Affordable Housing Act (42 U.S. C 12742) and will administer said grant; and

**WHEREAS**, the City of Yakima, as a recipient of HOME Investment Partnerships Program Funds from the U.S. Department of Housing and Urban Development (HUD), including funds that are reserved for the use of Community Housing Development Organizations (CHDOs); and

WHEREAS, the DEVELOPER has been certified with the CITY as an eligible CHDO, that maintains, develops, and constructs affordable housing in the State of Washington and is eligible to participate in the City's service area(s) under the provisions of Section 212 of the Cranston-Gonzales Act (42 U.S. C 14742) as amended by the Housing and Community Development Act of 1992; and

NOW, THEREFORE the AWARDEE/DEVELOPER hereby agrees to undertake, that certain community development or housing assistance project described in **Exhibit “B”, Project Summary** (hereinafter sometimes referred to as “the Project”) for the following locations:

#### 1. 2910 W Arlington Avenue

pursuant to the terms and conditions of the Contract and its Exhibits.

## Section I – Definitions

A. **AGENCY** – is hereby defined as the Office of Neighborhood Development Services, the HOME Program administering agency of the City of Yakima. For the purpose of this Contract and all administration of HOME funds, the AGENCY shall act on behalf of the CITY in the execution and fiscal and programmatic control of this contract. The term “Approval by the CITY” or like term used in this Contract shall in no way relieve the DEVELOPER from any duties or responsibilities under the terms of this Contract, or obligation State or local law or regulation.

B. **FEE** – is hereby defined as the amount of money the CITY agrees to pay and the DEVELOPER agrees to accept as payment in full for all the professional, technical and construction services rendered pursuant to this Contract to complete the WORK as further defined in **Section III - SCOPE OF WORK**, hereof.

C. **WORK** – is hereby defined as all the professional, technical and construction services to be rendered or provided by the DEVELOPER as described here.

D. **PROJECT** – is defined in **Section II - Project and Exhibit B** Attached hereto and fully incorporated herein.

E. **HOME** – is hereby defined as the HOME Investment Partnerships Program as described in 24 CFR Part 92, under the authority of 42 U.S.C. 3535 (d) and 12701 - 12839.

## Section II- Project

DEVELOPER’s Project will develop one (1) single-family home that will be sold to low-income, qualified first-time homebuyers.

## Section III – Term

### A. GENERAL

The DEVELOPER expressly agrees to complete all work required by this Contract in accordance with the timetable set forth as follows:

#### ***Milestone Deadline***

Project Start Date: Date of signature.

Project Completion Date: **April 2, 2025**

Duration of Contract: Through the end of the Affordability Period (see Section B)

The amount of grant funding that the City hereby sub-grants to the DEVELOPER is **Eighty Seven Thousand Five Hundred (\$87,500.00)** for the Project.

**This Exhibit A** consists of one (1) undeveloped lots in the City of Yakima owned by the Developer. Public water and sewer are provided to the unit(s) and available from the City of Yakima. Electrical service is also available at the sites.

The new affordable housing units will be designated HOME homeownership units and, as such, shall only be sold to income-eligible buyers for the affordability period. The buyer shall have an income at or below 80% A.M.I. (area median income) based on the current

H.U.D. limits at the time of execution of the sale. Income eligibility shall be determined using the "**Technical Guide for Determining Income and Allowance for the HOME Program**" provided by the U.S. Department of Housing and Urban Development (H.U.D.) and shall include source documentation.

The sales price of each unit may not exceed 95 percent of the maximum purchase prices for the area. The HOME-assisted unit(s) shall remain in compliance with the HOME Program (24 C.F.R. Part 92.252(e)) for FIFTEEN (15) years after the Project is officially completed. The Project is officially completed when the property construction is completed, the property passes ongoing and final construction inspections by City staff, a Certificate of Occupancy is issued by the jurisdictional building inspections department, HOME-assisted units are occupied, and the required beneficiary data is submitted to the City staff to enter into H.U.D.'s Integrated Disbursement Information System (IDIS) System.

## **B. AFFORDABILITY**

In addition, this project is subject to ongoing compliance requirements of HOME for FIFTEEN (15) years from the date the project is completed. The project is considered completed when the City draws the final drawdown of HOME funds. During this compliance period, the DEVELOPER will ensure continued compliance with HOME requirements. For homebuyer units, this includes monitoring units for principal residency and recapture of funds at the time of resale. A restrictive covenant shall be executed for the total amount of assistance and will include the applicable HOME requirements, including resale/recapture provisions and property use restrictions, to ensure the enforcement of the HOME requirements. These requirements, which pertain to occupancy, income, and an affordability period, are required in order to maintain the development subsidy investment as a forgivable loan in the affordable housing units for the compliance period. The covenant shall be executed and attached to the property prior to final payment being made with transfer of the property from DEVELOPER to a third party.

## **C. TIME IS OF THE ESSENCE**

Timely completion of the work specified in this contract is an integral and essential part of performance. The expenditure of HOME funds is subject to Federal deadlines and could result in the loss of the Federal funds. By the acceptance and execution of this contract, it is understood and agreed by the DEVELOPER that the PROJECT will be completed as expeditiously as possible and that the DEVELOPER will make every effort to ensure that the project will proceed and will not be delayed. Failure to meet these deadlines can result in cancellation of this contract and the revocation of HOME funds. Since it is mutually agreed that time is of the essence as regards this contract, the DEVELOPER shall cause appropriate provisions to be inserted in all contracts or subcontracts relative to the work tasks required by this Contract in order to ensure that the PROJECT will be completed according to the timetable set forth. It is intended that such provisions inserted in any subcontracts be, to the fullest extent permitted by law and equity, binding for the benefit of the CITY and enforceable by the CITY against the DEVELOPER and its successors and assigns to the project or any part thereof or any interest therein. The aforementioned document will be considered to be a part and portion of this Contract by reference. The DEVELOPER will complete the construction of the one (1) unit **by April 2, 2025**, including the sale of the units.

The DEVELOPER is required to submit performance reports on program/project status and activities through project completion as requested by the City staff. The Developer

will allow and help facilitate required inspections and monitoring of the Project by City staff. The DEVELOPER agrees to execute the covenant and attach it the property prior to final payment being made with transfer from DEVELOPER to a third party. Termination of the Contract will occur automatically upon the expiration of the Contract period. Project Extension Request must be approved by the CITY.

In the event the DEVELOPER is unable to meet the above schedule or complete the above services because of delays resulting from Acts of God, untimely review and approval by the CITY and other governmental authorities having jurisdiction over the PROJECT, or other delays that are not caused by the DEVELOPER, the CITY shall grant a reasonable extension of time for completion of the WORK. It shall be the responsibility of the DEVELOPER to notify the CITY promptly in writing whenever a delay is anticipated or experienced and to inform the CITY of all facts and details related to the delay.

#### **D. COMMENCEMENT OF WORK**

The City of Yakima, through ONDS, shall furnish the DEVELOPER with written notice to proceed upon release of funds from HUD related to the Project pursuant to 24 CFR Part 58. No work on the Project shall occur prior to the notice to proceed without written approval from the City of Yakima.

#### **Section IV – Scope of Work**

The DEVELOPER, in close coordination with the CITY, shall perform all professional services (the "WORK") necessary to complete the development and occupancy of the following project in full compliance with the terms of this Contract, including, but not limited to, **Exhibit "B"**. (*Use of HOME funds, property location, budget, completion schedule & compliance term*):

From the contract execution date to continue until the termination date as specified within this contract, building and constructing a new home and will be monitored for a FIFTEEN (15) year affordability period per HUD regulations governing HOME Investment funded projects.

It is understood that the DEVELOPER will provide a specific working budget and realistic timetable as relates to: acquisition, construction/rehabilitation, soft costs, development fees and other allowable costs/activities prior to any fund usage. Said budget shall identify all sources and uses of funds, and allocate HOME and non-HOME funds to activities or line items. The aforementioned Work tasks will be performed in essentially the manner proposed in the DEVELOPER's proposal as received by the AGENCY on **November 2, 2022**. The aforementioned document will be considered to be a part and portion of this Contract fully incorporated herein.

1. **Eligible Use of Funds.** HOME funds available under this Contract will be used for the construction of the property. Other eligible costs include the cost of construction, legal and recording fees, environmental review costs, and survey costs or associated costs for site review. Other eligible costs will be paid by the DEVELOPER of the local match: *Project Soft Costs* must be "reasonable and necessary." These costs may include the following:

Professional Related Costs:

- Loan origination fees

- Credit reports fees
- Title report and update fees
- Recordation fees
- Preparation and filing of legal document fees
- Appraisal Report fees
- Market Study Report fees
- Attorney's fees
- Loan processing fees
- Developer fees

Construction Related Costs:

- Architectural fees
- Engineering fees
- Preparation of work write-ups/cost estimate fees
- Builder's fees

Other Costs:

- Project audit costs
- Affirmative marketing and fair housing costs
- Relocation costs

*Eligible Hard Costs* must be "reasonable and necessary." These costs may include the following:

- Costs to meet the applicable building standards in effect at the time a building permit is obtained from the locality
- Costs to make essential improvements, including the actual costs of construction or rehabilitation
- Energy-related repairs or improvements
- Improvements necessary to permit use by handicapped persons
- Abatement of lead-based paint hazards
- Costs to repair or replace major housing systems in danger of failure in existing structures
- Costs to demolish existing structures
- Costs for improvements to the project site and utility connections
- Costs to acquiring optioned improved or unimproved land for new construction or rehabilitation projects
- Incipient repairs and general property improvements of a non-luxury nature

2. **Funded Amount and Other Funding Sources.** The CITY is hereby providing from the F.Y. 2020, F.Y. 2021, and F.Y. 2022 CHDO set aside funding in the amount of up to **eighty-seven thousand, five hundred dollars and 00/100 (\$87,500)**, for activities identified in this Contract and listed in the Project Budget. The funds are granted to the Developer for the construction of **one (1)** new affordable homeownership units in the City of Yakima. The Developer will provide any additional funding necessary over and above the financial commitment to complete the Project as approved in the application for HOME assistance. If the Project comes in under budget, the Developer will only be reimbursed for actual eligible costs. Also, volunteer hours and additional funding beyond HOME funds will be counted as local matches.

3. **Maximum HOME Subsidy.** H.U.D. requires that the maximum HOME per-unit subsidy not be increased above 240 percent of the base limits authorized by §211(d)(3)(ii) of the National Housing Act. HOME subsidy under this Contract is **\$87,500 for 2910 W Arlington Avenue**, and does not exceed this regulation. The property is located within the City of Yakima limits.

## **Section V – Reimbursement of Expenses & Developer Fees**

### **A. GENERAL.**

Project expenses (excluding developer fees) shall be paid based on vouchers for actual expenses incurred or paid. Requests for payment must be submitted by the DEVELOPER on forms specified by the CITY, with adequate and proper documentation of eligible costs incurred in compliance with 24 CFR 92.206 and necessary for HUD IDIS disbursement requirements. All such expenses shall be in conformance with the approved project budget. Budget revision and approval shall be required prior to payment of any expenses not conforming to the approved project budget.

The City reserves the right to hold payment until adequate documentation has been provided by the Developer and reviewed by the City. The Developer agrees to the following provisions in satisfying the terms and conditions of this contract:

### **B. PAYMENT AND DISBURSEMENTS:**

Disbursements by the City of Yakima from this contract/grant award shall be on a reimbursement basis covering actual expenditures by the Developer or obligations of the Developer currently due and owing but not paid. Disbursements shall be limited to allowable eligible costs and so shall be made upon the occurrence of all the following, in addition to any other conditions contained herein or in the special conditions:

1. Receipt by the City of Yakima ONDS of a written reimbursement request on forms provided by the City of Yakima ONDS supported by copies of vouchers, invoices, salary and wage summaries, or other acceptable documentation; and
2. Determination by the City of Yakima ONDS that the expenditures or obligations for which reimbursement is sought constitute allowable eligible costs under the HOME Program and also fall within the applicable Project Budget.

The Developer shall submit written claims for reimbursement of services performed under this Contract. Pay requests with documentation/invoices for requested costs may be submitted monthly during the Project. Exceptions to this practice may be made based on the amount and frequency of requests based on the financial needs of the contractors. The DEVELOPER may not request disbursement of funds under this Contract until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed.

The Developer **must** notify the City's Staff at the same time notification is made to the local government for the following inspections (if applicable):

- a) Foundation Inspection
- b) Slab Inspection
- c) Rough-In Inspection
- d) Insulation Inspection
- e) Final Inspection

**Note: Failure to notify the City staff for inspections may result in work having to be redone at the Developer's cost so that the inspection can be completed.**

### **C. CHANGE ORDERS**

No payment shall be made for any service rendered by the Developer except for services within the scope of a category set forth in the budget in **Exhibit "B"** of this Contract, and all funds received must be used for service as identified in **Exhibit "B"** of this Contract.

Change orders may occur during the course of construction, either initiated by the Developer. All change orders must be submitted for review to the City staff **prior** to approval to ensure that the scope of the Project is not altered.

1. The Developer shall submit to the City of Yakima ONDS a written request for approval of budget revision when a proposed revision would result in an increase or decrease of ten percent (10%) or more per home from what has been set forth in the approved budget subject category. The City's written budget revision approval must be received by the Developer prior to the Developer incurring any expenditures against the revised budget subject categories.
2. When the revision of the Developer budget does not exceed ten percent (10%) of an approved budget subject category, the Developer must submit a revised budget to the City of Yakima ONDS prior to the submittal of claims against the budget.

### **Section VI – Roles and Responsibilities**

- A. **Incur Costs.** The Developer will not incur costs, make any commitments, or take any physical action on a property to be assisted with HOME funds until approved by City staff. Environmental clearance of the sites and a Removal of Grant Conditions and Authority of Use H.U.D. Funds must be in place prior to any physical activity on the project site.
- B. **Eligible Applicant.** The DEVELOPER commits to providing an eligible applicant according to the recognized HOME guidelines for any HOME-assisted unit. The occupant's/applicant's income will fall within the required H.U.D. guidelines for L.M.I. persons to qualify for assistance. The DEVELOPER shall provide the CITY's Office of Neighborhood Development Services staff with a copy of the application and income verification of the proposed renters/occupants prior to the occupancy of the units. Verification includes all third-party verification in order to ensure that the low-to-moderate income requirements are met. All units funded by this Contract are subject to the income guidelines.

The DEVELOPER shall provide the CITY copies of recorded mortgages, deeds, and any other instruments executed related to the HOME-assisted property.



DEVELOPER agrees to provide the necessary personnel and equipment to oversee, manage, and maintain any units for which HOME funds are provided. The HOME units shall be inspected by the jurisdictional building inspector and shall meet all local and state building codes as applicable for the City and/or City of Yakima prior to occupancy. A copy of the permit to occupy the unit for each structure will be submitted to the CITY prior to final payment. The City staff shall provide guidance on HOME compliance and assist the Developer as needed in the review of the applicant's application and verifications to ensure eligibility within HOME income limits, providing a suggested language for inclusion of HOME requirements in sales documents if applicable; and applicable procurement of construction, materials, small purchases, and contract labor. The staff will review and approve requests for payment and conduct site visits to confirm construction progress. Payment will be made within twenty days of approved invoices/pay requests.

- C. **Participating Jurisdiction.** As a HOME Participating Jurisdiction, the CITY will be primarily responsible for implementing this Contract and for day-to-day communications with the Developer. As such, references to the "City HOME staff" or "City Staff" within this Contract should be construed to indicate that the Office of Neighborhood Development Services (ONDS) will communicate with the DEVELOPER on behalf of the CITY and as its administrative agent relative to the HOME program. In the event the CITY replaces or terminates ONDS as its administrative agent for the HOME program, it will provide notice to the DEVELOPER as provided for herein. The DEVELOPER further agrees to fully cooperate with the ONDS staff or with any future administrative agent designated by the CITY as the City's authorized agent for purposes of administering its HOME Program.
- D. **Inspection of Records.** The CITY reserves the right to inspect records and project sites to determine that reimbursement and compensation requests are reasonable. The CITY also reserves the right to hold payment until adequate documentation has been provided and reviewed.
- E. **Audit of Records.** The CITY shall have the right to review and audit all records of the DEVELOPER pertaining to any payment by the CITY. Said records shall be maintained for a period of the HOME-required affordability period.
- H. **Unauthorized Use.** This grant shall not be utilized to substantially reduce the amount of local financial support for community development activities below the level of such support prior to the availability of such assistance.
- I. **Return of Funds** The DEVELOPER shall return to the City all monies provided by the City if any of the following occur: the DEVELOPER materially changes the primary purpose and scope of the Project as described in **Exhibit B**, or the DEVELOPER is unable to continue and/or provide services as described in **Exhibit B**.

## **Section VI – Project Requirements**

The DEVELOPER agrees to comply with all requirements of the HOME Program as stated in 24 CFR Part 92, including but not limited to the following.

### **A. Environmental Review**

No HOME project funds will be advanced, and no costs can be incurred, until the City has conducted an environmental review of the proposed project site as required under 24 CFR Part 58. The environmental review may result in a decision to proceed with, modify or cancel the project. Notwithstanding any provision of this Contract, the parties hereto agree and acknowledge that this Contract does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by the CITY of a release of funds from the U.S. Department of Housing and Urban Development [or the State of Washington] under 24 CFR Part 58. Further, the DEVELOPER will not undertake or commit any funds to physical or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation, conversion, repair or construction prior to the environmental clearance, and must indicate that the violation of this provision may result in the denial of any funds under the contract. The DEVELOPER shall comply with all Federal, State, and Local Laws and Regulations for the duration of this Project, including but not limited to the Cranston-Gonzales Act, as amended by the Housing and Community Development Act of 1992; regulations continued in 24 C.F.R. Part 92; Federal O.M.B. Circular A-110 Attachments B, F, H (paragraph 2) and O, O.M.B. Circular A-122, zoning, building, housing and other codes and regulations of the jurisdiction where Project is located; and such other Federal, State, and Local Laws, rules and regulations as may apply to the Project including Nondiscrimination and Fair Housing Laws.

The City of Yakima, through the AGENCY retains environmental review responsibility for purposes of fulfilling requirements of the National Environmental Policy Act, under which the City of Yakima may require the DEVELOPER to furnish data, information and assistance for the City's review and assessment in determining whether the City must prepare an Environmental Impact Statement.

The Environmental Review was completed on **2910 W Arlington Avenue – 04/28/2023**. All mitigation if required in the Environmental Review shall be completed by DEVELOPER as part of the Project.

The DEVELOPER retains responsibility for fulfilling the requirements of the State Environmental Policy Act (SEPA) and regulations and ordinances adopted thereunder.

In addition to the requirements of Section XIV below, in the event DEVELOPER fails to furnish any data, information, forms, or documents requested by the City to fulfill its obligations under the National Environmental Policy Act or any other federal or state environmental policy, law, or regulation, Failure to furnish data, information, forms or documents shall result in a withholding of funds for payment and, if funds have been disbursed, a requirement to repay all funds associated with this Contract to the City and may result in termination of this Contract. The DEVELOPER expressly agrees to do all things necessary and take all necessary steps to facilitate the environmental review of the Project.

## **B. Property Standards.**

According to 24 CFR 92.251 Property Standards, Housing that is purchased, constructed, or rehabilitated with HOME funds must meet all applicable local, state, and/or CITY construction standards, ordinances, and zoning ordinances at

the time of project completion and throughout the period of affordability. In the absence of a local code for new construction or rehabilitation, HOME-assisted new construction or rehabilitation must meet, as applicable, one of three model codes: Uniform Building Code (ICBO), National Building Code (BOCA), Standard (Southern) Building Code (SBCCI); or the Council of American Building Officials (CABO) one or two family code; or the Minimum Property Standards (M.P.S.) in 24 CFR 200.925 or 200.926 and/or minimum property standards established by the CITY on behalf of the HOME Program. All construction will be inspected by the City staff prior to receipt of final payments.

The housing must meet the accessibility requirements at 24 C.F.R. part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). Covered multifamily dwellings, as defined at 24 CFR 100.201, must also meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-3619). The Fair Housing Act requires that all multi-family dwellings must meet the design and construction requirements at 24 CFR 100.205. Refer to CABO/ANSI section A117.1 for specific requirements. A Section 504 Physically handicapped person is defined as an individual who has a physical impairment, including impaired sensory, manual, or speaking abilities, that results in a function limitation in gaining access to and using a building or facility. The housing provides accessibility, adaptability, and accessible routes.

1. **504 Requirements for New Construction Projects:** Projects with (5) or more units will have at least 5% of the units accessible to individuals with mobility impairments AND at least 2% of the units accessible to individuals with sensory impairments. As this Project only consists of one (1) units, 504 requirements do not apply.
2. **Fair Housing Act:** The Fair Housing Act requires seven basic requirements that must be met to comply with the access requirements, which are:
  - An accessible building entrance on an accessible route
  - Accessible common and public use areas
  - Usable doors (usable by a person in a wheelchair)
  - Accessible route into and through the dwelling unit
  - Light switches, electrical outlets, thermostats, and other environmental controls in accessible locations
  - Reinforced walls in bathrooms for later installation of grab bars
  - Usable kitchens and bathrooms

An owner of rental housing assisted with HOME funds must maintain the housing in compliance with all applicable State and local housing quality standards and code requirements, and if there are no such standards or code requirements, the housing must meet the housing quality standards in 24 CFR 982.401, for the entire length of the affordability period.

## **C. Property Restrictions**

1. **Restrictions on the Sale or Transfer of Land and Improvements.** Developer agrees that throughout the term of this Contract, and in order to satisfy the requirements of the HOME Program, the Developer will not sell or transfer any part of the project premises or any interest in it without the City's prior written consent, including a transfer of all or part of the project premises to any person that does not use the project premises for "affordable housing" within the meaning of the HOME Program. Upon the occurrence of any of the

above, the Developer will provide immediate payment in full of the entire principal under this Contract.

2. **Covenants to Run with Land.** The Developer agrees to execute and record a restrictive covenant instrument that is secondary to all other financing and/or security instruments, any other use restrictions, easements, liens, or other encumbrances of record, except for those previously disclosed on a commitment for title insurance issued to the City or those explicitly approved by the City and the City Attorney. Developer intends, declares, and covenants, on its behalf and on behalf of all future holders of any interest in and to the project premises described in "**Exhibit A**" during the term of this Contract, that this Contract and the covenants and restrictions set forth in this Contract regulating and restricting the use, occupancy, sale, lease or transfer of the Premises (i) shall be and are covenants running with the land, encumbering the land for the term of this Contract, binding upon the Grantee's successors in title and all subsequent Grantees and tenants or transferee of the premises, (ii) are not merely personal covenants of the Grantee, but are contractual in nature and condition precedent to the Grantee obtaining the HOME Grant, and (iii) shall bind the Grantee and the Grantee's grantees, lessees, heirs, assigns, personal representatives for transferee during the term of this Contract. The Grantee hereby agrees that any and all requirements of the laws of the State of Washington to be satisfied in order for the provisions of this Contract to constitute property use restrictions and covenants running with the land shall be deemed to be satisfied in full, and that any requirements or privileges of the estate are intended to be satisfied, or in the alternative, that an equitable servitude has been created to ensure that these restrictions run with the land. For the Term of this Contract, each and every contract, deed, or other instruments hereafter executed conveying the project premises described in "**Exhibit A**," or a portion thereof, shall expressly provide that such conveyance is subject to this Contract provided; however, the covenants contained herein shall survive and be effective regardless of whether such contract, deed, or other instruments hereafter executed conveying the project premises, or a portion thereof, specifically provides that such contract, lease or conveyance is subject to this Contract.
  
3. **Affordability Restrictions.** Any unit constructed on this property assisted with HOME funds must remain occupied by a low to moderate-income family/person for a period of FIFTEEN (15) years to meet the affordability required by the HOME investment in the Project. The Developer agrees to enforce the affordability requirements under 24 CFR 92.252(e) as applicable and agrees to repay the HOME funds if the housing does not meet the affordability requirements for the specified time period.

For new construction homeownership projects, the period of affordability is FIFTEEN (15) years. The affordability period in homeownership projects will be activated on the date after the Developer provides the City with a project completion report, and this form has been entered into H.U.D.'s Integrated Disbursement Information System (IDIS) detailing the following:

- Household size
  - Gross annual household income
  - Racial and ethnic characteristics
1. Property owner's name

2. Whether any household member is disabled
3. Designation as a mobility or sensory-handicapped unit
4. Sales date
5. Bedroom Size
  - o Purchase Price
  - o Date of Certificate of Occupancy

Project completion reports are to be submitted by the Developer when the HOME-assisted unit is purchased and occupied, no later than 90 days after the issue of the Certificate of Occupancy. Developer agrees to execute the Restrictive Covenant at or before the completion of the Project. If Developer does not comply with providing project completion reports within the 90-day period following the issuance of the Certificate of Occupancy, the organization will be ineligible to apply for additional HOME funding, and any current awards will be revoked.

The affordability period **does not** end upon early payoff of the HOME assistance, if applicable.

4. **Maintaining Homeownership Housing Affordability: CFR 92.254.** The income of each unit must be determined initially using Section 8 (Part 5) definition of annual (gross) income.
5. **Income Determinations.** The Developer agrees to perform the income determination requirements of 24 CFR 92.203.

Eligible Incomes: the Developer must determine that each family or individual is income-eligible. The Developer is required to use third-party source documents to evidence annual income (e.g., wage statement, interest statement, and unemployment compensation statement) for the family or individual. Owners must use the Part 5 definition as defined in the "**Technical Guide for Determining Income and Allowance for the HOME Program**" provided by the U.S. Department of Housing and Urban Development (H.U.D.).

#### **D. CHDO Responsibilities**

1. **Expenditure Requirements.** The DEVELOPER will ensure that any expenditure of HOME funds will be in compliance with the requirements at 24 CFR 92.206, *Eligible Costs*, and acknowledges that HOME funds will only be provided as reimbursement for eligible costs incurred, including actual expenditures or invoices for work completed.
2. **Owner-Occupied Qualifications.** The DEVELOPER will ensure that all HOME assisted units will be in compliance with 24 CFR 92.254 (*Qualification as affordable housing, Homeownership*), including documenting that the property is eligible under 24 CFR 92.254(a)(1) – (2), and will maintain compliance during the minimum compliance period.
3. **Project Beneficiary Information.** The designated HOME-assisted units of this PROJECT will meet the affordability requirements as found in 24 CFR 92.254 (*Qualification as affordable housing, Homeownership*) as applicable. The DEVELOPER shall collect and maintain Project beneficiary information pertaining to household size, income levels, racial characteristics, and the presence of Female-Headed Households in order

to determine low and moderate-income benefits in a cumulative and individual manner. Income documentation shall be in a form consistent with HOME requirements as stated in the H.U.D. ***Technical Guide for Determining Income and Allowances Under the HOME Program***.

4. **Notes & Mortgages.** If the Project is to be owner-occupied, the DEVELOPER shall ensure that any NOTES and MORTGAGES recorded for homebuyers shall be in compliance with 24 CFR 92.254 and that the DEVELOPER will monitor each unit for principal residency (under 92.254 (a)(3)) and resale/recapture (under 92.254 (a)(4) – (5)).
5. **HOME Match.** DEVELOPER will provide any documentation required by the AGENCY regarding match as may be required to document match for purposes of the HOME program.
6. **Lease Purchase Option.** If the property is sold through a lease-purchase contract, the DEVELOPER will ensure compliance with 24 CFR 92.254(a)(7), as modified by the 1999 Appropriations Act, Section 599B.
7. **Monitoring.** DEVELOPER will be monitored by the AGENCY for compliance with the regulations of 24 CFR 92 for the compliance period specified above. The DEVELOPER will provide reports and access to project files as requested by the AGENCY during the PROJECT and for Five (5) years after completion and closeout of the CONTRACT.

#### **E. Other Federal Requirements**

1. **H.U.D. Generally Applicable Definitions & Requirements; Waivers.** The Developer agrees to conform to all Federal and State regulatory requirements, including the Federal requirements set forth in 24 C.F.R. Part 5, Subpart A, those described in 24 C.F.R. Part 92, Subpart H, Section 350-359, as well as the City's Housing and Property Standards and the applicable Yakima Municipal Code sections. The Federal and City requirements include nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended, or ineligible contractors; and drug-free workplace.
2. **Nondiscrimination & Equal Opportunity:** The Contract is made available in conformity with the non-discrimination and equal opportunity requirements set forth in 24 C.F.R. Part 511.10(m), as follows: The requirements of Executive Order 11063, and with Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d as amended by Executive Order 12259 (3 C.F.R., 1959- 1963 Comp., p. 652 and 3 C.F.R., 1980 Comp., p. 307). The Act prohibits discrimination against individuals on the basis of race, color, religion, sex, or national origin in the sale, rental, leasing, or other disposition of residential property or in the use or occupancy of housing assisted with Federal funds. The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, 42 USC 6101-07, and the prohibitions against discrimination against handicapped individuals under Section 504 of the Rehabilitation Act of 1973, 29 USC 794. The nondiscrimination requirements in Section 282 of the Act are applicable.

3. **Fair Housing:** *The Fair Housing Act* (42 U.S.C. 3601-19) and implementing regulations at 24 C.F.R. part 100 *et seq.*; The Act prohibits discrimination in the sale of housing, the financing of housing, or the provisions of brokerage services against any person on the basis of race, color, religion, sex, national origin, handicap, or familial status.
4. **Disclosure & Anti-Lobbying Requirements:** The Developer assures that no Federal funds have been or will be paid by or on behalf of the Developer to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any Contract or any modification of any Federal contract, grant loan, or Contract. If any other funds other than Federal funds have been paid or will be paid to persons for influencing any above-named persons in connection with this Project, the Developer shall complete and submit the "Disclosure Form to Report Lobbying" in accordance with its instructions.
5. **Affirmative Marketing (required for projects with five or more HOME-assisted units):** The Developer will follow an affirmative marketing plan approved by the City. This affirmative marketing plan consists of the steps of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status, or disability. (The affirmative marketing procedures do not apply to families with Section 8 Tenant-Based Rental Housing assistance or families with Tenant-Based Rental Assistance provided with HOME funds.) The Affirmative Marketing Plan will include:
  - Methods for informing the public, owners, and potential tenants about Federal Fair Housing Laws and the County's Affirmative Marketing Policy (e.g., the use of the Equal Housing Opportunity logotype or slogan in press releases and solicitations for owners and written communication to fair housing and other groups);
  - Requirements and practices each owner must adhere to in order to carry out the Affirmative Marketing Procedures and Requirements (e.g., use of commercial media, use of community contacts, use of the Equal Housing Opportunity logotype or slogans, and display of Fair Housing poster);
  - Procedures to be used by owners to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach (e.g., use of community organizations, places of worship, employment centers, Fair Housing groups, or housing counseling agencies);
  - Records that will be kept describing actions taken by the owners to affirmatively market units and records to assess the results of these actions; and
  - A description of how the Developer will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.
6. **Minority outreach:** The Developer will take necessary affirmative steps to ensure that minority firms and women's business enterprises are used

whenever possible. Because this is a certified Community Housing Development Organization, Procurement does not apply. Procurement regulations at 24 C.F.R. Part 85.36(e) specify that MBE/WBE outreach activities apply to all contracting opportunities facilitated by HOME-funded activities, including contracts related to construction, rental assistance, and HOME program administration. There are no monetary thresholds that trigger MBE/WBE outreach requirements. They apply to all contracts awarded in conjunction with HOME-assisted projects. The HOME Construction Performance Standards Manual provides complete details of the requirements that will be followed. HOME regulations require that the following minimum affirmative steps are taken to ensure MBE/WBE are afforded every opportunity to participate in HOME-generated contracts.

- Placing minorities and women on solicitation lists;
- Assuring that M.B.E. and WBE firms are solicited whenever they are potential sources;
- Dividing the total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business enterprises and women business enterprises;
- Where the requirement permits, establishing delivery schedules that encourage participation by small and minority business enterprises and women business enterprises;
- Using the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce and
- Requiring the prime contractor, if subcontractors are to be let, to take all the same actions.

**7. Religious Activities:** The Developer agrees, as directly funded under the HOME program, not to engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the assistance funded under the HOME program. The Developer also agrees that religious activities such as worship, religious instruction, or proselytization will be offered separately, in time and location, and it is the beneficiary's voluntary decision to participate. These separate religious activities cannot be funded by the HOME program. Religious organizations providing HOME assistance will not discriminate against program beneficiaries based on religious character, belief, or affiliation. HOME funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities.

**8. Davis Bacon.** If any project under this Contract involves the construction or rehabilitation of 12 or more HOME-assisted units, the DEVELOPER shall comply with the provisions of the Davis-Bacon Act (40 U.S.C. 276 a to a - 7) as supplemented by AGENCY of Labor regulations (29 C.F.R., Part 5), as amended.

## **Section VII – Repayment of Loan**

**A. Repayment.** All HOME funds are subject to repayment in the event the PROJECT does not meet the Project Requirements as outlined above or if DEVELOPER violates any provisions of this Contract with regards to HOME



and/or HUD requirements.

- B. **Reversion.** It is understood that upon the completion of the PROJECT, any HOME funds reserved but not expended under this contract will revert to the CITY.
- C. **Owner Occupancy.** If the PROJECT is for owner-occupancy, the DEVELOPER shall lend the HOME funds to the individual buyers in an amount sufficient to make the purchase affordable. Any HOME funds that reduce the price of the property below the fair market value of the property shall be secured by a HOME note and mortgage as required in 24 CFR 92.254(a)(5)(ii), using the note and mortgage prescribed or approved by the AGENCY (and consistent with the method of recapture identified in the CITY's "Consolidated Plan").
- D. **Program, CHDO Proceeds.** No program income or CHDO proceeds are anticipated for this Project. However, if CHDO proceeds are determined by H.U.D. and/or the City to have been received, all net sales proceeds from the sale of units are considered to be CHDO proceeds that may be retained by the DEVELOPER and used in conformance with 24 CFR 92.300(a)(2), to be retained by the CHDO and used to further affordable housing for qualified first-time home buyers within the City of Yakima. The Developer must submit a CHDO Program Income Plan to the City for approval. Program Income must be used for HOME-eligible activities or other approved affordable housing activities. Income from the sale, rental, or use of real estate by the project owner, Developer, or sponsor is not treated as program income.

## Section VIII – CHDO Provisions

It is understood that the DEVELOPER has certified that it is and will maintain CHDO (Community Housing Development Organization) status for the term of the PROJECT in accordance with 24 CFR 92. The DEVELOPER agrees to provide information as may be requested by the AGENCY to document its continued compliance, including but not limited to an annual board roster and certification of continued compliance. Any funds advanced as CHDO pre-development funds must be in compliance with 24 CFR 92.301, and are forgivable only under the terms in 24 CFR 92.301.

Any funds advanced to the CHDO as CHDO Operating Expenses must be expended in compliance with 24 CFR 92.208. Any funds that the CHDO is permitted to retain as CHDO proceeds from this project shall be used in compliance with 24 CFR 92.300(a)(2) or as specified in this Contract.

## Section IX – Procurement Standards

The DEVELOPER shall establish procurement procedures to ensure that materials and services are obtained in a cost-effective manner. When procuring for services to be provided under this contract, the DEVELOPER shall comply at a minimum with the nonprofit procurement standards at 24 CFR 84.40 - .48.

The Developer agrees to conform to all Federal and State regulatory requirements, including the Federal requirements set forth in 24 C.F.R. 5, Subpart A, as well as the City's municipal code, and Housing and Property Standards. The Federal and City requirements include nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended, or ineligible contractors; and drug-free workplace.

In addition, the following requirements are imposed on any procurement under this PROJECT:

Any personal property having a useful life of more than one year and purchased wholly or in part with sub-grant funds at a cost of three hundred dollars (\$300) or more per item, shall upon its purchase or receipt become the property of the City of Yakima and/or federal government. Final ownership and disposition of such property shall be determined under the provisions of Attachment N of OMB, A-102. The Developer shall be responsible for all such property, including its care and maintenance, and shall comply with the following procedural requirements:

1. Property records shall be maintained accurately and provide for: A description of the property; manufacturer's serial number or other identification number; acquisition date and cost; source of the property; percentage of HOME funds used in the purchase of property; location, use, and condition of the property.
2. A physical inventory of property shall be taken and the results reconciled with the property records at least once every two years to verify the existence, current utilization, and continued need for the property.
3. A control system shall be in effect to ensure adequate safeguards to prevent lose, damage, or theft to the property. Any loss, damage, or theft of the property shall be investigated and fully documented.
4. Adequate maintenance procedures shall be implemented to keep the property in good condition.
5. If the Developer elects to capitalize and depreciate such nonexpendable personal property in lieu of claiming the acquisition cost as a direct item of cost, title to such property shall remain with the Developer. An election to capitalize and depreciate or claim acquisition cost as a direct item of cost shall be irrevocable.
6. Nonexpendable personal property purchased by the Developer under the terms of this Contract, in which title is vested in the City of Yakima or Federal Government shall not be rented, loaned, or otherwise passed to any person, partnership, corporation, association or organization without the prior express approval of the City of Yakima ONDS.
7. Any nonexpendable personal property furnished to, or purchased by, the Developer, title to which is vested in the City of Yakima ONDS or federal government shall, unless otherwise provided herein or approved by the Contracting Officer, be used only for the performance of activities defined in this Contract.
8. As a condition prerequisite to reimbursement for the purchase of nonexpendable personal property, title to which shall vest in the City of Yakima ONDS or federal government, the Developer agrees to execute such security agreements and other documents as shall be necessary for the City of Yakima ONDS or federal government to perfect its interest in such property in accordance with the "Uniform Commercial Code-Secured Transactions" as codified in Article 9A of RCW Chapter 62A.

9. The Developer shall be responsible for any loss or damage to the property of the City of Yakima ONDS or federal government (including expenses entered thereunto) which results from negligence, willful misconduct, or lack of good faith on the part of the Developer to maintain and administer in accordance with sound management practices that property, to ensure that the property will be returned to the City of Yakima ONDS or federal government in like condition to that in which condition the property was acquired by purchase, fair wear and tear accepted.

In addition, it is understood that any DEVELOPER that can be considered to be a religious organization shall abide by all portions of 24 CFR 92.257.

### **Section X – Conflict of Interest Provisions**

The DEVELOPER warrants and covenants that it presently has no interest and shall not acquire any interest, directly or indirectly, which could conflict in any manner or degree with the performance of its services hereunder. The DEVELOPER further warrants and covenants that in the performance of this contract, no person having such interest shall be employed. HOME conflict of interest provisions, as stated in 24 CFR 92.356, apply to the award of any contracts under the contract and the selection of tenant households to occupy HOME-assisted units. No employee, agent, consultant, elected official, or appointed official of the DEVELOPER may obtain a financial interest or unit benefits from a HOME-assisted activity, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. This prohibition includes the following:

- Any interest in any contract, subcontract or agreement with respect to a HOME-assisted project or program administered by the DEVELOPER, or the proceeds thereunder; or
- Any unit benefits or financial assistance associated with HOME projects or programs administered by the DEVELOPER, including:

Occupancy of a rental housing unit in a HOME-assisted rental project;

Receipt of HOME tenant-based rental assistance;

Purchase or occupancy of a homebuyer unit in a HOME-assisted project;

Receipt of HOME homebuyer acquisition assistance; or

Receipt of HOME owner-occupied rehabilitation assistance.

This prohibition does not apply to an employee or agent of the DEVELOPER who occupies a HOME assisted unit as the on-site project manager or maintenance worker. In addition, no member of Congress of the United States, official or employee of HUD, or official or employee of the Participating Jurisdiction shall be permitted to receive or share any financial or unit benefits arising from the HOME-assisted project or program. Prior to the implementation of the HOME-assisted activity, exceptions to these provisions may be requested by the DEVELOPER in writing to the Participating Jurisdiction. The DEVELOPER must demonstrate and certify that the policies and procedures adopted for the activity will ensure fair treatment of all parties, and that the covered persons referenced in this policy will have no inside information or undue influence regarding the

award of contracts or benefits of the HOME assistance. The Jurisdiction may grant exceptions or forward the requests to HUD as permitted by 24 CFR 92.356, 85.36 and 84.42, as they apply.

## **Section XI – City Responsibilities**

The CITY shall furnish the DEVELOPER with the following services and information from existing CITY records and CITY files:

- A. Requirements.** The CITY shall provide to the DEVELOPER information regarding its requirements for the PROJECT.
- B. Regulation Updates.** The CITY will provide the DEVELOPER with any changes in HOME regulations or program limits that affect the project, including but not limited to income limits, property value limits and rent limits.
- C. Progress Inspections.** The CITY will conduct progress inspections of work completed to protect its interests as lender and regulatory authority for the project, and will provide information to the DEVELOPER regarding any progress inspections or monitoring to assist it in ensuring compliance. CITY's review and approval of the WORK will relate only to overall compliance with the general requirements of this Contract and HOME regulations, and all CITY regulations and ordinances. Nothing contained herein shall relieve the DEVELOPER of any responsibility as provided under this Contract.

## **Section XII – Equal Employment Opportunity**

During the performance of this contract, the DEVELOPER agrees as follows:

- A. Nondiscrimination.** The DEVELOPER will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin(s). The DEVELOPER will take affirmative action to ensure the applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin(s). Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The DEVELOPER agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer of the CITY setting forth the provisions of this nondiscrimination clause.
- B. Solicitation/Advertisement.** The DEVELOPER will, in all solicitations or advertisements for employees placed by or on behalf of the DEVELOPER, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- C. Labor Unions.** The DEVELOPER will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the DEVELOPER's contracting officer, advising the labor union or worker's representative of the DEVELOPER's commitments under Section 202 of Executive Order No. 11246 of September 24,

1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

**D. Executive Order 11246.** The DEVELOPER will:

- Comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- Furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the AGENCY and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and order.
- In the event the DEVELOPER is found to be in noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations or orders, this contract may be canceled, terminated or suspended in whole or in part and the DEVELOPER may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965 or by rule, regulations, or order of the Secretary of Labor or as otherwise provided by law.
- Include the provisions of paragraphs (a) through (g) of this contract in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The DEVELOPER will take such action with respect to any subcontract or purchase order as the AGENCY may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the DEVELOPER becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the AGENCY, the DEVELOPER may request the United States to enter into such litigation to protect the interest of the United States.

### **Section XIII – Labor, Training & Business Opportunity**

The DEVELOPER agrees to comply with the federal regulations governing training, employment and business opportunities as follows:

- A. Performance.** It is agreed that the WORK to be performed under this contract is on a project assisted under a program providing direct Federal financial assistance from the US Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701 u, as well as any and all applicable amendments thereto. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given low- and moderate-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the project area.
- B. Compliance.** The DEVELOPER shall comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 Code of Federal Regulations and all

applicable rules and orders of the AGENCY of Housing and Urban Development issued thereunder as well as any and all applicable amendments thereto prior to the execution of this contract as well as during the term of this contract. The DEVELOPER certifies and agrees that it is under no contractual or other disability, which would prevent it from complying with these requirements as well as any and all applicable amendments thereto.

- C. **Subcontract.** The DEVELOPER will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the CITY, take appropriate action pursuant to the subcontractor upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, in 24 Code of Federal Regulations. The DEVELOPER will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 code of Federal Regulations and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with these requirements as well as with any and all applicable amendments thereto.
- D. **Conditions.** Compliance with the provisions of Section 3, the regulations set forth in 24 Code of Federal Regulations and all applicable rules and orders of the AGENCY of Housing and Urban Development issued thereunder prior to the execution of the contract shall be a condition precedent to federal financial assistance being provided to the PROJECT as well as a continuing condition, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the DEVELOPER or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by 24 Code of Federal Regulations as well as with any and all applicable amendments thereto.

#### **Section XIV – Compliance with Federal, State & Local Laws**

- A. **Civil Rights Act.** The DEVELOPER covenants and warrants that it will comply with all applicable laws, ordinances, codes, rules and regulations of the state local and federal governments, and all amendments thereto, including, but not limited to; Title 8 of the Civil Rights Act of 1968 PL.90-284; Executive Order 11063 on Equal Opportunity and Housing Section 3 of the Housing and Urban Development Act of 1968; Housing and Community Development Act of 1974, as well as all requirements set forth in 24 CFR 92 of the HOME INVESTMENT PARTNERSHIP PROGRAM. The DEVELOPER covenants and warrants that it will indemnify and hold the CITY forever free and harmless with respect to any and all damages whether directly or indirectly arising out of the provisions and maintenance of this contract. The DEVELOPER agrees to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). The DEVELOPER further warrants and agrees to include or cause to be included the criteria and requirements of this section in every non-exempt subcontract in excess of \$100,000. The DEVELOPER also agrees to take such action as the federal, state or local government may direct to enforce aforesaid provisions.
- B. **Procurement And Construction Or Repair Project Requirements.** The following Federal provisions may apply, among others, to this Contract:

1. Certification Regarding Debarment, Suspension Or Ineligibility And Voluntary Exclusion—Primary And Lower Tier Covered Transactions

a) The DEVELOPER, defined as the primary participant and its principals, certifies by signing these General Terms and Conditions that to the best of its knowledge and belief that they:

- i. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- ii. Have not within a three-year period preceding this Contract, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public or private contract or transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
- iii. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this section;
- iv. Have not within a three-year period preceding the signing of this Contract had one or more public transactions (Federal, State, or local) terminated for cause of default;
- v. Where the DEVELOPER is unable to certify to any of the statements in this Contract, the DEVELOPER shall attach an explanation to this Contract;
- vi. The DEVELOPER agrees by signing this Contract that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction; and
- vii. The DEVELOPER further agrees by signing this Contract that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," as follows, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions:

b) LOWER TIER COVERED TRANSACTIONS

- i. Each lower tier contractor certifies, by signing this Contract that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

- ii. Where the lower tier contractor is unable to certify to any of the statements in this Contract, such contractor shall attach an explanation to this Contract.
- 2. **Affirmative Action & Nondiscrimination Obligations.** Office of Federal Contract Compliance Programs regulations, 41 CFR Part 60, Executive Order 11246 as amended by Executive Order 12086, and 24 CFR 570.601 (Discrimination prohibited).
- 3. **Lead Based Paint.** The Lead Based Paint Poisoning Prevention Act, 42 USC Section 4831 et seq., and HUD regulations implementing the Act, 24 CFR Part 35, where, residential structures are involved. The Contractor shall provide whatever assistance is necessary to enable the City of Yakima's Building Official to carry out its inspection and certification responsibility under those regulations.
- 4. **Historic Preservation.** Historic and Archaeological Preservation requirements as set forth in 24 CFR Section 570.604.36 CFR Part 800, RCW 27.44.010 (Native American Burial Law), RCW 27.53.010-.090 (Protection of Archaeological Resources), and RCW 43.51.750-.820 (Preservation of Historic Properties).
- 5. **Architectural Barriers.** Architectural Barriers Act of 1968 as amended, 42 USC Section 4151 et seq., implementing regulations, and Chapter 70.92 RCW.
- 6. **Property Standards.** Accessibility Standard as set forth in 24 CFR 92.251(a).
- 7. **Clean Air & Other Environmental Protections.** Clean Air Act as amended, 42 USC Section 1857 et seq; Water Pollution Control Act, as amended, 33 USC Section 1251 et seq.; and Environmental Protection Agency regulations, 40 CFR Part 15.
- 8. **Employment & Other Economic Opportunities.** Section 3 of the Housing and Urban Development Act of 1968 (12 USC Section 1701u) and 24 CFR Part 135 (Employment opportunities for project area businesses and low-income persons).
- 9. **Contract Work Hours & Safety Standards.** Contract Work Hours and Safety Standards Act, 40 USC Chapter 5, Sections 327-333, (Overtime Compensation).
- 10. **Rate of Wages.** Davis-Bacon Act, as amended, 40 USC Chapter 3, Sections 276a – 276a – 5, and RCW Chapter 3 – 12 (Prevailing Wage Rates).
- 11. **Procurement.** 2 CFR Part 200 (Procurement Standards) and Federal Management Circular, FMC 74-4.
- 12. **Relocation & Acquisition.** The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and regulations contained in 24 CFR Parts 42 and 570.



13. **Nondiscrimination in Federally Assisted Programs.** Title VI of the Civil Rights Act of 1964 (P.L. 88-352) as amended, and HUD regulations with respect thereto including the regulations under 24 CFR Part 1. In the sale, lease or other transfer of land acquired, cleared or improved with assistance provided under this Contract, and Developer shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination upon the basis of race, color, religion, sex, or national origin, in the sale, lease or rental, or in the use or occupancy of such land or any improvements erected or to be erected thereon, and providing that the Developer, the County, and the United States are beneficiaries of and entitled to enforce such covenant. The Developer, in undertaking its obligation in carrying out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant and will not itself so discriminate.
14. **Nondiscrimination Based on Age.** Age Discrimination Act of 1975 (24 CFR 146).
15. **Nondiscrimination in Housing.** Fair Housing Act (24 CFR 100, CFR 107 and 24 CFR 1).
16. **State Housing Standards.** Washington State/Local Building Codes/Housing Quality Standards (24 CFR 882.109).
17. **Minority & Women Owned Businesses.** WBE/MBE (24 CFR 85.36 (e)).

- C. **Applicable Licensing & Certifications.** The DEVELOPER agrees to comply with all applicable Federal, State, City and Municipal standards for licensing, certification and operation of facilities and programs, and accreditation and licensing of individuals, and any other standards or criteria as described in the Contract to assure quality of services.
- D. **Taxes & Other Insurances.** The DEVELOPER shall be solely responsible for and shall pay all taxes, deductions, and assessments, including but not limited to, sales tax, federal income tax, FICA, social security tax, assessments for unemployment and industrial injury insurance, and other deductions from income which may be required by law or assessed against either party as a result of this Contract. In the event the City is assessed a tax or assessment as a result of this Contract, the DEVELOPER shall pay the same before it becomes due.

## **Section XV – Suspension & Termination**

In accordance with 24 CFR 85.43, suspension or termination may occur if the DEVELOPER materially fails to comply with any term of the award, and that the award may be terminated for convenience in accordance with 24 CFR 85.44.

If, through any cause, the DEVELOPER shall fail to fulfill in timely and proper manner its obligations under this contract, or if the DEVELOPER shall violate any of the covenants, agreements, or stipulations of this contract, the CITY shall thereupon have the right to terminate this contract by giving written notice to the DEVELOPER of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, the DEVELOPER shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder to the date of said termination. Notwithstanding the above, the DEVELOPER shall not be relieved of

liability to the CITY for damages sustained by the CITY by virtue of any breach of the contract by the DEVELOPER and the CITY may withhold any payments to the DEVELOPER for the purpose of setoff until such time as the exact amount of damages due the CITY from the DEVELOPER is determined whether by court of competent jurisdiction or otherwise.

#### **Section XVI – Termination for Convenience of the CITY**

The CITY may terminate for its convenience this contract at any time by giving at least thirty (30) days notice in writing to the DEVELOPER. If the contract is terminated by the CITY, as provided herein, the City will reimburse for any actual and approved expenses incurred, including those costs involved in terminating the contracts and shutting down the work as of the date of notice, and the DEVELOPER will be paid as a FEE an amount which bears the same ratio to the total compensation as the services actually performed bear to the total service of the DEVELOPER covered by this contract, less payments of compensation previously made.

#### **Section XVII – Default-Loss of Grant Funds**

If the DEVELOPER fails in any manner to fully perform and carry out any of the terms, covenants, and conditions of the contract, and more particularly if the DEVELOPER refuses or fails to proceed with the work with such diligence as will ensure its completion within the time fixed by the schedule set forth in **Exhibit B** of this contract, the DEVELOPER shall be in default and notice in writing shall be given to the DEVELOPER of such default by the AGENCY or an agent of the AGENCY.

If the DEVELOPER fails to cure such default within such time as may be required by such notice, the CITY, acting by and through the AGENCY, may at its option terminate and cancel the contract. In the event of such termination, all grant funds awarded to the DEVELOPER pursuant to this contract shall be immediately revoked and any approvals related to the PROJECT shall immediately be deemed revoked and canceled. In such event, the DEVELOPER will no longer be entitled to receive any compensation for work undertaken after the date of the termination of this contract, as the grant funds will no longer be available for this project. Such termination shall not affect or terminate any of the rights of the CITY as against the DEVELOPER then existing, or which may thereafter accrue because of such default, and the foregoing provision shall be in addition to all other rights and remedies available to the CITY under the law and the note and mortgage (if in effect), including but not limited to compelling the DEVELOPER to complete the project in accordance with the terms of this contract, in a court of equity. The waiver of a breach of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition hereof.

This Contract may further be terminated by the City upon written demand by the City or AGENCY for assurances that the terms of the Project description are not being timely complied with, if such assurances are not made to the City's satisfaction within thirty (30) days of the date of such written demand.

#### **Section XVIII—Close Out**

Within thirty (30) days of the contract closing date, the DEVELOPER shall submit a final invoice that includes all unpaid invoices and a final report. Final payment shall be made only after the CITY has determined that all services have been rendered, files and

documentation delivered (including the final invoices and final report), covenants are recorded against the property, and units have been placed in service in full compliance with HOME regulations, including submission of a completion report and documentation of eligible occupancy, property standards and long-term use restrictions. If the final invoices and report are not received within thirty (30) days of the contract closing date, DEVELOPER understands and agrees that it will not receive any payment for any final pending unpaid invoices. The CITY will retain ten percent (10%) until City has determined that all services have been rendered.

In the event this Contract is terminated in whole or in part for any reason, the following provisions shall apply:

- A. Upon written request by the DEVELOPER, the CITY shall make or arrange for payment to the DEVELOPER of allowable reimbursable costs not covered by previous payments.
- B. DEVELOPER shall submit within fifteen (15) days after the date of expiration of this Contract, all financial, performance and other reports required by this Contract, and in addition, will cooperate in a program audit by the CITY or its designee.
- C. In the event a financial audit has not been performed prior to close out of this Contract, the CITY and AGENCY retain the right to withhold a just and reasonable sum from the final payment to the DEVELOPER until the final audit is performed, submitted to, and reviewed by the CITY and AGENCY.

## **Section XIX– Reporting Responsibilities**

DEVELOPER agrees to submit any and all quarterly reports required by HUD or the CITY to the AGENCY on the following due dates: October 1, January 1, April 1, and July 1, next following the date of this contract. The AGENCY will send the DEVELOPER one reminder notice if the quarterly report has not been received fourteen (14) days after the due date. If the DEVELOPER has not submitted a report fourteen (14) days after the date on the reminder notice, the CITY will have the option to terminate the contract as described in this contract. In addition, the DEVELOPER agrees to provide the AGENCY information as required to determine program eligibility, in meeting national objectives, and financial records pertinent to the project. Additional reporting requirements are included in **Exhibit B**.

## **Section XX - Inspection, Monitoring & Access to Records**

A. The CITY reserves the right to inspect, monitor, and observe work and services performed by the DEVELOPER at any and all reasonable times. The CITY reserves the right to audit the records of the DEVELOPER any time during the performance of this Contract and for a period of five years after final payment is made under this Contract. If required, the DEVELOPER will provide the AGENCY with a certified audit of the DEVELOPER's records representing the Fiscal Year during which the PROJECT becomes complete whenever the amount listed in SECTION VII is at or exceeds \$300,000, pursuant to the requirements of OMB Circular A-133. Access shall be immediately granted to the CITY, HUD, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the DEVELOPER or its contractors which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

B. The records relating to this Contract shall be promptly furnished to the City upon request. Until the expiration of six (6) years after the termination date of this Contract, or for a longer period of time if required by law or the Washington State Secretary of State's record retention schedule, DEVELOPER shall retain and provide the City access to all of the DEVELOPER's books, documents, papers and records which are related to this Contract. If any litigation, claim, or audit is started before the expiration of the six-year period or retention schedule time period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

C. All records relating to the DEVELOPER and this Contract must be made available to the City and produced to third parties, if required, pursuant to the Washington State Public Records Act, Chapter 42.56 RCW, or by law. All records relating to this Contract must be retained by DEVELOPER for the minimum period of time required pursuant to the Washington State Secretary of State's records retention schedule.

D. The terms and conditions of this section shall survive any expiration or termination of this Contract.

## **Section XXI – Insurance**

A. **No Insurance.** It is understood that the City does not maintain liability insurance for the DEVELOPER and/or its employees, agents, officers, and subcontractors.

B. **Commercial Liability Insurance.** On or before the effective date of this Contract, the DEVELOPER shall provide the City with a certificate of insurance and additional insured endorsements as proof of liability insurance in the minimum amount of Two Million Dollars (\$2,000,000.00) that clearly states who the provider is, the amount of coverage, the policy number, and when the policy and provisions provided are in effect (any statement in the certificate to the effect of "this certificate is issued as a matter of information only and confers no right upon the certificate holder" shall be deleted). Said policy shall be in effect for the duration of this Contract. The certificate of insurance and additional insured endorsements shall name the City of Yakima, its elected officials, officers, agents, employees and volunteers as additional insureds, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the City thirty (30) calendar days prior written notice. The insurance shall be with an insurance company or companies rated A-VII or higher in Best's Guide and admitted in the State of Washington. If DEVELOPER carries higher coverage limits, such limits shall be shown on the Certificate of Insurance and Endorsements, and the City, its elected and appointed officials, employees, agents, attorneys and volunteers shall be named as additional insureds for such higher limits. The requirements contained herein, as well as the City of Yakima's review or acceptance of insurance maintained by the DEVELOPER, is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by the DEVELOPER under this Contract.

C. **Commercial Automobile Liability Insurance.** On or before the date this Contract is fully executed by the parties, DEVELOPER shall provide the CITY with a certificate of insurance and additional insured endorsements as proof of commercial automobile liability insurance with minimum liability limit of Two Million Dollars (\$2,000,000.00) combined single limit bodily injury and property damage. Automobile liability will apply to "Any Auto" and be shown on the certificate. The certificate shall clearly state who the provider is, the amount of

coverage, the policy number, and when the policy and provisions provided are in effect (any statement in the certificate to the effect of “this certificate is issued as a matter of information only and confers no right upon the certificate holder” shall be deleted). Said policy shall be in effect for the duration of this Contract. The certificate of insurance and additional insured endorsements shall name the City of Yakima, its elected officials, officers, agents, employees and volunteers as additional insureds, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the City thirty (30) calendar days prior written notice. The insurance shall be with an insurance company or companies rated A-VII or higher in Best’s Guide and admitted in the State of Washington. If DEVELOPER carries higher coverage limits, such limits shall be shown on the Certificate of Insurance and Endorsements, and the City, its elected and appointed officials, employees, agents, attorneys and volunteers shall be named as additional insureds for such higher limits. The requirements contained herein, as well as the City of Yakima’s review or acceptance of insurance maintained by the DEVELOPER, is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by the DEVELOPER under this Contract.

- D. **Workers’ Compensation.** DEVELOPER and all subcontractor(s) shall at all times comply with all applicable workers’ compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable, and shall maintain Employer’s Liability insurance with a limit of no less than \$1,000,000.00. The City shall not be held responsible in any way for claims filed by DEVELOPER or its employees for services performed under the terms of this Contract. DEVELOPER agrees to assume full liability for all claims arising from this Contract including claims resulting from negligent acts of all subcontractor(s). DEVELOPER is responsible to ensure subcontractor(s) have insurance as needed. Failure of subcontractors(s) to comply with insurance requirements does not limit DEVELOPER’s liability or responsibility.
- E. **Insurance Provided By Subcontractors.** The DEVELOPER shall ensure that all subcontractors it utilizes for work/services rendered under this Contract shall comply with all of the above insurance requirements.
- F. **Insurance Coverage.** DEVELOPER’s insurance coverage shall be primary insurance with respect to those who are Additional Insureds under this Contract. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be in excess of the DEVELOPER’s insurance and neither the City nor its insurance providers shall contribute to any settlements, defense costs, or other payments made by DEVELOPER’s insurance. All additional insured endorsements required by this Section shall include an explicit waiver of subrogation.
- G. **Maintenance of Insurance.** If at any time during the life of this Contract, or any extension, DEVELOPER fails to maintain the required insurance in full force and effect, all services or requirements under this Contract shall be discontinued immediately. Any failure to maintain the required insurance may be sufficient cause for the City to terminate the Contract.
- H. **Verification of Coverage.** Failure of the City to demand verification of coverage with the insurance requirements outlined in this Section, or failure of the City to identify a deficiency from the insurance documentation provided, shall not be construed as a waiver of DEVELOPER’s obligation to maintain such insurance.

## Section XXII – General Conditions

- A. **Notice & Communications.** All notices or other communication which shall or may be given pursuant to this Contract shall be in writing and shall be delivered by personal service, or by registered mail addressed to the other party at the address indicated herein or as the same may be changed from time to time. Such notice shall be deemed given on the day on which personally served; or, if by mail, on the fifth day after being posted or the date of actual receipt, whichever is earlier.

City address: City Manager  
Yakima City Hall  
129 North 2<sup>nd</sup> Street  
Yakima, Washington 98901

Copy To: Office of Neighborhood Development Services  
City of Yakima  
129 N 2<sup>nd</sup> Street  
Yakima, Washington 98901

DEVELOPER address: Yakima Valley Partners Habitat for Humanity  
21 W. Mead Ave. Ste # 110  
Yakima, Washington 98902:

- B. **Title & Headings.** Title and paragraph headings are for convenient reference and are not a part of this Contract.
- C. **Contract Conflict.** In the event of conflict between the terms of this Contract and any terms or conditions contained in any attached documents, a conflict or inconsistency shall be resolved by giving precedence in the following order:
1. Appropriate provisions of state and federal statutes and regulations including HUD regulations governing this Project.
  2. Terms and Conditions (**Exhibit A**).
  3. Those attachments incorporated by reference herein, including the statement of work and/or project description, and approved HUD grant budget, in the order in which they are attached.
  4. City of Yakima Resolution authorizing this Contract.
  5. Any other provisions whether incorporated by reference herein or otherwise, provided that nothing herein shall be construed as giving preference to provisions of this Contract and/or grant award over any provisions of law.
- D. **Wavier & Breaches.** No waiver or breach of any provision of this Contract shall constitute a waiver of a subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.
- E. **Contract Enforcement.** The parties hereto agree that this Contract shall be construed and enforced according to the laws of the State of Washington. The venue for any action to enforce or interpret this Contract shall lie in the Superior Court of Washington for Yakima County.

- F. **Modified to the Extent Necessary.** Should any provisions, paragraphs, sentences, words or phrases contained in this Contract be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Washington or the City of Yakima, such provisions, paragraphs, sentences, words or phrases shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable to conform with such laws, then same shall be deemed severable, and in either event, the remaining terms and provisions of this Contract shall remain unmodified and in full force and effect.
- G. **Anti-Kickbacks.** The DEVELOPER shall comply with the provisions of the Copeland Anti-Kick-Back Act (18 U.S.C. 874) as supplemented in the AGENCY of Labor Regulations (29 CFR Part 3), as amended.
- H. **Contract Work Hours & Safety Standards.** The DEVELOPER shall comply with the provisions of sections 103 and 107 of the Contract Work Hours and Safety Standard Act (40 U.S.C. 327-330) as supplemented by AGENCY of Labor regulations (29 CFR, Part 5), as amended.
- I. **Inclusion of Anti-Kickbacks & Contract Work Hours and Standards – Subcontracts.** The DEVELOPER further warrants and agrees to include or cause to be included the criteria and requirements of paragraphs (G) through (H) of this section in every nonexempt subcontract. The DEVELOPER also agrees to take such action as the federal, state or local government may direct to enforce aforesaid provisions.
- J. **Delegation of Duties.** The obligations undertaken by the DEVELOPER pursuant to this Contract shall not be delegated or assigned to any other person or agency unless CITY shall first consent to the performance or assignment of such service or any part thereof by another person or agency. The City has sole discretion in determining whether to provide its consent.
- K. **Binding & Modifications.** This Contract shall be binding upon the parties hereto, their heirs, executors, legal representative, successors and assigns. Modifications to this Contract shall be in writing and executed by both parties, except for budget adjustments which process is specified above.
- L. **Indemnify & Hold Harmless.** DEVELOPER agrees to release, defend, indemnify and hold harmless the City, its elected and appointed officials, officers, employees, agents, representatives, insurers, attorneys, and volunteers from any and all liabilities, losses, damages, and expenses related to all claims, suits, arbitration actions, investigations, and regulatory or other governmental proceedings arising from or in connection with this Contract or the acts, failures to act, errors or omissions of the Association, or any of Association's agents, subcontractors, volunteers, or participants in performance of this Contract.

Nothing contained in this Section of this Contract shall be construed to create a liability or a right of indemnification in any third party.

The provisions of this Section regarding indemnification and the Section above regarding insurance coverage shall survive the termination of this Contract.

- M. **Independent Contractors.** The DEVELOPER and its employees and agents shall be deemed to be independent contractors, and not agents or employees of

the CITY, and shall not attain any rights or benefits under the civil service or pension ordinances of the CITY, or any rights generally afforded classified or unclassified employee; further they shall not be deemed entitled to state Compensation benefits as an employee of the CITY.

- N. **Availability of Funds.** Funding for this Contract is contingent on the availability of funds and continued authorization for program activities and is subject to amendment or termination due to lack of funds, or authorization, reduction of funds, and/or change in regulations.
- O. **Disclosure of Confidential Information.** The use or disclosure by any party of any confidential information concerning a recipient or client for any purpose not directly connected with the City's or the DEVELOPER'S responsibilities with respect to services provided under this Contract is prohibited except on written consent of the recipient or client, their attorney or their responsible parent or guardian or as otherwise provided by law.
- P. **Reassignment of Services.** The DEVELOPER shall not assign or subcontract any portion of services provided within the terms of this Contract without obtaining prior written approval from the City, at its sole discretion. All terms and conditions of this Contract shall apply to any approved subcontract or assignment related to the Contract.
- Q. **Illegal Provisions.** It is understood and agreed by the parties hereto that if any part, term, or provision of this Contract is held by the courts to be illegal, the validity of the remaining provisions shall not be affected; and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular provision held to be invalid. If it should appear that any provision hereof is in conflict with any statutory provision of the United States or the State of Washington, said provisions which may conflict therewith shall be deemed modified to conform to such statutory provision.
- R. **Survival.** Any provision of this Contract which imposes an obligation after termination or expiration of this Contract shall survive the term or expiration of this Contract and shall be binding on the parties to this Contract.



## Exhibit “B”

### Yakima Valley Partners Habitat for Humanity

#### A.) PROPOSAL SUMMARY/PROJECT ABSTRACT

Yakima Valley Partners Habitat for Humanity will construct a single-family home located at **2910 W. Arlington Ave.** and sell it to a qualified low-income, first-time homebuyer and monitor the “Affordability Period” for a period of no less than FIFTEEN (15) years, after which all net proceeds shall be granted to Habitat.

#### B.) ASSESSMENT OF NEED/PROBLEM STATEMENT

Yakima Valley Partners Habitat for Humanity will provide the construction of a single-family dwelling to be sold to a qualified low to moderate-income first-time homebuyer and monitor the project for a period of no less than FIFTEEN (15) year affordability period in exchange for all net proceeds redeemed from the sale of the home located at **2910 W. Arlington Ave.**

#### C.) PROGRAM GOAL AND OBJECTIVES

##### Goal

Create another affordable single-family residence within in the City of Yakima.

##### Objectives

1. Prepare the site for construction.
2. Construct a new single-family dwelling.
3. Sell the new single-family home to a qualified low to moderate first-time homebuyer.

#### D.) METHODOLOGY

From the contract execution date to continue until the termination date as specified within this contract, Yakima Valley Partners Habitat for Humanity will construct a new single-family dwelling to be sold to a qualified low to moderate first time homebuyer to be monitored for a FIFTEEN (15) year affordability period per HUD regulations governing HOME Investment funded projects.

#### E.) OUTCOMES & EVALUATION

As a condition of reimbursement, Habitat for Humanity will,

1. Prepare the site for construction.
2. Construct a new Single-family dwelling.
3. Sell the property and dwelling to a qualified low to moderate-income first-time homebuyer.
4. Monitor the property at **290 W. Arlington Ave.** for a period of no less than a FIFTEEN (15) year affordability period as per HOME Investment requirements.

#### F.) BUDGET

Yakima Valley Partners Habitat for Humanity will be **reimbursed up to \$87,500** between the contract execution date and end upon completion of construction, for eligible activities, subject to the terms and conditions of the Contract.

**Exhibit “C”**

(THIS PAGE LEFT BLANK INTENTIONALLY FOR “EXHIBIT C RESOLUTION”)

**Exhibit “D”****Subrecipient Request for Funding Application**

Is the attached proposal as submitted to the City of Yakima on November 2, 2022.

**EXHIBIT D****Office of Neighborhood Development Services (ONDS)**

Yakima Valley Partners  
Habitat for Humanity  
Single Family Dwelling Construction  
2910 W Arlington, Yakima WA 98902  
November 2, 2022

### Yakima County Projected Need for New Housing Units – 2015-2040

	2015 Population Estimates	2040 Population Projected	Projected New Residents	Persons Per Household	2040 Projected New Housing Units	Average New Housing Units Needed Annually
Yakima Co	249,970	318,494	68,524	3.0	22,841	914
Yakima City	93,220	117,608	24,388	2.6	9,380	375
Toppenish	8,965	10,377	1,412	3.7	382	15
Sunnyside	16,280	19,578	3,298	3.4	970	39
Granger	3,640	4,816	1,176	4.4	267	11
Grandview	11,200	19,578	8,378	3.4	2,464	99

**Source: Based on OFM Median Population Projections & 2015 OFM Actuals**

Yakima Valley Partners Habitat for Humanity is proposing build sites in 3 locations throughout the city of Yakima in the next 18 months. Our program specifically targets and serves households earning low to very low income according to HUD median annual household income.

Habitat pre-qualifies program applicants based on willingness to partner, need, current living situation, and ability to pay for the Habitat home. Once selected for our program, we provide housing counseling focused on credit management and or repair, budgeting, and pre-purchase education. Applicants are referred to other community non-profit agencies for first time home buyer education & other additional assistance as deemed necessary.

Yakima Valley Partners Habitat for Humanity (YVPHFH) is seeking assistance in building affordable housing on a lot owned by YVPHFH. We are proposing construction of a single-family home on Voelker Ave in Yakima utilizing HOME funds. In partnership with the Office of Neighborhood Development Services (ONDS), YVPHFH will build a 3 bedroom 1-1/2-bathroom 1080 square foot home. The proposed home will serve a low to very low-income family. This family will be pre-qualified, first-time home buyers, whose income is between 30%-80% of the Area Median Income (AMI) for Yakima County.

### Market Assessment – Housing Needs

Yakima Valley Partners Habitat for Humanity has identified three Key Factors driving Affordable Housing Needs in Yakima County, specifically within the city of Yakima:

1. Low Wages - The proposed projects target households whose incomes are at or below 80% Area Median Income for Yakima County. These include agricultural workers, service employees, medical clinic employees, school district employees and other professionals. Typically, these households cannot afford full market rate homes and financing for the acquisition of a new home.
2. Aging Housing Stock - There are pre-existing homes in the City and County, available for purchase, however; most of these homes are older and in need of considerable

repair and/or rehabilitation. In addition, the age of the homes may either require additional mitigation costs for asbestos and/or lead-based paint or expose new unsuspecting homebuyers and their households to dangerous toxins should they do the repairs themselves.

3. Housing Shortage - There are semi-new and new construction homes on the market for sale. With the current shortage, the demand for new homes has increased the average market price and limits options for households with fewer resources and lower income.

### **Program Purpose and Projected Outcome**

YVPHFH's intent is to build and provide affordable housing opportunities to low-income households in Yakima County. Our proven partnership over the years shows the value and impact we create when working together.

The project involves development of a single parcel number 181326-23557 at 2910 West Arlington Ave., Yakima to enable construction of a single-family residence. This parcel provides enough land for a single-family construction residence to be constructed by YVPHFH. Actual construction of the home will take place in 2022-2023.

The specific project that this application refers to is typical of the Yakima Valley Partners Habitat for Humanity process detailed below.

Volunteers account for most of all labor needed on a Habitat job site. Volunteers for this project will include students in the Perry Tech Electrical program, Habitat for Humanity households, & friends working to complete their "sweat equity" hours. Volunteers will be involved in all areas of the organization including committee work, job site construction, and office assistants.

Yakima Valley Partners Habitat for Humanity is a non-profit, non-denominational Christian housing organization that builds homes in partnership with qualified low-income households in the Yakima Valley. Our households' incomes are within 30-80% of the median income for households in Yakima County. We offer two funding options for program participants: One - a zero-interest mortgage funding by YVPHFH; Two - for higher AMI applicants we offer 3<sup>rd</sup> party funding through Yakima Federal Savings & Loan, with a low interest mortgage program designed specifically for our participants, which closely mirrors the USDA 502 Loans. This funding approach makes decent, affordable housing a reality for more households than we would be able to serve if we only used in house funding.

Yakima Valley Partners Habitat for Humanity's Affiliate is governed by an Affiliate Board of Directors. This board is comprised with a minimum of 1/3 of the members being representatives of the communities we serve.

Founded in 1984, Yakima Valley Partners Habitat for Humanity has completed 196 new homes, representing nearly 850 individuals whose lives have been changed through our program. These homes represent nearly \$20,000,000 in property value added to the local tax rolls. This is yet another way Habitat for Humanity has aided in stimulating the local

economy. Additionally, we have several hundred volunteers, both locally and from all over the nation, provide thousands of hours of volunteer work for our program each year.

### **How It Works**

Each year our Board of Directors determines where and how many homes we will be able to build the following year. This is based on budget and land availability in the different communities. We seek to build 40% of our homes in Yakima and 60% in the mid and Lower Valley.

We then advertise an application meeting for those who would like to apply for a Habitat for Humanity home. At this meeting we explain the process and the Family Selection Criterion. It is as follows:

#### **1. Ability to Repay:**

YVPHfH's program is a self-help program which requires participants to purchase their home. Our pricing process is layered to achieve maximum affordability for our participants. We set the purchase price at fair market value based on a 3<sup>rd</sup> party appraisal. We then determine the participants affordable mortgage limit. YVPHfH then assists the participants with grants and in most cases a forgivable 2<sup>nd</sup> mortgage to meet the affordability needs and requirements of participants and our funding terms. This process helps us accomplish an affordable mortgage payment (not to exceed 30% of the household's income). Our participants' mortgage payments (include principal, taxes, and insurance) are typically less than their current rent. All funds received from 1<sup>st</sup> mortgages of our homes are used for the construction of future homes. This makes Habitat for Humanity a self-perpetuating home ownership program. Qualified households earn between 30% and 80% of the median area income.

#### **2. Willingness to Partner:**

The chosen households must be willing to invest at least 500 hours of "sweat equity" with YVPHfH. Sweat equity hours must include a minimum of 125 hours of construction on their home or other Habitat homes and 75 hours in approved "Homeowner Education" courses. This includes a financial literacy program, currently using LOVE Inc.'s program and a "First time home buyer" class.

#### **3. Current Living Conditions:**

The current living conditions of a family must create a burden in at least one of the following areas:

- Health and Safety
- Over Crowding
- Financial Hardship

Applications are accepted in person at our administration office. Applicants who meet the above criteria are then reviewed by the Homeowner Selection Committee for verification of the participant selection criteria. When this is complete the households are presented to the Affiliate Board of Directors for approval.

The homeowner selection process is ongoing until all current projected homes are matched with a family.

### Funding

Most of the funding for YVPHFH projects is from foundations, local businesses, churches, and individuals. Government grants, when available, are used for land acquisition, infrastructure (sewer, water, etc.) development, and administration costs.

Additionally, Yakima Valley Partners will fund the project through income received from Habitat Store profits, general donations, and funds from principal payments being made by current homeowners paying their monthly mortgage payment.

### PROJECT FINANCIAL INFORMATION

Total Cost:	CHDO request:	Other financing:
\$ 265,725	\$ 87,500	\$ 178,225
CHDO request as % of total cost <u>32.9</u> %		
CHDO request from the City: Loan: \$		Grant: \$ 87,500
Funds to be returned to the City: Yes <input type="checkbox"/>		No <input checked="" type="checkbox"/>
See attached Subsidy Analysis and Cost Estimate		

### PROJECT SCHEDULE

#### ACTION:

##### Site:

Option

Acquisition

#### NON-CHDO Financing:

Application

Conditional Commitment

Firm Commitment

#### Design:

Selection of Architect  
Partners

Preliminary Designs

Final Designs

#### Bidding:

Advertise

Open Bids

Award Bids

#### Construction:

Begin Construction

Complete Construction

#### Occupancy:

HomeTransfer to low income family

#### Target Date in Months from Project Approval:

Completed

February 3, 2021

Pre-approved Loan Funding

January 1, 2022

June 1, 2022

Completed – Yakima Valley

April 2018

June 2022

N/A

N/A

N/A. All work is done by staff and volunteers

March 2024

12/31/2024

January 2025

### PROJECT DEVELOPMENT TEAM

The following companies or individuals constitute the development team. Where individual members have not yet been identified, the City must be notified as they are selected.



Staff Contact Person:	Meloney Rosen
Other Financial Sources:	Yakima Federal Savings and Loan, Enero Macias
Other Partnerships:	Perry Tech, Electrical, Programs
Other:	Building Committee: Chair - Darin Peters, Regional Project Manager for Pontifex, Charlie Eglin – Contractor, Jeff Swan, County Judge, Rip Hollingbery, Retired Architect, Gus Carvajal, Dynamic Solar, Habitat Staff - Greg Rapp, Construction Manager, David Reeder & Gary Green site supervisors.

### **CERTIFICATION**

I hereby certify that the above statements are true; that I am authorized to sign this application and to make these statements, on behalf of the applicant organization; and that the organization understands that misrepresentation of any facts which leads to the improper allocation and expenditure of public funds may result in legal action against the organization for retrieval or any such funds and appropriate penalties.

Signed:

  
 \_\_\_\_\_  
 Signature

February 16, 2024  
 \_\_\_\_\_  
 Date

Meloney Rosen  
 \_\_\_\_\_  
 Name

Executive Director  
 \_\_\_\_\_  
 Title

Yakima Valley Partners Habitat for Humanity  
 \_\_\_\_\_  
 Organization

# SUBSIDY ANALYSIS

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**PROJECT NAME:** Yakima Valley Partners Habitat for Humanity

Project Address: 2910 Arlington Ave., Yakima WA 98902

Parcel# 181326-23557

Project Type: (check box) New Construction ☒ Rehabilitation ☐

When was property acquired if Rehab? N/A

Funding Year 2023

How much Funding is being requested? \$87,500.00

What will proposed funding be used for? New Construction  
Construction \$87,500

When will project begin? (Estimated) June 23-Dec 23

Additional Funding Sources if any? None at this time

## Acquisition Funding

Funding Source: City of Yakima HOME

Number of Parcels: 1

Appraisal Amount: \$73,700.00

Purchase Price: \$67,500

## Demolition Costs

Funding Source: N/A

Estimated Demolition Costs: N/A

## Lot Breakdown

Estimated available building lots: 1

Estimated Lot Cost: \$67,500

## SUBSIDY ANALYSIS

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Estimated Demolition Cost per lot:

Estimated Total Lot Cost:

### Construction Funding

Funding Source:

City HOME, & YVP-HFH

Address:

2910 Arlington Ave., Yakima WA 98902

Parcel:

181326-23557

Estimated Construction Amount:

87,500; 78,225, 100,00

### SUBSIDY TOTALS

Acquisition:

Demolition:

Construction:

\$87,500

Rehabilitation:

Estimated Appraised Value:

\$313,000

### Maximum Per Unit Subsidy Limits for Yakima

0 Bedrooms	\$144,050
1 Bedroom	\$165,134
2 Bedrooms	\$200,800
3 Bedrooms	\$259,773
4+ Bedrooms	\$285,148

### Project Justification Summary

Habitat plans to build a 3 bedroom 2 car garage home in central Yakima. This home will be energy efficient, solar ready, and built to Habitat, City, & County standards.

Our program focuses on affordable housing for low and very low-income households. We have selected a participant for this home; the applicant meets all our eligibility criteria:

AMI 47%

Household Size 1 Adult, 3 children

Citizen or Resident US Citizen

The applicant is not currently living in subsidized housing or receiving any other financial assistance.

## Construction Cost Breakdown

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Building Permit	\$2,075.00	Walls & Ceiling		Equipment	
Water Hook-up	\$3,000.00	Sheetrock	\$4,500.00	Range	\$700.00
Well		Tape & Texture	\$4,600.00	Oven	
Excavation & Grading	\$7,500.00	Wallpaper		Hood	\$500.00
Concrete		Paneling		Dishwasher	\$700.00
Foundation	\$10,000.00	Electric		Disposal	
Floors		Wiring	\$11,000.00	Garage Door	\$2,000.00
Walls & Steps	\$7,500.00	Fixtures	\$1,000.00	Central Vac	
Patio	\$1,000.00	Insulation	\$7,500.00	Surround Sound	
Driveway		Hardware		Security System	
Concrete	\$2,500.00	Rough	\$300.00	Refrigerator	\$1,050.00
Asphalt		Finish	\$500.00		
Masonry		Heating			
Concrete Block		Gas/Oil/Propane			
Brick/Stone		Electric		Landscaping	
Fireplace		Heat Pump	\$6,500.00	Topsoil	\$1,000.00
Chimney		Air Conditioning		Lawn	\$2,800.00
Lumber		Millwork		Fence	\$2,800.00
Rough	\$19,100.00	Trim	\$2,300.00		
Finish	\$4,500.00	Cabinets	\$4,300.00	Site Prep	\$20,000.00
Carpentry Labor		Frames			
Rough	\$7,000.00	Doors	\$2,800.00		
Finish	\$3,000.00			Garbage Dumpster	\$500.00
Sanitation	\$6,500.00	Glass		Miscellaneous	
Plumbing		Windows	\$1,900.00	PP&L Fees	\$2,000.00
Sewer		Mirrors	\$75.00	Temp Toilet	\$400.00
Septic Tank & Drain field		Painting			
Metal Work		Exterior	\$2,000.00		
Structural Steel		Interior	\$1,600.00		
Sheet Metal		Tile Work			
Ornamental Iron		Counter Tops			
Roof		Laminate	\$950.00	<b>Subtotal</b>	
Trusses	\$15,000.00	Tile		Profit & Overhead	\$10,000.00
Glulam	\$600.00	Hard Surfaces		Sales Tax	
Composition	\$8,500.00	Floors		Total Construction Costs	
Shakes		Hardwood		Plans & Services	
Hot Mop		Linoleum	\$725.00	Financing Costs	
Gutters		Carpet	\$1,250.00	Sales Costs	
Siding		Laminate	\$2,200.00	Subtotal	
Cement/Stucco/Brick		Tile		Land	\$67,500.00
Trim/Soffits/Fascia				<b>Grand Total</b>	<b>\$265,725.00</b>

Borrower Signature

Date

Borrower Signature

Date

Builder Signature

Date



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 7.I.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Resolution authorizing a grant application for the Yakima Air Terminal Building Modernization project to the Yakima County Supporting Investments in Economic Development (SIED) for Capital Improvement Projects at the Yakima Air Terminal-McAllister Field

**SUBMITTED BY:** Jaime Vera, Airport Operations and Maintenance Manger

**SUMMARY EXPLANATION:**

The Yakima Air Terminal-McAllister Field has recently completed an Airport Master Plan Update, which details a variety of required capital improvement projects, including construction and modernization of the airport's Terminal Facility's infrastructure. Terminal Building Modernization Project - Phases will include the design, construction and bidding services. The grant application will request a total of approximately Seven Hundred Thousand dollars(\$750,000) in SIED funding administered by the Yakima County and the airport will match amount of

**ITEM BUDGETED:** Yes

**STRATEGIC PRIORITY:** Economic Development

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Adopt Resolution.

**ATTACHMENTS:**

Description	Upload Date	Type
<input type="checkbox"/> Resolution	3/29/2024	Resolution
<input type="checkbox"/> SIED Grant Application	3/29/2024	Contract
<input type="checkbox"/> City of Yakima Comprehensive Plan	3/29/2024	Backup Material
<input type="checkbox"/> Yakima County Comprehensive Plan	3/29/2024	Backup Material
<input type="checkbox"/> Employee Projections	3/29/2024	Backup Material

## **RESOLUTION NO. R-2024-**

**A RESOLUTION** authorizing a grant application for the Yakima Air Terminal Building Modernization project to the Yakima County Supporting Investments in Economic Development (SIED) for Capital Improvement Projects at the Yakima Air Terminal-McAllister Field.

**WHEREAS**, the City owns and operates the Yakima Air Terminal-McAllister Field in accordance with applicable Federal, State, and Local regulations; and

**WHEREAS**, the Yakima Air Terminal-McAllister Field has been notified that grant funds may be available to maintain and/or improve the airport upon submission of completed SIED grant application and satisfaction of certain conditions; and

**WHEREAS**, the Yakima Air Terminal-McAllister Field has recently completed an Airport Master Plan Update, which details a variety of required capital improvement projects, including construction and modernization of the airport's Terminal Facility's infrastructure. Terminal Building Modernization Project Phases will include bidding services, design and construction; and

**WHEREAS**, the grant application will request a total of approximately Seven Hundred Fifty Thousand Dollars (\$750,000) dollars in SIED funding administered by the Yakima County.

**WHEREAS**, the City Council deems it to be in the best interest of the City and its residents to authorize submission of the grant application to the Yakima County for grant funds needed to accomplish the identified capital improvements and, if grant funds are awarded, to accept the funds for the purposes identified in the grant application, now, therefore,

### **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:**

The City Manager is hereby authorized and directed to submit a completed SEID grant application to the Yakima County for the Yakima Air Terminal Building Modernization project for the Yakima Air Terminal-McAllister Field.

If grant funds are awarded, the City Manager is further authorized and directed to accept and spend said grant funds to be applied to the purposes specified above.

**ADOPTED BY THE CITY COUNCIL** this 2<sup>nd</sup> day of April, 2024.

ATTEST:

\_\_\_\_\_  
Patricia Byers, Mayor

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk

**Yakima County**

**Supporting Investments in  
Economic Development**

**Committed Private Business  
Application for Funding**

### Threshold Requirements

All questions must be fully answered in order to qualify as a complete application. If you need more space for an answer, please attach additional sheets as needed noting the corresponding section, for example "C2."

- ☒ **Resolution.** A resolution or ordinance of the local governmental jurisdiction authorizing the *SIED* application is required.
- ☒ **Project Costs.** Engineer cost projections for public project costs are required. *SIED* will not entertain requests for project cost overruns. For the success of your project, ensure project cost estimations are realistic.
- ☒ **Local Match.** A local match of twenty (20) percent of the *SIED* request is required. Local match may be demonstrated as cash or in-kind contribution.
- ☒ **Other Funding Sources.** In addition to *SIED*, identify which public sources were considered to fund this project. Indicate what the outcome was.
- ☒ **Planning.** A statement is required from the planning jurisdiction relating to the type of public facility for which a *SIED* investment is sought.
- ☐ **Permits.** All public and private permits must be received.
- ☐ **Private project description.** Job creation and private sector financing must be evident.
- ☐ **Contingency Agreement.** A complete Contingency Agreement (form included) is required for all projects. The Contingency serves as the first level of convincing evidence that the private sector development will occur.
- ☒ **Acceptance of Reporting Requirements.** The County is required to report annual information on the use of *SIED* funds. A signed agreement (form included) to report the use of *SIED* funds must accompany the application.
- ☐ **STAFF ONLY- Application reviewed by Yakima County legal department.** Staff will submit this application prior to the *SIED* Advisory Board review.

**Please submit application to:**

Yakima County Development Association PO Box 1387, Yakima, WA 98907-1387  
(2520 W. Washington Avenue Suite 1, Yakima WA 98903)  
Or digitally to: Joe@YCDA.com



**REQUEST FOR FUNDING** (Funding is awarded 50% Loan and 50% Grant. No more than \$2,000,000 total award from SIED when loan and grant combined.)

Interest rates on loans are established when the County formally approves the project contract by using the County Interfund Loan Rate, as authorized by law. Loans are given for a term of 10 years and annual payments are made in equal amounts on June 1<sup>st</sup> of each year.

An interlocal agreement will be established between the County and the applicant specifying repayment dates and a loan amortization schedule. Loan payment installments are based on an ordinary annuity, compounded annually.

If an applicant needs additional flexibility on loan repayment schedules they can request a deferral. Interest on loans will continue to accrue from the date the contract is approved by the County, even if the applicant is granted a deferral on their first loan payment.

If an applicant requests a deferral of the first loan payment, the applicant must justify the request.

A SIED loan is a general obligation of the jurisdiction receiving the loan. With acceptance of a SIED loan, the jurisdiction agrees to the terms of the interlocal agreement regardless of the project which prompted the application for SIED funding.

<b>Applicant:</b> <u>City of Yakima</u>	<b>Tax ID #:</b> <u>91-600-1293</u>
<b>Contact:</b> <u>Robert Hodgman</u>	<b>Title:</b> <u>Airport Director</u>
<b>Phone:</b> <u>5095756260</u>	<b>Email:</b> <u>Robert.Hodgman@yakimawa.gov</u>
<b>Address:</b> <u>2406 W. Washington Ave</u>	<b>City:</b> <u>Yakima</u> <b>Zip Code:</b> <u>98903</u>
<b>Resolution Number Authorizing this Application for SIED Funding:</b> _____	
I hereby certify that the information given in this application to the Supporting Investments in Economic Development Board is true and correct to the best of knowledge and belief.	
<b>Signature of Responsible Official:</b> _____	
<b>Printed Name and Title:</b> _____	

Indicate the full terms requested for SIED consideration:

- Loan Terms Requested: 2%
- A deferral of the first loan payment (up to five years): 5 years
- Total number of years for repayment: 20 years
- Please provide justification If requesting a deferral of the first loan payment:

The airport is not currently generating enough revenue to repay a loan. Adding more flights will eventually provide needed revenue however, airport administration salaries and benefits are still benefiting from an ARPA grant, and recent increases in revenue will be needed to fund payroll as the grant nears completion.

- Please provide justification if a lower interest rate is requested:

The airport is operating on thin margins and funds to repay a loan are anticipated to be minimal at best for the next several years.

## Executive Summary

The SIED Advisory Board takes many factors into consideration when making recommendations for funding. This Project Summary highlights the main factors including: local match, funding from other sources, jobs created/retained, wage rates, jobs created/retained per SIED dollar invested, new private investment, and new tax revenues generated.

**Project Title:** Yakima Airport Passenger Terminal Modernization

**Date of Application:** 4/5/2024

**Project Summary:** Describe the public infrastructure project and the private development that will occur. Explain why the private development requires the public infrastructure project:

Yakima Air Terminal supports numerous aviation activities including passenger service, air cargo, aeromedical evacuation, aerial wild land fire fighting, business and personal travel, and aerospace manufacturing. In late 2019, right before the onslaught of the pandemic, the airport supported its peak volume in passengers at 14,000 passengers per month, resulting in \$591M annual economic impact and 2,366 jobs to the region. A result of the pandemic, in April 2020 travel dropped to an all-time-low of 500 passengers per month. As the airline industry struggled to maintain air service the airport's passenger volume rose to just over 8,000 passengers per month in September 2021, however one year the airline dropped to one set of flights per day and passenger volumes again plummeted. In November 2023 the airport was successful in negotiating the return of the second set of flights and passenger volumes recovered to about half of the 2019 high mark, with economic impact at \$479M, a loss of \$1.1M, and 1,559 jobs, a loss of 807 jobs from pre-pandemic levels.

During the pandemic many passengers migrated to Pasco airport. The offerings at Pasco include a newer terminal and more flights to more destinations, and overshadow the lower ticket price at Yakima. The Yakima airport passenger terminal was built in 1949 and has had two remodels, the most recent 24 years ago. The building is in dire need of renovation and modernization. Many spaces are now insufficient for modern travel with larger capacity airplanes and requirements such as ADA, fire and building code, TSA screening, and other space requirements. The legacy buildings systems are failing; numerous roof leaks, inefficient heating, cooling and lighting, 1950s copper wire telephone system, undersized fire suppression and water heating systems, numerous abandoned HVAC units... the building is long overdue for upgrades and improvements.

The airport has developed a three-phase project to accomplish the needed work. The project includes constructing a second floor over one-story portions of the building to gain more space, which will allow revision of the current layout to accommodate the space requirements of modern air travel. The two-story portions of the building will receive a new roof, and current roof-mounted ductwork and gas lines will be brought inside the building. Electrical, water, sewer, fire suppression, HVAC, telecom, and lighting systems will all be brought up to current code and standards. TSA and three gates will move upstairs above the current sterile area, which will provide more space for passengers, and allow the addition of jetways to board aircraft rather than walking across the tarmac in all kinds of weather and negotiating the metal ramp, a real challenge for those with limited mobility.

The airport will bring back the restaurant. The airport restaurant was known as 'the place' to go; the community still talks about it. This project will bring back a re-imagined version of the restaurant, with all the features one would expect and the feel of fine dining in the height of the 1950s.

This project will embrace the rich history of Yakima Air Terminal-McAllister Field. The building facade will be freshened up but will retain the original look, and the interior will provide all the modern conveniences and will embody the classic 1950s style with design, fixtures, furniture, and equipment. The project will also enable the adoption of emerging aviation technology. The two remaining first-floor gates will allow the airport to receive small electric and hybrid-electric airplanes from small community airports across the state with non-TSA screened passengers.

The Yakima community values the travel connections and economic vitality their airport provides. This request will be combined with \$10M federal funds to begin the first phases of design and construction, and will lay the ground work for future projects and funding as the airport works through subsequent phases of the project.

Indicate the Minimum Necessary Total Public Project Infrastructure Costs (no more than \$1,000,000 total award from SIED when loan and grant combined):

SIED Loan Requested: \$ 375,000 \_\_\_\_\_  
 SIED Grant Requested: \$ 375,000 \_\_\_\_\_  
 Local Match (20% of SIED request): \$ Please refer to section B1 below \_\_\_\_\_  
 All Other Funding Sources: \$ 5,000,000 \_\_\_\_\_  
**Total Public Project Cost:** \$ 5,750,000 \_\_\_\_\_

Total Private Investment in Plant/Equipment: \$ Please refer to attached worksheet \_\_\_\_\_  
 Total Jobs Created/Retained: \_\_\_\_\_  
 Median Wage: \$ \_\_\_\_\_ Average Wage: \$ \_\_\_\_\_  
 Fringe Benefits Offered: \_\_\_\_\_  
 Estimated Assessed Value of the New Plant/Equipment: \$ \_\_\_\_\_  
 Total SIED Request divided by Total Jobs Created/Retained: \$ \_\_\_\_\_  
 Total Private Investment in Plant/Equipment divided by Total SIED Request: \$ \_\_\_\_\_

**Other Benefits of the Public Infrastructure Project:**

This project will develop a complete design for remaining phases of the project. The current working estimate for the completed project is \$70M. This project will extend the useful life of the Yakima passenger terminal for several decades, and will integrate modern technologies that are more environmentally friendly and sustainable. Investment in this project also saves money compared to a brand new terminal.

The project is a proof-of-concept for accommodating small all-electric and hybrid-electric air taxi aircraft. Aviation is transforming as new aviation aircraft are

This project provides economic development in several ways; 1) It enables the return of passenger volumes to previous levels, and 2) positions the airport to obtain more destinations and air carriers; 3) enables the revision of the passenger terminal to accommodate vendors, including shops and food establishments; 4) will lead to the return of the airport restaurant, which will both restore a memorable gathering place sought by the public and provide additional revenue and economic impact to the region. 5) will lead to more jobs at the airport. 6) the construction for the passenger terminal modernization will produce both construction jobs and economic impact as a result of construction.

Improving the economic impact the airport contributes to the community is a two-fold endeavor. It requires both expansion of air service and improvements/modernization of the terminal building. The city has \$1.15M available to continue to add air service, and \$5M available to complete the design for phased terminal construction projects. These two work hand-in-hand; more flights and larger planes, and a modernized and expanded terminal to accommodate them.

## A. Public Sector Project

- A1. List all funding sources for the public project and amount. Identify whether the amount has been provided or is being requested. Provide the status and date the funds were approved or the date that funds are expected to be approved:

SOURCE	STATUS	DATE	AMOUNT
SIED loan requested	_____	4/5/2024	\$ 375,000.00
SIED grant requested	_____	4/5/2024	\$ 375,000.00
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
Total project costs			\$ 70,000,000.00

**Funding to complete the Public Project must be secured within one year of a SIED offer of financial aid**

- A2. Will this project upgrade an existing public facility or build a new one? Upgrade

Describe the entire public facility project, including the parts that you are not asking SIED to fund.

This multi-phase project will transform the airport terminal. It will include a new roof over the second floor, and new space constructed above single-story areas of the building, and reconstructing/new parking. The improvements will include a new sterile area on the second floor, and moving TSA passenger screening and three gates upstairs, with jetways, escalators, and an elevator. On the lower floor, the baggage claim area will be expanded and a new baggage conveyor installed. The airline ticket counters will be rearranged to accommodate multiple airlines with direct conveyor of baggage to the TSA baggage screening area. The previous 1st floor sterile area will become open public space with shops, snack bar/cafe, and wine tasting/sales. On the upper level east end of the building the commercial kitchen renovation will be completed and a new airport restaurant/bar constructed with a view of the the runway. The lower level west side of the building currently houses TSA baggage screening and air cargo processing areas which will be expanded to accommodate an increased volume of baggage, and screening for larger air cargo.

- A3. Specifically, for what element(s) of the public project are SIED funds requested?

These funds will match federal funds for design. To obtain funding for construction, the Federal Aviation Administration requires shovel-ready construction documents. This project will design phases 1B, 2, and 3. It will deliver a cohesive design with complete and usable project phases ready for solicitation and permitting.

- A4. Describe how the public facility project will enhance or encourage other development in the immediate area in addition to the direct development described in this application section C.

This project will improve passenger flow in the building, eliminating crowding and lines at airline ticket counters, TSA screening, and baggage claim. It will also enable the establishment of shops, cafe/snack bars, and wine tasting on the ground floor, and the return of the landmark airport restaurant to the upper floor. All of these are benefits to the passenger, revenue for the airport, and jobs for the community. Air service is an economic engine for the community. A 2012 Aviation Economic Impact Study published by WSDOT determined 97% of Gross Business Income occurs within 10 miles of an airport, and 70% within five miles. Long term this project will add vibrancy to the community and economic vitality to the region. Access to air travel and air cargo shipping are staples of a strong business community. In addition to the robust offering of agricultural products, the airport hosts aerospace manufacturing businesses and the community benefits from manufacturing jobs. The airport terminal modernization is a powerful step towards raising the average wage and retaining local, young workers by providing broader career options with promotion and earnings potential.

- A5. List all permits and environmental reviews required for the **PUBLIC SECTOR PROJECT** and give their current status (applied for, application being prepared, permit issued, etc.)

PERMIT	ISSUER	STATUS	ANTICIPATED COMPLETION DATE
Env. Assessment	JUB Engineers	CATEX	January 13, 2022

**Permits to complete the Public Project must be secured within six months of a SIED offer of financial aid**

- A6. If environmental permits are not required for the project (e.g., Shorelines Permit, Environmental Impact Statement, etc.), **please explain why they are NOT required**.

An Environmental Assessment was completed on January 13, 2022 for the terminal building and paved areas immediately adjacent and was determined to be a categorical exclusion. The EA will need to be updated before construction of phase 2 which includes parking lots not currently covered under the current EA.

- A7. Estimated schedule for public project completion. Indicate the month and year when the activities listed have been, or will be, completed.

	<b>ESTIMATED COMPLETION DATE (month/year)</b>
Preliminary Engineering Report	11/24
Environmental Review	completed
All Required Permits Obtained	3/26
Design Engineering	3/25
Land/Right-of-Way Acquisition	N/A
Prepare Bid Documents	10/25
Award Construction Contract	3/26
Begin Construction	4/26
Project Operational	3/27

- A8. What other jurisdictions, such as counties, cities, port districts, tribes, state/federal agencies are involved in the planning, design, financing, construction or operation of this project?

City of Yakima

Federal Aviation Administration

Department of Homeland Security/TSA

Please explain how completion of the project is coordinated between other involved parties.

The City of Yakima has overall financial responsibility for the development, delivery, code compliance, and funding of the project.

The Federal Aviation Administration is responsible for ensuring compliance with airport development criteria and for administering and dispersing federal funds.

The Transportation Security Administration is responsible for compliance with DHS criteria and requirements, and providing and installing unique security equipment.

- A9. Will the SIED public facility project be totally maintained by the applicant? If not, whom? Please explain.

The airport administration staff has overall responsibility for the building envelope, building systems, and parking and roadways. Individual tenant improvements and maintenance are the responsibility of tenants.

**A10. How will this project impact utility rates and public services within the jurisdiction?**

This project is being conducted in concert with energy improvements. An independent energy audit was conducted consultant Veregy under the supervision of the airport's on-call consultant JUB. The audit determined many of the building systems (electrical, gas, telecom, fire suppression, etc.) are under-performing today's energy standards. The design will incorporate upgrades to these systems that will reduce consumption, and solar collectors and battery storage will be incorporated into construction as funding becomes available. The consultant team is pursuing federal and state grants tailored to these improvements. The goal of the project is at a minimum to remain on par with current consumption serving a larger square footage, but ultimately to reduce consumption and the carbon footprint of the facility.

**B. Financial Information of SIED Applicant**

- B1.** Other public sources of funding for public economic development projects are listed below and must be investigated. In addition to SIED, identify which public sources were considered to fund this project. Indicate what the outcome was.

<b>Federal Grant/Loan Programs:</b>	<b>YES</b>	<b>NO</b>	<b>OUTCOME</b>
Economic Development Administration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Not Applicable
Rural Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Not Applicable
FASTACT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>	
 <b>State Grant/Loan Programs:</b>			
Transportation Improvement Board	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Community Development Block Grant	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Public Works Trust Fund	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Department of Ecology	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
CERB	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Applied
RTPO/MPO	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
 <b>Other Funding Options:</b>			
Revenue Bonds	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
General Obligation Bonds	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
LID	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
ULID	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Other: City of Yakima contributions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	See B1

B1 continued: Provide a narrative of the investigation of the above referenced funding sources and the outcomes:

The airport has applied for a CERB planning grant of \$75,000 with the intention of applying for a future CERB construction grant of \$1.5M to match \$10M federal funds for construction of phase 1B, the upstairs three-gate sterile area. The city of Yakima has contributed \$125K funding and signed a \$500k contract with Alaska Airlines to obtain a second set of flights to/from Seattle, and also has obtained and is contributing \$700K USDOT Small community Air Service Development (SCASD) grant funds to expand air service.

B2. In the context of the local government's overall annual budget, explain the need for SIED assistance. If the applicant has budget reserves, please explain why these funds are not available for the project.

In 2023 the City of Yakima implemented a 10% cut to the general fund and does not have the funds to support this project. The airport has benefited from and FAA ARPA grant (#3-53-0089-050-2022) to fund salaries. With increased revenue over the last year from a new airport-administered parking system, and increased landing fees, fuel flowage fees, and terminal tenant revenue from restoration of the second set of flights, the airport is approaching a revenue level to fully fund salaries and benefits, however there is no room in the budget for additional expenses.

B3. Identify funds (General Fund, Utility Fund, Property taxes, etc.) that are eligible to repay a SIED loan:

The city is not in a position to make loan payments, and the airport, as an enterprise fund is in a similar condition. The primary purpose of this project is to bolster the economic impact of the airport and increase revenue at the airport and across the region.

Will a revenue stream be generated that could repay a SIED loan outside of the system's normal operations and maintenance costs? If yes, please explain:

Ultimately the improvements are likely to provide a revenue stream that could potentially repay some of the requested amount. However, this request is to support design for three phases of construction. When operating a commercial facility undergoing construction, patronage can experience a downturn. The three phases of construction are likely to overlap and it is anticipated the airport terminal could be continuously under construction for up to five years after construction commences (estimated spring 2026) before meaningful revenue is recognized.

B4. If the local jurisdiction is not financially contributing to the project, please explain why.

The City of Yakima has contributed to expanding air service. Funds available for air service are \$1,155,000, of which up to \$500K are committed to the Alaska Airlines contract. We do not anticipate full payment of \$500K will be required, given first quarter passenger volumes/route financial results. Remaining funds will be applied to an additional and air carrier.



**C. Private Sector Project** *Complete Section C and a Contingency Agreement for each private sector entity.*

In order to show that a specific private investment is ready to occur, but will do so only if SIED assistance is made available to the applicant, SIED requires a signed Contingency Agreement(s) between the applicant and the private sector representative(s). If a developer is involved, there must also be a signed Contingency Agreement between the developer and the proposed tenant.

<b>Private Sector Business:</b> <u>Alaska Airlines/Horizon Air</u>		
<b>Contact:</b> <u>Roshaun Pesho</u>	<b>Title:</b> <u>Station manager</u>	
<b>Phone:</b> <u>208 596-9848</u>	<b>Email:</b> <u>Roshaun.Pesho@horizonair.com</u>	
<b>Address:</b> <u>2300 W. Washington Ave</u>	<b>City:</b> <u>Yakima</u>	<b>Zip Code:</b> <u>98903</u>

C1. Describe the private development that will be supported by the public infrastructure/facility project.

Horizon Air is the sole commercial air carrier operating out of Yakima Air Terminal. The company provides its own equipment for supporting passengers, baggage, and freight. As the terminal space is expanded and air service is increased, equipment additions and upgrades will be needed.

C2. Explain why the private development requires the proposed public infrastructure improvements described in this application.

The current state of the terminal is static; no meaningful changes. The modernization will expand the air cargo space and the baggage claim and baggage screening areas, which will necessitate equipment additions and up-gauging. However these improvements will not be needed until a larger facility and increased flight volumes and aircraft size occur.

C3. Indicate the construction schedule (if applicable) for the proposed private sector project.

	(month/year)
Private Facility Construction Begins	unknown
Private Facility Construction Completed	unknown
Private Facility Operational	unknown

C4. List all permits required for the **PRIVATE SECTOR PROJECT** and give their current status (applied for, application being prepared, permit issued, etc.)

PERMIT/ENVIRONMENTAL REVIEW	ISSUER	STATUS	ANTICIPATED COMPLETION DATE
N/A			

Permits to complete the Private Project must be secured within one year of a SIED offer of financial aid
--

C5. What private authorizations remain prior to proceeding with the proposed private development project?

None.

C6. Explain how the private sector is financing their capital investment in this project.

N/A

C6 continued: When will private sector financing be in place?

N/A

Please list financial references that can verify financing sources and capacity for this project.

City of Yakima Finance Department - Rosylen Oglesby, Acting Finance Director

C7. List the number of projected jobs to be retained and/or created by the firm as a direct result of the public infrastructure project supporting the private development. Retained jobs are defined as jobs that will be lost to the county if the public project is not completed.

Jobs must be expressed in Full Time Equivalents (FTEs) and wage data should exclude fringe benefits. Management positions should be indicated as an annual salary.

Job Description	# Of Jobs Retained (In FTEs)	# Of Jobs Created Year 1 (In FTEs)	# Of Jobs Created by Year 3 (In FTEs)	Current or initial Hourly Wages	Local Occupational Hourly Wages
Mgmt./Admin*					
Technical/Prof.					
Office/Clerical	PLEASE	SEE	ATTACHED	WORKSHEET	
Production					
Sales					
Skilled Crafts					
Others					
<b>Totals</b>					

- a) How many of these positions are for seasonal work? Give response in FTE: 0
- b) What kind of fringe benefits does the company offer to regular full time employees?

Paid time off, retirement fund contribution, medical/dental.

C8. How were job projections developed? Explain how the projections are realistic.

Jobs are based on increased flight and passenger volumes compared to current volumes. Management/Admin jobs represent airport administration, and operations, air traffic control, and TSA. Technical/Professional represent Horizon Air. Production represents McCormick FBO. Sales represents Hertz rental car. These estimates are based on another air carrier and destination. The wages vary greatly for Mgmt/Admin.

- C9. Will this project move existing jobs from another part of the county? If yes, please describe why the project cannot happen where the jobs are currently located.

No.

- C10. Will the private sector project offer expanded employment opportunities to disadvantaged or unemployed workers? How will the firm work to hire people from Yakima County?

Yes, primarily Horizon Air and TSA. Hiring for these organization are managed and the corporate/headquarters level. Local solicitation is an accepted practiced.

## Attachments

1. **Resolution:** A resolution or ordinance of the local governmental jurisdiction authorizing the *SIED* application.
2. **Plan listing the project:** Attach a copy of the section of the comprehensive plan or capital facilities plan that lists the public project.
3. **Site map of the area:** Identify the location of the site, public infrastructure and private development project (existing and/or proposed). Specifically identify where *SIED* funds are proposed to be used.  
*Materials must be reproducible in black and white and in 8 1/2 x 11 format.*
4. **Engineering estimates supporting project costs:** Identify whether estimates are from preliminary engineering or design engineering work.  
*SIED will not entertain requests for additional funding if projections are insufficient*
5. **Contingency agreement:** A complete Contingency agreement (form included) is required for all projects. The agreement serves as the first level of convincing evidence that the private sector development will occur.
6. **Business plan or year-end financial statements of the Private Sector Business:** Attach supporting information such as a business plan or year-end financial statements (financial statements may be unaudited). The entire *SIED* application is considered a public record; however, financial and commercial information provided by the private business is exempt from disclosure to the extent permitted by RCW 42.56.270 paragraph (4).
7. **Letters of support:** If applicable, please include any letters of support for this project from partners or others entities in the community.

## **SAMPLE CONTINGENCY AGREEMENT**

### **1. PARTIES.**

The parties to this Agreement are *THE APPLICANT* and *THE PRIVATE BUSINESS*.

**ATTENTION:** If a developer is involved in the project, the tenant must also be a party to this agreement or there must be an additional agreement between the developer and the tenant.

### **2. PURPOSE.**

The purpose of this Agreement is to clarify the intentions of the parties regarding the completion of *THE PUBLIC FACILITIES PROJECT*. This section should also contain an explanation of the need for the public improvements.

### **3. BACKGROUND.**

The purpose of this section is to provide a description of the public improvements, which can be referenced, thereafter, as "required public improvements."

### **4. AGREEMENT.**

This section must contain the following:

- a) A statement that the applicant agrees to construct the required public improvements providing that SIED financing is approved.
- b) A statement by the business of the projected number of permanent, full-time jobs created and/or retained as a result of the public facilities project. (Attention: Job estimates identified here must equal those in Question C5.)
- c) A statement by the business of the estimated private capital investment.
- d) An agreement by the business to contact the local One-Stop Career Center, Job Service Center, or appropriate Community Based Organization for assistance in filling new positions.
- e) An agreement by the business to provide the applicant with employment and investment data as requested by SIED.
- f) If applicable, this section must also contain a list of any public and/or private contributions to the public facilities project, such as cash contribution or donated land.

### **5. CONTINGENCY.**

This Agreement is contingent upon receipt of SIED funds by *THE APPLICANT* and is intended to meet the first level of convincing evidence of private development as required by SIED.

All parties must sign the Agreement.

## Supporting Investments in Economic Development Reporting Form

**Applicant:** \_\_\_\_\_

**Project Title:** \_\_\_\_\_

**Public Infrastructure Project:** \_\_\_\_\_

**Plan Containing the Project:** \_\_\_\_\_

**Total Spent on the Project:** \_\_\_\_\_

**Amount of SIED Funds (loan and grant) spent on the project** \_\_\_\_\_

**Estimated Number of Businesses Created or Retained by Project:** \_\_\_\_\_

**Estimated Number of Jobs Created or Retained by Project:** \_\_\_\_\_

### Instructions to Preparer:

1. List the public facility project.
2. Indicate where the project is listed (e.g., officially adopted county economic development plan, economic development section of the county's comprehensive plan, etc.).
3. List an amount of total expenditures related to the project.
4. List an amount of expenditures paid for by SIED funding.
5. The applicant must provide an actual or estimated number of businesses jobs that will be created, attracted, expanded or retained.
6. Documentation supporting this report must be made available upon request for audit purposes and public requests.

If awarded SIED funds, I hereby agree to annually report to the SIED Board the use of those funds according to the instructions above.

**Signature of Responsible Official:** \_\_\_\_\_

**Printed Name and Title:** \_\_\_\_\_



### **GOAL 2.13. PROVIDE ADEQUATE LOCATIONS FOR SITING ESSENTIAL PUBLIC FACILITIES.**

#### Policies

- 2.13.1. All essential public facilities shall be located and developed to be compatible with adjoining land uses to the greatest possible extent.
- 2.13.2. Essential public facilities shall be located in areas where they are best able to serve the individuals they are intended to serve.
- 2.13.3. All essential public facilities providing County-wide or Statewide services shall be identified according to the requirements under the Yakima County-wide Planning Policies Section C.3.1 through C.3.2 (see Appendix F).
- 2.13.4. A review process for siting or the expansion of essential public facilities shall be established according to the requirements under the Yakima County-wide Planning Policies Section C.3.3 through Section C.3.6 (see Appendix F).
- 2.13.5. The criteria for determining the location of essential public facilities should be coordinated and consistent with other planning goal requirements, such as -reducing sprawl, promoting economic development, protecting the environment, and supporting affordable housing.

### **GOAL 2.14. SUPPORT GROWTH OF THE YAKIMA AIR TERMINAL SUBJECT TO MITIGATION OF IMPACTS ON THE SURROUNDING COMMUNITY.**

#### Policies

- 2.14.1. The City will support efforts to update the airport master plan to ensure the airport's long-term vitality as an economic asset to the community.
- 2.14.2. The Airport Overlay Ordinance will be amended as necessary to ensure the Yakima Air Terminal Master Plan's success and to protect surrounding uses from airport impacts.
- 2.14.3. The purpose of the airport overlay is to identify compatible land uses surrounding the Yakima Air Terminal and ensure minimized adverse impacts on the community and the airport.



<b>GOAL YKT 7:</b>	<b>Revise development standards and guidelines to improve the quality of streets.</b>
<b>POLICY:</b>	
<b>YKT 7.1</b>	Clarify bicycle and sidewalk standards for all streets. Provide low volume residential street options.

### *Signalized and other major intersections*

<b>GOAL YKT 8:</b>	<b>Identify street intersection capacity and operation deficiencies.</b>
<b>POLICIES:</b>	
<b>YKT 8.1</b>	Reduce unnecessary vehicle delay at signalized street intersections to improve traffic flow, improve air quality, and reduce congestion.
<b>YKT 8.2</b>	Seek funding to upgrade traffic signal systems to optimize efficiency and safety needs.
<b>YKT 8.3</b>	Balance needs of pedestrians and cyclists with vehicular mobility at signalized intersections.

<b>GOAL YKT 9:</b>	<b>Promote safety improvements at signalized street intersections.</b>
<b>POLICIES:</b>	
<b>YKT 9.1</b>	Continue a routine program of monitoring and analyzing signalized intersections for vehicle collision patterns and severity of injuries.
<b>YKT 9.2</b>	Prioritize improvements based upon safety needs and ability to implement necessary changes.

### *Freight Transport*

<b>GOAL YKT 10:</b>	<b>Identify critical freight routes and plan for necessary improvements to accommodate the efficient and economical transport of goods through the community.</b>
<b>POLICIES:</b>	
<b>YKT 10.1</b>	Support regional street improvements that improve circulation to and around airports and planned expansion efforts.
<b>YKT 10.2</b>	Support increased services at the Yakima Regional Airport.
<b>YKT 10.3</b>	Continue to work with rail interests to ensure future service needs are accommodated.
<b>YKT 10.4</b>	Implement grade separation of arterial street crossings with rail lines for traffic safety, improved traffic flow efficiency and improved air quality.

<b>GOAL YKT 11:</b>	<b>Support infrastructure improvements that contribute to viable existing and future airport operations, facility needs or improve deficiencies.</b>
<b>POLICY:</b>	
<b>YKT 11.1</b>	Promote inter-modal connections to the Yakima Air Terminal – McAllister Field and vicinity.

### *Public Transit*



List the number of projected jobs to be retained and/or created by the firm as a direct result of the public infrastructure project supporting the private development. Retained jobs are defined as jobs that will be lost to the county if the public project is not completed.

Jobs resulting from this project are also impacted by increased air service; the two are interwoven. The best way to show employment and economic impact is by examining increases in both areas.

Baseline

Impact Type	Jobs	Labor Income (\$)	Value Added (\$)	Business Revenues (\$)
Direct Impact	1,085	\$78,727,000	\$150,695,000	\$361,344,000
Supplier (Indirect) Impact	360	\$22,015,000	\$34,634,000	\$61,196,000
Income Re-spending (Induced) Impact	451	\$22,149,000	\$40,395,000	\$67,430,000
Total Impact	1,896	\$101,599,000	\$180,910,000	\$489,970,000

Adding the second set of flights

Impact Type	Jobs	Labor Income (\$)	Value Added (\$)	Business Revenues (\$)
Direct Impact	1,182	\$81,441,000	\$154,817,000	\$367,898,000
Supplier (Indirect) Impact	369	\$22,523,000	\$35,467,000	\$62,796,000
Income Re-spending (Induced) Impact	463	\$22,789,000	\$41,560,000	\$69,375,000
Total Impact	2,014	\$104,468,000	\$185,256,000	\$500,069,000

Completing the entire project construction \$70M

Impact Type	Jobs	Labor Income (\$)	Value Added (\$)	Business Revenues (\$)
Direct Impact	1,522	\$103,969,000	\$183,897,000	\$431,300,000
Supplier (Indirect) Impact	471	\$28,669,000	\$45,974,000	\$81,470,000
Income Re-spending (Induced) Impact	580	\$28,476,000	\$51,933,000	\$86,690,000
Total Impact	2,573	\$127,057,000	\$214,422,000	\$599,459,000

Adding a flight flights per week to Las Vegas

Impact Type	Jobs	Labor Income (\$)	Value Added (\$)	Business Revenues (\$)
Direct Impact	1,551	\$104,743,000	\$185,073,000	\$433,168,000
Supplier (Indirect) Impact	474	\$28,814,000	\$46,211,000	\$81,926,000
Income Re-spending (Induced) Impact	585	\$28,658,000	\$52,265,000	\$87,244,000
Total Impact	2,610	\$127,875,000	\$215,661,000	\$602,338,000



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 7.J.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Resolution authorizing a grant application for the Yakima Air Terminal Building Modernization project to the Washington State Department of Commerce Community Economic Revitalization Board (CERB) for Capital Improvement Projects at the Yakima Air Terminal-McAllister Field

**SUBMITTED BY:** Jaime Vera, Airport Operations and Maintenance Manager

**SUMMARY EXPLANATION:**

The Yakima Air Terminal-McAllister Field has been notified that grant funds may be available to maintain and/or improve the airport upon submission of completed CERB grant application and satisfaction of certain conditions. The Yakima Air Terminal-McAllister Field has recently completed an Airport Master Plan Update, which details a variety of required capital improvement projects, including construction and modernization of the airport's Terminal Facility's infrastructure. Terminal Building Modernization Project Phases will include Design and bidding services. The grant application will request a total of approximately Seventy-Five Thousand Dollars (\$75,000) in CERB funding administered by the Washington State Department of Commerce.

**ITEM BUDGETED:** Yes

**STRATEGIC PRIORITY:** Economic Development

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Adopt Resolution.

**ATTACHMENTS:**

Description	Upload Date	Type
<input type="checkbox"/> Resolution	3/28/2024	Resolution
<input type="checkbox"/> Grant Application	3/28/2024	Contract
<input type="checkbox"/> YCDA Letter	3/29/2024	Backup Material

## RESOLUTION NO. R-2024-

**A RESOLUTION** authorizing a grant application for the Yakima Air Terminal Building Modernization project to the Washington State Department of Commerce Community Economic Revitalization Board (CERB) for Capital Improvement Projects at the Yakima Air Terminal-McAllister Field.

**WHEREAS**, the City owns and operates the Yakima Air Terminal-McAllister Field in accordance with applicable Federal, State, and Local regulations; and

**WHEREAS**, the Yakima Air Terminal-McAllister Field has been notified that grant funds may be available to maintain and/or improve the airport upon submission of completed CERB grant application and satisfaction of certain conditions; and

**WHEREAS**, the Yakima Air Terminal-McAllister Field has recently completed an Airport Master Plan Update, which details a variety of required capital improvement projects, including construction and modernization of the airport's Terminal Facility's infrastructure. Terminal Building Modernization Project Phases will include Design and bidding services; and

**WHEREAS**, the grant application will request a total of approximately Seventy-Five Thousand Dollars (\$75,000) in CERB funding administered by the Washington State Department of Commerce; and

**WHEREAS**, the City Council deems it to be in the best interest of the City and its residents to authorize submission of the grant application to the Washington State Department of Commerce for grant funds needed to accomplish the identified capital improvements and, if grant funds are awarded, to accept the funds for the purposes identified in the grant application, now, therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:

The City Manager is hereby authorized and directed to submit a completed CERB grant application to the Washington State Department of Commerce for the Yakima Air Terminal Building Modernization project for the Yakima Air Terminal-McAllister Field.

If grant funds are awarded, the City Manager is further authorized and directed to accept and spend said grant funds to be applied to the purposes specified above.

ADOPTED BY THE CITY COUNCIL this 2nd day of April, 2024.

ATTEST:

\_\_\_\_\_  
Patricia Byers, Mayor

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk



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Washington State Dept. of Commerce  
Community Economic Revitalization Board  
Community Economic Revitalization Board (CERB)  
**2023-25 CERB-Planning Application**  
Deadline: 4/1/2024

## City of Yakima - Yakima Air Terminal Yakima Airport Passenger Terminal Modernization

Jump to: [Please also provide the following:](#) [Application](#) [Tables](#) [Attachments](#)

**\$ 75,000.00** Requested  
\$ 5,000,000 Match Funding (20% of total project cost)

### Project Contact

Robert Hodgman  
[robert.hodgman@yakimawa.gov](mailto:robert.hodgman@yakimawa.gov)  
Tel: 509-833-0898

### Additional Contacts

none entered

### City of Yakima - Yakima Air Terminal

2300 W Washington Ave  
Yakima, WA 98903  
United States

### Airport Director

Robert Hodgman  
[robert.hodgman@yakimawa.gov](mailto:robert.hodgman@yakimawa.gov)

Telephone 509-833-0898  
Fax  
Web  
EIN flyykm.com

Please also provide the following: [top](#)

### 1. Statewide Vendor Number (SWV #)

SWV #0007122-02

### 2. Legislative District

14th

### 3. Congressional District

4th

### 4. County

Yakima

**Application** [top](#)

### 1. Project Description:

*Describe the goals and/or issues to be addressed with the CERB Planning Grant.*

Yakima Air Terminal supports aviation activities including passenger service, air cargo, aeromedical evacuation, aerial wild land fire fighting, business and personal travel, and aerospace manufacturing. The original passenger terminal was constructed in 1950 with renovations and additions in 1967, 1996, 1998 and most recently in 1999. Many building systems in

In late 2019 the airport supported its peak volume of passengers at 14,000 passengers per month, resulting in \$591M annual economic impact and 2,366 jobs to the region. During the pandemic air travel through the airport dropped to an all-time-low of 500 passengers per month, eventually leading to air service reduction to only one set of flights a day to Seattle. In November 2023 the airport was successful in negotiating the return of the second set of flights and passenger volumes recovered to about half of the 2019 high mark, with economic impact at \$479M and 1,559 jobs. The airport is currently in talks with two air carriers to add another destination, which is projected to add \$2.4M in economic impact and 29 jobs to the region. These airlines operate larger capacity airplanes.

Air service is an economic engine for the community. A 2012 Aviation Economic Impact Study published by WSDOT determined 97% of Gross Business Income occurs within 10 miles of an airport, and 70% within five miles. Passenger volume is a key measure of economic impact, in on-airport jobs, visitor spending, and direct, indirect and induced impact.

The airport has developed a three-phase project to accomplish needed terminal modernization work. This funding request will support market analysis and project engineering and design for phase 1B, a second floor over the ground level sterile area. This phase of the project will move three gates and TSA passenger screening upstairs and provide jetways to accommodate larger airliners, capable of carrying larger passenger loads and palletized air cargo. This expansion will also allow future revision of the first floor layout to accommodate shops and eating establishments, and provide space to meet the needs of modern air travel.

The overarching goal of the Terminal Modernization Project is to increase useable space, modernize legacy, failing building systems, enhance air travel by enabling larger air liners, and providing improved space utilization to accommodate modern air travel requirements that didn't exist in 1950. These improvements will lead to more living-wage jobs, and will support economic growth in the region.

## **2. Project Scope of Work:**

*List the key components of the study*

The catchment area of Yakima Air Terminal includes Yakima and Kittitas counties, representing approximately 300,000 citizens. Yakima Air Terminal fulfills a regional role, providing passenger air service and air cargo support to these rural and economically disadvantaged communities.

This project will conduct a market analysis and examine the potential of the airport terminal to accommodate growth in passenger and freight air transportation for the region. It will examine the air transportation needs of the community and identify improvements to the terminal building needed to enable economic growth. Yakima Valley is a leading producer of hops and wine, with customers around the country and across the globe. The study will engage with the agricultural, aerospace, and other industry sectors to understand their travel and air cargo needs, and improvements required to the terminal to accommodate them. It will also support preliminary design concepts to revise and expand the terminal in line with these findings.

The Airport Director and his staff will implement the marketing strategies. The Director has degrees in business administration with an emphasis in marketing and is well-equipped to accomplish this task.

The airport is zoned Airport Commercial, Airport Industrial, and Airport Operations; it is well suited to accommodate economic growth across the spectrum of aviation-related and other commercial and industrial development. The airport is two miles from interstate 82 and readily accessible for passengers and freight from across the region. The airport has a strong relationship with the Yakama Nation and will seek their participation in the process. NEPA and SEPA have been accomplished but will need updating.

The marketing analysis will focus primarily on opportunities to add air transportation capacity and commercial functionality. The study will examine demographics and travel needs, including destinations sought, competitive market pricing analysis, and passenger and shipper preferences for in-terminal activities.

## **3. Project Short-Term Benefits:**

*Describe the projected short-term economic benefits the planning project will have on the local community.*

In the near term the project will improve passenger capacity and flow in the building, eliminating crowding and lines at airline ticket counters, TSA screening, and baggage claim. The new sterile area will accommodate larger passenger loads as the airport upgrades from the Embraer 175, a 76-seat aircraft, to Boeing 737-700s ranging from 126-149 seats. The project will also enable the future establishment of shops, cafe/snack bars, and wine tasting on the ground floor, and the return of the landmark airport restaurant to the upper floor. All of these are benefits to the passenger and jobs for the community.

Increasing passenger volumes will require increases of airline employees to support larger planes and more flights. Present day wages for these positions average:

- Gate Agent: ~ \$20/hr
- Customer Service Agent: ~ \$20/hr
- Aircraft Mechanic: ~ \$32/hr

#### **4. Project Long-Term Benefits:**

*Describe the projected long-term economic benefits the planning project will have on the local community.*

Long term this project will add vibrancy to the community and economic vitality to the region. Access to air travel and air cargo shipping are staples of a strong business community. In addition to the robust offering of agricultural products, the airport hosts aerospace manufacturing businesses and the community benefits from manufacturing jobs. The airport terminal modernization is a powerful step towards raising the average wage and retaining local, young workers by providing broader career options with promotion and earnings increase potential.

#### **5. Accomplishments:**

*What will be accomplished as a result of the project?*

This project funding request, combined with \$5M congressionally directed spending, will support the terminal modernization design. The market analysis will fine-tune the public and industry needs and inform the design process. The marketing strategy will draw local and regional passengers and the shippers, as well as businesses looking to site their operations in eastern Washington.

#### **6. Community Impact:**

*Describe the impact on the community in the event the project is NOT funded by CERB.*

The passenger terminal building is reaching the end of its useful life, and without modernization throughout it is at risk of being removed from service. The building is cramped, old, and tired. The baggage claim area is too small per Fire Marshall code and the bags are delivered by a metal slide that is not accessible by people with disabilities. The TSA line stretches through the non-sterile seating area all the way to the building front door, and the line for airline ticketing is the same. The traveling public desires and deserves a better traveling experience. And the region deserves a more viable and economic multiplier an airport can represent. Phase 1B, construction of an upper level sterile area and TSA screening is pivotal to resolving this.

Currently there is insufficient space to accommodate larger modern airplanes and their larger passenger capacity. Presently passengers walk out of the terminal building, across the tarmac, and climb a metal ramp to board the airplane, in all kinds of weather, most notably during periods of snow and scorching heat. The planes that currently serve the airport are too small to support palletized loads of hops and other products. Phase 1B, a second floor sterile area, will bring jetways to the airplanes. The terminal cannot support large airplanes in its current configuration; jetways are necessary. Jetways also make enplaning and deplaning accessible for those with limited mobility.

This project, and the phases that follow, will revitalize the airport terminal and enhance the airport as an economic engine for the region.

#### **7. Project Link with Economic Diversification:**

*Describe the project's link with the economic diversification strategy and goals of the community. Include whether this project is part of an economic development plan consistent with local and applicable state planning requirements.*

Support for increased services at the airport is documented in the Yakima Air Terminal Airport Master Plan, the City of Yakima Comprehensive Plan, and the Yakima County Horizon 2040 Comprehensive Plan.

Expanding air service and air cargo will be a boost for economic diversification. Yakima is located near the middle of the state, and the airport is only two miles from I-82. Travelers and shippers from across the region will benefit from improved air transportation, and companies will be more inclined to site their operations here and take advantage of the available workforce. This will bring increased and diverse job opportunities for the region.

#### **8. Infrastructure Construction Support:**

*If infrastructure construction is to be supported by the study, indicate estimated construction schedule and/or project time frame.*

-no answer-

#### **9. Private Investment Interest:**

*Indicate if there has been private investment interest, if so please describe.*

Horizon Air/Alaska Airlines provide air carrier support and will provide additional equipment to support and maintain their airplanes and associated equipment. As aircraft size and flight frequency increase, the fixed-base operator McCormick Air Service will upgrade their fueling equipment that serves the airline.

#### **10. Industry Clusters:**

*Does this project build on locally-identified industry clusters? If yes, please explain:*

Yes, the Yakima industry clusters are hop and fruit production and shipping, and industrial manufacturing. Enhanced air cargo associated with the terminal modernization will support industry sector growth. Because shipping by air is substantially more expensive than by another mode, air cargo is typically comprised of perishable food and live items, and critical, high-value express parts for major commercial and industrial operations. There are 52 manufacturing companies within 10 miles of the airport, such as Triumph Actuation Systems and Pexco Aerospace that manufacture high-value aircraft repair parts.

Modernizing the terminal will enable the airport to accommodate larger freight and larger aircraft capable of transporting that freight.

#### 11. Consultant Selection Process

Has a consultant been chosen? If yes, who will be conducting the study?

☐ Yes, please explain:

☒ No

#### 12. If an outside consultant has not yet been chosen, describe the selection process.

We have begun the solicitation process and are reviewing proposals from four separate A/E teams.

#### 13. Is this plan mandated or required by a statute, law, or regulatory agency?

☐ Yes

☒ No

#### 14. Applying for which funding tier?

☐ Up to \$50,000 - Tier 1 - Economic Development Activities that DO NOT qualify for CERB construction.

☒ Up to \$75,000 - Tier 2 - Economic Development Activities that DO qualify for CERB construction.

☐ Up to \$100,000 - Tier 3 - Site Readiness and Economic Development Activities that DO qualify for CERB construction.

Tables [top](#)

### ESTIMATED Schedule for Public Project Completion

Task	Estimated Date (Month/Year)
Consultant Service Chosen	5/24
Consultant Begin Work	6/24
Consultant Draft Report	11/24
Consultant Final Report	4/25
Consultant End Work	6/25
Project Complete	12/25

### Other Source Funding

Source	Researched/Applied	Outcome
CDBG Planning-Only Grant	<input checked="" type="checkbox"/>	Not applicable
RCAC Planning	<input checked="" type="checkbox"/>	Not applicable
Department of Ecology Planning	<input checked="" type="checkbox"/>	Not applicable
Department of Health Planning	<input checked="" type="checkbox"/>	Not applicable
USDA Rural development Pre-Development Grant	<input checked="" type="checkbox"/>	Not applicable

### Match Funding

Source	Date Approved	Amount (\$000,000)
Congress/FAA	10/23	5,000,000
Total		

Attachments [top](#)

**Documents Requested \*****Required? Attached Documents \***

Attachment A: Resolution Authorizing CERB  
Application  
[download template](#)



[Draft City Council Resolution](#)

Attachment B: Evidence of Public Notification -  
Meeting Agenda that resolution was approved at,  
CERB as a line item - Meeting advertisement



Attachment C: Evidence of local Support (statement  
of support from the local Associated Development  
Organization (ADO) or the governing body of a  
Federally Recognized Tribe)



[YCDA Letter of Support](#)

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March 28, 2024

Janea Stark  
Community Economic Revitalization Board, Executive Director & Tribal Liaison  
Washington State Department of Commerce  
PO Box 42525  
Olympia, WA 98504-2525

RE: Support for City of Yakima Airport Passenger Terminal Modernization CERB Planning Application

Ms. Janea Stark,

As the Executive Director of the Associate Development Organization for Yakima County, I am writing to express Yakima County Development Association's (YCDA) support of the City of Yakima's Airport Passenger Terminal Modernization CERB Planning application. This project will modernize the passenger terminal to meet increasing traveler demand and significantly enhance YCDA's initiatives to grow our regional economy.

The original terminal was constructed in the 1950s and was last remodeled in the late 1990s. It has truly outlived its useful life and is in dire need of improvements. Various building systems of the existing terminal building and floor layout have created challenges. Terminal entry areas, ticketing counters, and TSA screening have all been identified as areas of operational inefficiencies. Federal requirements mandating additional passenger screening areas have also removed the limited space available to passengers. The inadequate size of the terminal was particularly apparent during the height of the COVID-19 pandemic, as social distancing was impossible.

The 2015 Airport Master Plan Update and 2020 Airport Layout Plan Update identified a new or modernized terminal building as a top priority. The modernization of the terminal building will include updated screening areas, larger capacity passengers in secure and non-secured areas, updated passenger ticket stands, rental car stands, and associated facilities.

YCDA is proud to support the City of Yakima's CERB Planning application to modernize the air travel terminal building. This financial investment will drive competition for air carriers seeking to use the Yakima Air Terminal-McAllister Field, increase our regional economic competitiveness, and create living wage jobs in our community.

Thank you for giving the City of Yakima's funding request your full and fair consideration. Don't hesitate to contact me if I can be of further assistance.

Sincerely,

Jonathan Smith, Executive Director



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 7.K.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Resolution authorizing an airport concession rent credit between the City of Yakima- Yakima Air Terminal-McAllister Field and BBold Advertising and Marketing

**SUBMITTED BY:** Jaime Vera, Airport Operations and Maintenance Manager

**SUMMARY EXPLANATION:**

On Thursday, March 11, 2021, the President of the United States signed the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117-2) to provide continued funding from the federal government throughout the FY 2021-2022 and to minimize the economic impacts and assist Cities throughout the nation with their response to the COVID-19 virus. Grant funds will be provided directly from the U.S. Treasury's General Fund to prevent, prepare for, and respond to the impacts of the COVID-19 public health emergency; the FAA's Office of Airports will administer grant funds to airport sponsors.

The City of Yakima previously received funding through this program. Subsequent to that, the City has reached out to qualified concessionaires of the airport advising them of the program.

The CONCESSIONAIRE has provided proper notice to the CITY by submitting the airport concession rent relief certification form indicating the desire to receive rent relief under the Airport Coronavirus Response Grant Program and CONCESSIONAIRE has certified at the time this agreement is entered into that they meet the criteria outlined in the correspondence labeled: Federal Grant Funding Related To The Coronavirus Response and Relief Supplemental Appropriations Act, as evidenced by the Certification signed by CONCESSIONAIRE, copies of which are attached hereto as Exhibit A and fully incorporated into this agreement.

**ITEM BUDGETED:** Yes



**STRATEGIC PRIORITY:** Economic Development

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Adopt Resolution.

**ATTACHMENTS:**

<b>Description</b>		<b>Upload Date</b>	<b>Type</b>
	Resolution	3/26/2024	Cover Memo
	Agreement_BBold	3/27/2024	Contract

## **RESOLUTION NO. R-2024-**

**A RESOLUTION** Airport Concession Rent Credit Between the City of Yakima, the owner and operator of Yakima Air terminal-McAllister Field (hereinafter referred to as "CITY"), and BBold Advertising and Marketing (hereinafter referred to as "CONCESSIONAIRE").

**WHEREAS**, the City owns and operates the Yakima Air Terminal-McAllister Field in accordance with applicable Federal, State, and Local regulations; and

**WHEREAS**, the 2019-20 coronavirus pandemic(COVID-19) has reached more than 190 countries, causing economic distress on all forms of businesses including the transportation industry; and

**WHEREAS**, on Thursday, March 11, 2021, the President of the United States signed the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117-2) to provide continued funding from the federal government throughout the FY 2021-2022 and to minimize the economic impacts and assist Cities throughout the nation with their response to the COVID-19 virus; and

**WHEREAS**, Title IV, Department of Transportation of the ARPA (H.R. 1319, Public Law 117) provides approximately \$8 Billion Dollars to support U.S. airports experiencing severe economic disruption caused by the COVID-19 public health emergency; the funds will be distributed to airports to prevent, prepare for, and respond to the COVID-19 public health emergency; and

**WHEREAS**, the grant funds are available to sponsors as defined in Section 47102 of title 49, United States Code; airport sponsors meeting statutory and policy requirements under this section and identified in the FAA's current National Plan of Integrated Airport Systems are eligible; and

**WHEREAS**, grant funds will be provided directly from the U.S. Treasury's General Fund to prevent, prepare for, and respond to the impacts of the COVID-19 public health emergency; the FAA's Office of Airports will administer grant funds to airport sponsors; and

**WHEREAS**, the ARPA (H.R. 1319, Public Law 117), has allocated at least \$6.5 Billion Dollars in additional funding to Commercial Service Airports that may receive the additional funding for any purpose for which airport revenues may lawfully be used; the additional grant funding will be distributed to all Commercial Service Airports based upon a modified Airport Improvement Program apportionment while any remaining funds will be distributed based on the airport's passenger enplanements; and

**WHEREAS**, the ARPA (H.R. 1319, Public Law 117) funds may be utilized for cost related to operations and maintenance, construction, debt service payments, personnel, cleaning, sanitization, janitorial services, combating the threat of pathogens at the airport; and

**WHEREAS**, the ARPA (H.R. 1319, Public Law 117) also provides an additional \$800 million to primary airports based on enplanements "to provide relief from rents and minimum annual guarantee to on-airport car rental, on-airport parking, and in-terminal airport concessions"; and

**WHEREAS**, in accordance with the ARPA airport sponsors receiving the additional relief funding would be required to provide relief to airport concessioners from the date of enactment until the sponsor has provided an amount equal to the grant amount specifically allocated for concessions "to the extent practicable and to the extent permissible under state laws, local laws, and applicable trust indentures"; and

**WHEREAS**, an airport concession must certify to the airport sponsor that it has not received a second draw or assistance for a covered loan under section 7(a)(37) of the Small Business Act (15 U.S.C. 636(a)(37)) that has been applied toward rent or Minimum Annual Guarantee is eligible for the relief; and

**WHEREAS**, the CONCESSIONAIRE has provided proper notice to the CITY by submitting the airport concession rent relief certification form indicating the desire to receive rent relief under the Airport Coronavirus Response Grant Program and CONCESSIONAIRE has certified at the time this agreement is entered into that they meet the criteria outlined in the correspondence labeled: Federal Grant Funding Related To The Coronavirus Response and Relief Supplemental Appropriations Act, as evidenced by the Certification signed by CONCESSIONAIRE, copies of which are attached hereto as Exhibit A and fully incorporated into this agreement; now therefore,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:**

In consideration of the mutual benefits to be derived by each party hereto, the parties mutually agree to provide the following rent relief:

All recitals above are fully incorporated herein. Other than the specific amendments stated herein, all other terms, conditions, obligations, rights and requirements of the underlying agreement(s) between the CITY and CONCESSIONAIRE shall remain in full force and effect throughout said agreement(s)' term.

**\$47,562.00** dollars will be credited to the CONCESSIONAIRES account to be applied to previous monthly rent charges and future charges until the relief is exhausted as outlined in Exhibit A. Once the rent relief credit is fully expended, the CONCESSIONAIRE will be responsible for ensuring all future lease payments are provided as outlined within the airport lease agreement.

**ADOPTED BY THE CITY COUNCIL** this 2<sup>nd</sup> day of April, 2024.

ATTEST:

\_\_\_\_\_  
Patricia Byers, Mayor

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk

**AIRPORT CONCESSION RENT CREDIT  
BETWEEN  
CITY OF YAKIMA  
AND  
BBOLD ADVERTISING AND MARKETING**

**THIS AIRPORT CONCESSION RENT CREDIT BETWEEN THE CITY OF YAKIMA**, the owner and operator of YAKIMA AIR TERMINAL - McALLISTER FIELD (hereinafter referred to as "CITY"), **AND BBOLD ADVERTISING AND MARKETING** (hereinafter referred to as "CONCESSIONAIRE"), is executed this \_\_\_\_ day of \_\_\_\_, 2024.

**WITNESSETH:**

**WHEREAS**, the City owns and operates the Yakima Air Terminal-McAllister Field in accordance with applicable Federal, State, and Local regulations; and

**WHEREAS**, the 2019-20 coronavirus pandemic was a pandemic of coronavirus disease 2019 (COVID-19) that has reached more than 190 countries, causing economic distress on all forms of businesses including the transportation industry; and

**WHEREAS**, on Thursday, March 11, 2021, the President of the United States signed the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117-2) to provide continued funding from the federal government throughout the FY 2021-2022 and to minimize the economic impacts and assist Cities throughout the nation with their response to the COVID-19 virus; and

**WHEREAS**, Title IV, Department of Transportation of the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117) provides approximately \$8 Billion Dollars to support U.S. airports experiencing severe economic disruption caused by the COVID-19 public health emergency; the funds will be distributed to airports to prevent, prepare for, and respond to the COVID-19 public health emergency; and

**WHEREAS**, the grant funds are available to sponsors as defined in Section 47102 of title 49, United States Code; airport sponsors meeting statutory and policy requirements under this section and identified in the FAA's current National Plan of Integrated Airport Systems are eligible; and

**WHEREAS**, grant funds will be provided directly from the U.S. Treasury's General Fund to prevent, prepare for, and respond to the impacts of the COVID-19 public health emergency; the FAA's Office of Airports will administer grant funds to airport sponsors;

**WHEREAS**, the Yakima Air Terminal-McAllister Field is presently eligible to receive a 2021 Airport Improvement Program (AIP) grant from the federal government and may not require the use of the airport sponsor's local 10% match funded under the Passenger Facility Charge Program (PFC); and

**WHEREAS**, the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117), has allocated at least \$6.5 Billion Dollars in additional funding to Commercial Service Airports that may receive the additional funding for any purpose for which airport revenues may lawfully be used; the additional grant funding will be distributed to all Commercial Service Airports based upon a modified Airport Improvement Program apportionment while any remaining funds will be distributed based on the airport's passenger enplanements; and

**WHEREAS**, the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117) funds may be utilized for cost related to operations and maintenance, construction, debt service payments, personnel, cleaning, sanitization, janitorial services, combating the threat of pathogens at the airport; and

**WHEREAS**, the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117) also provides an additional \$800 million to primary airports based on enplanements "to provide relief from rents and minimum annual guarantee to on-airport car rental, on-airport parking, and in-terminal airport concessions"; and

**WHEREAS**, in accordance with the Act airport sponsors receiving the additional relief funding would be required to provide relief to airport concessioners from the date of enactment until the sponsor has provided an amount equal to the grant amount specifically allocated for concessions "to the extent practicable and to the extent permissible under state laws, local laws, and applicable trust indentures"; and

**WHEREAS**, an airport concession must certify to the airport sponsor that it has not received a second draw or assistance for a covered loan under section 7(a)(37) of the Small Business Act (15 U.S.C. 636(a)(37)) that has been applied toward rent or Minimum Annual Guarantee is eligible for the relief; and

**WHEREAS**, the CONCESSIONAIRE has provided proper notice to the CITY by submitting the airport concession rent relief certification form indicating the desire to receive rent relief under the Airport Coronavirus Response Grant Program and CONCESSIONAIRE has certified at the time this agreement is entered into that they meet the criteria outlined in the correspondence labeled: Federal Grant Funding Related To The Coronavirus Response and Relief Supplemental Appropriations Act, as evidenced by the Certification signed by CONCESSIONAIRE, copies of which are attached hereto as Exhibit A and fully incorporated into this agreement;

**NOW THEREFORE**, in consideration of the mutual benefits to be derived by each party hereto, the parties mutually agree to provide the following rent relief:

1. All recitals above are fully incorporated herein. Other than the specific amendments stated herein, all other terms, conditions, obligations, rights and requirements of the underlying agreement(s) between the CITY and CONCESSIONAIRE shall remain in full force and effect throughout said agreement(s)' term.

2. Rent Relief:

**\$47,562.00** dollars will be credited to the CONCESSIONAIRES account to be applied to previous monthly rent charges and future charges until the relief is exhausted as outlined in Exhibit A. Once the rent relief credit is fully expended, the CONCESSIONAIRE will be responsible for ensuring all future lease payments are provided as outlined within the airport lease agreement.

3. Agreement to follow all terms and conditions of the Grant

CONCESSIONAIRE shall follow all the terms and conditions of the Concessions Rent Relief Airport Rescue Grant Agreement and transmittal letter attached hereto as Exhibit B and fully incorporated herein. Failure to comply with the terms and conditions therein shall result in the return of all monies paid to CONCESSIONAIRE by the City under the Grant Agreement.

#### 4. Hold Harmless

The CONCESSIONAIRE shall be responsible for the conduct and liability of its own personnel in the performance of this Agreement. The CONCESSIONAIRE agrees to release, indemnify, defend, and hold harmless the City of Yakima, its elected and appointed officials, officers, employees, agents, representatives, insurers, attorneys, and volunteers, from all liabilities, losses, damages, and expenses related to all claims, suits, arbitration actions, investigations, and regulatory or other governmental proceedings arising from or in connection with this Agreement or the acts, failures to act, errors or omissions of the CONCESSIONAIRE, or any of the CONCESSIONAIRE'S agents or subcontractors, in performance of this Agreement. Nothing contained in this Section or this Agreement shall be construed to create a liability or a right of indemnification in any third party.



**CITY OF YAKIMA**

YAKIMA AIR TERMINAL – MCALLISTER FIELD  
 2406 W. Washington Avenue, Suite B  
 Yakima, Washington 98903  
 (509) 575-6149 – phone  
 (509) 575-6185 – fax

By: \_\_\_\_\_  
 Dave Zabell, Interim City Manager

Date: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
 Rosalinda Ibarra, City Clerk

STATE OF WASHINGTON       )  
   ) ss  
 County of Yakima            )

I certify that I know or have satisfactory evidence that Dave Zabell signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the City Manager of the City of Yakima, Washington to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Date \_\_\_\_\_

By: \_\_\_\_\_  
 Notary Public for the State of Washington  
 Residing at: \_\_\_\_\_  
 Appointment Expires \_\_\_\_\_

**CONCESSIONAIRE:****BBOLD ADVERTISING AND MARKETING**

1707 Conover Drive  
 Yakima, WA 98908  
 denard@bbold1.com  
 shane@bbold1.com  
 509-654-8465

By:   
 Shane G. Pierone

Date: 3/18/2024

By:   
 DeNard Jones

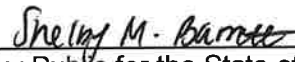
Date: 3.18.23

STATE OF WASHINGTON )  
 ) ss  
 County of Yakima )

I certify that I know or have satisfactory evidence that Shane G. Pierone, BBold Advertising and Marketing Partner, signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Date March 18, 2024

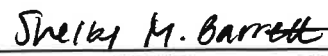
By:   
 Notary Public for the State of Washington  
 Residing at: Yakima, WA  
 Appointment Expires April 18, 2024

STATE OF WASHINGTON )  
 ) ss  
 County of Yakima )

I certify that I know or have satisfactory evidence that DeNard Jones, BBold Advertising and Marketing Partner, signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Date March 18, 2024

By:   
 Notary Public for the State of Washington  
 Residing at: Yakima WA  
 Appointment Expires April 18 2024

# EXHIBIT A FUND DISTRIBUTION

BBOLD (reports received quarterly)						
Month	2019	2020	2021	2022	2023	
January	\$ 1,155.00	\$ 1,305.50	\$ 576.71	\$ 1,174.69	\$ 756.88	
February	\$ 1,342.25	\$ 1,335.25	\$ 569.54	\$ 1,174.69	\$ 756.88	
March	\$ 1,359.75	\$ 1,335.25	\$ 651.88	\$ 1,174.69	\$ 713.13	
April	\$ 1,282.75	\$ 862.75	\$ 651.88	\$ 1,174.69	\$ 686.88	
May	\$ 1,298.50	\$ 862.75	\$ 651.88	\$ 1,017.19	\$ 678.13	
June	\$ 1,298.50	\$ 1,256.50	\$ 651.88	\$ 1,174.69	\$ 634.38	
July	\$ 1,254.31	\$ 560.00	(412.48)	\$ 1,023.75	\$ 678.13	
August	\$ 1,473.50	\$ 529.38	\$ 1,017.19	\$ 1,023.75	\$ 678.13	
September	\$ 1,473.50	\$ 529.38	\$ 1,017.19	\$ 945.00	\$ 756.88	
October	\$ 1,270.50	\$ 529.38	\$ 1,017.19	\$ 914.38		
November	\$ 1,361.50	\$ 573.13	\$ 1,017.19	\$ 914.38		
December	\$ 1,440.25	\$ 573.13	\$ 1,017.19	\$ 914.38		
\$	16,010.31	Total calculation for rent distribution				
Relief Distribution Explanation						
Apr '21-Sep '23	\$	25,594.81	(Amounts in gray boxes)			
Rent Relief Total	\$	47,562.00				
Partial Relief Jun '23	\$	21,967.19	(Amount applied to future payments, until amount runs out or November 2025, whichever is first)			

# EXHIBIT B

## CERTIFICATION FORM



Yakima Air Terminal - McAlister Field  
2406 W. Washington Ave, Suite B, Yakima, WA 98903  
www.flyYKM.com

### Airport Rescue Grants 3-53-0089-051-2022

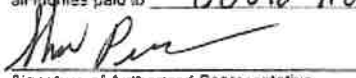
### Airport Concession Certification for Yakima Air Terminal - McAlister Field

Business Legal Name	BBold Advertising Marketing L.L.C.
DBA or Tradename (if applicable)	
Authorized Representative	Shane Pierone
Business Phone	509 654-8465
Email Address	Shane@bboldad.com
Business Qualifies as an Airport Concession Disadvantaged Business Enterprise (ACDBE)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Business Qualifies as a Joint Venture under 49 CFR § 23.3	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Paycheck Protection Program (PPP) First Draw Loan Number (if applicable)	2713188607
Have you applied or do you intend to apply for a PPP Second Draw?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
PPP Second Draw SBA Loan Number (if applicable)	
Purpose of PPP Second Draw Loan (if applicable)	<input type="checkbox"/> Payroll Costs <input type="checkbox"/> Covered Supplier Costs <input type="checkbox"/> Utilities <input type="checkbox"/> Covered Property Damage <input type="checkbox"/> Rent/Mortgage Interest <input type="checkbox"/> Covered Property Damage <input type="checkbox"/> Covered Operations Expenditures <input type="checkbox"/> Covered Worker Protection Expenditures <input type="checkbox"/> Other

I certify that BBold Adv has not received a second draw or assistance for a covered loan under section 7(a)(37) of the Small Business Act (15 U.S.C. 636(a)(37)) that has been applied toward rent or minimum annual guarantee costs.

I also certify that BBold Adv will not apply for a covered loan under section 7(a)(37) of the Small Business Act (15 U.S.C. 636(a)(37)) for rent or minimum annual guarantee costs.

I certify that BBold Adv shall follow all the terms and conditions of the Concessions Rent Relief Airport Rescue Grant Agreement and transmittal letter attached hereto and fully incorporated herein. Failure to comply with the terms and conditions therein shall result in the return of all monies paid to BBold Adv by the City under the Grant Agreement.

  
Signature of Authorized Representative  
Shane Pierone  
Print Name

10/11/2023  
Date  
co-owner  
Title



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 7.L.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Resolution authorizing an airport concession rent credit between the City of Yakima- Yakima Air Terminal-McAllister Field and Hertz Corporation Car Rental

**SUBMITTED BY:** Jaime Vera, Airport Operations and Maintenance Manager

**SUMMARY EXPLANATION:**

On Thursday, March 11, 2021, the President of the United States signed the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117-2) to provide continued funding from the federal government throughout the FY 2021-2022 and to minimize the economic impacts and assist Cities throughout the nation with their response to the COVID-19 virus. Grant funds will be provided directly from the U.S. Treasury's General Fund to prevent, prepare for, and respond to the impacts of the COVID-19 public health emergency; the FAA's Office of Airports will administer grant funds to airport sponsors.

The City has previously received funding through this program. Subsequently the City contacted concessionaires of the airport to make them aware of the opportunity. The CONCESSIONAIRE has since provided proper notice to the CITY by submitting the airport concession rent relief certification form indicating the desire to receive rent relief under the Airport Coronavirus Response Grant Program and CONCESSIONAIRE has certified at the time this agreement is entered into that they meet the criteria outlined in the correspondence labeled: Federal Grant Funding Related To The Coronavirus Response and Relief Supplemental Appropriations Act, as evidenced by the Certification signed by CONCESSIONAIRE, copies of which are attached hereto as Exhibit A and fully incorporated into this agreement.

**ITEM BUDGETED:** Yes



**STRATEGIC PRIORITY:** Economic Development

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Adopt Resolution.

**ATTACHMENTS:**

<b>Description</b>		<b>Upload Date</b>	<b>Type</b>
	Resolution_Hertz	3/27/2024	Resolution
	Agreement_Hertz	3/27/2024	Contract

## **RESOLUTION NO. R-2024-**

**A RESOLUTION** authorizing Airport Concession Rent Credit between the City of Yakima, the owner and operator of Yakima Air terminal-McAllister Field (hereinafter referred to as "CITY"), and the Hertz Corporation dba Hertz Car Rental (hereinafter referred to as "CONCESSIONAIRE").

**WHEREAS**, the City owns and operates the Yakima Air Terminal-McAllister Field in accordance with applicable Federal, State, and Local regulations; and

**WHEREAS**, the 2019-20 coronavirus pandemic (COVID-19) has reached more than 190 countries, causing economic distress on all forms of businesses including the transportation industry; and

**WHEREAS**, on Thursday, March 11, 2021, the President of the United States signed the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117-2) to provide continued funding from the federal government throughout the FY 2021-2022 and to minimize the economic impacts and assist Cities throughout the nation with their response to the COVID-19 virus; and

**WHEREAS**, Title IV, Department of Transportation of the ARPA (H.R. 1319, Public Law 117) provides approximately \$8 Billion Dollars to support U.S. airports experiencing severe economic disruption caused by the COVID-19 public health emergency; the funds will be distributed to airports to prevent, prepare for, and respond to the COVID-19 public health emergency; and

**WHEREAS**, the grant funds are available to sponsors as defined in Section 47102 of title 49, United States Code; airport sponsors meeting statutory and policy requirements under this section and identified in the FAA's current National Plan of Integrated Airport Systems are eligible; and

**WHEREAS**, grant funds will be provided directly from the U.S. Treasury's General Fund to prevent, prepare for, and respond to the impacts of the COVID-19 public health emergency; the FAA's Office of Airports will administer grant funds to airport sponsors; and

**WHEREAS**, the ARPA (H.R. 1319, Public Law 117), has allocated at least \$6.5 Billion Dollars in additional funding to Commercial Service Airports that may receive the additional funding for any purpose for which airport revenues may lawfully be used; the additional grant funding will be distributed to all Commercial Service Airports based upon a modified Airport Improvement Program apportionment while any remaining funds will be distributed based on the airport's passenger enplanements; and

**WHEREAS**, the ARPA (H.R. 1319, Public Law 117) funds may be utilized for cost related to operations and maintenance, construction, debt service payments, personnel, cleaning, sanitization, janitorial services, combating the threat of pathogens at the airport; and

**WHEREAS**, the ARPA (H.R. 1319, Public Law 117) also provides an additional \$800 million to primary airports based on enplanements "to provide relief from rents and minimum annual guarantee to on-airport car rental, on-airport parking, and in-terminal airport concessions"; and

**WHEREAS**, in accordance with the ARPA, airport sponsors receiving the additional relief funding would be required to provide relief to airport concessioners from the date of enactment until the sponsor has provided an amount equal to the grant amount specifically allocated for concessions "to the extent practicable and to the extent permissible under state laws, local laws, and applicable trust indentures"; and

**WHEREAS**, an airport concession must certify to the airport sponsor that it has not received a second draw or assistance for a covered loan under section 7(a)(37) of the Small Business Act (15 U.S.C. 636(a)(37)) that has been applied toward rent or Minimum Annual Guarantee is eligible for the relief; and

**WHEREAS**, the CONCESSIONAIRE has provided proper notice to the CITY by submitting the airport concession rent relief certification form indicating the desire to receive rent relief under the Airport Coronavirus Response Grant Program and CONCESSIONAIRE has certified at the time this agreement is entered into that they meet the criteria outlined in the correspondence labeled: Federal Grant Funding Related To The Coronavirus Response and Relief Supplemental Appropriations Act, as evidenced by the Certification signed by CONCESSIONAIRE, copies of which are attached hereto as Exhibit A and fully incorporated into this agreement; now therefore,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:**

In consideration of the mutual benefits to be derived by each party hereto, the parties mutually agree to provide the following rent relief:

**\$11,890.00** dollars will be credited to the CONCESSIONAIRE'S account to be applied to previous monthly rent charges as outlined in Exhibit A. Once the rent relief credit is fully expended, the CONCESSIONAIRE will be responsible for ensuring all future lease payments are provided as outlined within the airport lease agreement.

**ADOPTED BY THE CITY COUNCIL** this 2<sup>nd</sup> day of April, 2024.

ATTEST:

\_\_\_\_\_  
Patricia Byers, Mayor

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk



**AIRPORT CONCESSION RENT CREDIT  
BETWEEN  
CITY OF YAKIMA  
AND  
THE HERTZ CORPORATION dba HERTZ CAR RENTAL**

**THIS AIRPORT CONCESSION RENT CREDIT BETWEEN THE CITY OF YAKIMA, the owner and operator of YAKIMA AIR TERMINAL - McALLISTER FIELD (hereinafter referred to as "CITY"), AND THE HERTZ CORPORATION dba HERTZ CAR RENTAL (hereinafter referred to as "CONCESSIONAIRE"), is executed this \_\_\_\_ day of \_\_\_\_, 2024.**

**WITNESSETH:**

**WHEREAS**, the City owns and operates the Yakima Air Terminal-McAllister Field in accordance with applicable Federal, State, and Local regulations; and

**WHEREAS**, the 2019-20 coronavirus pandemic was a pandemic of coronavirus disease 2019 (COVID-19) that has reached more than 190 countries, causing economic distress on all forms of businesses including the transportation industry; and

**WHEREAS**, on Thursday, March 11, 2021, the President of the United States signed the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117-2) to provide continued funding from the federal government throughout the FY 2021-2022 and to minimize the economic impacts and assist Cities throughout the nation with their response to the COVID-19 virus; and

**WHEREAS**, Title IV, Department of Transportation of the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117) provides approximately \$8 Billion Dollars to support U.S. airports experiencing severe economic disruption caused by the COVID-19 public health emergency; the funds will be distributed to airports to prevent, prepare for, and respond to the COVID-19 public health emergency; and

**WHEREAS**, the grant funds are available to sponsors as defined in Section 47102 of title 49, United States Code; airport sponsors meeting statutory and policy requirements under this section and identified in the FAA's current National Plan of Integrated Airport Systems are eligible; and

**WHEREAS**, grant funds will be provided directly from the U.S. Treasury's General Fund to prevent, prepare for, and respond to the impacts of the COVID-19 public health emergency; the FAA's Office of Airports will administer grant funds to airport sponsors; and

**WHEREAS**, the Yakima Air Terminal-McAllister Field is presently eligible to receive a 2021 Airport Improvement Program (AIP) grant from the federal government and may not require the use of the airport sponsor's local 10% match funded under the Passenger Facility Charge Program (PFC); and

**WHEREAS**, the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117), has allocated at least \$6.5 Billion Dollars in additional funding to Commercial Service Airports that may receive the additional funding for any purpose for which airport revenues may lawfully be used; the additional grant funding will be distributed to all Commercial Service Airports based upon a modified Airport Improvement Program apportionment while any remaining funds will be distributed based on the airport's passenger enplanements; and

**WHEREAS**, the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117) funds may be utilized for cost related to operations and maintenance, construction, debt service payments, personnel, cleaning, sanitization, janitorial services, combating the threat of pathogens at the airport; and

**WHEREAS**, the American Rescue Plan Act (ARPA) (H.R. 1319, Public Law 117) also provides an additional \$800 million to primary airports based on enplanements "to provide relief from rents and minimum annual guarantee to on-airport car rental, on-airport parking, and in-terminal airport concessions"; and

**WHEREAS**, in accordance with the Act airport sponsors receiving the additional relief funding would be required to provide relief to airport concessioners from the date of enactment until the sponsor has provided an amount equal to the grant amount specifically allocated for concessions "to the extent practicable and to the extent permissible under state laws, local laws, and applicable trust indentures";

**WHEREAS**, an airport concession must certify to the airport sponsor that it has not received a second draw or assistance for a covered loan under section 7(a)(37) of the Small Business Act (15 U.S.C. 636(a)(37)) that has been applied toward rent or Minimum Annual Guarantee is eligible for the relief; and

**WHEREAS**, the CONCESSIONAIRE has provided proper notice to the CITY by submitting the airport concession rent relief certification form indicating the desire to receive rent relief under the Airport Coronavirus Response Grant Program and CONCESSIONAIRE has certified at the time this agreement is entered into that they meet the criteria outlined in the correspondence labeled: Federal Grant Funding Related To The Coronavirus Response and Relief Supplemental Appropriations Act, as evidenced by the Certification signed by CONCESSIONAIRE, copies of which are attached hereto as Exhibit A and fully incorporated into this agreement;

**NOW THEREFORE**, in consideration of the mutual benefits to be derived by each party hereto, the parties mutually agree to provide the following rent relief:

1. All recitals above are fully incorporated herein. Other than the specific amendments stated herein, all other terms, conditions, obligations, rights and requirements of the underlying agreement(s) between the CITY and CONCESSIONAIRE shall remain in full force and effect throughout said agreement(s)' term.

2. Rent Relief:

**\$11,890.00** dollars will be credited to the CONCESSIONAIRES account to be applied to previous monthly rent charges as outlined in Exhibit A. Once the rent relief credit is fully expended, the CONCESSIONAIRE will be responsible for ensuring all future lease payments are provided as outlined within the airport lease agreement.

3. Agreement to follow all terms and conditions of the Grant

CONCESSIONARE shall follow all the terms and conditions of the Concessions Rent Relief Airport Rescue Grant Agreement and transmittal letter attached hereto as Exhibit B and fully incorporated herein. Failure to comply with the terms and conditions therein shall result in the return of all monies paid to CONCESSIONAIRE by the City under the Grant Agreement.

#### 4. Hold Harmless

The CONCESSIONAIRE shall be responsible for the conduct and liability of its own personnel in the performance of this Agreement. The CONCESSIONAIRE agrees to release, indemnify, defend, and hold harmless the City of Yakima, its elected and appointed officials, officers, employees, agents, representatives, insurers, attorneys, and volunteers, from all liabilities, losses, damages, and expenses related to all claims, suits, arbitration actions, investigations, and regulatory or other governmental proceedings arising from or in connection with this Agreement or the acts, failures to act, errors or omissions of the CONCESSIONAIRE, or any of the CONCESSIONAIRE'S agents or subcontractors, in performance of this Agreement. Nothing contained in this Section or this Agreement shall be construed to create a liability or a right of indemnification in any third party.

**CITY OF YAKIMA**

YAKIMA AIR TERMINAL – MCALLISTER FIELD  
 2406 W. Washington Avenue, Suite B  
 Yakima, Washington 98903  
 (509) 575-6149 – phone  
 (509) 575-6185 – fax

By: \_\_\_\_\_  
 Dave Zabell, Interim City Manager

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
 Rosalinda Ibarra, City Clerk

STATE OF WASHINGTON       )  
   ) ss  
 County of Yakima            )

I certify that I know or have satisfactory evidence that Dave Zabell signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the City Manager of the City of Yakima, Washington to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Date \_\_\_\_\_

By: \_\_\_\_\_  
 Notary Public for the State of Washington  
 Residing at: \_\_\_\_\_  
 Appointment Expires \_\_\_\_\_

**CONCESSIONAIRE:****THE HERTZ CORPORATION dba HERTZ CAR RENTAL**

Joshua Blum  
 Vice President of Global Real Estate and Concessions  
 jblum@hertz.com  
 8501 Williams Road  
 Estero, Florida 33928  
 (239) 301-7000 – office  
 (847) 323-4533 – cell phone

By: [Signature]  
 Joshua Blum, Vice President Global Real Estate and Concessions

Date: 3 / 20 / 2024

STATE OF FLORIDA                    )  
   ) ss  
 County of LEE                        )

I certify that I know or have satisfactory evidence that Joshua Blum signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Vice President of Global Real Estate and Concessions of The Hertz Corporation dba Hertz Car Rental, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Date 3 / 20 / 2024



By: [Signature: Sarah Sronce]  
 Notary Public for the State of FLORIDA  
 Residing at: FL  
 Appointment Expires 12 / 8 / 2026

# EXHIBIT A FUND DISTRIBUTION

2019 Hertz Counter Rent + Leasehold Tax (No Gross Receipts)				
Month	2019	2020	2021	2022
January	\$ 1,151.95	\$ 1,186.58	\$ 1,222.12	\$ 1,222.12
February	\$ 1,151.95	\$ 1,186.58	\$ 1,222.12	
March	\$ 1,151.95	\$ 1,186.58	\$ 1,222.12	
April	\$ 1,151.95	\$ 1,186.58	\$ 1,222.12	
May	\$ 1,151.95	\$ 1,186.58	\$ 1,222.12	
June	\$ 1,151.95	\$ 1,186.58	\$ 1,222.12	
July	\$ 1,151.95	\$ 1,186.58	\$ 1,222.12	
August	\$ 1,151.95	\$ 1,186.58	\$ 1,222.12	
September	\$ 1,151.95	\$ 1,186.58	\$ 1,222.12	
October	\$ 1,186.58	\$ 1,186.58	\$ 1,222.12	
November	\$ 1,186.58	\$ 1,222.12	\$ 1,222.12	
December	\$ 1,186.58	\$ 1,222.12	\$ 1,222.12	
	\$ 13,927.29	Total calculation for rent distribution		
<b>Relief Distribution Explantion</b>				
Apr '21-Dec '21 Sum	\$	10,999.08	(Amounts in gray boxes)	
Rent Relief Total	\$	11,890.00		
Partial Relief Jan '22	\$	890.92	(Amount applied to final box in red)	

# EXHIBIT B

## CERTIFICATION FORM



Yakima Air Terminal - McAllister Field  
2406 W. Washington Ave, Suite B, Yakima, WA 98903  
www.flyYKM.com

### Airport Rescue Grants 3-53-0089-051-2022

### Airport Concession Certification for Yakima Air Terminal – McAllister Field

Business Legal Name	The Hertz Corporation
DBA or Tradename (if applicable)	Hertz
Authorized Representative	Joshua Blum
Business Phone	847-375-6511
Email Address	jblum@hertz.com
Business Qualifies as an Airport Concession Disadvantaged Business Enterprise (ACDBE)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Business Qualifies as a Joint Venture under 49 CFR § 23.3	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Paycheck Protection Program (PPP) First Draw Loan Number (if applicable)	n/a
Have you applied or do you intend to apply for a PPP Second Draw?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
PPP Second Draw SBA Loan Number (if applicable)	n/a
Purpose of PPP Second Draw Loan (if applicable)	<input type="checkbox"/> Payroll Costs <input type="checkbox"/> Covered Supplier Costs <input type="checkbox"/> Utilities <input type="checkbox"/> Covered Property Damage <input type="checkbox"/> Rent/Mortgage Interest <input type="checkbox"/> Covered Property Damage <input type="checkbox"/> Covered Operations Expenditures <input type="checkbox"/> Covered Worker Protection Expenditures <input type="checkbox"/> Other

I certify that The Hertz Corporation has not received a second draw or assistance for a covered loan under section 7(a)(37) of the Small Business Act (15 U.S.C. 636(a)(37)) that has been applied toward rent or minimum annual guarantee costs.

I also certify that The Hertz Corporation will not apply for a covered loan under section 7(a)(37) of the Small Business Act (15 U.S.C. 636(a)(37)) for rent or minimum annual guarantee costs.

I certify that The Hertz Corporation shall follow all the terms and conditions of the Concessions Rent Relief Airport Rescue Grant Agreement and transmittal letter attached hereto and fully incorporated herein. Failure to comply with the terms and conditions therein shall result in the return of all monies paid to The Hertz Corporation by the City under the Grant Agreement.

  
Signature of Authorized Representative

Joshua Blum  
Print Name

October 3, 2023

Date  
Vice President,  
Real Estate & Concessions  
Title



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 8.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Public hearing to consider: A) Resolution adopting the amended Six-Year Transportation Improvement Program for the period of 2024 through 2029, and to amend the Transportation Systems Plan 2040; and B) Resolution amending the Yakima Urban Area Comprehensive Plan Capital Facilities Element

**SUBMITTED BY:** Scott Schafer, Public Works Director  
\*Bill Preston, City Engineer

**SUMMARY EXPLANATION:**

A) Each year the City of Yakima (City) is required by state statute to update its Six-year Transportation Improvement Program (TIP) for submittal to the Washington State Department of Transportation. At a minimum the plan must include all transportation projects for which state gas tax revenue or federal revenue will be used.

The City is amending the Six-year TIP to include the following funded additional projects:

- Nob Hill Grind & Overlay (S 28th Ave to S 40 Ave)

Project information for this project being considered is attached in the DRAFT Six-Year Transportation Improvement Program.

City Council may consider other arterial system projects to the TIP. The amended Six-Year TIP project listing will be finalized at this hearing and sent to the Yakima Valley Conference of Governments (YVCOG) after approval.

In order to utilize federal funds, such as those administered by the Federal Highway Administration (FHWA) and the Federal Transit Authority (FTA), projects must be included in the Statewide Transportation Improvement Program (STIP). The STIP is a prioritized program of transportation projects, compiled from local and regional plans, along with the Washington Transportation System Plan (WTP), which provides a backbone for developing projects for the inter-modal transportation network in the State of Washington.

The STIP contains federally funded projects plus state and local projects that are regionally significant. These projects have been identified through the planning process as the highest



priority for the available funding to the state's Transportation Program. Planning activities of state and local governments are essential parts of integrated regional planning processes. Long range transportation planning is a part of the comprehensive land use planning carried out by local governments. Public participation is an integral part of the planning process at all levels. Local agencies are required to develop and adopt a Six-year Transportation Program; holding at least one public hearing during its development.

B) The City is required to amend the Yakima Urban Area Comprehensive Plan Capital Facilities Element by incorporating the adopted Six-Year TIP for 2024 to 2029. This will ensure that we are in compliance with the Growth Management Act and that we are consistent with the Comprehensive Plan as required. The amendment is limited to incorporating only those projects that are adopted in the Six-Year TIP and is not subject to the "once a year" change required under the laws of the Growth Management Act.

The Public Hearing notice has been provided to all Yakima-area media, including tu Decides', KDNA Radio, El Sol de Yakima, Hispanavision, Bustos Media, and El Mundo.

The proposed amendment will allow for the Nob Hill Blvd 28th Ave to 40th Ave pavement rehabilitation to move forward in a timely manner.

**ITEM BUDGETED:** Yes

**STRATEGIC PRIORITY:** Public Trust and Accountability

## **APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

### **RECOMMENDATION:**

Conduct public hearing and adopt resolutions.

### **ATTACHMENTS:**

<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
 Resolution_TIP amendment a	3/15/2024	Resolution
 Resolution_TIP amendment b	3/15/2024	Resolution
 TIP Amendment	3/15/2024	Backup Material

## RESOLUTION NO. R-2024-

**A RESOLUTION** amending the adopted Six-Year Transportation Improvement Program (TIP) for the period of 2024 through 2029 and amending the Transportation Systems Plan 2040.

**WHEREAS**, on June 20, 2023, the City of Yakima (City) adopted R-2023-092 as required by state statute to update its Six-year Transportation Improvement Program (TIP) and the Transportation Systems Plan 2040; and

**WHEREAS**, the City of Yakima desires to amend the adopted Six-Year Transportation Improvement Program and the Transportation Systems Plan 2040 with the following additional project

- Nob Hill Blvd 28<sup>th</sup> Ave to 40<sup>th</sup> Ave Paving

**WHEREAS**, after a public hearing on the matter, held at the regular meeting of the Yakima City Council on April 2, 2024, with proper public notice as required by RCW 35.77.010, the City Council amends the Six-Year Transportation Improvement Program for the period of 2024 through 2029 and the Transportation Systems Plan 2040; and,

**WHEREAS**, amending the Six-year Transportation Improvement Program and amending the Transportation Systems Plan 2040 are in the best interest of the City and its residents; now, therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:

The amended Six-Year Transportation Improvement Program for the period of 2024 through 2029, and Transportation Systems Plan 2040, a copy of which is attached hereto and by this reference made a part thereof, is hereby adopted and approved.

**ADOPTED BY THE CITY COUNCIL** this 2<sup>nd</sup> day of April, 2024.

ATTEST:

\_\_\_\_\_  
Patricia Byers, Mayor

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk

## RESOLUTION NO. R-2024-

**A RESOLUTION** to amend the Yakima Urban Area Comprehensive Plan Capital Facilities Element to incorporate the amended Six-year Transportation Improvement Program (TIP) for the period of 2024 through 2029.

**WHEREAS**, the City of Yakima annually prepares, reviews and adopts a six-year Transportation Improvement Program for transportation improvements to arterial streets in the City of Yakima for the ensuing six-year period, all as contemplated and required by the State RCW 35.77.010 and applicable Federal law; and

**WHEREAS**, the City of Yakima desires to amend the Yakima Urban Area Comprehensive Plan Capital Facilities Element to reflect the adoption of the Six-year TIP, as contemplated and required by RCW 36.70A.070(6) to ensure compliance with the Growth Management Act and consistency of the Comprehensive Plan and the Six-year TIP; and,

**WHEREAS**, this amendment is limited to incorporation of the projects listed in the Six-Year Transportation Improvement Plan for the period of 2024 to 2029 to the Capital Facilities Element of the Yakima Urban Area Comprehensive Plan, which is required under RCW 36.70A.130(2B) and RCW 35.77.010; and,

**WHEREAS**, a public hearing was held by the Yakima City Council on the Six-year TIP Amendment on April 2, 2024, with the proper public notice as required by RCW 35.77.010; and

**WHEREAS**, the City Council of the City of Yakima, after reviewing the information and holding the public hearing, finds that amending the Yakima Area Comprehensive Plan Capital Facilities Element is in the best interest of the City and its residents; now, therefore,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YAKIMA:

The adopted Six-year Transportation Improvement Program for the period of 2024 through 2029 for the City of Yakima shall be incorporated as an amendment to the Capital Facilities Element of the Yakima Urban Area Comprehensive Plan.

**ADOPTED BY THE CITY COUNCIL** this 2nd day of April, 2024.

ATTEST:

\_\_\_\_\_  
Patricia Byers, Mayor

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk

Agency: Yakima

County: Yakima

MPO/RTPO: YVCOG

Y Inside

N Outside

Functional Class	Priority Number	A. PIN/Project No. C. Project Title D. Road Name or Number E. Begin & End Termini F. Project Description	B. STIP ID  G. Structure ID	Hearing	Adopted	Amendment	Resolution No.	Improvement Type	Utility Codes	Total Length	Environmental Type	RW Required
03		<div>WA-15735</div> <div>Nob Hill Blvd 28th Ave to 40th Ave Paving</div> <div>Nob Hill Boulevard</div> <div>28th Avenue to 40th Avenue</div> <div>This project will rehabilitate the pavement on Nob Hill Blvd by milling and paving, ADA curb ramp replacement, adjust utilities, restripe the road, and other work as needed to rehabilitate the pavement.</div>		03/19/24	04/02/24		R-2024-0XX	05	C G O P S T W	0.670	CE	No

Funding								
Status	Phase	Phase Start Year (YYYY)	Federal Fund Code	Federal Funds	State Fund Code	State Funds	Local Funds	Total Funds
S	PE	2024	NHPP	157,000		0	0	157,000
S	CN	2025	NHPP	1,414,000		0	0	1,414,000
Totals				1,571,000		0	0	1,571,000

Expenditure Schedule					
Phase	1st	2nd	3rd	4th	5th & 6th
PE	157,000	0	0	0	0
CN	0	1,414,000	0	0	0
Totals	157,000	1,414,000	0	0	0



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 9.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Closed record public hearing and Ordinance to consider the Planning Commission's recommendation regarding a rezone request located in the vicinity of 1104 & 1112 S. 48th Ave

**SUBMITTED BY:** Bill Preston, Interim Community Development Director  
\*Eric Crowell, Senior Planner

**SUMMARY EXPLANATION:**

William F. Almon submitted a rezone application to rezone two lots from B-1 (Professional Business) to B-2 (Local Business).

The Planning Commission held an open-record public hearing on January 24, 2024 and submitted a recommendation of approval on February 5, 2024.

The complete hearing record was distributed to City Council in the agenda packet on March 19, 2024 and can be found online at:  
<https://www.yakimawa.gov/council/agendas-and-minutes/>

To participate in this public hearing please refer to the Public Comment Guidelines at:  
<https://www.yakimawa.gov/council/public-comment/>

**ITEM BUDGETED:** NA

**STRATEGIC PRIORITY:** Neighborhood and Community Building

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Pass Ordinance.

**ATTACHMENTS:**

Description	Upload Date	Type
Ordinance	3/21/2024	Ordinance

**ORDINANCE NO. 2024-\_\_\_\_\_**

**AN ORDINANCE** rezoning parcels 181328-41405 and 181328-41427 from Professional Business (B-1) to Local Business (B-2) and amending the Zoning Map of the City of Yakima.

**WHEREAS**, on October 5, 2023, William F. Almon submitted an application requesting the zoning classification of parcels 181328-41405 and 181328-41427, located at 1104 and 1112 S. 48th Ave., to be rezoned from Professional Business (B-1) to Local Business (B-2) on the official zoning map (hereinafter “RZ#002-23”); and

**WHEREAS**, pursuant to YMC 6.88, the SEPA Administrative Official issued a Determination of Nonsignificance on December 27, 2023, which was not appealed; and

**WHEREAS**, the Future Land Use designation of the subject property is Community Mixed-Use, which is consistent with the proposed B-2 zoning district; and

**WHEREAS**, in accordance with YMC 15.23, the Yakima Planning Commission held an open record public hearing on January 24, 2024 to hear testimony from the public, consider the Rezone, and provide a recommendation to the Yakima City Council; and

**WHEREAS**, after testimony and a review of the record, pursuant to the approval criteria set forth in YMC § 15.23.030, the Yakima Planning Commission recommended approval of the Rezone from Professional Business (B-1) to Local Business (B-2); and

**WHEREAS**, the Yakima Planning Commission recommendation was signed by the Chair on February 5, 2024, a copy of which is found in Exhibit “A” attached hereto and incorporated herein by this reference; and

**WHEREAS**, pursuant to YMC § 15.23.030 (E), and after the required notice was properly provided, the Yakima City Council held a public hearing on April 2, 2024 regarding the rezone request; and

**WHEREAS**, the City Council of the City of Yakima, having considered the record herein and the testimony received at the public hearing held April 2, 2024, hereby finds and determines that approval of the requested Rezone is in the best interest of the residents of the City of Yakima and will promote the general health, safety and welfare; now, therefore,

**BE IT ORDAINED BY THE CITY OF YAKIMA:**

**Section 1.** Findings, Analysis and Conclusions. Subject to the specific terms of this ordinance, the Yakima City Council adopts the February 5, 2024 findings, conclusions, recommendations and conditions of the Yakima Planning Commission for RZ#002-23. The legal description of the property is as follows: Parcel # 181328-41408: Lot 24, YAKIMA VALLEY ORCHARD TRACTS, as recorded in Volume "A" of Plats,

page 75, records of Yakima County, Washington. Parcel # 181328-31427: Lot 4 of that certain short plat recorded under Auditor's File No. 7709450, records of Yakima County, Washington; And Lot 3 of that certain short plat recorded under Auditor's File No. 7655477, records of Yakima County, Washington; EXCEPT the South 89.58 feet of said Lot 3.

**Section 2.** Any and all official Zoning or other similar maps shall be amended or modified to reclassify the subject real property set forth herein consistent with the above sections of this ordinance.

**Section 3.** Authorization to File. The City Clerk is hereby authorized and directed to file a certified copy of this ordinance with the Yakima County Auditor.

**Section 4.** Severability/Validity. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance is declared invalid or unconstitutional for any reason, such decision shall not affect the validity of the remaining portions of this ordinance.

**Section 5.** Effective Date. This ordinance shall be in full force and effect 30 days after its passage, approval, and publication as provided by law and by the City Charter.

**PASSED BY THE CITY COUNCIL,** signed and approved this 2nd day of April, 2024.

ATTEST:

\_\_\_\_\_  
Patricia Byers, Mayor

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk

Publication Date:\_\_\_\_\_

Effective Date:\_\_\_\_\_



DEPARTMENT OF COMMUNITY DEVELOPMENT  
Joan Davenport, AICP, Director

4  
**EXHIBIT A**

Planning Division  
Joseph Calhoun, Manager  
129 North Second Street, 2<sup>nd</sup> Floor, Yakima, WA 98901  
[ask.planning@yakimawa.gov](mailto:ask.planning@yakimawa.gov) · [www.yakimawa.gov/services/planning](http://www.yakimawa.gov/services/planning)

## **NOTIFICATION OF THE YAKIMA PLANNING COMMISSION'S RECOMMENDATION TO THE YAKIMA CITY COUNCIL**

**DATE:** February 27, 2024  
**TO:** Applicant, Adjoining Property Owners & Parties of Record  
**SUBJECT:** Notice of the Yakima Planning Commission's Recommendation to the Yakima City Council  
**FILE #(S):** RZ#002-23, SEPA#0010-23  
**APPLICANT:** William F. Almon  
**PROJECT LOCATION:** 1104 & 1112 S. 48th Ave.

On February 5, 2024, the City of Yakima Planning Commission rendered its written recommendation on **RZ#002-23, and SEPA#010-23**. A proposal to rezone two parcels from Professional Business (B-1) to Local Business (B-2).

A copy of the Planning Commission's Findings and Recommendation is enclosed.

The Planning Commission's Recommendation will be considered by the Yakima City Council in a public hearing to be scheduled. The City Clerk will notify you of the date, time, and place of the public hearing.

For further information or assistance, you may contact the City of Yakima Planning Division at (509) 575-6183 or email: [ask.planning@yakimawa.gov](mailto:ask.planning@yakimawa.gov)

A handwritten signature in blue ink, appearing to read "Eva Rivera".

Eva Rivera  
Planning Technician

Date of Mailing: **February 27, 2024**  
Enclosures: Planning Commission's Recommendation





# DEPARTMENT OF COMMUNITY DEVELOPMENT

Joan Davenport, AICP, Director

## Planning Division

Joseph Calhoun, Manager

129 North Second Street, 2<sup>nd</sup> Floor, Yakima, WA 98901

ask.planning@yakimawa.gov · www.yakimawa.gov/services/planning

### YAKIMA PLANNING COMMISSION

#### RECOMMENDATION TO THE YAKIMA CITY COUNCIL FOR REZONE RZ#002-23 & SEPA#010-23

February 5, 2024

**WHEREAS**, The City of Yakima adopted the Yakima Comprehensive Plan 2040 on June 6, 2017; and

**WHEREAS**, The City of Yakima last amended its Title 15 Zoning Ordinance on July 23, 2023; and

**WHEREAS**, Under the provisions of YMC Ch. 15.23 a change in circumstances or conditions may warrant a change in the zoning map consistent with the goals, policies, and intent of the Yakima Comprehensive Plan 2040; and

**WHEREAS**, Under the provisions of YMC Ch. 1.42 the Yakima Planning Commission (YPC) is responsible for the review of these applications and for recommending the approval, modification or denial of each request; and

**WHEREAS**, On October 5, 2023 an application for a Rezone was submitted by William F. Almon, to Rezone from Professional Business (B-1) to Local Business (B-2), parcel 181328-41405 & 181328-41427 (City File RZ#002-23); and

**WHEREAS**, The applications were considered complete for processing on November 17, 2023 and public notice was provided, in accordance with the provisions of YMC Ch. 15.23, on November 21, 2023; and

**WHEREAS**, SEPA Environmental Review was completed with a Determination of Nonsignificance issued on December 27, 2023, which was not appealed (City File SEPA#010-23); and

**WHEREAS**, The Yakima Planning Commission held an open record public hearing on January 24, 2024 to hear testimony from the public, consider the Rezone, and provide a recommendation to the Yakima City Council;

**Now therefore, the Yakima City Planning Commission presents the following findings of fact, conclusions, and recommendation to the Yakima City Council:**

**APPLICATION #:** RZ#002-23, SEPA#010-23  
**APPLICANT:** William F. Almon  
**APPLICANT ADDRESS:** 132 Indian Cabin Rd., Stevenson, WA 98648  
**PROJECT LOCATION:** 1104 & 1112 S. 48th Ave.  
**PARCEL(S):** 181328-41405 & -41427

**FINDINGS OF FACT:**

1. The applicant requests to Rezone from Professional Business (B-1) to Local Business (B-2).
2. The subject parcels are approximately 6.06 acres in size and are surrounded by residential and commercial uses and zoning.
3. The City of Yakima Planning Division provided a detailed staff report to the Planning Commission for review during their January 24, 2024 public hearing, with the recommendation of APPROVAL of the proposed rezone.
4. The proposed Rezone from Professional Business (B-1) to Local Business (B-2) is consistent with the applicable approval criteria in YMC § 15.23.030, as follows:
  - a. Bill Almon Jr., representing the applicant, testified in favor of the proposed rezone.
  - b. The property is suitable for uses within the B-2 zoning district and will facilitate future commercial development.
  - c. The B-2 zoning district is an implementing zone of the Community Mixed-Use Future Land Use Designation.
  - d. The property is currently capable of being served by all necessary public utilities, or have utilities extended, and can be accessed by public streets.
  - e. The proposed Rezone is considered compatible with the surrounding neighborhood and no mitigation is proposed at this time.
  - f. The public need for this Rezone is to provide for additional developable commercial land.
5. During YPC deliberation, it was decided to adopt the recommendation as presented by the Planning Division.

**CONCLUSIONS**

1. The Rezone is minor in nature;
2. No adverse impacts have been identified;
3. No written comments were received from the public;
4. This proposal underwent Environmental Review;
5. The proposed Rezone from Professional Business (B-1) to Local Business (B-2) is consistent with the Yakima Urban Area Zoning Ordinance and Yakima Comprehensive Plan 2040;
6. Parcels 181328-41405 & -41427 are recommended to change from Professional Business (B-1) to Local Business (B-2).

**MOTION**

Based on the testimony and evidence presented during the public hearing, it was moved and seconded that the City of Yakima Planning Commission draft findings of fact and forward a recommendation of approval to the Yakima City Council. The motion carried unanimously.

**RECOMMENDATION**

The Planning Commission of the City of Yakima, having received and considered all evidence and testimony presented at the public hearing, and having received and reviewed the record herein, hereby recommends that the City Council of the City of Yakima APPROVE the proposed Rezone from Professional Business (B-1) to Local Business (B-2) for file RZ#002-23.

RECOMMENDED this 5th day of February, 2024.

By: 

**Jacob Liddicoat, Chair**  
**Yakima Planning Commission**



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 10.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Public hearing and Ordinance to consider the Yakima Planning Commission's recommendation regarding 2024 proposed text amendments to YMC Titles 14 Subdivisions

**SUBMITTED BY:** Bill Preston, Interim Community Development Director  
\*Eric Crowell, Senior Planner

**SUMMARY EXPLANATION:**

On February 14, 2024, the Yakima Planning Commission conducted an open-record public hearing regarding the proposed text amendments. No comments were received during the open record public hearing. On February 16, 2024, the Yakima Planning Commission Chair signed the Recommendation to approve the proposed amendments.

Council, please bring your copy of the Complete Record which was distributed at the March 19, 2024 Council Meeting.

**ITEM BUDGETED:** NA

**STRATEGIC PRIORITY:** Neighborhood and Community Building

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Conduct public hearing and pass ordinance.

**ATTACHMENTS:**

Description	Upload Date	Type
Ordinance: Title 14	3/21/2024	Ordinance
Track Changes	3/21/2024	Backup Material

## ORDINANCE NO. 2024-\_\_\_\_\_

**AN ORDINANCE** amending Yakima Municipal Code Title 14 – Subdivisions to incorporate text amendments recommended by the City of Yakima Planning Commission

**WHEREAS**, the Planning Commission of the City of Yakima has considered amendments to modify YMC Title 14 – Subdivisions; and

**WHEREAS**, notice of all amendments to YMC Sections 14.05.200, 14.20.130, hereinafter “Amendments,” to fulfill the requirements of RCW 36.70A.130 was sent to the Washington State Department of Commerce and received by the same on January 31, 2024; and

**WHEREAS**, the Planning Commission held an open record public hearing on February 14, 2024 pursuant to notice and has received and considered all evidence and testimony presented; and

**WHEREAS**, the Planning Commission, having conducted such public hearing, found, determined, and recommended that the City Council approve such amendments as indicated in the signed recommendation dated May 16, 2024; and

**WHEREAS**, the City Council held a public hearing on February 14, 2024 pursuant to notice to consider such amendments as recommended by the Planning Commission; and

**WHEREAS**, the City Council of the City of Yakima, having considered the record herein, the testimony provided at the public hearing, and the recommendation from the Planning Commission, hereby finds and determines that approval of these amendments is in the best interests of residents of the City of Yakima and will promote the general health, safety and welfare; now, therefore

### BE IT ORDAINED BY THE CITY OF YAKIMA:

**Section 1.** Amendments to Replace and Supersede. The proposed amendments to YMC Sections 14.05.200 and 14.20.130, as contained in Exhibit “A” respectively attached hereto and fully incorporated herein, shall replace and supersede previous versions of the referenced documents.

**Section 2.** Adoption of Planning Commission Findings. The findings within the May 16, 2024 signed Yakima Planning Commission’s Recommendation, regarding this proposed text amendments are hereby adopted by the Yakima City Council as its findings in support thereof pursuant to YMC § 14.05.070, and are incorporated herein by this reference as if fully set forth herein.

**Section 3.** Severability/Validity. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance is declared invalid or unconstitutional for any reason, such decision shall not affect the validity of the remaining portions of this ordinance.

**Section 4.** Ratification. Any act consistent with the authority, and prior to the effective date of this ordinance is hereby ratified and affirmed.

**Section 5.** Effective Date. This ordinance shall be in full force and effect 30 days after its passage, approval, and publication as provided by law and by the City Charter.

**PASSED BY THE CITY COUNCIL**, signed and approved this 2nd day of April, 2024.

ATTEST:

\_\_\_\_\_  
Patricia Byers, Mayor

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk

Publication Date:\_\_\_\_\_

Effective Date:\_\_\_\_\_

## Exhibit “A”

### **14.05.200 Allowance of bond in lieu of actual construction of improvements prior to approval of short plat or final plat.**

A. The subdivision or short subdivision applicant may request, as an alternative to actual construction of any required improvements, that they be allowed to provide a surety bond or other secure method providing for and securing to the city the actual construction of required improvements within a specified period of time and expressed in a bond or other appropriate instrument establishing such security. Any bond or other method of securing actual construction of required improvements authorized and approved pursuant to subsection B herein shall specify the improvements covered and the schedule for completion.

B. In cases of subdivision or short subdivision, the request for bond or other method of securing actual construction of required improvements shall be subject to approval by the city engineer and city attorney prior to approval of the final plat by the administrator. The decision to approve or deny the request for the bond or other method of securing actual construction of required improvements by the city engineer and city attorney cannot be appealed. In no case shall the amount of the bond or other method of securing actual construction of required improvements be less than one hundred fifteen percent of the estimated actual cost of the improvements based upon the approved civil engineering design of the required improvements.

### **14.20.130 Preliminary plat—Allowance of bond in lieu of actual improvements prior to approval of final plat.**

As an alternative to construction of required improvements prior to final plat approval, the subdivision applicant may request that they be allowed to provide a surety bond or other secure method acceptable to the city engineer and city attorney pursuant to YMC 14.05.200.

#### **14.05.200 Allowance of bond in lieu of actual construction of improvements prior to approval of short plat or final plat.**

A. The subdivision or short subdivision applicant may request, as an alternative to actual construction of any required improvements, provide that they be allowed to provide a surety bond or other secure method providing for and securing to the city the actual construction of required improvements within a specified period of time and expressed in a bond or other appropriate instrument establishing such security. Any bond or other method of securing actual construction of required improvements authorized and approved pursuant to subsection B herein shall specify the improvements covered and the schedule for completion.

B. In cases of subdivision or short subdivision, the request for bond or other method of securing actual construction of required improvements shall be subject to approval by the city engineer and city attorney prior to approval of the final plat by the administrator ~~and cannot be appealed. In cases of short subdivisions, the bond or other method of securing actual construction of required improvements shall be subject to approval by the city engineer and city attorney prior to approval of the final short plat by the administrator and cannot be appealed.~~ The decision to approve or deny the request for the bond or other method of securing actual construction of required improvements by the city engineer and city attorney cannot be appealed. In no case shall the amount of the bond or other method of securing actual construction of required improvements be less than one hundred ~~ten~~ fifteen percent of the estimated actual cost of the improvements based upon the approved civil engineering design of the required improvements.

#### **14.20.130 Preliminary plat—Allowance of bond in lieu of actual improvements prior to approval of final plat.**

~~A.—As an alternative to construction of required improvements prior to final plat approval, the subdivision applicant may request to obtain ~~provide that they be allowed to provide~~ a surety bond or other secure method acceptable to the city council engineer and city attorney pursuant to YMC 14.05.200. ~~The request shall be approved or denied in accordance with YMC 14.05.200, which provides for and secures to the city the actual construction of the improvements.~~~~

~~B.—The value of the bond or security shall be one hundred ten percent of the estimated cost of the improvements. The estimated cost shall be based upon the approved civil engineering design of the required improvements.~~

~~C.—An application for use of a surety bond or other method of security shall be made to the city engineer and shall describe the method of security to be provided and the estimated cost of the required improvements. The application, including the estimated cost of improvements and the general terms of the security agreement, shall be subject to review and approval by the city engineer and the city attorney, who shall notify the subdivision applicant of tentative approval or rejection of the application within fourteen days after its filing and cannot be appealed.~~

~~D.—After tentative approval of an application has been given by the city engineer and the city attorney as provided in subsection C of this section, the subdivision applicant shall submit the bond or other method of security to the city engineer for final review and approval.~~





**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 11.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Ordinance amending the 2023-2024 Biennial Budget for the City of Yakima and making appropriations from Unappropriated Fund Balances within various Funds for expenditure during 2023-2024 for various purposes (First Reading)

**SUBMITTED BY:** \*Rosylen Oglesby, Interim Director of Finance and Budget  
Kimberly Domine, Finance Division Manager  
Jennifer Morris, Financial Services Officer

**SUMMARY EXPLANATION:**

This appropriation is an ordinance amending the 2023-2024 Biennial Budget to provide appropriations for projects or programs that were unknown or uncertain and therefore not included at the time of the Budget adoption.

**ITEM BUDGETED:** NA

**STRATEGIC PRIORITY:** Public Trust and Accountability

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

First reading of Ordinance.

**ATTACHMENTS:**

Description	Upload Date	Type
<input type="checkbox"/> Ordinance	3/21/2024	Ordinance
<input type="checkbox"/> Memo	3/21/2024	Cover Memo
<input type="checkbox"/> Schedule I	3/21/2024	Backup Material
<input type="checkbox"/> Revised budget by fund	3/21/2024	Backup Material

**ORDINANCE NO. 2024-\_\_\_\_\_**

**AN ORDINANCE** amending the 2023-2024 Biennial Budget for the City of Yakima; and making appropriations from Unappropriated Fund Balances within various funds for expenditure during 2024 for various purposes including 2023 encumbrances as described in the attached Schedule I.

**WHEREAS**, the various funds indicated on the attached Schedule I contain Unappropriated Fund Balances available for appropriation and expenditures during 2024 in various amounts and for the purposes mentioned in the attached Schedule; and

**WHEREAS**, at the time of the adoption of the 2023-2024 biennial budget, it could not reasonably have been foreseen that the appropriation provided for by this ordinance would be required; and the City Council declares that an emergency exists of the type contemplated by RCW 35.33.091 and that it is in the best interests of the City to make the appropriation herein provided; now, therefore,

**BE IT ORDAINED BY THE CITY OF YAKIMA:**

Section 1. Appropriations are hereby made, for expenditure during 2024, from Unappropriated Fund Balances in the various Funds to the various accounts and in the various amounts, and for the various specific purposes, all as specified in the Schedule I attached hereto and incorporated herein.

Section 2. This ordinance is one making an appropriation and shall take effect immediately upon its passage, approval and publication as provided by law and by the City Charter.

**PASSED BY THE CITY COUNCIL**, signed and approved this 16<sup>th</sup> day of April, 2024.

\_\_\_\_\_  
Patricia Byers, Mayor

ATTEST:

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk

First Reading: April 2, 2024

Publication Date: \_\_\_\_\_

Effective Date: \_\_\_\_\_



TO: Mayor and City Council

FROM: Roselyn Oglesby, Assistant City Manager  
Kimberly Dominé, Finance Division Manager  
Jen Paxton, Financial Services Officer

DATE: March 21, 2024

RE: 2024 Budget Ordinance - 2023 Carryforward

This budget ordinance effects course corrections based on new information for the 2024 Budget year that was not known at the time of budget adoption. Budget amendments come before City Council; normally on a quarterly basis, to be transparent and accountable.

The budget amendment is a recurring budget process step; staff accumulates information as it occurs and brings the adjustments to council. It is typically for one of four reasons:

- 1) New additional revenue makes it possible to approve additional related expenses,
- 2) Prior-year budgeted obligations need to be rolled forward to match disbursement in the current year, if not yet disbursed by Feb. 28th (60 days),
- 3) Accumulated fund balances can be appropriated, and
- 4) Corrections or changes between funds.

Staff requests approval of adjustments and corrections to the 2024 budget that are now known that were not known at the time of adoption, per the attached detail spreadsheet, described in more detail as follows. Item numbers listed match red Ref #'s on attached spreadsheet:

**New Revenue:**

- 1). Streets and Overlay Fund 346 grant from (TIB) Transportation Improvement Board Award for 34<sup>th</sup> and Fruitvale Roundabouts and NobHill Blvd 2024 Grind and Overlay: This adjustment increases both revenue and expense in equal and offsetting amounts. \$3,306,422
- 2). Streets and Overlay Fund 346 grant from WSDOT National Highway System R2024-008. This adjustment increases both revenue and expense in equal and offsetting amounts. \$200,000.
- 3). Transit Capital Fund 464 grant from WSDOT for Para-Transit ADA Vans. This adjustment increases both revenue and expense in equal and offsetting amounts. \$750,000.
- 4). General Fund 001 Fund grant from Office of Firearm Safety and Violence Prevention. This adjustment increases both revenue and expense in equal and offsetting amounts. \$150,000.
- 5). Police Grants Fund 152 grant from OVC Office for Victims of Crime. This adjustment increases both revenue and expense in equal and offsetting amounts. \$289,300.



- 6). Police Grants Fund 152 from WSDOC Crime Victims Advocacy. This adjustment increases both revenue and expense in equal and offsetting amounts. \$129,783
- 7). Police Grant Fund 152 from Office of Violence Against Women. This adjustment increases both revenue and expense in equal and offsetting amounts. \$473,348.
- 8). General Fund 001 grant from Washington State Traffic Commission for Safety Equipment. This adjustment increases both revenue and expense in equal and offsetting amounts. \$7,450.
- 9). General Fund 001 Fund grant from WTSC Make it Home Safe. This grant is for vehicle purchase and FTE Reimbursement. This adjustment increases both revenue and expense in equal and offsetting amounts. \$239,422.
- 10). General Fund 001 Fund grant from CHIP (Connecting Housing to Infrastructure Program); this adjustment increases both revenue and expenditures. \$796,738.

**Prior-Year roll-forward of 2023 encumbrances:**

- 11). Prior-Year roll-forward of 2023 encumbrances. A large portion of this adjustment is for the Equipment Rental Fund, for prior-year-authorized purchases of vehicles and equipment that have a long purchase lead-time. \$2,483,514.59.

Offsetting revenue and expense for ARPA grant of \$2,538,363.57.

All of these expenditures were included in the 2023 budget and as result are revenue-neutral to the 2024 Budget – these simply renew previously-approved expenditure authority. Similarly, *General Fund* roll-forward of 2023 approved expenditures is \$196,603.25.

**From Fund Balance:**

The adjustments and corrections to the 2023 budget that are now known that were not known at the time of adoption, are:

- 12). Increase expenditures in General Fund 001 for increase in Municipal Court Interpreter Cost. \$35,000
- 13). Increase expenditures in General Fund 001 for costs of utilities and repairs to the Bank of America Building. \$50,000
- 14). Increase expenditures in EMS Levy Fund 150 for Image Trend Records Management Software for Fire. \$60,000.
- 15). Increase expenditures in Convention Center Capital Fund 370 for restroom remodel project not completed in 2023. \$225,000
- 16). Increase expenditures in Cumulative Reserve Fund 392 for the balance of the Tyler Payroll Software project. \$84,000.



- 17). Increase expenditures in Stormwater Capital Fund for Stormwater Construction Projects. \$2,000,000
- 18). Increase expenditures in Transit Capital Fund 464 for the match for the WSDOT Grant for Para Transit Vans. \$190,000.
- 19). Increase expenditures in Equipment Rental Capital Fund 552 for additional Vehicles/Equipment purchases not know at time of budget.
- 20). Increase expenditures in Streets Operating Fund 141 for increased costs of purchasing Asphalt Grinder. \$150,000.
- 21). Increase expenditures in General Fund 001 for Financial Services Technician omitted from the 2024 budget. \$85,413.57.
- 22). Increase expenditures in General Fund 001 City Hall Maintenance for Temporary Custodial Staff omitted from the 2024 budget. \$14,042.16
- 23). Increase expenditures in General Fund 001 City Hall Maintenance for Repair and Maintenance omitted from the 2024 budget. \$20,000.
- 24). Increase expenditures in Funds 473 Wastewater 55%, 474 Water 35%, and 475 Irrigation 9% for 1 FTE Buyer 1 Position. \$74,000.
- 25). Increase expenditures in Wastewater Construction Funds 476, 472, and 478 for Sewer Collection System Projects \$15,600,000.
- 26). Increase expenditures in Water Construction Fund 477 Water System Projects. \$2,464,000.

#### **Technical Adjustment:**

- 27) House Keeping. Increase transfer from Wastewater Operating to Wastewater Construction. This will increase Expenditures in Fund 473 and Increase Revenue in Fund 478.
- 35) House Keeping. Decrease Fund 479 Irrigation Capital Fund Revenue \$2,000,000. Grant was not awarded.
- 36) House Keeping. Increase revenue in Fund 479 Irrigation Capital Fund \$7,600,000. Department Ecology Grant revenue was not received in 2023 and the City is expecting to receive the grant in 2024/2025.



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**FINANCE**

Staff expects further 2024 course-correction budget adjustments later in the year, as new information becomes available that is not fully known at this time.

SCHEDULE I

From Fund			Debit	To Fund			Credit	#	Description			
Fund	Account #	Name	\$	Fund	Account	Name	\$	Ref				
New Revenue - offsetting increases in expenditures and revenues												
Streets and Overlay Fund	346	7156530	Roadway	\$	2,087,102.00	346	8953449	Transportation Improvement Bd	\$	2,087,102.00	1	AT 2447 34th & Fruitval Blvd Roundabouts TIB Award
Streets and Overlay Fund	346	7156530	Roadway	\$	1,219,320.00	346	8953449	Transportation Improvement Bd	\$	1,219,320.00		AT 2793 Nob Hill Blvd 2024 Grind and Overlay TIB Award
Streets and Overlay Fund	346	7156511	Eng Pre-Design	\$	200,000.00	346	8953148	Federal DOT Grant	\$	200,000.00	2	WSDOT National Highway System Asset Management Program
Transit Capital	464	4676441	Vans	\$	760,000.00	464	8953324	Fed Pass Thru Wsdot Grant	\$	760,000.00	3	R2024-008 WSDOT Grant for Para-Transit ADA Vans
General Fund	001	3136420	Operating Equipment	\$	46,000.00	001	8953457	Dept of Commerce	\$	46,000.00	4	Office of Firearm Safety and Violence Prevention Grant
General Fund	001	3133500	Small Tools & Minor Equipment	\$	32,000.00	001	8953457	Dept of Commerce	\$	32,000.00		Office of Firearm Safety and Violence Prevention Grant
General Fund	001	3194117	Flock Maint Agreement	\$	72,000.00	001	8953457	Dept of Commerce	\$	72,000.00		Office of Firearm Safety and Violence Prevention Grant
Police Grants	152	3171110	Salaries-Permanent	\$	289,300.00	152	8953111	DOJ Grant	\$	289,300.00	5	OVC Office for Victims of Crime Grant, FTE salaries
Police Grants	152	3174100	Professional Services	\$	129,783.00	152	8953452	Safe Streets Rev	\$	129,783.00	6	WSDOC Crime Victims Advocacy Grant
Police Grants	152	3174213	Data Communications	\$	473,348.00	152	8953317	DOJ Federal Indirect	\$	473,348.00	7	Office of Violence Against Women
General Fund	001	3133500	Small Tools & Minor Equipment	\$	7,450.00	001	8953447	Traffic Safety Commission	\$	7,450.00	8	WTSC Safety Equip Grant
General Fund	001	3134995	Equipment Replacement Costs	\$	89,000.00	552	8956546	ER Replacement-Govt Funds	\$	89,000.00	9	WTSC 2024 Make it Home Safe Grant, Increase Equipment Replacement Costs for Vehicle
General Fund	001		Reserves	\$	89,000.00	001	8953321	Fed Ind DOT Target Zero YPD	\$	89,000.00		WTSC 2024 Make it Home Safe Grant, Grant Revenue
General Fund	001	3131110	Salaries-Permanent	\$	150,422.00	001	8953321	Fed Ind DOT Target Zero YPD	\$	150,422.00		WTSC 2024 Make it Home Safe Grant, FTE Reimbursement
General Fund	001	2264100	Professional Services	\$	796,738.00	001	8953314	Dept of Commerce ARPA	\$	796,738.00	10	CHIP (Community Home Investment Program) Grant and ARPA Grant
				\$	6,441,463.00				\$	6,441,463.00		
Carryforward of encumbrance from 2023 prior year budget:												
General Fund	001	1624100	Professional Service	\$	14,596.33	001		Reserves	\$	14,596.33	11	Trupp 2023 Salary Survey
General Fund	001	3196420	Operating Equipment	\$	122,812.20	001		Reserves	\$	122,812.20		Flock Cameras
General Fund	001	3513510	Non-Capital Computer Equipment	\$	8,680.25	001		Reserves	\$	8,680.25		Controller Upgrade for Netbox Enterprise
General Fund	001	3514100	Professional Service	\$	18,891.78	001		Reserves	\$	18,891.78		Cerium Networks Computer Migration Assistance
General Fund	001	3514100	Professional Service	\$	1,039.68	001		Reserves	\$	1,039.68		Controller Upgrade for Netbox Enterprise
General Fund	001	3514800	R & M/Contractors	\$	12,125.44	001		Reserves	\$	12,125.44		C-2023-156 NASPO DESKTOP PRINTERS COPY CHRG
General Fund	001	3514800	R & M/Contractors	\$	18,457.57	001		Reserves	\$	18,457.57		Controller Upgrade for Netbox Enterprise
ARPA	180	3016420	Operating Equipment	\$	65,575.65	180	8953119	American Rescue Plan (ARPA)	\$	65,575.65		YPD Insight Public Sector- Flock Cameras.
ARPA	180	3226400	Machinery And Equipment	\$	2,472,787.92	180	8953119	American Rescue Plan (ARPA)	\$	2,472,787.92		YFD KME Pumper Fire Engines (3)
Capital Theatre Capital	322	2706450	Other Equipment	\$	14,393.53	322		Reserves	\$	14,393.53		Hollywood Lights- Lightboard
Capital Theatre Capital	322	2706500	Construction Projects	\$	11,693.93	322		Reserves	\$	11,693.93		Pacific NW Theatre Associates-Curtains
REET1	342	7144800	R & M/Contractors	\$	40,474.96	342		Reserves	\$	40,474.96		RT2766/4800 Tower Generator
REET1	342	7146300	Improvements Other Than Bldgs	\$	41,898.56	342		Reserves	\$	41,898.56		RT2607/6300- YPD Chiller
REET1	342	7146376	Other Imp Parks	\$	26,771.04	342		Reserves	\$	26,771.04		RT2764/6376 RT2782/6376 Naches Parkway Fence and Irrigation Improvement
REET2	343	7166300	Improvements Other Than Bldgs	\$	42,832.40	343		Reserves	\$	42,832.40		RT2619/6300- Nobhill Grind and Overlay
Airport Operating	421	2814100	Professional Service	\$	13,953.37	421		Reserves	\$	13,953.37		Airport Conduit for Charlie Extension
Airport Operating	421	2814800	R & M/Contractors	\$	11,197.14	421		Reserves	\$	11,197.14		Airport Conduit for Charlie Extension
Airport Operating	421	2853500	Small Tools & Minor Equipment	\$	14,942.17	421		Reserves	\$	14,942.17		Airport Parking Management Equipment - Bid 12012
Airport Operating	421	2854910	Miscellaneous Expense	\$	2,156.69	421		Reserves	\$	2,156.69		Airport Parking Management Equipment - Bid 12012
Stormwater Operating	441	7464100	Professional Service	\$	2,978.86	441		Reserves	\$	2,978.86		Annexation/Growth Study 2023
Stormwater Capital	442	7524100	Professional Service	\$	810.91	442		Reserves	\$	810.91		Trupp 2023 Salary Survey
Transit Operating	462	4594100	Professional Service	\$	2,978.84	462		Reserves	\$	2,978.84		Annexation/Growth Study 2023
Transit Operating	462	4594910	Professional Service	\$	3,243.63	462		Reserves	\$	3,243.63		Trupp 2023 Salary Survey
Transit Capital	464	4516440	Trucks	\$	65,797.66	464		Reserves	\$	65,797.66		TRANSIT 2024 FORD F250 4X4
Transit Capital	464	4676441	Vans	\$	326,752.44	464		Reserves	\$	326,752.44		TRANSIT 2023 FORD Dial A Ride Vans
Refuse Operating	471	4724706	Yakima County Landfill	\$	2,978.86	471		Reserves	\$	2,978.86		Annexation/Growth Study 2023
Refuse Operating	471	4784100	Professional Service	\$	3,243.63	471		Reserves	\$	3,243.63		Trupp 2023 Salary Survey
Wastewater Operating	473	7263110	Office And Operating Supplies	\$	183,267.66	473		Reserves	\$	183,267.66		Replace both large Rudkin Road FLYGT Pumps

SCHEDULE I

		From Fund		Debit	To Fund		Credit	#	Description
Fund		Account #	Name	\$	Fund	Account	Name	\$	Ref
Wastewater Operating	473	7314100	Professional Service	\$ 2,162.42	473		Reserves	\$ 2,162.42	
Wastewater Operating	473	7314100	Professional Service	\$ 2,978.86	473		Reserves	\$ 2,978.86	
Water Operating	474	7646420	Operating Equipment	\$ 32,194.46	474		Reserves	\$ 32,194.46	
Water Operating	474	7724100	Professional Service	\$ 2,162.42	474		Reserves	\$ 2,162.42	
Irrigation Operating	475	7824100	Professional Service	\$ 810.91	475		Reserves	\$ 810.91	
Equipment Rental	552	5526430	Cars	\$ 141,386.36	552		Reserves	\$ 141,386.36	
Equipment Rental	552	5526440	Trucks	\$ 2,178,667.89	552		Reserves	\$ 2,178,667.89	
Equipment Rental	552	5526450	Other Equipment	\$ 163,460.34	552		Reserves	\$ 163,460.34	
				\$ 6,071,156.76				\$ 6,071,156.76	
Increase Budget Expenditures from Reserves									
General Fund	001	1554100	Professional Svcs	\$ 35,000.00	001		Reserves	\$ 35,000.00	12
General Fund	001	2274701	Pacific Power & Light	\$ 20,000.00	001		Reserves	\$ 20,000.00	13
General Fund	001	2274702	Cascade Natural Gas	\$ 10,000.00	001		Reserves	\$ 10,000.00	
General Fund	001	2274800	R & M/Contractors	\$ 20,000.00	001		Reserves	\$ 20,000.00	
EMS Levy	150	3274170	Software License/Maintenance	\$ 60,000.00	150		Reserves	\$ 60,000.00	14
Convention Center	370	2794800	R & M/Contractors	\$ 225,000.00	370		Reserves	\$ 225,000.00	15
Cumulative Reserve	392	6126460	Professional Svcs	\$ 84,000.00	392		Reserves	\$ 84,000.00	16
Stormwater Capital	442	7526500	Construction Projects	\$ 2,000,000.00	442		Reserves	\$ 2,000,000.00	17
Transit Capital	464	4676441	Vans	\$ 190,000.00	464		Reserves	\$ 190,000.00	18
Equipment Rental Capital	552	5526430	Cars	\$ 395,000.00	552		Reserves	\$ 395,000.00	19
Equipment Rental Capital	552	5526440	Trucks	\$ 172,000.00	552		Reserves	\$ 172,000.00	
Equipment Rental Capital	552	5526450	Other Equipment	\$ 1,005,400.00	552		Reserves	\$ 1,005,400.00	
Streets Operating	141	4134995	Equipment Replacement Costs	\$ 150,000.00	552	8956546	ER Replacement-Govt Funds	\$ 150,000.00	20
General Fund	001	6121110	Salaries	\$ 85,413.57	001		Reserves	\$ 85,413.57	21
General Fund	001	2241120	Salaries/Temporary	\$ 14,042.16	001		Reserves	\$ 14,042.16	22
General Fund	001	2244800	R & M/Contractors	\$ 20,000.00	001		Reserves	\$ 20,000.00	23
WW Operating	473	7261110	Salaries	\$ 41,000.00	473		Reserves	\$ 41,000.00	24
Water Operating	474	7721110	Salaries	\$ 26,000.00	474		Reserves	\$ 26,000.00	
Irrigation Operating	475	7821110	Salaries	\$ 7,000.00	475		Reserves	\$ 7,000.00	
Sewer System Construction	472	7394800	R & M/Contractors	\$ 400,000.00	472		Reserves	\$ 400,000.00	25
Sewer System Construction	472	7396535	Sewer System Const	\$ 1,500,000.00	472		Reserves	\$ 1,500,000.00	
Wastewater Construction	476	7384100	Professional Svcs	\$ 2,700,000.00	476		Reserves	\$ 2,700,000.00	
Wastewater Construction	476	7386300	Improvements Other Than Bldgs	\$ 3,000,000.00	476		Reserves	\$ 3,000,000.00	
Wastewater Construction	476	7386535	Sewer System Const	\$ 2,000,000.00	476		Reserves	\$ 2,000,000.00	
Wastewater Capital	478	7396535	Sewer System Const	\$ 6,000,000.00	478		Reserves	\$ 6,000,000.00	
Water Capital	477	7736534	Water System Const	\$ 2,464,000.00	477		Reserves	\$ 2,464,000.00	26
				\$ 22,623,855.73				\$ 22,623,855.73	



SCHEDULE I

From Fund			Debit	To Fund			Credit	#	Description
Fund	Account #	Name	\$	Fund	Account	Name	\$	Ref	
House Keeping									
Wastewater Operating	473	7250055	Transfers Out	\$	4,000,000.00	478	8950050	Transfers In	\$ 4,000,000.00
Irrigation Capital	479	8956702	Contributions & Donations	\$	2,000,000.00	479		Reserve	\$ 2,000,000.00
Irrigation Capital	479		Reserves	\$	7,600,000.00	479	8953445	Dept Of Ecology	\$ 7,600,000.00
			\$	9,600,000.00				\$	9,600,000.00
			\$	44,736,475.49				\$	44,736,475.49

2023 Adopted Budget  
Revised Quarter 1  
Budget Amendment

	A	B	C	D	E	F	G	H	I	J	K
1	Fund		Beginning Fund Balance As of 3/19/24	Revenue			Expenditures			Ending	Fund Balance
2				Adopted Budget	Adjustment	Revised	Adopted Budget	Adjustment	Revised	Fund Blance	Percentage
3	General Government Funds:		\$ 24,711,073.54	\$ 122,421,019.22	\$ 4,624,404.57	\$ 127,045,423.79	\$ 124,202,874.40	\$ 5,235,463.55	\$ 129,438,337.95	\$ 22,318,159.38	
4	001	General Fund	\$ 10,508,752.30	\$ 70,393,192.23	\$ 1,193,610.00	\$ 71,586,802.23	\$ 71,254,330.29	\$ 1,594,668.98	\$ 72,848,999.27	\$ 9,246,555.26	12.69%
5	003	.3% Criminal Justice	\$ 1,210,367.21	\$ 3,322,000.00		\$ 3,322,000.00	\$ 3,927,713.05		\$ 3,927,713.05	\$ 604,654.16	15.39%
6	612	Firemens Pension	\$ 1,460,073.33	\$ 877,088.00		\$ 877,088.00	\$ 1,074,746.96		\$ 1,074,746.96	\$ 1,262,414.37	117.46%
7	131	Parks	\$ 545,217.50	\$ 6,553,588.76		\$ 6,553,588.76	\$ 6,558,588.84		\$ 6,558,588.84	\$ 540,217.42	8.24%
8	141	Streets	\$ 2,298,984.54	\$ 6,615,518.00		\$ 6,615,518.00	\$ 6,753,842.17	\$ 150,000.00	\$ 6,903,842.17	\$ 2,010,660.37	29.12%
9	124	Community Dev	\$ 1,059,056.74	\$ 3,462,688.81		\$ 3,462,688.81	\$ 3,955,921.22		\$ 3,955,921.22	\$ 565,824.33	14.30%
10	125	Community Relations	\$ 708,598.78	\$ 607,126.00		\$ 607,126.00	\$ 691,035.02		\$ 691,035.02	\$ 624,689.76	90.40%
11	136	Clean City Program	\$ 495,307.63	\$ 856,509.00		\$ 856,509.00	\$ 777,553.82		\$ 777,553.82	\$ 574,262.81	73.86%
12	144	Cemetery	\$ 183,077.01	\$ 390,000.00		\$ 390,000.00	\$ 412,488.99		\$ 412,488.99	\$ 160,588.02	38.93%
13	150	Emergency Services	\$ 107,751.48	\$ 2,283,698.00		\$ 2,283,698.00	\$ 1,624,674.64	\$ 60,000.00	\$ 1,684,674.64	\$ 706,774.84	41.95%
14	151	Public Safety Comm	\$ 840,538.55	\$ 2,550,821.00		\$ 2,550,821.00	\$ 2,522,581.96		\$ 2,522,581.96	\$ 868,777.59	34.44%
15	154	Dispatch	\$ 674,968.50	\$ 1,816,985.00		\$ 1,816,985.00	\$ 1,807,943.35		\$ 1,807,943.35	\$ 684,010.15	37.83%
16	153	.3% PS Commun	\$ 356,420.52	\$ 215,000.00		\$ 215,000.00	\$ 373,142.94		\$ 373,142.94	\$ 198,277.58	53.14%
17	152	Police Grants	\$ 954,704.75	\$ 180,000.00	\$ 892,431.00	\$ 1,072,431.00	\$ 232,411.40	\$ 892,431.00	\$ 1,124,842.40	\$ 902,293.35	80.22%
18	161	DYBID	\$ 80,643.14	\$ 185,750.00		\$ 185,750.00	\$ 184,632.28		\$ 184,632.28	\$ 81,760.86	44.28%
19	162	Trolley	\$ 52,133.25	\$ 11,868.93		\$ 11,868.93	\$ 15,305.26		\$ 15,305.26	\$ 48,696.92	318.17%
20	163	Front St PBIA	\$ 10,094.10	\$ 3,700.00		\$ 3,700.00	\$ 3,700.00		\$ 3,700.00	\$ 10,094.10	272.81%
21	170	Tourism Promo	\$ 822,376.77	\$ 2,106,200.00		\$ 2,106,200.00	\$ 1,998,903.88		\$ 1,998,903.88	\$ 929,672.89	46.51%
22	171	Capitol Theatre	\$ 107,988.67	\$ 432,000.00		\$ 432,000.00	\$ 421,504.30		\$ 421,504.30	\$ 118,484.37	28.11%
23	172	Pub Fac District	\$ 926,012.94	\$ 1,122,943.00		\$ 1,122,943.00	\$ 1,430,082.08		\$ 1,430,082.08	\$ 618,873.86	43.28%
24	173	TPA	\$ 126,107.40	\$ 1,210,400.00		\$ 1,210,400.00	\$ 1,217,550.28		\$ 1,217,550.28	\$ 118,957.12	9.77%
25	174	Cap Th PFD	\$ 730,372.11	\$ 861,330.74		\$ 861,330.74	\$ 651,608.56		\$ 651,608.56	\$ 940,094.29	144.27%
26	180	American Rescue Plan	\$ 67,700.00	\$ 11,958,421.09	\$ 2,538,363.57	\$ 14,496,784.66	\$ 11,958,421.09	\$ 2,538,363.57	\$ 14,496,784.66	\$ 67,700.00	0.47%
27	272	Conv Ctr PFD	\$ 366,200.21	\$ 1,454,277.00		\$ 1,454,277.00	\$ 1,404,278.36		\$ 1,404,278.36	\$ 416,198.85	29.64%
28	281	GO Bonds	\$ 17,626.11	\$ 2,949,913.66		\$ 2,949,913.66	\$ 2,949,913.66		\$ 2,949,913.66	\$ 17,626.11	0.60%
29	Capital Project Funds:		\$ 17,590,194.91	\$ 16,591,461.15	\$ 3,506,422.00	\$ 20,097,883.15	\$ 18,032,299.48	\$ 3,993,486.42	\$ 22,025,785.90	\$ 15,662,292.16	
30	321	CBD Cap Impr	\$ 55,023.93	\$ -		\$ -	\$ -		\$ -	\$ 55,023.93	#DIV/0!
31	322	Cap Th Constr	\$ 197,361.31	\$ 60,000.00		\$ 60,000.00	\$ 60,000.00	\$ 26,087.46	\$ 86,087.46	\$ 171,273.85	198.95%
32	323	YRDA	\$ 745,824.94	\$ 1,260,000.00		\$ 1,260,000.00	\$ 1,259,925.10		\$ 1,259,925.10	\$ 745,899.84	59.20%
33	331	Parks Capital	\$ 365,035.38	\$ 207,120.00		\$ 207,120.00	\$ 61,558.56		\$ 61,558.56	\$ 510,596.82	829.45%
34	332	Fire Capital	\$ 606,001.95	\$ 163,000.00		\$ 163,000.00	\$ 82,291.42		\$ 82,291.42	\$ 686,710.53	834.49%
35	333	Law&Justice Cap	\$ 422,375.66	\$ 278,032.31		\$ 278,032.31	\$ 2,718.00		\$ 2,718.00	\$ 697,689.97	25669.24%
36	303	.3% L&J Cap	\$ 552,649.75	\$ 120,000.00		\$ 120,000.00	\$ 120,000.00		\$ 120,000.00	\$ 552,649.75	460.54%
37	342	Reet1	\$ 2,978,608.27	\$ 1,492,447.84		\$ 1,492,447.84	\$ 1,394,758.70	\$ 109,144.56	\$ 1,503,903.26	\$ 2,967,152.85	197.30%
38	343	Reet2	\$ 1,114,691.54	\$ 1,408,000.00		\$ 1,408,000.00	\$ 1,898,636.13	\$ 42,832.40	\$ 1,941,468.53	\$ 581,223.01	29.94%
39	344	TBD	\$ 5,211,580.42	\$ 1,786,000.00		\$ 1,786,000.00	\$ 1,999,235.12		\$ 1,999,235.12	\$ 4,998,345.30	250.01%
40	346	Streets Capital	\$ 3,308,659.68	\$ 9,036,861.00	\$ 3,506,422.00	\$ 12,543,283.00	\$ 9,956,993.45	\$ 3,506,422.00	\$ 13,463,415.45	\$ 2,388,527.23	17.74%
41	370	Conv Ctr Capital	\$ 1,839,510.53	\$ 780,000.00		\$ 780,000.00	\$ 1,089,097.20	\$ 225,000.00	\$ 1,314,097.20	\$ 1,305,413.33	99.34%
42	392	Cap Impr Reserve	\$ 192,871.55	\$ -		\$ -	\$ 107,085.80	\$ 84,000.00	\$ 191,085.80	\$ 1,785.75	0.93%

**2023 Adopted Budget  
Revised Quarter 1  
Budget Amendment**

	A	B	C	D	E	F	G	H	I	J	K
1	Fund			Revenue			Expenditures			Ending	Fund Balance
2			Beginning Fund Balance As of 3/19/24	Adopted Budget	Adjustment	Revised	Adopted Budget	Adjustment	Revised	Fund Blance	Percentage
3	General Government Funds:		\$ 24,711,073.54	\$ 122,421,019.22	\$ 4,624,404.57	\$ 127,045,423.79	\$ 124,202,874.40	\$ 5,235,463.55	\$ 129,438,337.95	\$ 22,318,159.38	
43	Enterprise Funds:		\$ 82,826,712.74	\$ 91,761,690.42	\$ 10,360,000.00	\$ 102,121,690.42	\$ 93,007,471.55	\$ 25,762,610.93	\$ 118,770,082.48	\$ 66,178,320.68	
44	421	Airport Operations	\$ 1,397,909.41	\$ 1,790,816.00		\$ 1,790,816.00	\$ 1,943,275.79	\$ 42,249.37	\$ 1,985,525.16	\$ 1,203,200.25	60.60%
45	422	Airport Capital	\$ 277,784.40	\$ 6,628,451.00		\$ 6,628,451.00	\$ 6,542,357.12		\$ 6,542,357.12	\$ 363,878.28	5.56%
46	441	Stormwater Ops	\$ 2,851,810.85	\$ 4,064,410.00		\$ 4,064,410.00	\$ 3,922,839.12	\$ 2,978.86	\$ 3,925,817.98	\$ 2,990,402.87	76.17%
47	442	Stormwater Cap	\$ 4,640,981.05	\$ 955,116.65		\$ 955,116.65	\$ 925,292.32	\$ 2,000,810.91	\$ 2,926,103.23	\$ 2,669,994.47	91.25%
48	462	Transit	\$ 13,626,253.49	\$ 11,251,664.00		\$ 11,251,664.00	\$ 10,463,631.69	\$ 6,222.47	\$ 10,469,854.16	\$ 14,408,063.33	137.61%
49	464	Transit Capital	\$ 4,961,949.35	\$ 1,812,267.66	\$ 760,000.00	\$ 2,572,267.66	\$ 1,700,000.00	\$ 1,342,550.10	\$ 3,042,550.10	\$ 4,491,666.91	147.63%
50	471	Refuse	\$ 5,282,350.97	\$ 9,701,655.93		\$ 9,701,655.93	\$ 9,659,455.01	\$ 6,222.49	\$ 9,665,677.50	\$ 5,318,329.40	55.02%
51	472	WW Cap Fac	\$ 2,904,320.85	\$ 1,000,000.00		\$ 1,000,000.00	\$ 910,149.84	\$ 1,900,000.00	\$ 2,810,149.84	\$ 1,094,171.01	38.94%
52	473	WW Operating	\$ 13,909,026.17	\$ 24,388,793.00		\$ 24,388,793.00	\$ 26,498,563.78	\$ 4,229,408.94	\$ 30,727,972.72	\$ 7,569,846.45	24.64%
53	474	Water Operating	\$ 8,787,183.04	\$ 13,905,032.89		\$ 13,905,032.89	\$ 13,690,775.78	\$ 60,356.88	\$ 13,751,132.66	\$ 8,941,083.27	65.02%
54	475	Irrigation Operating	\$ 1,189,724.22	\$ 2,167,600.00		\$ 2,167,600.00	\$ 2,654,282.13	\$ 7,810.91	\$ 2,662,093.04	\$ 695,231.18	26.12%
55	476	WW Constr	\$ 9,617,214.90	\$ 2,205,116.65		\$ 2,205,116.65	\$ 1,768,067.52	\$ 7,700,000.00	\$ 9,468,067.52	\$ 2,354,264.03	24.87%
56	477	Water Capital	\$ 3,001,490.86	\$ 3,205,116.64		\$ 3,205,116.64	\$ 668,517.04	\$ 2,464,000.00	\$ 3,132,517.04	\$ 3,074,090.46	98.13%
57	478	WW Facilities	\$ 8,237,728.13	\$ 4,000,000.00	\$ 4,000,000.00	\$ 8,000,000.00	\$ 4,383,978.24	\$ 6,000,000.00	\$ 10,383,978.24	\$ 5,853,749.89	56.37%
58	479	Irrigation Capital	\$ (1,223,902.09)	\$ 4,027,000.00	\$ 5,600,000.00	\$ 9,627,000.00	\$ 6,617,636.17		\$ 6,617,636.17	\$ 1,785,461.74	26.98%
59	488	WW Rev Bond	\$ 359,202.67	\$ 387,900.00		\$ 387,900.00	\$ 387,900.00		\$ 387,900.00	\$ 359,202.67	92.60%
60	491	Irrig Rev Bond	\$ 230,106.91	\$ 270,750.00		\$ 270,750.00	\$ 270,750.00		\$ 270,750.00	\$ 230,106.91	84.99%
61	493	WW Rev Bond	\$ 2,775,577.56	\$ -		\$ -	\$ -		\$ -	\$ 2,775,577.56	#DIV/0!
62	Internal Service Funds:		\$ 20,594,522.35	\$ 35,817,068.88	\$ 239,000.00	\$ 36,056,068.88	\$ 37,731,977.87	\$ 4,055,914.59	\$ 41,787,892.46	\$ 14,862,698.77	
63	512	Unemploy Reserve	\$ 536,913.57	\$ 259,358.01		\$ 259,358.01	\$ 209,018.93		\$ 209,018.93	\$ 587,252.65	280.96%
64	513	Health Reserve	\$ 4,037,685.31	\$ 15,628,548.35		\$ 15,628,548.35	\$ 15,289,094.77		\$ 15,289,094.77	\$ 4,377,138.89	28.63%
65	514	Workers Comp Res	\$ 399,336.74	\$ 4,480,686.00		\$ 4,480,686.00	\$ 3,700,144.15		\$ 3,700,144.15	\$ 1,179,878.59	31.89%
66	515	Risk Mgmt Reserve	\$ 8,036,144.36	\$ 4,546,286.36		\$ 4,546,286.36	\$ 7,352,241.57		\$ 7,352,241.57	\$ 5,230,189.15	71.14%
67	516	Wellness	\$ 204,582.16	\$ 75,000.00		\$ 75,000.00	\$ 66,900.00		\$ 66,900.00	\$ 212,682.16	317.91%
68	551	Equipment Rental	\$ (277,870.89)	\$ 3,654,133.09		\$ 3,654,133.09	\$ 3,745,399.37		\$ 3,745,399.37	\$ (369,137.17)	-9.86%
69	552	Replacement Reserve	\$ 5,580,432.49	\$ 2,444,747.00	\$ 239,000.00	\$ 2,683,747.00	\$ 2,520,000.00	\$ 4,055,914.59	\$ 6,575,914.59	\$ 1,688,264.90	25.67%
70	555	Environmental	\$ 281,653.73	\$ 630,000.00		\$ 630,000.00	\$ 724,657.84		\$ 724,657.84	\$ 186,995.89	25.80%
71	560	PW Admin	\$ 781,379.34	\$ 1,462,119.00		\$ 1,462,119.00	\$ 1,488,330.17		\$ 1,488,330.17	\$ 755,168.17	50.74%
72	581	Customer SVC	\$ 1,014,265.54	\$ 2,636,191.07		\$ 2,636,191.07	\$ 2,636,191.07		\$ 2,636,191.07	\$ 1,014,265.54	38.47%
73	Fiduciary Funds:		\$ 2,311,627.32	\$ 12,000.00	\$ -	\$ 12,000.00	\$ 12,000.00	\$ -	\$ 12,000.00	\$ 2,311,627.32	
74	632	Yakcorps	\$ 1,170,110.44	\$ -		\$ -		\$ -	\$ -	\$ 1,170,110.44	#DIV/0!
75	633	Custodial Fund	\$ 402,769.62	\$ -		\$ -		\$ -	\$ -	\$ 402,769.62	
76	710	Cemetery Trust	\$ 738,747.26	\$ 12,000.00	\$ -	\$ 12,000.00	\$ 12,000.00	\$ -	\$ 12,000.00	\$ 738,747.26	6156.23%
77	Grand Total		\$ 148,034,130.86	\$ 266,603,239.67	\$ 18,729,826.57	\$ 285,333,066.24	\$ 272,986,623.30	\$ 39,047,475.49	\$ 312,034,098.79	\$ 121,333,098.31	38.88%
78									\$ 121,333,098.31		
79									\$ -		



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 12.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Ordinance to amend Chapter 7.50.040 of the Yakima Municipal Code, Utility Accounting

**SUBMITTED BY:** Rosylen Oglesby, Interim Director of Finance and Budget  
\*Anabel Chavez, Utility Customer Services Manager

**SUMMARY EXPLANATION:**

The Utility Accounting rates are included in the Master Fee Schedule that was adopted by Council on December 5, 2023 via R-2023-172. This ordinance will remove any reference to the rates from the Yakima Municipal Code.

**ITEM BUDGETED:** NA

**STRATEGIC PRIORITY:** Public Trust and Accountability

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Pass Ordinance.

**ATTACHMENTS:**

Description	Upload Date	Type
<input type="checkbox"/> Ordinance_redline	3/12/2024	Ordinance
<input type="checkbox"/> Ordinance_Clean	3/13/2024	Ordinance

## ORDINANCE NO. 2024-

**AN ORDINANCE** amending the City of Yakima Municipal Code Section 7.50.040 relating to utility service fees.

**WHEREAS**, the City of Yakima is engaged in various municipal functions, and the City provides various public services, several of which entail fees; and

**WHEREAS**, the City has created a Master Fee Schedule where fees are maintained and published instead of in all of the various ordinances; and

**WHEREAS**, in an effort to complete the process of removing these fees from the Municipal Code into the Master Fee Schedule, now, therefore;

### BE IT ORDAINED BY THE CITY OF YAKIMA:

**Section 1.** Section 7.50.040 of the City of Yakima Municipal Code is hereby amended to read as follows:

~~The following f~~ees and charges shall apply when the listed actions are taken/provided by the utility services division and/or water/irrigation division. The fees are set forth in the ~~following table~~ Master Fee Schedule and shall be considered the base for calculations of future fee increases. Once every two years beginning in March 2008 (or as soon thereafter as reasonably possible based upon availability of the indices set forth herein), an adjustment shall be added to the base figures that is either eighty percent of the December change in the United States Consumer Price Index for Wage Earners and Clerical Workers (CPI-W) for the Seattle, Tacoma, Bremerton region or eighty percent of the December Implicit Price Deflator for Personal Consumer Expenditures, whichever is lower and rounded to the nearest whole dollar, to reflect the changes in inflation for these two indices over the previous two calendar years. (For purposes of determining the change in the CPI, the standard reference base period of 1984 equals one hundred will be used.) The following fees and charges shall be included and updated, as appropriate, in the Master Fee Schedule:

a. Account reinstatement fee	<del>\$17.60</del>
b. Start temporary water service (less than twenty-four hours in duration)	<del>\$22.77</del>
c. Immediate service—customer request	<del>\$17.60</del>
d. Irrigation shut-off fee	<del>\$25.00</del>
e. Turn-on and shut-off customer request for nonbusiness hours	<del>\$50.00/call-out*</del>
f. Meter obstruction charge (after notice)	<del>\$45.54</del>
g. Check read charge, after first accurate check read within one billing cycle	<del>\$17.60</del>

h. Lien processing fee	<del>**</del>
i. Returned NSF check fee	<del>\$40.00</del>
j. Field visit for delinquency	<del>\$45.54</del>
k. (For future use)	
l. Illegal turn-on, tampering of utility service or illegal connection as defined in YMC <u>7.50.100</u>	<del>\$113.85 fine plus 3X cost of any repairs</del>

\* "Business hours" for purposes of this section correspond to the work shift of water service specialists established by the city water/irrigation division from time to time. Current work shift hours are Monday through Friday, 7:00 a.m. through 3:30 p.m., excluding holidays. These hours are subject to change, and the utility services division will update and provide notice of business hours to customers by any means deemed appropriate, including posting of such information on its Internet website.

~~\*\* This fee will be based on actual cost plus any related costs and taxes incurred.~~

**Section 2.** This ordinance shall be in full force and effect 30 days after its passage, approval, and publication as provided by law and by the City Charter.

**PASSED BY THE CITY COUNCIL**, signed and approved this \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Patricia Byers, Mayor

ATTEST:

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk

Publication Date: \_\_\_\_\_

Effective Date: \_\_\_\_\_

## ORDINANCE NO. 2024-

**AN ORDINANCE** amending the City of Yakima Municipal Code Section 7.50.040 relating to utility service fees.

**WHEREAS**, the City of Yakima is engaged in various municipal functions, and the City provides various public services, several of which entail fees; and

**WHEREAS**, the City has created a Master Fee Schedule where fees are maintained and published instead of in all of the various ordinances; and

**WHEREAS**, in an effort to complete the process of removing these fees from the Municipal Code into the Master Fee Schedule, now, therefore;

### BE IT ORDAINED BY THE CITY OF YAKIMA:

**Section 1.** Section 7.50.040 of the City of Yakima Municipal Code is hereby amended to read as follows:

Fees and charges shall apply when the listed actions are taken/provided by the utility services division and/or water/irrigation division. The fees are set forth in the Master Fee Schedule and shall be considered the base for calculations of future fee increases. Once every two years beginning in March 2008 (or as soon thereafter as reasonably possible based upon availability of the indices set forth herein), an adjustment shall be added to the base figures that is either eighty percent of the December change in the United States Consumer Price Index for Wage Earners and Clerical Workers (CPI-W) for the Seattle, Tacoma, Bremerton region or eighty percent of the December Implicit Price Deflator for Personal Consumer Expenditures, whichever is lower and rounded to the nearest whole dollar, to reflect the changes in inflation for these two indices over the previous two calendar years. (For purposes of determining the change in the CPI, the standard reference base period of 1984 equals one hundred will be used.) The following fees and charges shall be included and updated, as appropriate, in the Master Fee Schedule:

- a. Account reinstatement fee
- b. Start temporary water service (less than twenty-four hours in duration)
- c. Immediate service—customer request
- d. Irrigation shut-off fee
- e. Turn-on and shut-off customer request for nonbusiness hours
- f. Meter obstruction charge (after notice)
- g. Check read charge, after first accurate check read within one billing cycle
- h. Lien processing fee
- i. Returned NSF check fee
- j. Field visit for delinquency
- k. (For future use)

- I. Illegal turn-on, tampering of utility service or illegal connection as defined in YMC [7.50.100](#)

\* "Business hours" for purposes of this section correspond to the work shift of water service specialists established by the city water/irrigation division from time to time. Current work shift hours are Monday through Friday, 7:00 a.m. through 3:30 p.m., excluding holidays. These hours are subject to change, and the utility services division will update and provide notice of business hours to customers by any means deemed appropriate, including posting of such information on its Internet website.

**Section 2.** This ordinance shall be in full force and effect 30 days after its passage, approval, and publication as provided by law and by the City Charter.

**PASSED BY THE CITY COUNCIL**, signed and approved this \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Patricia Byers, Mayor

ATTEST:

\_\_\_\_\_  
Rosalinda Ibarra, City Clerk

Publication Date: \_\_\_\_\_

Effective Date: \_\_\_\_\_





**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 13.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Council Discussion and Direction Regarding Downtown Parking

**SUBMITTED BY:** Dave Zabell, Interim City Manager

**SUMMARY EXPLANATION:**

The attached memorandum outlines recommendations relating to the regulation of parking with the city-owned public parking lots and on-street parking, as well ongoing operational considerations related to both.

This is an opportunity for Council deliberation on the matter to determine and provide direction to staff regarding downtown parking regulations and policy. With the recognition that parking will be an ongoing issue possibly requiring further attention by Council in the future.

**ITEM BUDGETED:** NA

**STRATEGIC PRIORITY:** NA

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

Direct staff to bring back an ordinance for consideration relating to changes in downtown parking regulations to the April 9 meeting.

**ATTACHMENTS:**

Description	Upload Date	Type
Recommendations on downtown parking regs and ops	3/29/2024	Cover Memo

## MEMORANDUM

To: Honorable Mayor and Members of the Yakima City Council

From: Dave Zabell, Interim City Manager

Date: March 29, 2024

RE: Recommendations on Downtown Parking Regulations and Operations

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The old adage that “a well-defined problem is a problem half-solved” applies in the matter of downtown parking. The parking problem means different things to different businesses, and also property owners, employees and consumers. The problem differs for businesses and property owners depending on proximity to the public parking lots, reliance on on-street parking, and differ based on the perspective of these groups, as do the desired solutions. Developing a plan that works best for all is the task of the decision-makers, the City Council in this matter, and necessarily will be a plan that provide few with everything they would like, but the vast majority, or perhaps all, with a plan they can accept and support.

The current moratorium on parking enforcement in the downtown core, while necessary to allow the opportunity for the public outreach, intake, evaluation, and ultimately the development of a plan shaped by robust public input, has also had an unintended consequence. The lack of parking enforcement of on-street parking has resulted in the spaces in and around many downtown businesses to be taken up by all-day parking. Similarly, the lots are feeling the pressure of all-day parking by some. The importance of parking space turnover to businesses has been well-illustrated by the situation and the impacts of the lack of turnover is being felt by many downtown businesses in the form of business loss due to a lack of convenient spaces for customer use. Likewise, businesses near the public lots have felt the effect of fewer lot spaces available due to an increased number of vehicles utilizing the lots for all-day parking.

The results of the most recent effort to develop a downtown parking proposal over the past 60-days were presented to the City Council at the March 26, 2024 study session in the form of recommendations. These recommendations took into consideration the input received from the two earlier public meetings on the topic, as well as numerous inputs from business owners/operators and members of the public over the past months. Not every suggestion or solution raised is incorporated into the recommendations as there are many competing needs with respect to parking in the downtown core and conflicting opinions on the best use of parking infrastructure, the public lots and on-street parking.

Based on the input received throughout this process, it is uniformly recognized that some level of regulation of the public lots and on-street parking is necessary to assure the turnover in parking spaces that downtown businesses need to survive and thrive. The recommendations represent staff's attempt to balance the many competing needs in the regulations and utilization of the lots and on-street parking. As background, the recommendations related to the regulation of parking are as follows:

1. Regulation of on-street parking – Retain free parking limited to two hours, enforce consistently. Review time limits based on request, adjustment as appropriate.
2. Regulation of public parking lots – Retain free parking limited to two hours, enforce consistently.
3. Monthly parking permit – Retain the \$50/month fee for parking lots. One permit for all four lots. The monthly parking permit fee is based on the premise that revenues from the lots (not fines) would be sufficient to fund the cost of lot maintenance.
4. Parking infraction – Reduce the fine from \$50 to \$20.
5. Allocation of permits spaces – Reduce the number of monthly permits from 60% of the total spaces to 40% and monitor for adequacy.

**Council action is necessary in order to implement items 4 and 5. Items 1 and 2 will be in place once the moratorium expires. Modification to the monthly parking permit fee, item 3, would require Council action.**

Related Policy Issues:

1. Lot maintenance and repair – Incremental and ongoing repair of the lots. With pavement preservations efforts, cleaning, drainage maintenance, signing, this represents an estimated cost of \$25,000 - \$30,000 annually.
2. Application of technology – Explore the possibility and costs associated with extending parking in the public parking lots through imposition of an hourly rate and use of QR code technology. Staff is recommending a quick turnaround of 60-days or less on this effort to present Council with options and anticipated impacts.

**Council confirmation/direction regarding items 1 and 2 is requested.**

Operational issues:

1. Need for coordination with business owners/operators.
2. Robust public outreach effort in partnership with businesses.
3. Eliminate differentiation between monthly pass and two-hour free parking stalls.
4. Continued outreach and dialogue with businesses on parking issues.
5. Working to assure owners/operators understand the process for modifications to on-street limits.

**Council confirmation of these strategies requested.**

To be successful, the City will need to continue working closely with the business community to monitor the effectiveness of the regulations ultimately determined by the City Council, as well as the other activities listed above related to the downtown public parking lots and on-street parking, and make appropriate regulatory and/or operational adjustments as needed to maximize the value of the public parking infrastructure to the benefit of downtown businesses and their customers.



**BUSINESS OF THE CITY COUNCIL  
YAKIMA, WASHINGTON  
AGENDA STATEMENT**

Item No. 16.A.  
For Meeting of: April 2, 2024

**ITEM TITLE:** Council General Information

**SUBMITTED BY:** Rosalinda Ibarra, City Clerk

**SUMMARY EXPLANATION:**

1. Preliminary Council Agenda

**ITEM BUDGETED:**

**STRATEGIC PRIORITY:**

**APPROVED FOR SUBMITTAL BY THE CITY MANAGER**

**RECOMMENDATION:**

**ATTACHMENTS:**

Description	Upload Date	Type
📎 4-9 draft agenda	3/28/2024	Backup Material
📎 4-16 draft agenda	3/28/2024	Backup Material



**AGENDA  
YAKIMA CITY COUNCIL  
STUDY SESSION  
April 9, 2024**

**City Hall -- Council Chambers - 129 N 2nd Street, Yakima, WA**

**5:00 p.m. Study Session --- This meeting will be conducted in person, live streamed at [www.yakimawa.gov/council/live-stream/](http://www.yakimawa.gov/council/live-stream/) and telecast live on Y-PAC, Spectrum Cable**

**Channel 194. You may also participate via Zoom:**

**<https://cityofyakima.zoom.us/j/99336427348> or call in by dialing 1-253-215-8782 | Webinar ID: 993 3642 7348 | Passcode: 610234 --- Individuals who wish to provide public comment remotely are encouraged to submit a Public Comment Request Form online at: [www.yakimawa.gov/council/public-comment](http://www.yakimawa.gov/council/public-comment) no later than 3:00 p.m. on the day of the meeting. If you wish to provide public comment in-person, please fill out a "Request for Appearance" form and hand it to the City Clerk before you address City Council.**

1. Roll Call
2. Public comment (allow 15 minutes)
3. Zero Based Budgeting
4. 2023 Budget Review and Forecasting
5. Update on funding options for MLK Jr. Park Eastside Pool Project 2745
6. Arbor Day proclamation
7. Adjournment

The next meeting is a City Council regular meeting on April 16, 2024, at 5:30 p.m. in the City Hall Council Chambers

*Any invocation that may be offered before the official start of the Council meeting shall be the voluntary offering of a private citizen, to and for the benefit of the Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker.*

*A Council packet is available for review at the City Clerk's Office and on-line at [www.yakimawa.gov](http://www.yakimawa.gov). The City provides special accommodations, such as hearing devices, wheelchair space or language interpreters, for City meetings. Anyone needing special assistance please contact the City Clerk's office at (509) 575-6037 at least two business days prior to the meeting. All meetings are live streamed on the City of Yakima website at [www.yakimawa.gov](http://www.yakimawa.gov) and telecast live on Y-PAC, Spectrum Cable Channel 194.*



## **AGENDA YAKIMA CITY COUNCIL**

**April 16, 2024**

**City Hall -- Council Chambers - 129 N 2nd Street, Yakima, WA**

**5:30 p.m. Regular Meeting | 6:00 p.m. Public Hearings --- This meeting will be conducted in person, live streamed at [www.yakimawa.gov/council/live-stream/](http://www.yakimawa.gov/council/live-stream/) and telecast live on Y-**

**PAC, Spectrum Cable Channel 194. You may also participate via Zoom:**

**<https://cityofyakima.zoom.us/j/91526085879> or call in by dialing 1-253-215-8782 | Webinar ID: 915 2608 5879 | Passcode: 449693 --- Individuals who wish to provide public comment remotely are encouraged to submit a Public Comment Request Form online at: [www.yakimawa.gov/council/public-comment](http://www.yakimawa.gov/council/public-comment) no later than 3:00 p.m. on the day of the meeting. If you wish to provide public comment in-person, please fill out a "Request for Appearance" form and hand it to the City Clerk before you address City Council.**

- 1. Roll Call**
- 2. Pledge of Allegiance**
- 3. Interpreter Services**
- 4. Public Comment**

There will be 35 minutes allotted for public comment with two and a half (2 1/2) minutes per speaker in order to allow as much opportunity as possible for audience participation. Written communication and e-mail messages are strongly encouraged.

- 5. Open Discussion for the Good of the Order**
- 6. Council Reports**
- 7. Consent Agenda**

Items listed are considered routine by the City Council and will be enacted by one motion without discussion. A Council member may request to remove an item from the Consent Agenda and, if approved, it will be placed on the regular agenda for discussion and consideration.

- A. Approval of minutes from the April 2, 2024 City Council regular meeting and April 9, 2024 study session
- B. March 2024 Investment Transaction Report
- C. Approve payment of disbursements for the period March 1-31, 2024
- D. Project Completion and Contract Acceptance for Flip Flow Terminal Security Exit Lane Project
- E. Project Completion and Contract Acceptance with Ascent Foundations and More LLC for DID #24 Stormwater Improvements Project 2646
- F. Resolution authorizing a Right-of-Way Use Permit to install fencing in a portion of the

alleyway north of H St between 1st St and Front St

- G. Resolution authorizing a Professional Services Agreement with RH2 Engineering for professional engineering services of the I-82 Sewer Main Extension Project 2760
- H. Resolution authorizing a Professional Services Agreement HLA Engineering and Land Surveying Inc for N 6th Ave Rebuild & Rail Renovation Project 2796
- I. Resolution authorizing an agreement with Boss Construction, Inc. for Project WF2715 Wastewater Treatment Facility Primary Digester Cleaning and Improvements
- J. Resolution authorizing an agreement with Yakima County for the award of \$3 million of ARPA funds for the construction of the Aquatic Center at MLK Jr. Park.
- K. Resolution authorizing the City to accept a Water Quality Combined Financial Assistance Agreement from the Department of Ecology
- L. Resolution authorizing an agreement with TTC Construction, Inc. for Project WF2805 Primary Digester No. 1 Supernatant Pipe Replacement
- M. Ordinance amending the 2023-2024 Biennial Budget for the City of Yakima and making appropriations from Unappropriated Fund Balances within various Funds for expenditure during 2023-2024 for various purposes (Second Reading)

## **DEPARTMENT ITEMS**

- 8. Resolution authorizing a Contract with Chervenell Construction Company for the MLK Jr Park Eastside Pool Project 2745
- 9. Ordinance amending the Yakima Municipal Code Chapter 11.40 Property Maintenance Code

## **10. Other Business**

## **11. Adjournment**

The next meeting is a City Council study session on April 23, 2024, at 5:00 p.m. in the City Hall Council Chambers

## **12. Council General Information**

### **A. Council General Information**

*Any invocation that may be offered before the official start of the Council meeting shall be the voluntary offering of a private citizen, to and for the benefit of the Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker.*

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