AGENDA
Finance Committee Meeting
3:30 PM - Monday, March 2, 2020
Council Conference Room, 7th Floor, City Hall – 1055 S. Grady Way

1. Rainier Ave S Corridor Grant
   a) AB - 2592 Transportation Systems Division recommends executing Local Agency Agreement Supplement No. 1 to CAG-15-006, contractor Washington State Department of Transportation, for obligation of $3 million in grant funding, and approval of all subsequent agreements necessary to accomplish the Rainier Ave S Corridor Improvements Phase 4 project. City match is $500,000.

2. Sunset Oaks Grant Award to RHA
   a) AB - 2582 Community & Economic Development Department recommends executing the General Fund & Density Fee Affordable Rental Housing Agreement, with the Renton Housing Authority (RHA), which grants $700,000 ($517,540 from the General Fund and $182,460 in Density Fee funds) to the RHA to support the 60-unit affordable housing project called the Sunset Oaks Apartments.
City Council Regular Meeting - 24 Feb 2020

SUBJECT/TITLE: Local Agency Agreement Supplement No. 1 to CAG-15-006 with the Washington State Department of Transportation for the Rainier Avenue South Corridor Improvements Phase 4 Project

RECOMMENDED ACTION: Refer to Finance Committee

DEPARTMENT: Transportation Systems Division

STAFF CONTACT: Michelle Faltaous, Project Manager

EXT.: 7301

FISCAL IMPACT SUMMARY:
The total project budget is $20,300,000. The grant revenue secured to date is $10,100,000, which includes design, right-of-way and construction of the Rainier Avenue South Corridor Improvements Phase 4 project. This amount includes a grant for right-of-way for $3,000,000 and a City share of $500,000. The project budget is sufficient for the right-of-way phase.

SUMMARY OF ACTION:
The Rainier Avenue South Corridor Improvements Phase 4 project was awarded a $2,600,000 Surface Transportation Program (STP) grant for Design in 2014. The project was recently selected for another (STP) grant in the amount of $3,000,000 for the right-of-way phase of the project. The attached Local Agency Agreement Supplement with the Washington State Department of Transportation (WSDOT) is required in order to obligate the additional grant funding.

The Rainier Avenue South Corridor Improvements Phase 4 project (TIP #22), continues the infrastructure improvements to the Rainier Avenue South corridor. The approximate project area limits of Phase 4 are between South 3rd Street and NW 3rd Place. Similar to Phase 3, this new phase includes infrastructure improvements for enhanced transit mobility and improved traffic and pedestrian safety. Project elements include sidewalk widening with streetscaping, adding a pedestrian actuated traffic signal, upgrading existing traffic signals, planted buffer strips and landscaped medians.

EXHIBITS:
A. Local Agency Agreement Supplement

STAFF RECOMMENDATION:
Authorize the Mayor and City Clerk to execute the Local Agency Agreement Supplement No. 1 to CAG-15-006 with the Washington State Department of Transportation for the obligation of grant funding and all subsequent agreements necessary to accomplish the Rainier Avenue South Corridor Improvements Phase 4 project.
Local Agency Agreement Supplement

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<tr>
<th>Agency</th>
<th>City of Renton</th>
<th>Supplement Number</th>
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<tbody>
<tr>
<td>Federal Aid Project Number</td>
<td>STPUL-1615(005)</td>
<td>Agreement Number</td>
<td>LA 8536</td>
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<td>CFDA No.</td>
<td>20.205</td>
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<td>(Catalog of Federal Domestic Assistance)</td>
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The Local Agency requests to supplement the agreement entered into and executed on 01/28/2015. All provisions in the basic agreement remain in effect except as modified by this supplement.

The Local Agency certifies that it is not excluded from receiving Federal funds by a Federal suspension or debarment (2 CFR Part 180). Additional changes to the agreement are as follows:

Project Description

Name: Rainier Ave S Corridor Improvements - Phase 4
Termini: S 3rd St (SR 900) to NW 3rd Pl

Description of Work: ✓ No Change

Phase 4 will extend improvements from S 3rd St (SR 900) to approximately 1,000 feet north of Airport Way. Improvements include extending a southbound BAT lane from S 2nd St to S 3rd St - see attached Exhibit A for continuation.

Reason for Supplement

Obligating subsequent phase of project (right-of-way).

Are you claiming indirect cost rate? ☑ Yes ☐ No

Project Agreement End Date: 12/31/2026

Does this change require additional Right of Way or Easements? ☑ Yes ☐ No

Advertisement Date: N/A

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<td>r. Total Project Cost Estimate (e+j+p)</td>
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The Local Agency further stipulates that pursuant to said Title 23, regulations and policies and procedures, and as a condition to payment of the Federal funds obligated, it accepts and will comply with the applicable provisions.

Agency Official

By 
Title

Washington State Department of Transportation

By 
Director, Local Program

Date Executed

DOT Form 140-041
Revised 03/2019
Page 1
AGENDA ITEM #1. a) Supplement No. 1

Federal Aid Project Number Agreement Number CFDA No. 20.205
STPUL-1615(005) LA 8536 (Catalog of Federal Domestic Assistance)

VI. Payment and Partial Reimbursement
The total cost of the project, including all review and engineering costs and other expenses of the State, is to be paid by the Agency and by the Federal Government. Federal funding shall be in accordance with the Federal Transportation Act, as amended, 2 CFR Part 200. The State shall not be ultimately responsible for any of the costs of the project. The Agency shall be ultimately responsible for all costs associated with the project which are not reimbursed by the Federal Government. Nothing in this agreement shall be construed as a promise by the State as to the amount or nature of federal participation in this project.

The Agency shall bill the state for federal aid project costs incurred in conformity with applicable federal and state laws. The agency shall minimize the time elapsed between receipt of federal aid funds and subsequent payment of incurred costs. Expenditures by the Local Agency for maintenance, general administration, supervision, and other overhead shall not be eligible for federal participation unless a current indirect cost plan has been prepared in accordance with the regulations outlined in 2 CFR Part 200 - Uniform Admin. Requirements, Cost Principles and Audit Requirements for Federal Awards, and retained for audit.

The State will pay for State incurred costs on the project. Following payment, the State shall bill the Federal Government for reimbursement of those costs eligible for federal participation to the extent that such costs are attributable and properly allocable to this project. The State shall bill the Agency for that portion of State costs which were not reimbursed by the Federal Government (see Section IX).

VII. Audit of Federal Consultant Contracts
The Agency, if services of a consultant are required, shall be responsible for audit of the consultant’s records to determine eligible federal aid costs on the project. The report of said audit shall be in the Agency’s files and made available to the State and the Federal Government.

An audit shall be conducted by the WSDOT Internal Audit Office in accordance with generally accepted governmental auditing standards as issued by the United States General Accounting Office by the Comptroller General of the United States; WSDOT Manual M 27-50, Consultant Authorization, Selection, and Agreement Administration; memoranda of understanding between WSDOT and FHWA; and 2 CFR Part 200.501 - Audit Requirements.

If upon audit it is found that overpayment or participation of federal money in ineligible items of cost has occurred, the Agency shall reimburse the State for the amount of such overpayment or excess participation.

IX. Payment of Billing
The Agency agrees that if payment or arrangement for payment of any of the State’s billing relative to the project (e.g., State force work, project cancellation, overpayment, cost ineligible for federal participation, etc.) is not made to the State within 45 days after the Agency has been billed, the State shall effect reimbursement of the total sum due from the regular monthly fuel tax allotments to the Agency from the Motor Vehicle Fund. No additional Federal project funding will be approved until full payment is received unless otherwise directed by the Director, Local Programs.

Project Agreement End Date - This date is based on your projects Period of Performance (2 CFR Part 200.309).

Any costs incurred after the Project Agreement End Date are NOT eligible for federal reimbursement. All eligible costs incurred prior to the Project Agreement End Date must be submitted for reimbursement within 90 days after the Project Agreement End Date or they become ineligible for federal reimbursement.

VIII. Single Audit Act
The Agency, as a subrecipient of federal funds, shall adhere to the federal regulations outlined in 2 CFR Part 200.501 as well as all applicable federal and state statutes and regulations. A subrecipient who expends $750,000 or more in federal awards from all sources during a given fiscal year shall have a single or program-specific audit performed for that year in accordance with the provisions of 2 CFR Part 200.501. Upon conclusion of the audit, the Agency shall be responsible for ensuring that a copy of the report is transmitted promptly to the State.

XVII. Assurances
Local Agencies receiving Federal funding from the USDOT or its operating administrations (i.e., Federal Highway Administration, Federal Transit Administration, Federal Aviation Administration) are required to submit a written policy statement, signed by the Agency Executive and addressed to the State, documenting that all programs, activities and services will be conducted in compliance with Section 504 and the Americans with Disabilities Act (ADA).
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Exhibit A to Supplemental Local Agency Agreement (STPUL-1615(005)/LA 8536) – Rainier Ave S

Corridor Improvements - Phase 4 Description of Work (continued):

......pedestrian improvements with street scaping, segment of a regional ped/bike path trail (Lake Washington Loop Trail) from Airport Way to 1,000 feet north of Airport Way, installation of a pedestrian actuated traffic signal (Hawk), pedestrian scale illumination, transit facility upgrades, access management, new traffic signal and upgrades of existing traffic signals.
SUBJECT/TITLE: Agreement for Grant Awards to Renton Housing Authority for Sunset Oaks Affordable Rental Housing Project

RECOMMENDED ACTION: Refer to Finance Committee

DEPARTMENT: Community & Economic Development Department

STAFF CONTACT: Mark Santos-Johnson, Community Development and Housing Manager

EXT.: 6584

FISCAL IMPACT SUMMARY:
A $517,540 grant from the General Fund funds (approved on 11/25/19) and a $182,460 Density Fee grant award (approved on 11/25/19) to Renton Housing Authority for the 60-unit Sunset Oaks affordable rental housing project. A 2020 first quarter budget amendment will be necessary prior to payment.

SUMMARY OF ACTION:
The City of Renton has been working with the Renton Housing Authority (RHA) the past two years to help secure funding for the agency's next pipeline project, the 60-unit Sunset Oaks affordable rental housing project.

The proposed project is located on the 1.05-acre "node" parcel across the street from the Sunset Neighborhood Park and between Glennwood Avenue NE and Harrington Avenue NE. The 60-unit project will contain five studio apartments, 44 one-bedroom apartments, and 11 two-bedroom apartments. The project will utilize income-averaging and consist of 23 units set aside at 40 percent of the Area Median Income (AMI), 17 units set aside at 60 percent AMI, and 20 units set aside at 80 percent AMI.

On November 25, 2019, the Council approved a $700,000 grant - $517,540 grant from the General Fund and $182,460 in Density Fee funds to help support the development and construction of the Sunset Oaks Apartments. The attached General Fund & Density Fee Affordable Rental Housing Agreement includes the terms and conditions for the award, along with a detailed scope of work for the organization's use of the funds.

The Sunset Oaks project is RHA's fourth replacement housing project for the former Sunset Terrace public housing project. The project is an integral part of the Sunset Terrace Redevelopment, the Sunset Area Community Revitalization, and the Sunset Area Transformation Plan and supports the City's 2020 - 2025 Business Plan goal to "encourage and partner in the development of quality housing choices for people of all ages and income levels."

EXHIBITS:
A. Issue Paper
B. Sunset Oaks preliminary site plan, rendering & building elevations
C. General Fund & Density Fee Affordable Rental Housing Agreement

STAFF RECOMMENDATION:
Staff recommends Council: (1) approve the General Fund & Density Fee Affordable Rental Housing Agreement with Renton Housing Authority for the Sunset Oaks Apartments; and (2) authorize the Mayor to execute said agreement in substantially the same form.
DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT

MEMORANDUM

DATE: January 24th, 2020

TO: Ruth Perez, Council President
    Members of Renton City Council

VIA: Armondo Pavone, Mayor

FROM: C.E. “Chip” Vincent, CED Administrator x6588

STAFF CONTACT: Mark Santos-Johnson, Community Development and Housing Manager x6584

SUBJECT: Agreement for Grant Awards to Renton Housing Authority for Sunset Oaks Affordable Rental Housing Project

ISSUE:
Should Council approve an agreement with Renton Housing Authority (RHA) for the $517,540 General Fund grant award and the $182,460 Density Fee grant award for Sunset Oaks, a new 60-unit affordable rental housing development project in the Sunset Area?

RECOMMENDATION:
Staff recommends Council: (1) approve the General Fund & Density Fee Affordable Rental Housing Agreement with RHA for the Sunset Oaks project; and (2) authorize the Mayor to execute said agreement in substantially the same form.

BACKGROUND SUMMARY:
The City of Renton has been working with the Renton Housing Authority (RHA) the past two years to help secure funding for the agency's next pipeline project, the 60-unit Sunset Oaks affordable rental housing project. The project is an integral part of the Sunset Terrace Redevelopment, the Sunset Area Community Revitalization, and the Sunset Area Transformation Plan and will provide much-needed additional affordable rental housing in Renton.

The proposed project is located on the 1.05-acre "node" parcel across the street from the Sunset Neighborhood Park and between Glennwood Avenue NE and Harrington Avenue NE. The subject property is located in Center Village (CV) zoning designation and is also a component of the Sunset Terrace Redevelopment Master Site Plan that was approved in 2015.
The project will consist of three three-story buildings with a total of 47,762 square feet. The 60-unit project will contain five studio apartments, 44 one-bedroom apartments, and 11 two-bedroom apartments.

The project will utilize income-averaging and consist of 23 units set aside at 40 percent of the Area Median Income (AMI), 17 units set aside at 60 percent AMI, and 20 units set aside at 80 percent AMI. As a project funded by the federal low-income housing tax credit (LIHTC) program, income averaging is permitted provided all units are affordable for households with income at or below eighty percent (80%) of median income and the average rent for all housing units does not exceed the rate affordable for households with income at or below sixty percent (60%) of median income.

On November 25, 2019, the Council approved a $700,000 grant, including $517,540 from the General Fund and $182,460 in Density Fee funds, to help support the development and construction of the Sunset Oaks Apartments. Additional funding for the $25.3 million project includes $9.4 million in low-income housing tax credit (LIHTC) equity, $5.9 million in private-placement tax exempt bonds, $5 million from the King County Housing Opportunity Fund, and $4.3 million in equity from RHA.

Third Place Design Co-Op (the architect for Homestead Community Land Trust’s Willowcrest affordable homeownership townhomes project in the Sunset Area) is the Sunset Oaks project architect and Charter Construction, Inc., is the general contractor/construction manager.

The project is currently going through the City’s land-use approval process. RHA plans to start construction in Spring 2020 and for construction to be completed in Summer 2021 with 100 percent occupancy by December 2021.

The Sunset Oaks project is RHA’s fourth new affordable housing project in the Sunset Area as part of the Sunset Terrace Redevelopment, Sunset Area Community Revitalization, and/or Sunset Area Transformation Plan. RHA’s recent prior affordable housing projects include: (1) the new 8-unit Glennwood Townhomes completed in 2012; the new 18-unit Kirkland Avenue Townhomes completed in 2014; and the new 50-unit Sunset Court Apartments completed in 2018.

In 2009 the Council adopted the Sunset Area Community Investment Strategy. The highest priority strategy was to support RHA’s redevelopment of the Sunset Terrace public housing project. As part of the redevelopment, RHA committed to build at least 100 replacement housing units – and provide relocation assistance and the right of first refusal for former Sunset Terrace public housing residents to occupy the new replacement housing units. The Sunset Oaks project is RHA’s fourth replacement housing project for the former Sunset Terrace public housing project.
CONCLUSION:
The $700,000 grant to RHA for the Sunset Oaks project will allow the agency to move forward with construction of the affordable housing project in Spring 2020 and to make 60 units of affordable rental housing available by the close of 2021.

The project is an integral part of the Sunset Terrace Redevelopment, the Sunset Area Community Revitalization, and the Sunset Area Transformation Plan and supports the City’s 2020 – 2025 Business Plan goal to “encourage and partner in the development of quality housing choices for people of all ages and income levels.”

cc: Bob Harrison, CAO
    Jason Seth, City Clerk
    Jan Hawn, ASD Administrator
    Cliff Long, Economic Development Director
    Hannah Bahnmiller, Housing Programs Manager

Attachments:
- Sunset Oaks preliminary site plan, rendering & building elevations
- General Fund & Density Fee Affordable Rental Housing Agreement
3 ELEVATION: BUILDING A - SOUTH

4 ELEVATION BUILDING A - WEST

2 ELEVATION: BUILDING A - NORTH

1 ELEVATION BUILDING A - EAST
CITY OF RENTON
GENERAL FUND & DENSITY FEE AFFORDABLE RENTAL HOUSING AGREEMENT

This General Fund and Density Fee Affordable Housing Agreement ("Agreement") is dated this ___ day of ____, 2020. The parties ("Parties") to this agreement are the City of Renton, a non-charter code city under RCW 35A, a municipal corporation of the State of Washington, hereinafter referred to as “Renton” and Renton Housing Authority, a public corporation of the State of Washington, hereinafter referred to as “RHA”. Collectively, Renton and RHA are the “Parties.”

WITNESSETH:

WHEREAS Renton has provided General Fund and Density Fee funds to help support certain projects that serve low and/or moderate income households and/or special-needs populations; and

WHEREAS RHA’s Sunset Oaks project is a new construction project which will help increase the available supply of affordable housing in Renton; and

WHEREAS the project is funded by the federal low-income housing tax credit (LIHTC) program and will offer rental housing opportunities to households earning no more than 80% of the King County median income as established by the U.S. Department of Housing and Urban Development (HUD), given the average rent for all housing units will not exceed the rate affordable for households with income at or below sixty percent (60%) of median income;

WHEREAS Renton intends to provide this assistance pursuant to the authority granted by RCW 35.21.685.

NOW, THEREFORE, in consideration of the mutual benefits and covenants herein referred to, and incorporating the language above in this Agreement, it is hereby agreed by and between the Parties as follows:

1. Project Summary: In an effort to help offer more rental housing opportunities to qualifying households, the Parties agree that RHA shall use the Renton General Fund and Density Fee funds described in Section 4 of this Agreement to help provide sixty (60) units of affordable rental housing to households earning no more than 80% of the King County median income, where the average rent for all housing units does not exceed the rate affordable for households with income at or below sixty percent (60%) of median income. Project Exhibit A, “Scope of Work,” is attached hereto and incorporated herein by this reference.
2. **Term.** The Term of this Agreement shall be in effect as of the date of execution of this Agreement or March 1, 2020, whichever is later, and terminate no later than March 1, 2023, or three years from the date of execution of the Agreement, whichever is later, unless extended to a later date by written agreement of both Parties.

3. **Termination.** Prior to the expiration of the Term, this Agreement may be terminated or suspended immediately, with or without cause, upon written notice by Renton. RHA may cancel this Agreement only upon thirty (30) days’ written notice to Renton. In the event Renton terminates or suspends this Agreement, RHA will be entitled to receive compensation for any approved costs incurred prior to the effective date of such termination or suspension. The determination of the amount of any compensation to be paid shall be made by the Administrator of the Community and Economic Development Department, or any other City office, department or agency that shall succeed to its functions with respect to this Agreement, or his or her authorized designee. In the event of a dispute over the amount of compensation, the dispute shall be resolved by the City’s Chief Administrative Officer and RHA’s Executive Director.

4. **Compensation.** The total amount of funds pursuant to this Agreement shall not exceed **Seven Hundred Thousand Dollars ($700,000)**, including **Five Hundred Seventeen Thousand Five Hundred Forty ($517,540)** in General Fund funds and **One Hundred Eighty-Two Thousand Four Hundred Sixty Dollars ($182,460)** in Density Fee funds.

Subject to the additional requirements set forth in Exhibit A, disbursement will be made no later than forty-five (45) days after receipt of the letter requesting disbursement subject to the letter or documentation prerequisites noted in the Agreement. If Renton objects to any portion of the letter or documentation, it shall notify RHA. Renton reserves the option to disburse only that portion of funds that is consistent and not in dispute concerning RHA letter, documentation or performance prerequisites. In that event, the Parties will immediately make every effort to settle any disputed portion or portions.

RHA may lend the funds provided by Renton to a limited partnership of which RHA is the sole general partner so long as the limited partnership uses the funds for the purposes described in Exhibit A and in compliance with the terms of this Agreement.

5. **Independent Contractor.** RHA and Renton agree that RHA is an independent contractor with respect to the services provided pursuant to this Agreement. Nothing in this Agreement shall be considered to create, and it is not the intent of the Parties to create, an employer-employee relationship between the Parties hereto. Neither RHA nor any employee or volunteer of RHA shall be entitled to any benefits or rights given to Renton employees by virtue of the services provided under this Agreement. Renton shall not be responsible for withholding or otherwise deducting federal income tax or Social Security or contributing to the State Industrial Insurance Program, or otherwise
assuming the duties of an employer with respect to RHA, or any employee or volunteer of RHA. Industrial or any other insurance that is purchased for the benefit of Renton, regardless of whether such may provide a secondary or incidental benefit to RHA, shall not be deemed to convert this Agreement to an employment contract.

6. **Agency Indemnification.** RHA represents to Renton that it has or will have adequate supervision for those participating in the project and that all applicable rules, regulations, statutes and ordinances will be complied with in their entirety. RHA agrees to indemnify, hold and defend Renton, its elected officials, officers, employees, agents and volunteers harmless from any and all claims, demands, losses, actions, violations and liabilities (including costs and all attorney’s fees) to or by any and all persons or entities, including without limitation, their respective agents, licensees or representatives, arising from, resulting from, or connected with the Agreement to the extent caused by the negligent acts, errors or omissions of RHA, its partners, shareholders, agents, employees, or by RHA’s breach of this Agreement. RHA waives any immunity that may be granted to it under the Washington State Industrial Insurance Act, Title 51 RCW. RHA’s indemnification shall not be limited in any way by any limitation of 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 federal, state or municipal benefits programs.

7. **Discrimination Prohibited.** In all of RHA’s services, programs, or activities, and all of RHA’s hiring and employment made possible by or resulting from this Agreement there shall be no discrimination by RHA or by RHA’s employees, agents, subcontractors, volunteers or representatives against any person because of age (except minimum age and retirement provisions), sex, marital status, sexual orientation, race, creed, color, national origin, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability, unless based upon a bona fide occupational qualification in relationship to hiring and employment. Any material violation of this provision shall be grounds for Renton to immediately terminate this Agreement.

8. **Hold Harmless.** Contractor shall indemnify, defend and hold harmless Renton, its elected officials, officers, agents, employees and volunteers, from and against any and all claims, losses or liability, or any portion of the same, including but not limited to reasonable attorneys’ fees, legal expenses and litigation costs, arising from injury or death to persons, including injuries, sickness, disease or death of Contractor’s own employees, agents and volunteers, or damage to property caused by Contractor’s negligent act or omission, except for those acts caused by or resulting from a negligent act or omission by Renton and its officers, agents, employees and volunteers.

Should a court of competent jurisdiction determine that this agreement is subject to RCW 4.24.115, (Validity of agreement to indemnify against liability for negligence relative to construction, alteration, improvement, etc., of structure or improvement attached to real estate...) 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 Renton, its officers, officials, employees and volunteers, Contractor’s liability shall be only to the extent of Contractor’s negligence.

It is further specifically and expressly understood that the indemnification provided in this Agreement constitute Contractor’s waiver of immunity under the Industrial Insurance Act, RCW Title 51, solely for the purposes of this indemnification. The Parties have mutually negotiated and agreed to this waiver. The provisions of this section shall survive the expiration or termination of this Agreement.

9. **Insur**ance. RHA shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with performance of the work hereunder by RHA, their agents, representatives, employees or subcontractors.

No Limitation: The maintenance of insurance by RHA, as required by this Agreement, shall not be construed to limit the liability of RHA to the coverage provided by such insurance, or otherwise limit Renton’s recourse to any remedy available at law or in equity.

RHA shall secure and maintain:

a. Commercial general liability insurance in the minimum amounts of $1,000,000 for each occurrence/$2,000,000 aggregate for the Term of this Agreement.

b. Professional liability insurance, in the minimum amount of $1,000,000 for each occurrence, shall also be secured for any professional services being provided to Renton that are excluded in the commercial general liability insurance.

c. Automobile Liability insurance: With a minimum combined single limit for bodily injury and property damage of $1,000,000 for each accident. This is required of all RHA and professional service providers where a vehicle will be used on the contract. Renton may request a copy of Consultant’ driving record abstract.

d. Workers’ compensation coverage, as required by the Industrial Insurance laws of the State of Washington, shall also be secured.

e. It is agreed that on RHA’s commercial general liability policy, the City of Renton will be named as an Additional Insured on a non-contributory primary basis. Renton’s insurance policies shall not be a source for payment of any RHA Contractor liability.

f. Subject to Renton’s review and acceptance, a certificate of insurance showing the proper endorsements, shall be delivered to Renton before executing the work of this Agreement.
g. RHA shall provide Renton with written notice of any policy cancellation, within two (2) business days of their receipt of such notice.

h. Termination: Notwithstanding any other provision of this Agreement, the failure of Consultant to comply with the above provisions of this section shall subject this Agreement to immediate termination without notice to any person in order to protect the public interest.

i. Subcontractors. RHA shall ensure that each subcontractor of every tier obtain at a minimum the same insurance coverage and limits as stated herein for RHA.

10. Subcontracts and Purchases.

Subcontract Defined. “Subcontract” shall mean any agreement between RHA and a subcontractor or between subcontractors that is based on this Agreement, provided that the term “subcontract” does not include the purchase of support services not related to the subject matter of this Agreement, or supplies.

Writing Required: Any work or services assigned or subcontracted hereunder shall be in writing. RHA agrees that it is as fully responsible to Renton for the acts and omissions of its subcontractors and their employees and agents, as it is for the acts and omissions of its own employees and agents.

11. Debarred Contractors: RHA shall not make any award to any contractor, which is debarred, suspended or excluded from participation in federal assistance programs under Executive Order 12549, entitled “Debarment and Suspension.” The contractor shall certify that neither the contractor nor any member of the contractor’s development team is debarred, suspended or otherwise ineligible to participate in Federal Assistance programs under Executive Order 12549.

12. No Benefit to Owners and Developers of Assisted Housing: No agency, developer or sponsor (or officer, employee, agent or consultant of the owner, developer or sponsor) whether private, for profit or nonprofit [including a community housing development organization (CHDO) when acting as an owner, developer or sponsor] may apply for or obtain assisted housing in the project unless agreed to in advance in writing by the Administrator of the Community and Economic Development Department, or any other City office, department or agency that shall succeed to its functions with respect to this Agreement, or his or her authorized designee. Nothing in this provision should be interpreted to preclude a Renton officer, employee, agent or consultant from applying for or obtaining assisted housing under this agreement, so long as the person is not an officer, employee, agent, consultant, contractor or subcontractor of RHA.

a. **Entire Agreement.** This Agreement contains all of the agreements of the Parties with respect to any matter covered or mentioned in this Agreement and no prior agreements shall be effective for any purpose.

b. **Modification.** No provision of this Agreement may be amended or modified except by written agreement signed by the Parties.

c. **Full Force and Effect.** Any provision of this Agreement which is declared invalid or illegal shall in no way affect or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

d. **Assignment.** Neither RHA nor Renton shall have the right to transfer or assign, in whole or in part, any or all of its obligations and rights hereunder without the prior written consent of the other Party.

e. **Successors in Interest.** Subject to the foregoing subsection, the rights and obligations of the Parties shall inure to the benefit of and may be binding upon their respective successors in interest, heirs, and assigns.

f. **No Waiver.** Failure or delay of Renton to declare any breach or default immediately upon occurrence shall not waive such breach or default. Failure of Renton to declare one breach or default does not act as a waiver of Renton’s right to declare another breach or default.

g. **Governing Law.** This Agreement shall be made in and shall be governed by and interpreted in accordance with the laws of the State of Washington.

h. **Authority.** Each individual executing this Agreement on behalf of Renton and RHA represents and warrants that such individuals are duly authorized to execute and deliver this Agreement on behalf of RHA or Renton.

i. **Notices.** Any notices required to be given by the Parties shall be delivered at the addresses set forth below. Any notices may be delivered personally to the addressee of the notice or may be deposited in the United States mail, postage prepaid, to the address set forth below. Any notice so posted in the United States mail shall be deemed received three (3) days after the date of mailing.

Written notice sent to Renton should be addressed as follows:

- Chip Vincent, Administrator
- City of Renton, Community & Economic Development Department
- 1055 South Grady Way
- Renton, WA 98057-3232

Written notice sent to RHA should be addressed as follows:
j. **Captions.** The respective captions of the Sections of this Agreement are inserted for convenience of reference only and shall not be deemed to modify or otherwise affect any of the provisions of this Agreement.

k. **Performance.** Time is of the essence of this Agreement and each and all of its provisions in which performance is a factor. Adherence to the completion dates set forth in the description of the Services is essential to RHA’s performance of this Agreement.

l. **Remedies Cumulative.** Any remedies provided for under the terms of this Agreement are not intended to be exclusive, but shall be cumulative with all other remedies available to Renton at law, in equity, or by statues.

m. **Counterparts.** This Agreement may be executed in any number of counterparts, which counterparts shall collectively constitute the entire Agreement.

n. **Attorney Fees.** In the event either of the Parties defaults on the performance of any terms of this Agreement or either Party places the enforcement of this Agreement in the hands of an attorney, or files a lawsuit, each Party shall pay all its own attorneys’ fees, costs and expenses.

o. **Venue.** The venue for any dispute related to this Agreement shall be Maleng Regional Justice Center, Kent, King County, Washington.
IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed the day and year set forth above.

CITY OF RENTON

By: __________________________
   Armando Pavone
   Mayor

____________________________
Date

Attest

____________________________
Jason A. Seth
City Clerk

RENTON HOUSING AUTHORITY

By: __________________________
   Signature
   Name (print)
   Title

____________________________
Date

Approved as to Legal Form

By: __________________________
   Shane Moloney
   City Attorney
CITY OF RENTON
GENERAL FUND & DENSITY FEE AFFORDABLE RENTAL HOUSING AGREEMENT
PROJECT EXHIBIT A
SCOPE OF WORK

<table>
<thead>
<tr>
<th>Project Title: Sunset Oaks</th>
<th>Start Date: 3/1/2020¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Contact: Mark Santos-Johnson, Economic Development Manager</td>
<td>End Date: 3/1/2023</td>
</tr>
<tr>
<td>Telephone: (425) 430-6584</td>
<td></td>
</tr>
<tr>
<td>Fax: (425) 430-7300</td>
<td></td>
</tr>
<tr>
<td>E-mail: <a href="mailto:msantosjohnson@rentonwa.gov">msantosjohnson@rentonwa.gov</a></td>
<td></td>
</tr>
<tr>
<td>RHA Contact: Mark Gropper, Executive Director</td>
<td></td>
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<tr>
<td>Telephone: 425-226-1850 x 223</td>
<td></td>
</tr>
<tr>
<td>E-mail: <a href="mailto:mrg@rentonhousing.org">mrg@rentonhousing.org</a></td>
<td></td>
</tr>
</tbody>
</table>

1) Work Statement

Renton Housing Authority (hereinafter referred to as “RHA”) shall utilize General Fund funds and Density Fee funds to perform the activities specified below. Such services shall be provided in a manner that fully complies with all applicable federal, state and local laws, statutes, ordinances, rules and regulations, as are now in effect or may be hereafter amended.

2) Project Description

The Sunset Oaks project includes sixty (60) new apartment units in three (3) buildings. Five (5) of the units are studio units, forty-four (44) units are one-bedroom units, and eleven (11) units are two-bedroom units. The project will utilize income-averaging and consist of 23 units set aside at 40 percent of the Area Median Income (AMI), 17 units set aside at 60 percent AMI, and 20 units set aside at 80 percent AMI. RHA shall use Renton General Fund and Density Fee funds to help design, develop, construct, and provide, for a minimum period of thirty (30) years, affordable rental housing opportunities for the sixty (60) units. As a project funded by the federal low-income housing tax credit (LIHTC) program, income averaging is permitted provided all units are affordable for households with income at or below eighty percent (80%) of median income, given the average rent for all housing units does not exceed the rate affordable for households with income at or below sixty percent (60%) of median income. All City funds will be used to help pay for construction costs of the apartment buildings as noted below.

The project is located on the 1.05-acre “node” parcel across the street from the Sunset Neighborhood Park and between Glennwood Avenue NE and Harrington Avenue NE. The legal description for the property is:

PARCEL A

¹ See paragraph 2 of the Agreement for additional details regarding the Term of the Agreement.
Parcel 5 of City of Renton Lot Line Adjustment No. LUA16-000132, recorded under recording no. 20160603900008, in King County, Washington;

PARCEL B
Lots 6 and 11, Block 41, Corrected Plat of Renton Highlands No. 2, according to the plat thereof recorded
in Volume 57 of Plats, Pages 92 through 96, inclusive, in King County, Washington.
Situate in the County of King, State of Washington

3) Compensation and Method of Payment

RHA shall apply the General Fund and Density Fee funds to the project in accordance with the Line Item Budgets below. The total amount of the funds pursuant to this Exhibit shall not exceed Seven Hundred Thousand Dollars ($700,000).

<table>
<thead>
<tr>
<th>A. General Fund Funds</th>
<th></th>
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<tbody>
<tr>
<td>City of Renton Funds</td>
<td>$517,540</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Line Item Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Services (detail below)</td>
</tr>
<tr>
<td>Office or Operating Supplies</td>
</tr>
<tr>
<td>Architectural &amp; Engineering</td>
</tr>
<tr>
<td>Construction Contracts</td>
</tr>
<tr>
<td>Communications</td>
</tr>
<tr>
<td>Travel and Training</td>
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<tr>
<td>Other (specify below):</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. Density Fee Funds</th>
</tr>
</thead>
<tbody>
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<tr>
<td>Other (specify below):</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

C. Invoicing
Criteria for Compensation. RHA may request up to $517,540 of the General Fund funds and up to $182,460 of the Density Fee funds upon submittal of the inspection record demonstrating the concrete footings of all buildings have passed final inspection.

Method of Payment. RHA will submit a letter requesting General Fund and/or Density Fee funds, including copies of supporting documents, such as an architect and/or engineer’s invoice, to:
Mark Santos-Johnson, Economic Development Manager
City of Renton, Department of Community & Economic Development
1055 S. Grady Way, 6th Floor
Renton, WA 98057

Promise to Repay: Funding is contingent upon RHA obtaining a Certificate of Occupancy by March 1, 2023, and ensuring that for a minimum period of thirty (30) years, the sixty (60) units remain as affordable to households with income at or below eighty percent (80%) of median income, and the average rent for all housing units does not exceed the rate affordable for households with income at or below sixty percent (60%) of median income. RHA will provide a copy of the Certificate of Occupancy for the apartment buildings to the City of Renton to “close out” the contract. If the Certificate of Occupancy is not obtained by the deadline, or affordable rental opportunities are not restricted to households at eighty percent (80%) of King County median income or below, or the average rent for all housing units exceeds the rate affordable for households with income at or below sixty percent (60%) of median income, or the units are not used as affordable housing for a minimum period of thirty (30) years, RHA agrees to repay the entire Seven Hundred Thousand Dollars ($700,000), with interest (unless otherwise waived by the Renton City Council), upon receipt of repayment request by the City of Renton. The thirty-year repayment provision related to affordable rental housing affordability shall survive the Term of this Agreement. In the event of repayment, the Seven Hundred Thousand Dollars ($700,000) shall bear interest at the rate of twelve percent (12%) per annum from the date of the execution of the Agreement. The repayment of the Seven Hundred Thousand Dollars ($700,000) with interest shall not excuse or cure any default by RHA under the Agreement. If the interest rate specified in this Exhibit A is higher than the rate then permitted by law, the interest rate shall be decreased to the maximum legal interest rate then permitted by law.

4) Records

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2 See paragraph 2 of the Agreement for additional details regarding the Term of the Agreement.
A. Project Files

RHA shall maintain files for this project containing the following items:

1. Notice of Grant Award.
2. Motions, resolutions, or minutes documenting Board or Council actions.
3. A copy of this Scope of Work.
4. Correspondence regarding budget revision requests.
5. Copies of all invoices and reports submitted to the City of Renton for this project.
7. Copies of approved invoices and warrants.