

MEMORANDUM OF UNDERSTANDING

Between

The City of Vancouver

And

Columbia Waterfront LLC

This memorandum of understanding is being entered into in order to document the understanding of the City of Vancouver and Columbia Waterfront LLC (CW-LLC) with respect to the parties' their intentions to amend the Development Agreement date October 19, 2009 (as amended June 6, 2011) upon certain conditions. The parties wish to facilitate the joint development and funding of the Columbia Way arterial roadway; connections to Grant and Esther streets from Columbia Way north to the under passes (the "Street Project"); development of certain utilities; and funding of park development. The City anticipates applying for TIB grant funds to implement the Street Project and it is the parties' desire to have an understanding of their respective commitments should the grant be awarded.

In the event that the grant is awarded, the parties will negotiate and execute an amendment to the Development Agreement to define their respective roles and obligations as reflected in this memorandum. In the event that the grant is not awarded, this memorandum shall terminate and be of no effect. In the event that the grant is awarded, the parties intend to amend the Development Agreement to provide for the following:

1. The City will:

- 1.1 Apply for TIB grant and manage funds for the Street Project construction; and, provide the local match to leverage grant funds which fulfills City obligations to the Project. This local match commitment and related costs are estimated to be \$2,000,000.
- 1.2 Coordinate ROW conveyance with CW-LLC and Port of Vancouver for the Street Project construction.
- 1.3 Review and provide comments to the CW-LLC engineer for the development of the final Plans Specifications and Estimate ("PS&E") for the Street Project in conformance with City and mutually approved development standards.
- 1.4 Provide for the construction of the Street Project to include the management of Street Project construction contract, and the performance of work in conjunction with the approved plans and specifications.
- 1.5 At the request of CW-LLC, the City provide for the installation of public utilities (water, sanitary sewer) and private utilities (Clark PUD, NW Natural, Telecom, et-all) as a component of the Street Project. All PS&E costs and direct costs to construct such bid items will be paid for solely by CW-LLC.
- 1.6 Retain a professional consultant whose sole responsibility will be to engage in fundraising for the construction of the Waterfront Park. It is estimated that this fee is \$60,000 per/year for up to two years.

1.7 In support of site development efforts, upon submission of site and building permit plans / applications, the City will expeditiously review and process the permits consistent with existing protocols and procedures.

1.8 In the event that the City is successful in obtaining the TIB Grant and obligating local match, City staff will prepare and recommend approval to the City Council of a second amendment to the Development Agreement dated October 19, 2009 consistent with the terms of this MOU. Nothing herein shall bind the City Council to approve such amendment.

2. CW LLC will:

2.1 Complete PS&E in Vancouver procurement and bidding formats. Deliver to the City biddable construction plans, specifications and bid documents by date certain (assumed: April 1, 2014).

2.2 Prepare TIB grant related environmental permit applications for City submission. Deliver to the City permit ready studies and documentation enabling permit approvals by date certain (assumed April 1, 2014).

2.3 Procure and manage public utilities (water, sanitary sewer) and private utilities (Clark PUD, NW Natural, Telecom, etc) installation concurrent with City managed construction contract., or, at Gramor/W-LLC's option, add the work to the City procurement process and pay for all PS&E costs and direct costs and City will manage contract performance.

2.4 Dedicate necessary public street ROW for Street Project, and/or, transfer leasehold interests retained from the Port of Vancouver to enable public street construction and use of TIB grant funds.

2.4.1 Conveyance would be executed at no cost to the City per the terms of the existing Development Agreement.

2.4.2 Execute a Possession and Use agreement prior to of the City seeking the release of TIB grant funds, if the conveyance has not been executed.

2.5 Retain a professional consultant whose sole responsibility will be to engage in fundraising for the construction of the Waterfront Park. It is estimated that this fee is \$60,000 per/year for up to two years.

2.6 In consideration of the contribution of City resources, time, effort, and management of Street Project and signal construction, CW-LLC will contribute \$2,000,000 which will be used for the Waterfront Park construction.

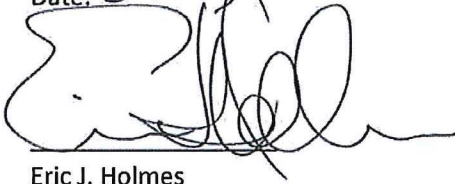
2.6.1 Payment date of contribution will be mutually agreed upon between the parties to implement a comprehensive Waterfront Park construction and sequencing plan. Such date shall be established prior to action on MOU Section 1.8.

2.7 In conjunction with construction of Street Project, CW-LLC will diligently market the private development properties with an expectation for site development (including construction of Festival Street) to commence in year 2015.

The foregoing represents the understanding of the City and Waterfront LLC with respect to their respective roles and obligations related to the above-described improvements. This memorandum is made in anticipation of the City's application for TIB grant funding. This memorandum is not a contract

and does not legally bind the parties. If the TIB grant is awarded, the parties will enter into a formal agreement premised upon the foregoing understanding.

Date: 8.22.13

A handwritten signature in black ink, appearing to be "Eric J. Holmes", written over a horizontal line.

Eric J. Holmes
City Manager
City of Vancouver

Date:

8/23/13

A handwritten signature in blue ink, appearing to be "Barry A. Cain", written over a horizontal line.

Barry A. Cain
President/Manager
Gramor Development / Columbia Waterfront LLC