

RECIPIENT: Lake Stevens Food Bank
CONTACT PERSON: Sophina Nunez, President
ADDRESS: PO Box 1031
Lake Stevens, WA 98258
FEDERAL TAX ID / EIN NUMBER: 91-1215080
TELEPHONE: (425) 478-9416
COUNTY DEPARTMENT: Kara Main-Hester, Office of Recovery
and Resiliency
TELEPHONE NUMBER: (425) 422-0632
PROJECT: Construction of new building
AMOUNT: \$600,000.00
FUNDING SOURCE: **002-5169904009**

CONTRACT DURATION: **February 28, 2022, through twenty (20) years
from final payment or usability of facility.**

COUNCIL DISTRICT GRANT AGREEMENT

THIS AGREEMENT (the "Agreement") is made by and between SNOHOMISH COUNTY, a political subdivision of the State of Washington (the "County"), and **Lake Stevens Community Food Bank Association**, a Washington nonprofit corporation (the "Recipient"). In consideration of the mutual benefits and covenants contained herein, the parties agree as follows:

1. Purpose of Agreement; Project. The purpose of this Agreement is to provide grant funds on a reimbursement basis to the Recipient for the purpose of undertaking the project set forth in **Schedule A** (the "Project"), attached hereto and by this reference made a part hereof.

In consideration for the grant funds, Recipient promises that any work reimbursed by funds provided under this Agreement 1) be performed in accordance with generally accepted practices prevailing in the Western Washington region in the occupation or industry in which the work is performed and 2) be performed in a timely manner and in accordance with the terms of this Agreement. Any materials or equipment funded by this Agreement shall be of good quality.

In consideration for the grant funds, the Recipient shall prepare and present reports and other information as the County may request. The Recipient shall also grant the County a security interest as set forth in **Section 10** of this Agreement.

2. Term of Agreement; Time of Performance. This Agreement shall be effective when authorized and executed by both parties (the "Effective Date") and shall terminate twenty (20) years following latter of: (a) final payment of County funds to the Recipient under this Agreement; or (b) the date when the facility constructed with grant funds is made usable to the public as a food bank. (the "Expiration Date"), PROVIDED, HOWEVER that the County's obligations after **December 31, 2022**, are contingent upon local legislative appropriation of necessary funds for this specific purpose in accordance with the County Charter and applicable law.

3. Eligible Expenses; Reports.

a. Eligible Expenses. The County will reimburse Recipient for eligible expenses as and when set forth in **Section 3b** of this Agreement.

b. Invoices. The Recipient shall submit to the County a properly executed invoice for eligible expenses to be reimbursed under this Agreement, solely for those expenses set forth in **Schedule A** of the Agreement. Each invoice shall indicate the eligible expenses for reimbursement during the corresponding quarterly period(s), shall be in sufficient detail and with sufficient documentation to support the amount requested and must be accompanied by a Project Status Report, which describes in narrative form, the progress made on the Project since the last invoice was submitted. Subject to **Section 9** of this Agreement, the County will pay the invoice within thirty (30) calendar days of receipt.

c. Reports. In consideration of the grant funds provided under this Agreement and by no later than the dates indicated, the Recipient shall deliver quarterly reports and a close out report to the County summarizing the expenses funded pursuant to this Agreement. Each report shall include:

- A narrative on how the grant funds have responded to a negative impact of COVID-19 pandemic in the particular County Council District and within Snohomish County as a whole.
- A narrative description of the construction of the building including pictures of the progress.
- Number of individuals assisted, and type of assistance received during the report period.
- Details of programs initiated or expanded because of this new building.
- Amount of food distributed during the report period.

Reports are due as follows:

- April 15: Quarterly report for the period January 1 - March 31
- July 15: Quarterly report for the period April 1 – June 30
- October 15: Quarterly report for the period July 1 – September 30
- December 15: Quarterly report for the period October 1 – December 31
- Within thirty (30 days) the date when the facility constructed with grant funds is made usable to the public as a food bank: Close out report.

When the due date for a report falls on a non-business day, the report shall be due to the County by the close of the next business day. For the purposes of this section, “delivery” shall mean either physical delivery to the County by the due date, receipt by the County in electronic format by the due date or a postmark showing the report was mailed to the County by no later than the due date.

If physically delivered or mailed, reports shall be sent to:

Kara Main-Hester
3000 Rockefeller Ave., M/S 407
Everett, WA 98201

If transmitted by email, reports shall be sent to:

Kara Main-Hester
Kara.main-hester@snoco.org

The County may, by notice given to the Recipient hereunder, designate any further or different addresses to which subsequent reports shall be delivered.

d. Contract Maximum. Total reimbursable eligible expenses under this Agreement shall not exceed **\$600,000.00**.

e. Duplication of Billed Costs. The Recipient shall not seek reimbursement from the County under this Agreement, and the County shall not pay the Recipient, for otherwise eligible expenses if the Recipient is entitled to payment or has been or will be paid for said expense by any other source, including grants.

f. Disallowed Costs. The Recipient is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subgrantees.

4. No Employment Relationship. This Agreement neither constitutes nor creates an employer-employee relationship. The parties agree that the Recipient is not entitled to any benefits or rights enjoyed by employees of the County. The Recipient specifically has the right to direct and control Recipient's own activities set out in this Agreement. Nothing in this Agreement shall be construed to render the parties' partners or joint venturers.

The Recipient, for any activities funded by this Agreement, shall furnish, employ and have exclusive control of all persons to be engaged in performing activities funded by this Agreement (the "Recipient personnel"), and shall provide adequate and proper supervision. Such Recipient personnel shall for all purposes be solely the employees or agents of the Recipient and shall not be deemed to be employees or agents of the County for any purposes whatsoever. With respect to Recipient personnel, the Recipient shall be solely responsible for compliance with all rules, laws and regulations relating to employment of labor, hours of labor, working conditions, payment of wages and payment of taxes, including applicable contributions from Recipient personnel when required by law.

The Recipient shall be responsible for all obligations relating to federal income tax, self-employment or FICA taxes and contributions, and all other so-called employer taxes and contributions including, but not limited to, industrial insurance (workers' compensation). Recipient agrees to indemnify, defend and hold the County harmless from any and all claims, valid or otherwise, made to the County because of these obligations.

Recipient assumes full responsibility for the payment of all payroll taxes, use, sales, income, or other form of taxes, fees, licenses, excises, or payments required by any city, county, federal or state legislation which are now or may during the term of the Agreement be enacted as to all persons employed by the Recipient and as to all duties, activities and requirements by the Recipient under this Agreement. The Recipient shall assume exclusive liability therefor and shall meet all requirements thereunder pursuant to any rules or regulations that are now or may be promulgated in connection therewith.

5. Capacity. The Recipient, by signing this Agreement, acknowledges that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of the Project set forth in **Schedule A**.

6. Certification of Funds. The release of County funds under this Agreement is contingent upon the Recipient certifying that it has expended or has access to funds from non-County sources as set forth in **Schedule B** (Certification of the Availability of Funds to Complete the Project), hereof. Such non-County sources may consist of a combination of any of the following:

- a. Eligible Project expenditures prior to the execution of this Agreement.
- b. Cash dedicated to the Project.
- c. Funds available through a letter of credit or other binding loan commitment(s).
- d. Pledges from foundations or corporations.
- e. Pledges from individual donors.
- f. The value of real property when acquired solely for the purposes of this Project, as established and evidenced by a current market value appraisal performed by a licensed, professional real estate appraiser, or a current property tax statement. The County will not consider appraisals for prospective values of such property for the purposes of calculating the amount of non-County matching fund credit.
- g. In-kind contributions, subject to the County's approval.

7. Changes. No changes or additions shall be made in this Agreement except as agreed to by both parties, reduced to writing and executed with the same formalities as are required for the execution of this Agreement.

8. Contact Persons. The assigned contact person (or project manager) for the County for this Agreement shall be:

Name: Kara Main-Hester
 Title: Chief Recovery and Resilience Officer
 Department: Office of Recovery and Resilience
 Telephone: (425) 422- 0632
 Email: kara.main-hester@snoco.org

The assigned contact person (or project manager) for the Recipient for this Agreement shall be:

Name: **Sophina Nunez**
 Title: **President**
 Telephone: **(425) 478-9416**
 Email: **president@lakestevensfoodbank.org**

9. County Review and Approval. County shall review each invoice submitted by Recipient for compliance with eligible expenses set forth in **Schedule A**. If all expenses comply with **Schedule A**, County will approve and reimburse the invoice within 30 days of receipt. If the County determines that an expense is not reimbursable, the County will notify Recipient within 10 days following its determination that the expense is not reimbursable. County may withhold payment of any invoice in the event Recipient fails to submit any required report or fails to perform any other obligation under this Agreement.

10. Documentation and Security. The following provisions apply to this Grant Agreement to a nonprofit corporation for capital projects:

a. Deed of Trust. This Grant shall be evidenced by a promissory note executed by the Recipient in the form attached hereto as **Schedule C** (the "Note") and secured by a deed of trust in the form attached hereto as **Schedule D** (the "Deed of Trust"). The Deed of Trust shall be recorded in the County where the Project is located, and the original returned to County after recordation within ninety (90) days of execution of this Agreement. The Deed of Trust must be recorded before County will reimburse the Recipient for any Project costs. The amount secured by the Deed of Trust shall be the amount of the grant as set forth in **Section 3.d.**, hereof.

b. Term of Deed of Trust. The Deed of Trust shall remain in full force and effect for a period of twenty (20) years following latter of: (a) final payment of County funds to the Recipient under this grant; or (b) the date when the facility constructed with grant funds is made usable to the public as a food bank. Upon satisfaction of the twenty-year term requirement and all other grant terms and conditions, County shall, upon written request of the Recipient, take appropriate action to reconvey the Deed of Trust.

i) Recipients shall provide written evidence of site control, for a minimum of twenty (20) years after the latter of: (a) final grant payment; or (b) the date when the facility improved with grant funds is made usable to the public for the purpose intended by this Agreement.

c. Title Insurance. Within 30 days of the execution of this Agreement, the Recipient shall provide Snohomish County an extended coverage lender's policy of title insurance insuring the lien position of the Deed of Trust in an amount not less than the amount of the grant in **Section 3.d.**

d. Covenant. If the Project will be partially funded by a loan and the term of said loan is less than the commitment period under this Agreement, County may require that Recipient record or cause to be recorded a covenant in a superior lien position ahead of the lender's security instrument that restricts use of the facility or property for the purpose(s) stated elsewhere in this Agreement for at least the term of the commitment period.

e. Subordination. County may agree to subordinate its Deed of Trust upon request from a private or public lender. Any such request shall be submitted to County in writing, and County shall respond to the request in writing within thirty (30) days of receiving the request.

11. Ownership of Project/Capital Facilities. The County makes no claim to any real property improved or constructed with funds awarded under this Agreement and does not assert and will not acquire any ownership interest in or title to the capital facilities and/or equipment constructed or purchased with state funds under this Agreement; provided, however, that the County may be granted a security interest in real property, to secure funds awarded under this Agreement. This provision does not extend to claims that the County may bring against the Recipient in recapturing funds expended in violation of this Agreement.

12. Change of Ownership or Use for Recipient-Owned Property. The Recipient understands and agrees that any and all real property or facilities owned by the Recipient that are acquired, constructed, or otherwise improved by the Recipient using County funds under this Agreement shall be held and used by the Recipient for the purpose or purposes stated elsewhere in this Agreement for a period of at least twenty (20) years from the latter of: (a) the date the final payment is made by the County hereunder; or (b) the date when the facility constructed with grant funds is made usable to the public as a food bank.

This provision shall not be construed to prohibit the Recipient from selling any property or properties described in this section; Provided, that any such sale shall be subject to prior review and approval by the County, and that all proceeds from such sale shall be applied to the purchase price of a different facility or facilities of equal or greater value than the original facility and that any such new facility or facilities will be used for the purpose or purposes stated elsewhere in this Agreement

In the event the Recipient is found to be out of compliance with this section, the Recipient shall repay to the County general fund the principal amount of the grant, interest at twelve percent (12%) per annum, and an amount representing the prorated, appreciated value of the Property. Repayment shall be made pursuant to **Section 25**.

13. Records and Access; Audit; Ineligible Expenditures. The Recipient shall maintain adequate records to support its invoices. Said records shall be maintained for a period of seven (7) years after completion of this Agreement by the Recipient. The County or any of its duly authorized representatives shall have access at reasonable times to any books, documents, papers and records of the Recipient that are directly related to this Agreement for the purposes of making audit examinations, obtaining excerpts, transcripts or copies, and ensuring compliance by the County with applicable laws. Expenditures under this Agreement, which are determined by audit to be ineligible for reimbursement and for which payment has been made to the Recipient, shall be refunded to the County by the Recipient within thirty (30) days of written request by the County. The Recipient shall use the funds that are the subject of this Agreement only for purposes set forth in this Agreement.

14. Signage, Markers and Publications. If, during the period covered by this Agreement, the Recipient displays or circulates any communication, publication, or donor recognition identifying the financial participants in the Project, any such communication or publication must identify "Snohomish County" as a participant.

15. Indemnification. To the maximum extent permitted by law and except to the extent caused by the sole negligence of the County and, if any funds for this Agreement are provided by the State, the Recipient shall indemnify and hold harmless the County and the State, their officers, officials, agents and employees, from and against any and all suits, claims, actions, losses, costs, penalties and damages of whatsoever kind or nature arising out of, in connection with, or incidental to the services and/or deliverables provided by or on behalf of the Recipient. In addition, the Recipient shall assume the defense of the County and, if applicable, the State and their officers and employees in all legal or claim proceedings arising out of, in connection with, or incidental to such services and/or deliverables and shall pay all defense expenses, including reasonable attorneys' fees, expert fees and costs incurred by the County and, if applicable, the State, on account of such litigation or claims.

The above indemnification obligations shall include, but are not limited to, all claims against the County and, if applicable, the State by an employee or former employee of the Recipient or its subcontractors, and the Recipient, by mutual negotiation, expressly waives all immunity and limitation on liability, as respects only the County and, if applicable, the State, under any industrial insurance act, including Title 51 RCW, other worker's compensation act, disability benefit act, or other employee benefit act of any jurisdiction which would otherwise be applicable in the case of such claim.

In the event that the County or, if applicable, the State incurs any judgment, award and/or cost including attorneys' fees arising from the provisions of this section, or to enforce the provisions of this section, any such judgment, award, fees, expenses and costs shall be recoverable from the Recipient.

In addition to injuries to persons and damage to property, the term "claims," for purposes of this provision, shall include, but not be limited to, assertions that the use or transfer of any software, book, document, report, film, tape, or sound reproduction or material of any kind, delivered hereunder, constitutes an infringement of any copyright, patent, trademark, trade name, and/or otherwise results in an unfair trade practice.

The indemnification, protection, defense, and save harmless obligations contained herein shall survive the expiration, abandonment or termination of this Agreement.

Nothing contained within this provision shall affect or alter the application of any other provision contained within this Agreement.

16. Insurance Requirements. The Recipient shall procure by the time of execution of this Agreement, and maintain for the duration of this Agreement, (i) insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the services hereunder by the Recipient, its agents, representatives, or employees, and (ii) a current certificate of insurance and additional insured endorsement when applicable.

a. General. Each insurance policy shall be written on an "occurrence" form, except that Professional Liability, Errors and Omissions coverage, if applicable, may be written on a claims-made basis. If coverage is approved and purchased on a "claims-made" basis, the Recipient warrants continuation of coverage, either through policy renewals or the purchase of an extended discovery period, if such extended coverage is available, for not less than three (3) years from the date of completion of the work which is the subject of this Agreement.

By requiring the minimum insurance coverage set forth in this **Section 16**, the County shall not be deemed or construed to have assessed the risks that may be applicable to the Recipient under this Agreement. The Recipient shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits and/or broader coverage.

b. No Limitation on Liability. The Recipient's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of the Recipient to the coverage provided by such insurance, or otherwise limit the County's recourse to any remedy available at law or in equity.

c. Minimum Scope and Limits of Insurance. The Recipient shall maintain coverage at least as broad as, and with limits no less than:

(i) General Liability: \$2,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage, and for those policies with aggregate limits, a \$3,000,000 aggregate limit. CG 00 01 current edition, including Products and Completed Operations.

(ii) Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage. CA 0001 current edition, Symbol 1.

(iii) Workers' Compensation: To meet applicable statutory requirements for workers' compensation coverage of the state or states of residency of the workers providing services under this Agreement.

(iv) Employers' Liability or "Stop Gap" coverage: \$1,000,000.

(v) Fidelity Insurance. Every officer, director, employee, or agent who is authorized to act on behalf of the Recipient for the purpose of receiving or depositing funds into program accounts or issuing financial documents, checks, or other instruments of payment for program costs shall be insured to provide protection against loss:

- A. The amount of fidelity coverage secured pursuant to this Agreement. shall be \$2,000,000 or the highest of planned reimbursement for the Agreement. period, whichever is lowest. Fidelity insurance secured pursuant to this paragraph shall name the County as beneficiary.
- B. Subgrantees that receive \$10,000 or more per year in funding through this Agreement shall secure fidelity insurance as noted above. Fidelity insurance secured by Subgrantees pursuant to this paragraph shall name the Recipient and the Recipient's fiscal agent as beneficiary.
- C. The Recipient shall provide, at the County's request, copies of insurance instruments or certifications from the insurance issuing agency. The copies or certifications shall show the insurance coverage, the designated beneficiary, who is covered, the amounts, the period of coverage, and that the County will be provided thirty (30) days advance written notice of cancellation.

d. Other Insurance Provisions and Requirements. The insurance coverages required in this Agreement for all liability policies except workers' compensation and Professional Liability, if applicable, must contain, or must be endorsed to contain, the following provisions:

(i) The County, its officers, officials, employees, and agents are to be covered as additional insureds as respects liability arising out of activities performed by or on behalf of the Recipient in connection with this Agreement. Such coverage shall be primary and non-contributory insurance as respects the County, its officers, officials, employees and agents. Additional Insured Endorsement shall be included with the certificate of insurance; "CG 2026 07/04" or its equivalent is required.

(ii) The Recipient's insurance coverage shall apply separately to each insured against whom a claim is made and/or lawsuit is brought, except with respect to the limits of the insurer's liability.

(iii) Any deductibles or self-insured retentions must be declared to, and approved by, the County. The deductible and/or self-insured retention of the policies shall not limit or apply to the Recipient's liability to the County and shall be the sole responsibility of the Recipient.

(iv) Insurance coverage must be placed with insurers with a Best's Underwriting Guide rating of no less than A: VIII, or, if not rated in the Best's Underwriting Guide, with minimum surpluses the equivalent of Best's surplus size VIII. Professional Liability, Errors and Omissions insurance coverage, if applicable, may be placed with insurers with a Best's rating of B+: VII. Any exception must be approved by the County.

Coverage shall not be suspended, voided, canceled, reduced in coverage or in limits until after forty-five (45) calendar days' prior written notice has been given to the County.

If at any time any of the foregoing policies fail to meet minimum requirements, the Recipient shall, upon notice to that effect from the County, promptly obtain a new policy, and shall submit the same to the County, with the appropriate certificates and endorsements, for approval.

e. Subcontractors. The Recipient shall include all subcontractors as insured under its policies or shall furnish separate certificates of insurance and policy endorsements for each subcontractor. **Insurance coverages provided by subcontractors instead of the Recipient as evidence of compliance with the insurance requirements of this Agreement shall be subject to all of the requirements stated herein.**

f. Local Governments that Participate in a Self-Insurance Program. With prior approval from the County, the Recipient may provide the coverage above under a self-insured/liability pool or self-insured risk management program. In order to obtain permission from the County, the Recipient shall provide: (1) a description of its self-insurance program, and (2) a certificate and/or letter of coverage that outlines coverage limits and deductibles. All self-insured risk management programs or self-insured/liability pool financial reports must comply with Generally Accepted Accounting Principles (GAAP) and adhere to accounting standards promulgated by: 1) Governmental Accounting Standards Board (GASB), 2) Financial Accounting Standards Board (FASB), and 3) the Washington State Auditor's annual instructions for financial reporting. Recipient's participating in joint risk pools shall maintain sufficient documentation to support the aggregate claim liability information reported on the balance sheet. The County need not be named as additional insured under a self-insured property/liability pool, if the pool is prohibited from naming third parties as additional insured.

Recipient shall provide annually to the County a summary of coverages and a letter of self-insurance, evidencing continued coverage under Recipient's self-insured/liability pool or self-insured risk management program. Such annual summary of coverage and letter of self-insurance will be provided on the anniversary of the start date of this Agreement.

17. County Non-Discrimination. It is the policy of the County to reject discrimination which denies equal treatment to any individual because of his or her race, creed, color, national origin, families with children, sex, marital status, sexual orientation, age, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability as provided in Washington's Law against Discrimination, Chapter 49.60 RCW, and the Snohomish County Human Rights Ordinance, Chapter 2.460 SCC. These laws protect against specific forms of discrimination in employment, credit transactions, public accommodation, housing, county facilities and services, and county contracts.

The Recipient shall comply with the substantive requirements of Chapter 2.460 SCC, which are incorporated herein by this reference. Execution of this Agreement constitutes a certification by the Recipient of the Recipient's compliance with the requirements of Chapter 2.460 SCC. If the Recipient is found to have violated this provision, or to have furnished false or misleading information in an investigation or proceeding conducted pursuant to this Agreement or Chapter 2.460 SCC, this Agreement may be subject to a declaration of default and termination at the County's discretion. This provision shall not affect the Recipient's obligations under other federal, state, or local laws against discrimination.

18. Federal Non-discrimination. Snohomish County assures that no persons shall on the grounds of race, color, national origin, or sex as provided by Title VI of the Civil Rights Act of 1964 (Pub. L. No. 88-352), as amended, and the Civil Rights Restoration Act of 1987 (Pub. L. No. 100-259) be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any County sponsored program or activity. Snohomish County further assures that every effort will be made to ensure nondiscrimination in all of its programs and activities, whether those programs and activities are federally funded or not.

Recipient shall ensure that no person shall on the grounds or race, color, national origin, or sex as provided by Title VI of the Civil Rights Act of (Pub. L. No. 88-352), as amended, and the Civil Rights Restoration Act of 1987 (Pub. L. No. 100-259) be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to the services, benefits, or facilities funded by this Agreement.

Recipient shall ensure that no funds provided under this Agreement are used for inherently religious activities or for a religious purpose.

19. Employment of County Employees. SCC 2.50.075, "Restrictions on future employment of County employees," imposes certain restrictions on the subsequent employment and compensation of County employees. The Recipient represents and warrants to the County that it does not at the time of execution of this Agreement, and that it shall not during the term of this Agreement, employ a former or current County employee in violation of SCC 2.50.075. For breach or violation of these representations and warranties, the County shall have the right to terminate this Agreement without liability.

20. Prevailing Wage. Recipient shall comply with Washington State Prevailing Wage laws. For work financed under this Agreement, Recipient shall pay their laborers and mechanics at wage rates not less than those prevailing on similar construction in the locality in accordance with 39.12 RCW pertaining to payment of state prevailing wages on public works projects. For work financed under this Agreement, Recipient shall require all contractors and subcontractors to comply with RCW 49.28.060 and 49.28.065. Recipient shall file and ensure that any subcontractor file with Department of Labor and Industries a Statement of Intent to Pay Prevailing Wages and Affidavit of Wages Paid. Compliance with this section is material to this Agreement, any breach of this Section is cause for County termination under **Section 22**.

21. Compliance with Other Laws. The Recipient shall comply with all other applicable federal, state and local laws, rules, and regulations in performing this Agreement.

22. Compliance with Grant Terms and Conditions. The Recipient shall comply with any and all conditions, terms and requirements of any federal, state or other grant, if any, that wholly or partially funds this Agreement.

23. Force Majeure. If either party is unable to perform any of its obligations under this Agreement as a direct result of an unforeseeable event beyond that party's reasonable control, including but not limited to an act of war, act of nature (including but not limited to earthquake and flood), embargo, riot, sabotage, labor shortage or dispute (despite due diligence in obtaining the same), or governmental restriction imposed subsequent to execution of the Agreement (collectively, a "force majeure event"), the time for performance shall be extended by the number of days directly attributable to the force majeure event. Both parties agree to use their best efforts to minimize the effects of such failures or delays.

24. Non-Waiver of Breach; Termination.

a. The failure of the County to insist upon strict performance of any of the covenants or agreements contained in this Agreement, or to exercise any option conferred by this Agreement, in one or more instances shall not be construed to be a waiver or relinquishment of those covenants, agreements or options, and the same shall be and remain in full force and effect.

b. If the Recipient breaches any of its obligations hereunder and fails to cure the same within fifteen (15) business days of written notice to do so by the County, the County may terminate this Agreement prior to the Expiration Date, in which case the County shall have the right to recover all amounts previously paid by the County pursuant to **Section 3**.

c. The County may terminate this Agreement prior to its Expiration Date upon fifteen (15) business days' written notice to the Recipient for any reason other than stated in subparagraph b above, in which case payment shall be made in accordance with **Sections 3 and 9** hereof for the invoices submitted under this Agreement prior to receipt of the termination notice.

d. Termination by the County hereunder shall not affect the rights of the County as against the Recipient provided under any other section or paragraph herein. The County does not, by exercising its rights under this **Section 24**, waive, release or forego any legal remedy for any violation, breach or non-performance of any of the provisions of this Agreement. At its sole option, the County may deduct from the final payment due the Recipient (i) any damages, expenses or costs arising out of any such violations, breaches or non-performance and (ii) any other setoffs or credits including, but not limited to, the costs to the County of selecting and compensating another contactor to complete the work of the Agreement.

25. Recapture. In the event that the Recipient fails to comply with state laws, federal laws, and/or the provisions of this Agreement, the County reserves the right to recapture funds in an amount to compensate the County for the noncompliance in addition to any other remedies available at law or in equity.

Repayment by the recipient of funds under this recapture provision shall occur within the time period specified by the County. In the alternative, the County may recapture such funds from payments due under this Agreement.

26. Notices. Except as provided for the reporting and invoicing purposes set forth in **Section 3** hereof, all notices and other communications shall be in writing and shall be sufficient if given, and shall be deemed given, on the date on which the same has been mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the County: Kara Main-Hester
3000 Rockefeller Ave., M/S 407
Everett, WA 98201

If to the Recipient: **Sophina Nunez, President**
PO Box 1031
Lake Stevens, WA 98258

The County or the Recipient may, by notice to the other given hereunder, designate any further or different addresses to which subsequent notices or other communications shall be sent.

27. Public Records Act. This Agreement and all public records associated with this Agreement shall be available from the County for inspection and copying by the public where required by the Public Records Act, Chapter 42.56 RCW (the "Act"). To the extent that public records then in the custody of the Recipient are needed for the County to respond to a request under the Act, as determined by the County, the Recipient agrees to make them promptly available to the County. If the Recipient considers any portion of any record provided to the County under this Agreement, whether in electronic or hard copy form, to be protected from disclosure under law, the Recipient shall clearly identify any specific information that it claims to be confidential or proprietary. If the County receives a request under the Act to inspect or copy the information so identified by the Recipient and the County determines that release of the information is required by the Act or otherwise appropriate, the County's sole obligations shall be to notify the Recipient (a) of the request and (b) of the date that such information will be released to the requester unless the Recipient obtains a court order to enjoin that disclosure pursuant to RCW 42.56.540. If the Recipient fails to timely obtain a court order enjoining disclosure, the County will release the requested information on the date specified.

The County has, and by this section assumes, no obligation on behalf of the Recipient to claim any exemption from disclosure under the Act. The County shall not be liable to the Recipient for releasing records not clearly identified by the Recipient as confidential or proprietary. The County shall not be liable to the Recipient for any records that the County releases in compliance with this section or in compliance with an order of a court of competent jurisdiction.

28. Interpretation. This Agreement and each of the terms and provisions of it are deemed to have been explicitly negotiated by the parties. The language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either of the parties hereto. The captions and headings of this Agreement are used only for convenience and are not intended to affect the interpretation of the provisions of this Agreement. This Agreement shall be construed so that wherever applicable the use of the singular number shall include the plural number, and vice versa, and the use of any gender shall be applicable to all genders.

29. Complete Agreement. This Agreement constitutes the entire understanding of the parties. Any written or verbal agreements that are not set forth herein or incorporated herein by reference are expressly excluded.

30. Conflicts between Attachments and Text. Should any conflicts exist between any attached exhibit or schedule and the text or main body of this Agreement, the text or main body of this Agreement shall prevail.

31. No Third-Party Beneficiaries. The provisions of this Agreement are for the exclusive benefit of the County and the Recipient. This Agreement shall not be deemed to have conferred any rights, express or implied, upon any third parties.

32. Governing Law; Venue. This Agreement shall be governed by the laws of the State of Washington. The venue of any action arising out of this Agreement shall be in the Superior Court of the State of Washington, in and for Snohomish County.

33. Severability. Should any clause, phrase, sentence or paragraph of this Agreement be declared invalid or void, the remaining provisions of this Agreement shall remain in full force and effect.

34. Authority. Each signatory to this Agreement represents that he or she has full and sufficient authority to execute this Agreement on behalf of the County or the Recipient, as the case may be, and that upon execution of this Agreement it shall constitute a binding obligation of the County or the Recipient, as the case may be.

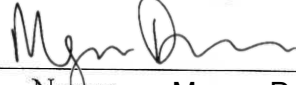
35. Survival. Those provisions of this Agreement that by their sense and purpose should survive expiration or termination of the Agreement shall so survive.

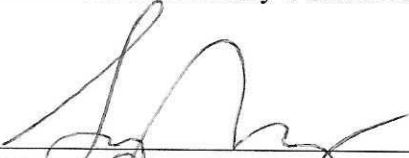
36. Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which shall constitute on and the same Agreement.

(Signature page to follow)

COUNTY:
Snohomish County, a political subdivision
of the State of Washington

RECIPIENT:
Lake Stevens Community Food Bank Association

By 
Name: Megan Dunn
Title: Council Chair

By 
Name: Stephanie Hines
Title: President

**Approved as to insurance
and indemnification provisions:**

Approved as to form only:

Risk Management Date

Legal Counsel to the Contractor Date

Approved as to form only:

Deputy Prosecuting Attorney Date

COUNCIL USE ONLY	
Approved	<u>8/16/2022</u>
ECAF #	<u>2022-0771</u>
MOT/ORD	<u>Motion 22-340</u>

SCHEDULE A
Project Description

Recipient shall construct of Phase I of the Lake Stevens Food Bank building as approved by the City of Lake Stevens Building Department. Phase I of the Lake Stevens Food Bank building shall be located at 8021 20th St. SE, Lake Stevens, WA and shall house food bank distribution for the public; a truck bay and receiving area for food shipments; food storage; and food preparation spaces.

Addressing COVID-driven needs: The Lake Stevens food bank provides food to approximately 41,000 low income and disabled people on an annual basis.

Consideration for the public: The construction of the Phase I of the Lake Stevens Food Bank building will increase the Recipient’s capacity to provide food by 50%. Phase I of the Lake Stevens Food Bank building will house a market-style food bank, allowing participants to select food items directly, as well as a teaching kitchen to provide nutritional cooking and healthy eating programs. For a period of twenty (20) years following the latter of: (a) final payment of County funds to the Recipient under this Agreement; or (b) the date when the facility constructed with grant funds is made usable to the public as a food bank, Recipient shall ensure that the facility constructed with grant funds operates as a food bank and that food bank benefits are accessible to residents of Snohomish County on the same terms they are accessible to residents of Lake Stevens.

The Recipient may only receive reimbursement according to the following:

1. The Recipient will be reimbursed by the County for eligible expenses incurred in executing the Project, pursuant to the Agreement, in an amount not to exceed the Contract Maximum of **\$600,000.00**.
2. Eligible expenses for which Recipient may request reimbursement:
 - a. Design, engineering, architectural, and planning costs;
 - b. Construction management and observation (from external sources only);
 - c. Construction costs including, but not limited to, the following:
 - i. Site preparation and improvements;
 - ii. Permits and fees;
 - iii. Labor and materials;
 - iv. Taxes on Project goods and services;
 - v. Temporary facilities that are necessary as part of the construction project; and
 - vi. Signage and reprographics.
3. Sufficient documentation of eligible expenses shall include itemized invoices from third parties, if any, for all eligible expenditures for which the Recipient seeks reimbursement.

Line Item	Amount
Construction Management	\$84,459.54
Temporary Facilities	\$26,617.00
Reprographics & Job Site Administration	\$10,500.00
Site Improvements	\$157,471.85
Concrete Foundations and Floor Slab	\$160,985.70
Masonry	\$8,975.50
Steel and Metals	\$9,346.96
Framing	\$141,643.45
Total Construction Amount:	\$ 600,000.00

SCHEDULE B
Certification of the Availability of Funds to Complete the Project

Non-County Funds	Amount	Total
Cash Donations Raised	\$621,253.00	
WSDA Grant For Ref/Freezer	\$48,000.00	
Norcliffe Foundation	\$20,000.00	
Haggen Foundation	\$25,000.00	
Tulalip Tribe	\$2,500.00	
Lake Stevens Rotary	\$15,000.00	
City of Lake Stevens	\$500,000.00	
Total Non-County Funds		\$1,231,753.00
Snohomish County Council District Grant	\$600,000.00	
Total County Funds		\$600,000.00
Total Non-County and County Sources		\$1,831,753.00

CERTIFICATION PERFORMANCE MEASURE

The Recipient, by its signature, certifies that project funding from sources other than those provided by this Agreement and identified above has been reviewed and approved by the Recipient's governing body or board of directors, as applicable, and has either been expended for eligible Project expenses, or is committed in writing and available and will remain committed and available solely and specifically for carrying out the purposes of this Project as described in elsewhere in this Agreement, as of the date and year written below. The Recipient shall maintain records sufficient to evidence that it has expended or has access to the funds needed to complete the Project and shall make such records available for County's review upon reasonable request.

Sophia Luna
 RECIPIENT

Director
 TITLE

6/16/2022
 DATE

SCHEDULE C
Form of
PROMISSORY NOTE
\$600,000 Everett, Washington

1. Promise to Pay. In consideration for the financial assistance provided by Snohomish County ("Holder") pursuant to the Grant Agreement entered into between Maker and Holder on the 0 day of June, 2022 ("Grant Agreement"), Lake Stevens Community Food Bank Association, a Washington non-profit corporation, ("Maker"), hereby promises to pay to the order of Holder, at such place as Holder may designate in writing, in lawful money of the United States of America, the principal sum of **Six Hundred Thousand Dollars (\$600,000)**, on the terms and conditions set forth herein and in the Grant Agreement.

2. Term. The Holder shall forgive the amount due under this Note twenty (20) years following the latter of (a) final payment of County funds to the Recipient under the Grant Agreement or (b) the date when the facility constructed with grant funds is made usable to the public as a food bank provided Maker has fully complied with the provisions of this Note and the Grant Agreement.

3. Payment of Principal and Interest. The principal and interest shall be forgiven in full twenty (20) years following the latter of (a) final payment of County funds to the Recipient under the Grant Agreement or (b) the date when the facility constructed with grant funds is made usable to the public as a food bank provided Maker has fully complied with the provisions of this Note and the Grant Agreement.

4. Interest. No interest shall accrue on the unpaid principal balance unless penalty interest is imposed pursuant to **Section 6** of this Note.

5. Prepayment. Maker shall have the right to prepay this Note in full or in part at any time and from time to time without payment of a prepayment fee or penalty.

6. Default. This Note shall be in default (a) if payment is not made when due, and such default shall continue for a period of ten (10) days after any written notice to the Maker from Holder hereof specifying such default and requiring the same to be remedied; or (b) if Maker fails to fully comply with any covenants, terms, or provisions of the Grant Agreement or any instruments relating to or securing this Note executed by Maker ("Grant Documents"), and such default continues after notice to Maker and the expiration of any period granted to Maker for curing such default as set forth below.

Upon such a default the whole sum of principal hereunder shall become immediately due and payable according to the terms herein. As long as this Note is in default, then at the option of the Holder, without prior notice, this Note shall bear interest at the rate of twelve percent (12%) per annum.

A. Curing of Monetary Default. If a monetary event of default occurs under the terms of any of the Grant Documents, before exercising any remedies thereunder, Holder shall give Maker written notice of such default. Maker shall have a period of ten (10) days after such notice is given within which to cure the default before exercise of remedies by Holder under the Grant Documents, or such longer period of time as may be specified in the Grant Documents.

A default in payment of any amount due hereunder may be cured only by payment in full of such amount plus the interest accrued from the date of default, as stated above, on the unpaid principal balance as of the date of default until the date of payment resulting from application of a default rate of interest as provided herein, if any, that may be due hereunder or under any instrument relating to or securing this Note, plus any attorneys' fees incurred by the Holder by reason of such default.

B. Curing of Nonmonetary Default. If a nonmonetary event of default occurs under the terms of any of the Grant Documents, prior to exercising any remedies thereunder, Holder shall give Maker written notice of such default.

If the nonmonetary default is reasonably capable of being cured within thirty (30) days, Maker shall have such period to effect a cure prior to exercise of remedies by Holder under the Grant Documents, or such longer period of time as may be specified in the Grant Documents. If the default is such that it is not reasonably capable of being cured within thirty (30) days or such longer period if so specified, and if Maker in the reasonable determination of Holder (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then Maker shall have such additional time as Holder determines is reasonably necessary to cure the default prior to exercise of any remedies by Holder. In no event shall Holder be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or if the default is not cured within sixty (60) days after the first notice of default is given, or such longer period of time as may be specified in the Grant Documents.

7. Nonwaiver. Failure to exercise any right the Holder may have or be entitled to in the event of any default hereunder shall not constitute a waiver of such right or any other right in the event of any subsequent default.

8. Waiver of Presentment. The Maker and all guarantors and endorsers hereof hereby severally waive presentment for payment, protests, and demand, notice of protest, demand, dishonor, and nonpayment of this Note, and consent that the Holder hereof may extend the time of payment or otherwise modify the terms of payment of any part or the whole of the debt evidenced by this Note, by agreement between the Holder and Maker, and such consent shall not alter or diminish the liability of any person or the enforceability of this Note. Each and every party signing or endorsing this Note binds itself as a principal and not as a surety. This Note shall bind the undersigned and its successors and assigns, jointly and severally.

9. Security for Note. This Note is secured by a Deed of Trust (the "Deed of Trust") of even date herewith granted by Lake Stevens Community Food Bank Association, covering certain real property in Snohomish County, Washington, together with the buildings and improvements now or hereafter erected thereon (the "Property").

10. Collection Costs. Maker agrees to pay all costs, including reasonable attorneys' fees, incurred by Holder hereof in any suit, action, or appeal therefrom, or without suit, in connection with collection hereof, foreclosure of the Deed of Trust, or enforcement of any instrument securing payment hereof or otherwise relating to or securing this Note.

11. Maximum Interest. Neither this Note nor any instrument securing payment hereof or otherwise relating to the debt evidenced hereby shall require the payment or permit the collection of interest in excess of the maximum permitted by any applicable usury statute or any other law (the "Maximum Rate"). If this Note or any other such instrument does so provide, the provisions of this paragraph shall govern, and neither Maker nor any endorsers of this Note nor their respective heirs, personal representatives, successors, or assigns shall be obligated to pay the amount of interest in excess of the Maximum Rate. In such event, the interest rate in excess of the Maximum Rate shall be reduced by appropriate credits to the balance owing at maturity hereunder so that the Maximum Rate shall not be exceeded.

12. Notice. Any demand or notice to be made or given under the terms hereof or any instrument now or hereafter relating to or securing this Note by the Holder to Maker shall be effective when mailed, emailed, or delivered by registered mail, postage prepaid, to the Maker to the addresses set forth in the Grant Agreement.

13. Governing Law. This Note shall be governed by and construed in accordance with the laws of the State of Washington and applicable federal law.

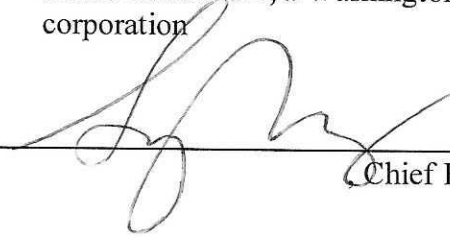
14. Nonrecourse. Notwithstanding any other provision hereof or of any other instrument relating to or securing this Note, the Maker, its managers, members, officers and employees shall not have any personal liability for the indebtedness evidenced hereby or any deficiency judgment, and upon the occurrence of a default or event of default hereunder, the Holder hereof shall look solely to the instruments by which this Note is secured and the Property constituting the security, together with the rents, issues, and profits thereof for satisfaction of the indebtedness, and resort shall not be made to any other property of the Maker; PROVIDED, HOWEVER, that nothing herein contained shall limit or be construed to limit or impair the enforcement against said Premises of the rights and remedies of the Holder hereof, including the joinder of the Maker in any action to foreclose the liens and security interests securing this Note, and PROVIDED, FURTHER, that nothing herein shall diminish Maker's liability for damages or deficiencies resulting from theft, waste, fraud, material misrepresentation or misuse of rents.

15. Property Use. In the event the Property is sold or is not used as required by the Grant Agreement prior to the end of the 20-year length of commitment required in the Grant Agreement, the Holder shall be entitled to 1) the unpaid principal balance of this Note and any accrued interest and an amount representing the prorated, appreciated value of the Property.

16. Grant Agreement. This Note is subject to the terms and conditions of the Grant Agreement between the Maker and Holder dated as of the 6 day of June, 2022. Disbursement of the funds evidenced by this Note is to be made subject to the terms and conditions of said Grant Agreement.

[SIGNATURE PAGE FOLLOWS]

MAKER: LAKE STEVENS COMMUNITY FOOD BANK ASSOCIATION, a Washington nonprofit corporation

By: 
Chief Executive Officer

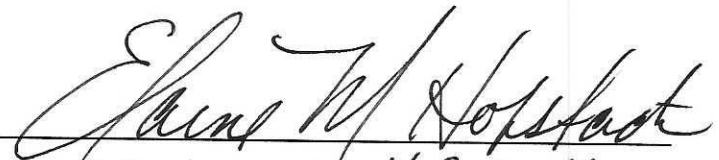
ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, TO EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

ACKNOWLEDGEMENT

STATE OF WASHINGTON)
)SS.
COUNTY OF Innomish)

On this 6th day of June 2022, ~~2020~~, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Sophina Nunez, President, to me personally known (or proved on the basis of satisfactory evidence) to be the **Chief Executive Officer** of **LAKE STEVENS COMMUNITY FOOD BANK ASSOCIATION**, a Washington nonprofit corporation, that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes mentioned in the instrument.



By: 
Elaine M Hofstadter
(Print Name)

My appointment expires: 10/27/2022

SCHEDULE D

**Form of
DEED OF TRUST**

THIS DEED OF TRUST ("DEED OF TRUST"), made this 6 day of June, 2022, by and among **LAKE STEVENS COMMUNITY FOOD BANK ASSOCIATION** a Washington nonprofit corporation, ("GRANTOR"), whose address is PO Box 1031, Lake Stevens, WA 98258 [Insert Trustee Name], a Washington corporation, ("Trustee"), whose address is [insert Trustee address], and Snohomish County, a political subdivision of the State of Washington, ("GRANTEE" or "BENEFICIARY"), whose address is 3000 Rockefeller Avenue, MS 407, Everett, WA 98201.

WITNESSETH: Grantor hereby bargains, sells and conveys to Trustee in Trust, with power of sale, the real property in Snohomish County, Washington described in **Exhibit E** attached hereto and incorporated herein by this reference (the "Property"), which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues and profits thereof.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor contained herein and in the Grant Agreement between the Grantor and the Beneficiary (hereinafter the "Grant Agreement") dated the 6 day of June, 2022, and payment of the sum of **Six Hundred Thousand Dollars (\$600,000)**, in accordance with the terms of a Promissory Note of even date herewith (the "Note"), payable by the Grantor to Beneficiary or order, including all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

To protect the security of this Deed of Trust, Grantor covenants and agrees:

1. To keep the Property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building that may be constructed, damaged, or destroyed, and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting the Property or requiring any alterations or improvements to be made; not to commit or permit waste thereof; not to commit, suffer, or permit any act upon the Property in violation of law; and to do all other acts which from the character or use of the Property may be reasonably necessary to preserve and conserve its value.

2. To pay before delinquent all taxes, assessments and any other charges affecting the Property when due; and to keep the Property free and clear of all other encumbrances, charges, and liens impairing the security of this Deed of Trust, subject to the Grantor's right to contest such taxes, assessments and other charges in good faith.

3. To keep all buildings now or hereafter erected on the Property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. The Beneficiary shall be an additional insured under all such insurance policies, which shall be issued by such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor. Except as otherwise set forth in the Grant Agreement or the Note, the amount collected under any insurance policy may be applied to any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorneys' fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

5. To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligations secured hereby and Trustee's and attorneys' fees actually incurred, as provided by statute.

6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the Property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the Note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

1. Except as otherwise set forth in the Grant Agreement or the Note, in the event any portion of the Property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

3. The Trustee shall reconvey all or any part of the Property covered by this Deed of Trust to the person entitled thereto on written request of the Grantor and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

4. Upon the occurrence of default by Grantor in the payment of any indebtedness secured hereby ("Monetary Default") or in the performance of any agreement contained herein ("Non-Monetary Default") (after the expiration of any applicable cure period), all sums secured hereby shall immediately become due and payable in accordance with the Grant Agreement (at the option of the Beneficiary). In such event and upon written request of Beneficiary, Trustee shall sell the trust Property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorneys' fee; (2) to the obligation secured by this Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.

- a. Curing of Monetary Default. If a monetary event of default occurs under the terms of any of the Loan Documents, before exercising any remedies thereunder, Grantee shall give Grantor written notice of such default and provide for a cure period of ten (10) calendar days after such notice is given, or such longer period of time as may be specified in the Loan Documents, within which to cure the default before exercise of remedies by Grantee under this Deed of Trust or the Loan Documents.
- b. Curing of Non-Monetary Default. If a non-monetary event of default occurs under the terms of any of the Loan Documents, prior to exercising any remedies thereunder, Grantee shall give Grantor written notice of such default and provide for a cure period of thirty (30) calendar days after such notice is given, or such longer period of time as may be specified in the Loan Documents, within which to cure the default before exercise of remedies by Grantee under this Deed of Trust or the Loan Documents. If the default is such that it is not reasonably capable of being cured within thirty (30) calendar days or such longer period if so specified, and if Grantor, in the reasonable determination of Grantee, (a) initiates corrective action within said period and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then Grantor shall have such additional time as Grantee determines is reasonably necessary to cure the default prior to exercise of any remedies by Grantee. In no event shall Grantee be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default.

5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the Property which Grantor had or had the power to convey at the time of its execution of this Deed of Trust, and such as it may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value.

6. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

7. Beneficiary may at any time appoint or discharge the Trustee.

8. This Deed of Trust applies to and inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors, and assigns. The term Beneficiary shall mean the holder and owner of the Note secured hereby, whether or not named as Beneficiary herein.

GRANTOR FURTHER AGREES:

1. Grantor will perform each and every obligation contained in the Grant Agreement and any amendments thereof.

2. Grantor will operate a food bank at the facility constructed with the grant funds until twenty (20) years following the latter of: (a) final payment of County funds to the Recipient under the Grant Agreement; or (b) the date when the facility constructed with grant funds is made usable to the public as a food bank. Grantor shall ensure food bank benefits are accessible to residents of Snohomish County on the same terms they are accessible to residents of Lake Stevens.

3. If Grantor shall fail to perform any obligation hereunder and the Beneficiary elects to perform the same and expends any monies therefor, such expenditure shall be deemed in addition to the amount secured by this deed of trust and be immediately due and payable in accordance with the loan documents.

4. If an event of default occurs under the foregoing Grant Agreement or Note (after the expiration of any applicable cure period), the whole indebtedness secured thereby shall be due and payable in accordance with the Grant Documents and the Beneficiary may proceed to foreclose this Deed of Trust. If the Beneficiary shall incur any costs and expenses, including reasonable attorneys' fees and costs of any title reports, in connection with the performance of any of its rights hereunder including foreclosure, such costs and expenditures shall remain secured by this Deed of Trust and shall be immediately due and payable by Grantor.

[SIGNATURE PAGE FOLLOWS]

REQUEST FOR FULL RECONVEYANCE

Do not record. To be used only when note has been paid.

TO: _____, TRUSTEE.

The undersigned is the legal owner and holder of the Note and all other indebtedness secured by the within Deed of Trust. Said Note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said Note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated _____

Name _____

Title _____

SCHEDULE E

Property Legal Description

**Real property in the City of Lake Stevens, County of Snohomish, State of Washington,
described as follows:**

Section 23 Township 29 Range 05 Quarter SE EAST EVERETT 5 AC TR DIV A & B
BLK 003 D-02 NEW LOT 1 CITY LK ST BLA REC AFN 201901250167 SURVEY
REC AFN 201901255001 BEING PTN LOTS 2 & 3 SD PLAT

Tax Parcel Numbers: 00431400300202

Situs Address: 8021 20th St. SE Ste. 1010, Lake Stevens, WA 98258