AFTER RECORDING, RETURN TO: CITY OF CARNATION PO Box 1238 CARNATION, WA 98014-1238

### DEVELOPMENT AGREEMENT BETWEEN THE CITY OF CARNATION AND JOHN DAY HOMES, INC.

Pursuant to the authority granted by RCW 36.70B.170 through .210, the City of Carnation, a Washington municipal corporation (the "City"), and JOHN DAY HOMES, INC. enter into this Development Agreement in order to facilitate credit for park impact fees in exchange for system improvements to certain park facilities as part of the development of certain real property (the "Project") located within the City, the legal description of which is set forth in Exhibit A hereto (the "Property"), consistent with the terms, conditions and provisions of this Development Agreement. The Effective Date of this Development Agreement shall be the date all Parties have affixed their signature hereto. The City and JOHN DAY HOMES each shall hereinafter from time to time be referred to as a "Party" or collectively as the "Parties" to this Development Agreement.

### RECITALS

- A. The State legislature, through the enactment of RCW 36.70B.170 through .210, has granted the City the authority to enter into a development agreement with a person or entities having ownership or control of real property within its jurisdiction.
- B. Pursuant to RCW 36.70B.170(1) & (3), the City and JOHN DAY HOMES recognize that the effect of this Development Agreement shall be to fix the development standards and other provisions that shall apply to and govern and vest the development, use, and mitigation of the Project (hereinafter, "Development Standards") and the Property for the duration specified herein.
- C. Pursuant to RCW 36.70B.170 (4), the City and JOHN DAY HOMES recognize and agree that the execution of a development agreement is a proper exercise of the City's police power and contract authority, that a development agreement may obligate a party to fund or provide services, infrastructure, or other facilities, and that a development agreement shall reserve to the City the authority to impose new or different regulations to the extent required by a serious threat to public health and safety.

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- D. JOHN DAY HOMES intends to develop the Property into a 12-home single family development ("Project").
- E. JOHN DAY HOMES has submitted, and the City has approved, civil construction drawings dated June 6, 2023 ("Civils").
- F. The Project is currently required to remit the remaining balance owed for park impact fees in the amount of Forty-Eight Thousand Fifty Dollars (\$48,050.00).
- G. Carnation Municipal Code Section 3.70.060 permits developers to claim credits against impact fees for construction of park facilities constituting system improvements.
- H. System improvements means park facilities that are included in the city's capital facilities plan and that are designed to provide service to the community at large.
- I. JOHN DAY HOMES is willing to construct a picnic shelter consistent with the drawings in Exhibit B at River's Edge Park, located at 4295 336<sup>th</sup> Ave. NE, Carnation, WA 98014. The picnic shelter is adjacent to John Day's Tolt Place development, located at 4210 336<sup>th</sup> Ave NE, Carnation, WA 98014. The picnic shelter is a system improvement eligible for impact fee credits. Landscaping and walkways are not included.
- J. The total cost to construct the picnic shelter is not to exceed One Hundred Ten Thousand Dollars (\$110,000) plus sales tax. The total impact fees due to the City and credited to JOHN DAY HOMES will not fully cover the cost of the shelter.
- K. The City will be required to reimburse JOHN DAY HOMES for costs to construct the shelter in excess of the credit owed.
- L. The City benefits from the enhancement of its parks and the construction of a picnic shelter within its park system.
- M. Pursuant to RCW 36.70B.200, on August 19, 2025 the City held a public hearing regarding the form and substance of this Development Agreement before the City Council, and the City Council has enacted a resolution authorizing the City Manager to enter into this Development Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### TERMS OF AGREEMENT

The Parties hereby incorporate the Recitals as material terms to this Development Agreement as if fully set forth in this paragraph.

- 1. <u>Park Impact Fee Credits</u>. JOHN DAY HOMES shall construct a picnic shelter within River's Edge Park, consistent with the drawings in **Exhibit B**. JOHN DAY HOMES shall be given impact fee credits in the amount of Forty-Eight Thousand Fifty Dollars \$48.050.00, in exchange for the construction of the eligible system improvement.
- 2. <u>Reimbursement</u>. The City shall reimburse JOHN DAY HOMES for the remaining materials and labor costs, up to Sixty-One Thousand Nine Hundred Fifty Dollars (\$61,950.00) plus sales tax. Reimbursement is contingent upon the provision of invoices submitted by John Day Homes to the City clearly detailing costs incurred. Invoice will be net 15 days.
- 3. <u>Sales Tax</u>. This Agreement is subject to state and local sales tax which will be paid directly to John Day Homes by the City of Carnation on the billed contract amount. Tax rates may change during the course of the project.
- 4. <u>Timing for Improvements</u>. JOHN DAY HOMES shall have four (4) months from the date of recording of this agreement to complete the improvements. Timing is subject to labor and material availability. The City may at its sole discretion authorize an extension.
- 5. <u>Recording</u>. Per RCW 36.70B.190, following execution by all Parties, this Development Agreement shall be recorded with the King County Auditor.
- 4.1 <u>Covenant Running with the Land</u>. It is the Parties' intent that this Development Agreement, so long as it is in force, be considered, interpreted and regarded as a covenant running with the Property.
- 4.2 <u>Relationship of Parties</u>. It is understood and agreed by the Parties hereto that the contractual relationship created between the Parties hereunder is that JOHN DAY HOMES is an independent party and not an agent of the City. Nothing contained herein or in any document executed in connection herewith shall be construed as making City and JOHN DAY HOMES joint-venturers or partners.
- 4.3 <u>Amendment or Termination</u>. Per RCW 36.70B.180, unless amended or terminated, this Development Agreement shall be enforceable by any Party hereto or by any person or entity that succeeds to a Party's interest in this Development Agreement. This Development Agreement and the Development Standards herein shall allow for the build-out period specified herein. A permit or approval issued by the City after the date all Parties have affixed their signature hereto shall be consistent with this Development Agreement.
- 4.4 <u>Reservation of Authority</u>. The City shall reserve authority to impose new or different regulations on the Property to the extent required by a serious threat to public health and safety per RCW 36.70B.170(4). In such event, the remaining provisions of this Development Agreement shall remain in full force and effect to the extent it is not inconsistent with such regulations and to the extent such regulations do not render such remaining provisions impractical to enforce.

- 4.5 No Impairment or Commitment of City's Regulatory Discretion. Nothing in this Development Agreement shall be interpreted to limit the exercise by the City of its regulatory powers with respect to approval of pending or new applications in accordance with applicable law. Nor shall this Development Agreement be interpreted as a determination as to the consistency of this Development Agreement with applicable plans, codes and ordinances, or any commitment whatsoever by the City with respect to any future City discretionary decisions that may be required for this Development Agreement.
- 4.6 Applicable Law. This Development Agreement shall be governed by and interpreted in accordance with the laws of the State of Washington, and any action to enforce its terms shall be brought to the King County Superior Court. In the event a dispute arises from this Development Agreement, the Parties shall participate in at least one (1) day of mediation with a trained mediator prior to commencing any action in the King County Superior Court; PROVIDED, however, that no such mediation shall be required prior to commencing an action under the Land Use Petition Act, RCW Chapter 36.70C, an action for injunctive relief, or when a party reasonably believes that emergency or expedited relief is necessary.
- 4.7 <u>Transfer of Ownership</u>. A conveyance of all or any portion of the Property through any means shall not impair, extinguish or otherwise affect any right, obligation, duty, term or provision of this Development Agreement. Any purchaser and/or assignee of all or any portion of the Property shall have the same rights, obligations and/or duties under this Development Agreement as the Party, person or entity from which it purchased or otherwise obtained an interest in all or a portion of the Property and shall have the right to enforce this Development Agreement against the City.
- 4.8 <u>Severability</u>. If any provision of this Development Agreement is determined to be unenforceable or invalid by a court of law, then this Development Agreement shall thereafter be modified to implement the purpose and intent of the Parties to the maximum extent allowable under the law.
- 4.9 <u>Review and Consultation</u>. The Parties acknowledge that they have been afforded an opportunity to consider this Agreement and the terms and conditions set forth herein, and that they have read and understood the terms of the Agreement and have been given an opportunity to consult with their respective legal counsel prior to executing this Agreement.
- 4.10 <u>Voluntary Agreement</u>. The Parties hereby represent and acknowledge that this Agreement is given and executed voluntarily and is not based upon any representation by any of the Parties to another Party as to the merits, legal liability, or value of any claims of the Parties or any matters related thereto.
- 4.11 <u>Non-Enforcement not Waiver</u>. Failure by any one of the Parties to enforce this entire agreement or any provision of it with regard to any provision contained herein shall not be construed as a waiver by that Party of any right to do so.

- 4.12 <u>Entire Agreement: Modification</u>. This Development Agreement consists of 9 pages exclusive of exhibits and represents the entire agreement of the Parties with respect to the subject matter thereof. There are no other agreements, oral or written, except as expressly set forth herein. This Development Agreement may not be altered, changed, modified, or amended except by an instrument in writing signed by all Parties hereto.
- 4.13 <u>Construction</u>. The normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Development Agreement or any amendments thereto, and the same shall be given a reasonable interpretation in accordance with the plain meaning of its terms and the intent of the Parties.
- 4.14 <u>Further Actions and Instruments</u>. Each of the Parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgement or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of evidence or consummate the transactions contemplated by this Agreement.
- 4.15 <u>Notices</u>. All notices provided for herein may be delivered by overnight delivery service, mailed registered or certified mail, return receipt requested, or transmitted via facsimile. If a notice is sent via overnight courier, it shall be deemed delivered upon the next business day. If a notice is mailed, it shall be considered delivered three (3) days after deposit in such mail. If a notice is sent via facsimile, it shall be deemed delivered upon receipt of verification of transmission. The addresses to be used in connection with such correspondence and notices are the following, or such other address as a party shall from time to time direct:

Notices to the City shall be sent to:

City of Carnation Attn: Rhonda Ender PO Box 1238 Carnation, WA 98014-1238

Notices to JOHN DAY HOMES shall be sent to:

JOHN DAY HOMES PO Box 2930 North Bend, WA 98045

- 4.16 <u>Authority</u>. The individuals executing this Development Agreement represent and warrant that they have the authority to execute this Agreement and bind their respective principal.
- 4.17 <u>Section Headings</u>. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

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- 4.18 Singular and Plural. As used herein, the singular of any word includes the plural.
- 4.19 <u>Time</u>. Time is of the essence in each and every covenant and condition of this Development Agreement.
- 4.20 <u>Counterparts</u>. This Agreement may be executed in several counterparts, each of which shall be an original and shall constitute one and the same instrument. All Exhibits hereto are hereby incorporated by specific reference into this Agreement, and their terms are made a part of this Agreement as though fully recited herein.

John Day Homes, Inc. a Washington Corporation	City of Carnation, a Washington municipal corporation
By:  Its: His will 5 , 2025	By:
	ATTEST:
	By: Lora Wilmes, City Clerk  APPROVED AS TO FORM:
	By:

/////

STATE OF WASHINGTON	) ) ss.
COUNTY OF KING	)
I certify that I know or have satisf said person acknowledged that he signed instrument and acknowledged it as the establishment and purposes mentions and purposes mentions.	a Washington corporation, to be the free and voluntary act of
Dated: August 5, 2625	(Signature)
Mannin Mills	Michelle Randall
SCHELLE RANGE	Printed Name
OTA STATE	Notary Public in and for the State of Washington residing at Washington
35000	My appointment expires: 1-19 2ce
WASHING OF WASHINGTON	
STATE OF WASHINGTON	)
COUNTY OF KING	) ss. )
and said person acknowledged that he signed instrument and acknowledged it as the City N	tory evidence that Rhonda Ender is the person who appeared before me, d this instrument, on oath stated that she was authorized to execute the Manager of the City of Carnation, a Washington municipal corporation, for the uses and purposes mentioned in the instrument.
Dated:	(Signature)
	(
	Printed Name
	Notary Public in and for the State of Washington residing at
	My appointment expires:

## **EXHIBIT "A"**Legal Description of Property

**Tolt Place Long Plat: LP 21-0001 Recording #** 20240822000462, Vol: 305 Page: 38

# **EXHIBIT "B"**Picnic Shelter Drawings



VACINITY MAP

128 Northean Work, Buttle 212 Controlled, Workshopton 69123 Vitte, unmarifiered park, con-Q. Coupling 5222 Militaria Arthretts Pr. P. A. Al Kipke, Russival

MILBR/NDT

ACCEPTED ACC

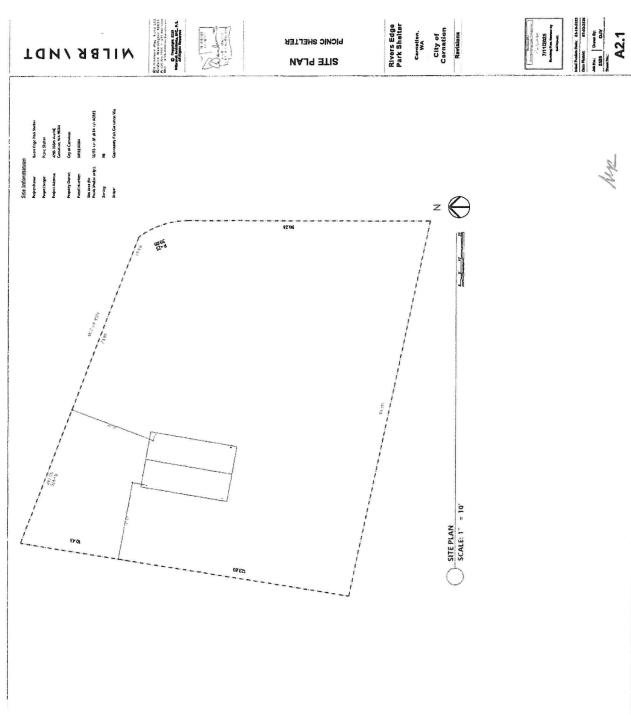
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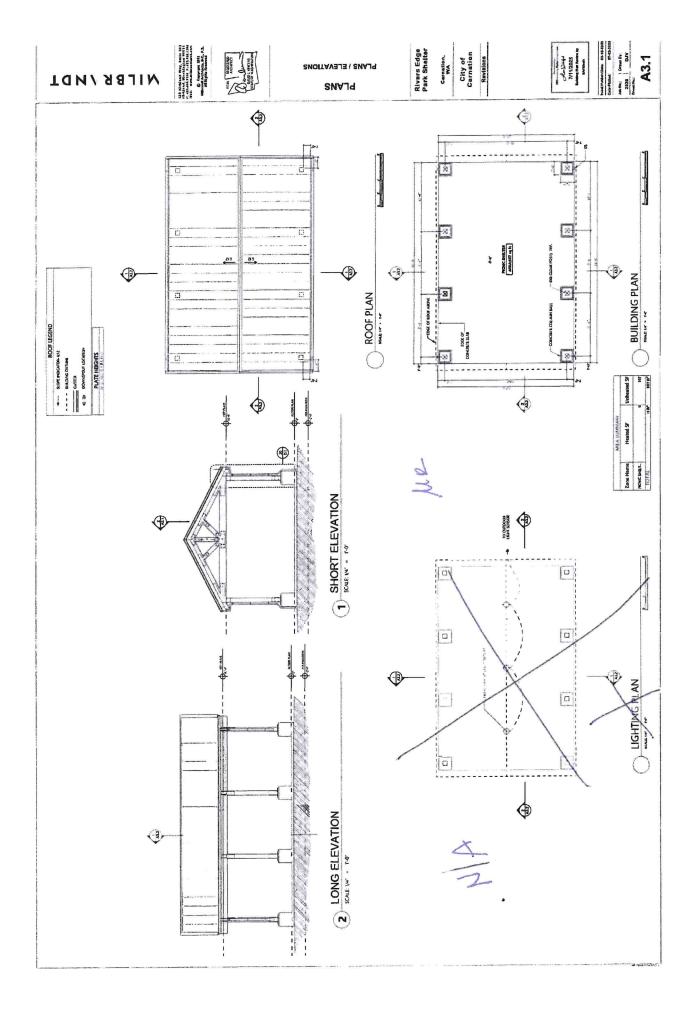
Rivers Edge Park Shelter

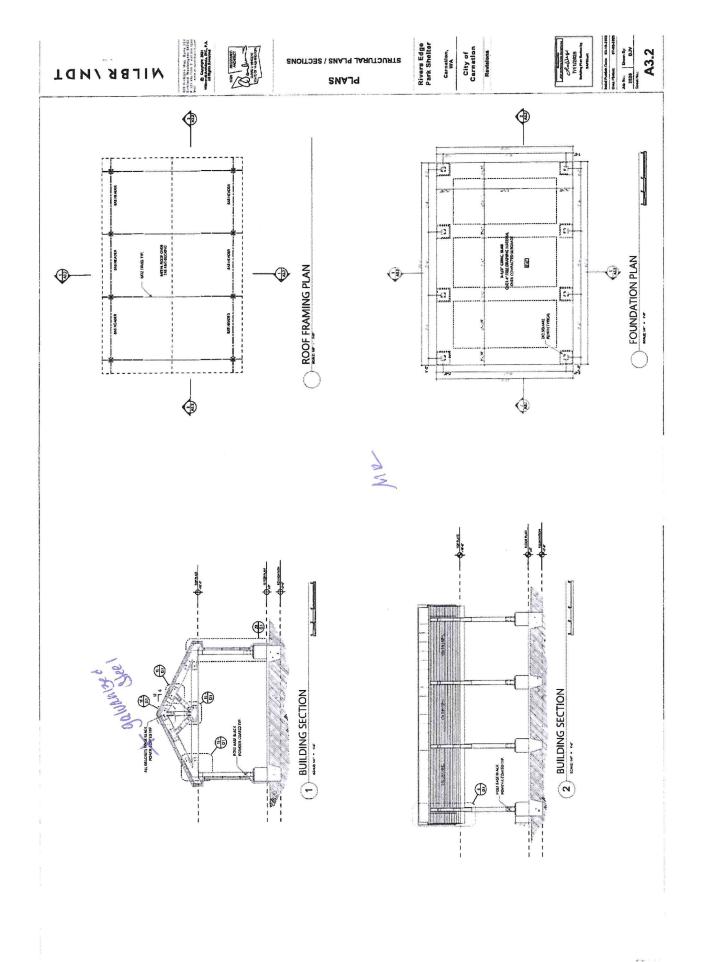
COVER SHEET

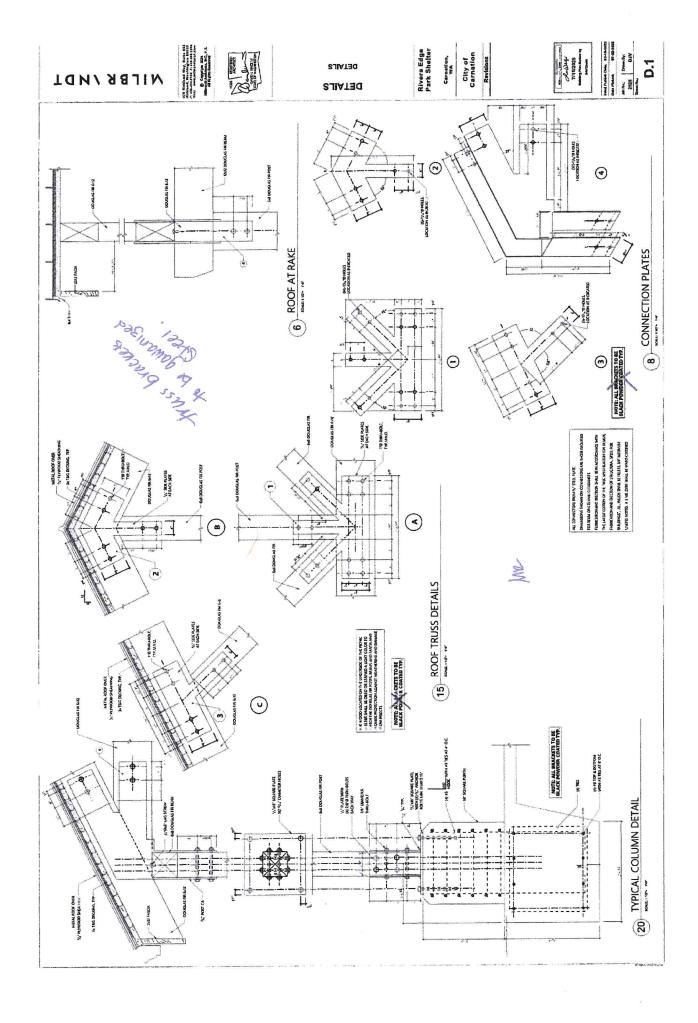
Carnetton. WA City of Carnation Revisions



MY







### Exhibit C

### Rivers Edge Picnic Shelter - Specifications

- Submittals Not Required
- Shop Drawings Not Required
- Concrete Finish
  - Shelter Walls/Beam Connection Smooth Form Finish
  - Slab Finish Light Nonslip-broom finish
- Metal Fabrications Finish
  - Post connection brackets to be Black Powder Coated
  - Truss brackets to be Galvanized Steel
- Timber
  - Exposed Timbers/Posts to be Stained Sherwin Williams Canyon Brown
  - Wood Roof Decking to be sealed with a Natural Clear Stain
- Metal Roof
  - Metal Roof Kynar 500 PVDF Resin Coated 24ga sheet metal standing seam roof panels.
  - Metal Roof Color Baslite Natural Matte CMG

### Contract Exclusions:

- > Permitting fees
- > Landscaping, including replacing damaged landscape during construction
- Concrete/Asphalt walkways to/from shelter
- > Electrical, of any kind.
- > Furniture ie. Picnic tables, garbage cans

