



Contingency Agreement

In order to show that a specific private investment is ready to occur, but will do so only if CERB funding is made available to the applicant, CERB requires a signed Contingency Agreement between the applicant and **each** private sector business named in the application.

The following recitals and terms apply to this Contingency Agreement:

1. PARTIES

The parties to this Agreement are The **City of Lynden** (hereinafter the “City”) and **Alliance Freeze Dry** (hereinafter “**Alliance**”).

2. PURPOSE

The purpose of this Agreement is to clarify the intentions of the parties regarding the proposed private development and the City’s completion of the roadway and intersection improvements to West Main Street and the intersection at Berthusen Road hereinafter referred to as the “Public Facilities Project”.

West Main Street and Berthusen Road are the two roads directly abutting the new Alliance Freeze Dry “Canature Foods” freeze dried pet foods plant. Alliance Freeze Dry currently operates a smaller plant in Canada and is expanding its operations in the U.S with this new state of the art facility. The new plant will create over 70 living wage jobs. This intersection also serves as a primary entrance to Lynden from western Whatcom County to the entire west Lynden industrial area.

The City’s public facilities project constructs a round-about to eliminate the current three (3) leg skewed and unsignalized intersection. The City of Lynden has completed 30% design plans following a traffic study that recommended a round-about for this intersection. A round-about provides the lowest collision potential and the highest level of service.

3. BACKGROUND

Description of the Public Facilities Project:

1. Constructs a 70-foot inscribed diameter single lane round-about with mountable curbs to accommodate larger trucks.
2. Includes stormwater treatment and detention facilities meeting State Department of Ecology Western Washington standards. This will include 820 feet of 30-inch pipe for stormwater detention and 1350 feet of conveyance piping, ranging from 8 to 36-inches in diameter.
3. Includes street improvement on approximately 300 feet of all three legs of the approaching streets.

4. Includes additional street lighting for improved illumination.
5. Includes bike and pedestrian facilities the full length of the project limits. This is a "Complete Street".

Benefits of the Public Facilities Project:

1. Provides safe or efficient access to the growing West Lynden Industrial Park and surrounding industrial land which is currently project to stimulate an additional \$70M in investment on an additional 15 acres near this Public Facilities Project.
2. Provides safe and efficient access to the north Whatcom County berry and agricultural fields west of Lynden.
3. Provides safe and efficient vehicular and truck international commerce travel between the West Lynden Industrial area, via State Routes to the International Border crossing into Canada and the fertile Fraser Valley agricultural lands.

4. AGREEMENT

- a) The applicant, the City of Lynden, agrees to construct the required public improvements, the Public Facilities Project if CERB financing is approved.
- b) The projected number of permanent, full-time jobs created by Alliance will be as a result of the public facilities project is 77 employees.
- c) The approved building permit for the Canature plant estimates the private capital investment in the new plant at just over \$40M.
- d) Alliance Freeze Dry will contact the local Workforce Development Council (WDC) and the State Employment Security Department for assistance in filling new positions.
- e) Alliance Freeze Dry will provide the City of Lynden with employment and investment data as requested by CERB for a period no less than five years following the completion of the public facilities project.
- f) The City of Lynden has already completed more than \$160,000 in engineering design of the Public Facilities Project.
- g) Alliance Freeze Dry has already dedicated additional right-of-way needed for construction of the Public Facilities Project.

5. CONTINGENCY

This Agreement is contingent upon receipt of CERB funds by *THE APPLICANT* and is intended to provide convincing evidence of private development as required by CERB.

City of Lynden

Alliance Freeze Dry (USA) Inc.

Scott Korthuis, Mayor

Guang Xu, President