



ECONOMIC DEVELOPMENT PARTNERSHIP AGREEMENT

BETWEEN

THE PORT OF SEATTLE AND CITY OF MERCER ISLAND

S-00320300

This Economic Development Partnership Agreement (the "Agreement") is made by and between the Port of Seattle (the "Port") and the City of Mercer Island ("Agency"), both municipal corporations of the State of Washington (each, a "Party" or, collectively, the "Parties").

RECITALS

WHEREAS, engaging in the promotion of economic development is a recognized Port purpose authorized under RCW 53.08.245; and

WHEREAS, RCW 35.21.703 similarly authorizes cities to engage in economic development programs; and

WHEREAS, RCW 53.08.240(2) permits the Port to contract with another municipality to perform such undertakings each is authorized to perform; and

WHEREAS, the Port Commission of the Port of Seattle established the Economic Development Partnership Program (the "Program"), to advance the Port's Century Agenda, promote a dramatic growth agenda, support the creation of middle class jobs and help address the lack of economic development funding for local projects; and

WHEREAS, grant funding across the region is very limited for cities that want to pursue economic development projects or initiatives, and Washington State has not had an economic development grant program for over 20 years; and

WHEREAS, the Program will provide 38 King County cities per capita funding to advance local economic development throughout the region, and requires a 50% local match by the cities that receive the grants; and

WHEREAS, the Program will help the Port advance regional economic vitality through focused partnerships with King County cities; and

WHEREAS, the Program will make grants to cities that pursue programs and projects that stimulate business development, job creation and community revitalization, such as small business development, industry retention and expansion, and other economic development projects that support new investment and job creation;

NOW, THEREFORE the parties agree as follows:

1. Purpose. The purpose of this Agreement is to establish a contractual arrangement under which the Port will pay the Agency Program funds in the amount set forth on Section 2 solely for the purpose of carrying out the local initiative described in Exhibit A, attached and incorporated hereto by this reference (the "Project"). This Agreement shall be interpreted in furtherance of this purpose.
2. Responsibilities of the Port. The Port shall contribute Twenty-four Thousand Four Hundred Seventy and 00/100 Dollars (\$24,470.00) (the "Grant Funds") to assist the Agency in funding the Project. The Port shall disburse the Grant Funds to the Agency no later than thirty (30) days after receipt of a complete and correct invoice detailing those Project deliverables completed in accordance with Exhibit A. Subject to the requirements of this Section and of Section 18 (where applicable), the Port shall make the final payment of the Grant Funds to the Agency no later than November 30, 2020, or receipt of the final report, whichever occurs later.
3. Responsibilities of the Agency.
 - 3.1 The Agency shall contribute local funds equivalent to at least fifty percent (50%) of the Grant Funds towards the Project.
 - 3.2 The Agency may contract with local non-profits to complete the Project or elements of the Project; *provided*, that the Port shall not, under any circumstance, disburse the Grant Funds to any of the Agency's contractors or subcontractors.
 - 3.3 The Agency shall complete the Project by November 30, 2020.
4. Term. This Agreement shall become effective as of the date the Port executes this Agreement and shall terminate on November 30, 2020, unless earlier terminated under another provision of this Agreement.
5. Termination for Convenience. The Port may terminate this Agreement at any time for any reason, by giving the Agency thirty (30) days' written notice. In the event the Agency has completed any portion of the Project by the time it receives the Port's notice of termination, the Port shall pay the Agency the percentage of the Grant Funds attributable to the Agency's completed portion of the Project.
6. Termination for Default. Except in the case of delay or failure resulting from circumstances beyond the control and without the fault or negligence of the Agency, the Port shall be entitled, by written or oral notice to the Agency, to terminate Agreement for breach of any of the terms and to have all other rights against the

Agency by reason of the Agency's breach as provided by law.

7. Waiver. Failure at any time of the Port to enforce any provision of this Agreement shall not constitute a waiver of such provision or prejudice the right of the Port to enforce such provision at any subsequent time. No term or condition of this Agreement shall be held to be waived, modified or deleted except by a written amendment signed by the Parties

8. Partial Invalidity. If any provision of this Agreement is or becomes void or unenforceable by force or operation of law, all other provisions hereof shall remain valid and enforceable.

9. Indemnification and Hold Harmless Agreement. The Agency shall defend, indemnify, and hold harmless the Port, its Commissioners, officers, employees, and agents (hereafter, collectively, the "Port") from all liability, claims, damages, losses, and expenses (including, but not limited to attorneys' and consultants' fees and other expenses of litigation or arbitration) arising out of or related to the fulfillment of this Agreement; *provided*, however, if and to the extent that this Agreement is construed to be relative to the construction, alternation, repair, addition to, subtraction from, improvement to, or maintenance of, any building, highway, road, railroad, excavation, or other structure, project, development, or improvement attached to real estate, including moving or demolition in connection therewith, and therefore subject to Section 4.24.115 of the Revised Code of Washington, it is agreed that where such liability, claim, damage, loss or expense arises from the concurrent negligence of (i) the Port, and (ii) the Agency, its agents, or its employees, it is expressly agreed that the Agency's obligations of indemnity under this paragraph shall be effective only to the extent of the Agency's negligence. Such obligations shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any person or entity described in this paragraph. This paragraph shall not be construed so as to require the Agency to defend, indemnify, or hold harmless the Port from such claims, damages, losses or expenses caused by or resulting from the sole negligence of the Port.

In any and all claims against the Port, by any employee of the Agency, its agent, anyone directly or indirectly employed by either of them, or anyone for whose acts any of them may be liable, the indemnification obligation of this paragraph shall not be limited in any way by any limitation on the amount or type of damages compensation benefits payable by or for the Agency, or other person under applicable industrial insurance laws (including, but not limited to Title 51 of the Revised Code of Washington), it being clearly agreed and understood by the Parties hereto that the Agency expressly waives any immunity the Agency might have had under such laws. By executing this Agreement, the Agency acknowledges that the foregoing waiver has been mutually negotiated by the parties.

The Agency shall pay all attorneys' fees and expenses incurred by the Port in establishing and enforcing the Port's right under this paragraph, whether or not suit was instituted.

10. Comply with All Laws. The Agency shall at all times comply with all federal, state and local laws, ordinances and regulations, including but not limited to all environmental laws, which in any manner apply to the performance of this Agreement.

11. Integration. This Agreement, together with the attached Exhibit A, constitutes the entire agreement between the Parties and unless modified in writing by an amendment executed by the Parties, shall be implemented only as described herein.

12. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Washington. Any action arising out of this Agreement shall be brought in King County.

13. No Employment Relationship Created. The Parties agree that nothing in this Agreement shall be construed to create an employment relationship between the Agency and the Port.

14. No Entity Created. The Parties agree that nothing in this Agreement shall be construed to create a joint entity between the Agency and the Port.

15. Notices. Notices to the Port shall be sent to the following address:

Port of Seattle
Economic Development Division
P. O. Box 1209
Seattle, WA 98111

Notices to the Agency shall be sent to the following address:

City of Mercer Island
9611 S.E. 36th St.
Mercer Island, WA 98040

16. Audits and Retention of Records. The Agency in and make all books, records and documents (the "Records") relating to the performance of this Agreement open to inspection or audit by representatives of the Port or Washington State during the term of this Agreement and for a period of not less than six (6) years after termination of the Agreement; *provided*, that if any litigation, claim or audit arising out of, in connection with or related to this Agreement is initiated, the Agency shall retain such Records until the later of

(a) resolution or completion of litigation claim or audit; or (b) six (6) years after the termination of this Agreement.

17. Amendment. This Agreement may only be amended by written agreement of the Parties.

18. Dispute Resolution. The Parties shall use their best, good faith efforts to cooperatively resolve disputes that arise in connection with this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this agreement as of the date first set forth above.

PORT OF SEATTLE

By: Sherry Weiss
Buyer, Purchasing

Signature

Dated

CITY OF MERCER ISLAND

By:

Signature

Dated

EXHIBIT A - PROJECT

Project Description:

Project 1: Transition Local Business Community into COVID-19 Recovery Phases

High-Level Goals:

- Keep local businesses top-of-mind with local and off-Island customers to retain local businesses and local spending.
- Connect all Mercer Island businesses with resources and technical assistance to do business in the post-COVID-19 era.

High-Level Actions:

- Expand “Shop Local-Spend Like It Matters” marketing campaign with branding/design (locally sourced), advertising (print, digital), community mailer, local press, website updates, and other content/efforts to promote the local business community during the emergency and into the recovery phase.
- Outreach to businesses via mail, e-mail, website, and other methods to share recovery resources

Project 2: Collect Data for Future Planning Needs

High-Level Goals:

1. Fill gaps in City’s database of contact and other information for local businesses
2. Document business challenges and needs pre- and post-COVID-19 emergency

High-Level Actions:

- Administer online/print survey to collect contact information and assess business needs
- Pilot temporary/non-permanent placemaking projects to test and collect feedback on policy-related ideas (ex. pocket parks, outside seating in Town Center, drop-off/pick-up zones)

Scope of Work Description:

Project or component:	Project goal(s):	Output(s) and final deliverable(s):	Estimated completion:	Metrics or measures of success:	Describe the short-term, intermediate or long-term outcomes of the project.
Transition Local Business Community into COVID-19 Recovery	Keep local businesses top-of-mind with local and off-Island customers and	“Shop Local-Spend Like It Matters” marketing campaign, including: <ul style="list-style-type: none">• Locally	Business outreach / data collection completed by July 2020	Number of businesses reached via mail / e-mail campaign	Short-term Better communication with the local business community

	<p>encourage local spending to retain local businesses and local spending</p> <p>Connect all Mercer Island businesses with resources and technical assistance to conduct business in the post-COVID-19 era</p>	<p>designed branding and messaging</p> <ul style="list-style-type: none"> • Print advertising/outreach & collateral • Digital advertising /outreach & collateral • Print / digital editorial • Collaboration with local arts community to design creative ways to build awareness for local businesses. Examples could include visual storytelling; temporary arts installations/elements for brick-and-mortar locations to draw residents back to Town Center (if / when it's safe to do so); and other artistic ways to promote local businesses • Simple Buy/ Spend Local website to use as central landing place for local business information and can be refined/ expanded on • All-business outreach 	<p>Ongoing updates to Let's Talk website but push during grant period completed by August 2020</p> <p>Ongoing marketing campaign but push during grant period completed by September 2020</p> <p>Marketing dashboard finished by October 2020</p>	<p>Number of business responses to mail/ e-mail campaign</p> <p>Number of site visits to Spend Local website (launch date- September 2020)</p> <p>Number of redirect visits to businesses listed on Spend Local website (launch date- September 2020)</p> <p>Number of businesses able to resume modified / full services by October 2020 (pending additional executive orders)</p> <p>Number of artists supported through business/arts partnership</p>	<p>Strengthened community support of local businesses</p> <p>Increased spending at local businesses</p> <p>Increased sales tax revenue</p> <p>Intermediate Local businesses reopen/resume services efficiently and sustainably</p> <p>Long-term Community members choose local businesses first when it comes to shopping and service needs</p>
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		<p>mailer (regular and digital mail) [**overlaps with survey deliverable in project 2**]</p> <ul style="list-style-type: none"> • Summary dashboard of marketing impacts /results • Database of businesses contacted • Database of marketing, training, and other business resources shared on Let's Talk website 			
Collect Data for Future Planning Needs	<p>Fill gaps in City's database of local business contact and other information.</p> <p>Document business needs and challenges pre- and post-COVID-19 emergencies.</p>	<p>Needs assessment survey deployed to all Island businesses (using business license registration list) [**overlaps with business mailer deliverable in project 1**]</p> <p>1-3 temporary/non-permanent placemaking projects to draw community members back to Town Center and test ideas for future economic and community development plans. Examples could include:</p> <ul style="list-style-type: none"> • Creating temporary 	<p>Business outreach/ data collection completed by July 2020</p> <p>Planning Interventions implemented June-August 2020</p> <p>Internal database ongoing but push during grant period completed by August 2020</p> <p>Findings report completed by September 2020</p>	<p>Number of businesses reached via mail/e-mail survey</p> <p>Number of business responses to mail/e-mail survey</p> <p>Number of interactions with/ feedback from temporary placemaking projects</p> <p>Number of business contacts added to internal database</p>	<p>Short-term</p> <p>Better communication with the local business community</p> <p>More accurate understanding of local business needs/challenges</p> <p>Intermediate</p> <p>Better informed planning processes to develop long range economic development efforts</p> <p>Long-term</p> <p>Mercer Island has a healthier and more stable local</p>

		sidewalk seating and retail areas to temporarily expand business footprints while maintaining safe social distancing <ul style="list-style-type: none"> • Converting public parking into temporary pocket parks to provide more outdoor space for community members to visit (when it is safer to do so) • Enabling pop-up retail enhancements like drop-off/pick-up zones to enable businesses to more efficiently and safely serve customers when phasing into recovery Updated internal database of business contact information Report Summarizing feedback from needs assessment survey and planning interventions			business community
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Connection to Port of Seattle interests:

Our project aims to preserve small business and stimulate economic recovery for the City of Mercer Island, a regional patron of the Port of Seattle that relies on SeaTac International airport as a gateway for tourism and commerce. Maintaining the local Mercer Island economy is good

for the region, which ultimately benefits the Port of Seattle and its goal of promoting economic development in King County.

Project Budget

Category:	Port of Seattle Funds Awarded:	City Monetary Matching Funds:	City In-kind Matching Funds:	Total Funds (Including In-Kind):	Project Category
Transition Local Business Community into COVID-19 Recovery Phases	\$15,000	\$3,000	\$3,000 in City Staff Support	\$21,000	Small Business Assistance
Collect Data for Future Planning Needs	\$9,470	\$3,500	\$3,000 in City Staff Support	\$15,970	Economic Development Planning
<u>Total Funds:</u>	\$24,470	\$6,500	\$6,000	\$36,970	
<u>Percentage contribution to Port Funds*:</u>	100%	25%	25%		

*City monetary and in-kind matching funds must add up to at least 50% of the Port of Seattle's total contribution.

Collaboration with Partners:

Mercer Island Chamber of Commerce

Mercer Island Arts Council

Mercer Island restaurants and retailers

Other local businesses

Local artists / arts community

Regional partners (Greater Seattle Partners, Startup425, etc.)

Use of Consultants or Contractors:

Local marketing / branding consultant

Local artists (design work, visual storytelling, other business collaborations)

Printing services

Mailing services

Needs assessment survey / data design and analysis