

**WHATCOM COUNTY
CONTRACT INFORMATION SHEET**

Whatcom County Contract Number:
202604012

Originating Department:	85 Health and Community Services
Division/Program: (i.e. Dept. Division and Program)	8530 Community Health/853020 Health Children & Families
Contract or Grant Administrator:	Eric Chambers
Contractor's / Agency Name:	Housing Authority of the City of Bellingham

Is this a New Contract?	If not, is this an Amendment or Renewal to an Existing Contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	If Amendment or Renewal, (per WCC 3.08.100 (a)) Original Contract #:	

Does contract require Council Approval?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	If No, include WCC:
Already approved? Council Approved Date:	(Exclusions see: Whatcom County Codes 3.06.010, 3.08.090 and 3.08.100)		

Is this a grant agreement?	If yes, grantor agency contract number(s):	ALN#
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	

Is this contract grant funded?	If yes, Whatcom County grant contract number(s):
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Method of Procurement:	RFP 25-61	Contract Cost Center:	18581003
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
Is this agreement excluded from E-Verify?	No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/>
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If YES, indicate exclusion(s) below:

<input type="checkbox"/> Professional services agreement for certified/licensed professional.	<input type="checkbox"/> Goods and services provided due to an emergency.
<input type="checkbox"/> Contract work is for less than \$100,000.	<input type="checkbox"/> Contract for Commercial off the shelf items (COTS).
<input type="checkbox"/> Contract work is for less than 120 days.	<input type="checkbox"/> Work related subcontract less than \$25,000.
<input checked="" type="checkbox"/> Interlocal Agreement (between Governments).	<input type="checkbox"/> Public Works - Local Agency/Federally Funded FHWA.

Contract Amount:(sum of original contract amount and any prior amendments):	Council approval required for; all property leases, all Interlocal agreements, contracts or bid awards exceeding \$75,000 , and grants exceeding \$40,000 and professional service contract amendments that have an increase greater than \$10,000 or 10% of contract amount, whichever is greater, except when: <ol style="list-style-type: none"> 1. Exercising an option contained in a contract previously approved by the council. 2. Contract is for design, construction, r-o-w acquisition, prof. services, or other capital costs approved by council in a capital budget appropriation ordinance. 3. Bid or award is for supplies. 4. Equipment is included in Exhibit "B" of the Budget Ordinance 5. Contract is for manufacturer's technical support and hardware maintenance of electronic systems and/or technical support and software maintenance from the developer of proprietary software currently used by Whatcom County.
\$ 851,350	
This Amendment Amount:	
\$	
Total Amended Amount:	

Contract Term Ends: 09/30/2036

Contract Routing:	1. Prepared by:	Eric Chambers	Date:	2/17/26
	2. Health Budget Approval:	G. Iturria	Date:	03/19/2026
	3. Attorney signoff:	JCW	Date:	03/23/2026
	4. AS Finance reviewed:	D. Kempf	Date:	03/26/2026
	5. IT reviewed (if IT related):		Date:	
	6. Contractor signed:		Date:	
	7. Executive Contract Review:		Date:	4/15/2026
	8. Council approved (if necessary):	AB2026-270	Date:	4/14/2026
	9. Executive signed:		Date:	4/15/2026
	10. Original to Council:		Date:	



Memorandum

TO: Satpal Sidhu, County Executive
FROM: Champ Thomaskutty, Director
RE: Housing Authority of the City of Bellingham – Samish Commons Early Learning Center
DATE: APRIL 15, 2026

Attached is a contract between Whatcom County and the Housing Authority of the City of Bellingham for your review and signature.

▪ **Background and Purpose**

On November 6, 2024, County Council approved Contract #202411026 to provide support for the creation of the Samish Commons Early Learning Center on the ground floor of the Samish Commons Affordable Housing apartments. Once complete, the facility will create 40 childcare slots, of which, no less than 25% will be reserved for children from households that have an income of 85% or lower than the current state medium income.

On August 6, 2025 Whatcom County published RFP 25-61 – HCF Child Care Capital Projects which closed on September 23, 2025. The Housing Authority of the City of Bellingham responded to this RFP, their application was reviewed and scored, and subsequently recommended for funding by the Evaluation Committee.

For avoidance of doubt, the Project is owned by the Samish Way Family Housing LLLP, a Washington Limited Liability Limited Partnership (“the Company”). The Contractor, the Housing Authority of the City of Bellingham, is the manager and controlling member of the Company and leases the Project site from the Company. Further, the Contractor intends to sublease the space, once complete, to a licensed child care provider.

This contract provides additional funds for capital expenses to support unanticipated construction-related cost escalation including professional fees necessary to make the early learning center operational.

▪ **Funding Amount and Source**

Funding for this contract, in an amount not to exceed \$851,350, is provided by the Healthy Children’s Fund. These funds are included in the 2026 budget. Council authorization is required, per WCC 3.08.100, as funding for this contract exceeds \$75,000.

▪ **Differences from Previous Contracts**

This is a new contract to support the work established in Contract #202411026. A new contract, rather than an amendment, is justified by the change in budget and the inclusion of additional reporting requirements identified in RFP 25-61.

Please contact Eric Chambers, Special Projects Manager, at 360-778-6199 (ekchambe@co.whatcom.wa.us) if you have any questions.



Whatcom County Contract Number:

202604012

CONTRACT FOR SERVICES

Between Whatcom County and The Housing Authority of the City of Bellingham

The Housing Authority of the City of Bellingham, hereinafter called **Contractor** and Whatcom County, hereinafter referred to as **County**, agree and contract as set forth in this Agreement, including:

- General Conditions, pp. 3 to 13,
- Exhibit A (Scope of Work), pp. 14 to 17,
- Exhibit B (Compensation), pp. 18 to 20,
- Exhibit C (Certificate of Insurance), p. 21,
- Exhibit D (Response to RFP #23-87), pp. 22 to 68,
- Exhibit E (Response to RFP #25-61).

Copies of these items are attached hereto and incorporated herein by this reference as if fully set forth herein.

The term of this Agreement shall commence on the 15th day of April, 2026, and shall, unless terminated or renewed as elsewhere provided in the Agreement, terminate on the 30th day of September, 2036.

The general purpose or objective of this Agreement is to support the completion and operation of the Samish Commons Early Learning Center as more fully and definitively described in Exhibit A hereto. The language of Exhibit A controls in case of any conflict between it and that provided here.

The maximum consideration for the initial term of this agreement or for any renewal term authorized herein (if applicable) shall not exceed \$851,350. The Contract Number, set forth above, shall be included on all billings or correspondence in connection therewith.

Contractor acknowledges and by signing this contract agrees that the Indemnification provisions set forth in Paragraphs 11.1, 21.1, 30.1, 31.2, 32.1, 34.2, and 34.3, if included, are totally and fully part of this contract and have been mutually negotiated by the parties.

Each person signing this Contract represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Contract.

IN WITNESS WHEREOF, the parties have executed this Agreement on: 4/15/2026

CONTRACTOR:

Housing Authority of the City of Bellingham

PO Box 9701.
Bellingham, WA 98227-9701


Each signatory below to this Contract warrants that he/she is the authorized agent of the respective party; and that he/she has the authority to enter into the contract and to bind the party thereto.


Signed by:

 09A2E7DEC661470
 Andrew Calkins, Executive Director
 4/15/2026
 Date

WHATCOM COUNTY:


Recommended for Approval:

DocuSigned by:

 2B365BB0422344A... 4/15/2026

 Ann Beck, MSW, LICSW, Date
 Community Health & Human Service Manager

 00C1A6EB3489428... 4/15/2026

 Champ Thomaskutty, Director Date
 Whatcom County Health and Community Services

Approved as to form:

Signed by:

 CF1A5BA5C36B438... 4/15/2026

 Janelle C. Wilson, Civil Deputy Prosecutor Date

Approved:

Accepted for Whatcom County:
 DocuSigned by:

 1192C7C18B664E3... 4/15/2026
 By: _____
 Satpal Singh Sidhu, Whatcom County Executive Date

CONTRACTOR INFORMATION:

Housing Authority of the City of Bellingham

Andrew Calkins, Executive Director
 PO Box 9701.
 Bellingham, WA 98227-9701
Andrew.Calkins@bellinghamhousing.org

GENERAL CONDITIONS

Series 00-09: Provisions Related to Scope and Nature of Services

0.1 Scope of Services:

The Contractor agrees to provide to the County services and any materials as set forth in the project narrative identified as Exhibit "A", during the agreement period. No material, labor, or facilities will be furnished by the County, unless otherwise provided for in the Agreement.

Series 10-19: Provisions Related to Term and Termination

10.1 Term:

Services provided by Contractor prior to or after the term of this contract shall be performed at the expense of Contractor and are not compensable under this contract unless both parties hereto agree to such provision in writing. The term of this Agreement may be extended by mutual agreement of the parties; provided, however, that the Agreement is in writing and signed by both parties.

10.2 Extension:

The duration, consideration and other terms and conditions of this Agreement may be extended after the initial term of this Agreement by mutual written consent of the parties.

Extensions may be for a period of up to one year per extension, and for a cumulative total of no longer than four years including the original term.

11.1 Termination for Default:

If the Contractor defaults by failing to perform any of the obligations of the contract or becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency or makes an assignment for the benefit of creditors, the County may, by depositing written notice to the Contractor in the U.S. mail, first class postage prepaid, terminate the contract, and at the County's option, obtain performance of the work elsewhere. Termination shall be effective upon Contractor's receipt of the written notice, or within three (3) days of the mailing of the notice, whichever occurs first. If the contract is terminated for default, the Contractor shall not be entitled to receive any further payments under the contract until all work called for has been fully performed. Any extra cost or damage to the County resulting from such default(s) shall be deducted from any money due or coming due to the Contractor. The Contractor shall bear any extra expenses incurred by the County in completing the work, including all increased costs for completing the work, and all damage sustained, or which may be sustained by the County by reason of such default.

11.2 Termination for Reduction in Funding:

In the event that funding from State, Federal or other sources is withdrawn, reduced, or limited in any way after the effective date of this Agreement, and prior to its normal completion, the County may summarily terminate this Agreement as to the funds withdrawn, reduced, or limited, notwithstanding any other termination provisions of this Agreement. If the level of funding withdrawn, reduced or limited is so great that the County deems that the continuation of the programs covered by this Agreement is no longer in the best interest of the County, the County may summarily terminate this Agreement in whole, notwithstanding any other termination provisions of this Agreement. Termination under this section shall be effective upon receipt of written notice as specified herein, or within three days of the mailing of the notice, whichever occurs first.

11.3 Termination for Public Convenience:

The County may terminate the Agreement in whole or in part whenever the County determines, in its sole discretion, that such termination is in the interests of the County. Whenever the Agreement is terminated in accordance with this paragraph, the Contractor shall be entitled to payment for actual work performed at unit contract prices for completed items of work. An equitable adjustment in the contract price for partially completed items of work will be made, but such adjustment shall not include provision for loss of anticipated profit on deleted or uncompleted work. Termination of this Agreement by the County at any time during the term, whether for default or convenience, shall not constitute breach of contract by the County.

Series 20-29: Provisions Related to Consideration and Payments

20.1 Accounting and Payment for Contractor Services:

Payment to the Contractor for services rendered under this Agreement shall be as set forth in Exhibit "B." Where Exhibit "B" requires payments by the County, payment shall be based upon written claims supported, unless otherwise provided in Exhibit "B," by documentation of units of work actually performed and amounts earned, including, where appropriate, the actual number of days worked each month, total number of hours for the month, and the total dollar payment requested, so as to comply with municipal auditing requirements.

Unless specifically stated in Exhibit "B" or approved in writing in advance by the official executing this Agreement for the County or his designee (hereinafter referred to as the "Administrative Officer") the County will not reimburse the Contractor for any costs or expenses incurred by the Contractor in the performance of this contract. Where required, the County shall, upon receipt of appropriate documentation, compensate the Contractor, no more often than monthly, in accordance with the County's customary procedures, pursuant to the fee schedule set forth in Exhibit "B."

21.1 Taxes:

The Contractor understands and acknowledges that the County will not withhold Federal or State income taxes. Where required by State or Federal law, the Contractor authorizes the County to withhold for any taxes other than income taxes (i.e., Medicare). All compensation received by the Contractor will be reported to the Internal Revenue Service at the end of the calendar year in accordance with the applicable IRS regulations. It is the responsibility of the Contractor to make the necessary estimated tax payments throughout the year, if any, and the Contractor is solely liable for any tax obligation arising from the Contractor's performance of this Agreement. The Contractor hereby agrees to indemnify the County against any demand to pay taxes arising from the Contractor's failure to pay taxes on compensation earned pursuant to this Agreement.

The County will pay sales and use taxes imposed on goods or services acquired hereunder as required by law. The Contractor must pay all other taxes, including, but not limited to, Business and Occupation Tax, taxes based on the Contractor's gross or net income, or personal property to which the County does not hold title. The County is exempt from Federal Excise Tax.

22.1 Withholding Payment:

In the event the County's Administrative Officer determines that the Contractor has failed to perform any obligation under this Agreement within the times set forth in this Agreement, then the County may withhold from amounts otherwise due and payable to Contractor the amount determined by the County as necessary to cure the default, until the Administrative Officer determines that such failure to perform has been cured. Withholding under this clause shall not be deemed a breach entitling Contractor to termination or damages, provided that the County promptly gives notice in writing to the Contractor of the nature of the default or failure to perform, and in no case more than 10 days after it determines to withhold amounts otherwise due. A determination of the Administrative Officer set forth in a notice to the Contractor of the action required and/or the amount required to cure any alleged failure to perform shall be deemed conclusive, except to the extent that the Contractor acts within the times and in strict accord with the provisions of the Disputes clause of this Agreement. The County may act in accordance with any determination of the Administrative Officer which has become conclusive under this clause, without prejudice to any other remedy under the Agreement, to take all or any of the following actions: (1) cure any failure or default, (2) to pay any amount so required to be paid and to charge the same to the account of the Contractor, (3) to set off any amount so paid or incurred from amounts due or to become due the Contractor. In the event the Contractor obtains relief upon a claim under the Disputes clause, no penalty or damages shall accrue to Contractor by reason of good faith withholding by the County under this clause.

23.1 Labor Standards:

The Contractor agrees to comply with all applicable state and federal requirements, including but not limited to those pertaining to payment of wages and working conditions, in accordance with RCW 39.12.040, the Prevailing Wage Act; the Americans with Disabilities Act of 1990; the Davis-Bacon Act; and the Contract Work Hours and Safety Standards Act providing for weekly payment of prevailing wages, minimum overtime pay, and providing that no laborer or mechanic shall be required to work in surroundings or under conditions which are unsanitary, hazardous, or dangerous to health and safety as determined by regulations promulgated by the Federal Secretary of Labor and the State of Washington.

Series 30-39: Provisions Related to Administration of Agreement

30.1 Independent Contractor:

The Contractor's services shall be furnished by the Contractor as an independent contractor, and nothing herein contained shall be construed to create a relationship of employer-employee or master-servant, but all payments made hereunder

and all services performed shall be made and performed pursuant to this Agreement by the Contractor as an independent contractor.

The Contractor acknowledges that the entire compensation for this Agreement is specified in Exhibit "B" and the Contractor is not entitled to any benefits including, but not limited to: vacation pay, holiday pay, sick leave pay, medical, dental, or other insurance benefits, or any other rights or privileges afforded to employees of the County. The Contractor represents that he/she/it maintains a separate place of business, serves clients other than the County, will report all income and expense accrued under this contract to the Internal Revenue Service, and has a tax account with the State of Washington Department of Revenue for payment of all sales and use and Business and Occupation taxes collected by the State of Washington.

Contractor will defend, indemnify and hold harmless the County, its officers, agents or employees from any loss or expense, including, but not limited to, settlements, judgments, setoffs, attorneys' fees or costs incurred by reason of claims or demands because of breach of the provisions of this paragraph

30.2 Assignment and Subcontracting:

The performance of all activities contemplated by this agreement shall be accomplished by the Contractor. No portion of this contract may be assigned or subcontracted to any other individual, firm or entity without the express and prior written approval of the County.

30.3 No Guarantee of Employment:

The performance of all or part of this contract by the Contractor shall not operate to vest any employment rights whatsoever and shall not be deemed to guarantee any employment of the Contractor or any employee of the Contractor or any subcontractor or any employee of any subcontractor by the County at the present time or in the future.

31.1 Ownership of Items Produced and Public Records Act:

All writings, programs, data, public records or other materials prepared by the Contractor and/or its consultants or subcontractors, in connection with performance of this Agreement, shall be the sole and absolute property of the County. If the Contractor creates any copyrightable materials or invents any patentable property, the Contractor may copyright or patent the same, but the County retains a royalty-free, nonexclusive and irrevocable license to reproduce, publish, recover, or otherwise use the materials or property and to authorize other governments to use the same for state or local governmental purposes. Contractor further agrees to make research, notes, and other work products produced in the performance of this Agreement available to the County upon request.

Ownership. Any and all data, writings, programs, public records, reports, analyses, documents, photographs, pamphlets, plans, specifications, surveys, films or any other materials created, prepared, produced, constructed, assembled, made, performed or otherwise produced by the Contractor or the Contractor's subcontractors or consultants for delivery to the County under this Contract shall be the sole and absolute property of the County. Such property shall constitute "work made for hire" as defined by the U.S. Copyright Act of 1976, 17 U.S.C. § 101, and the ownership of the copyright and any other intellectual property rights in such property shall vest in the County at the time of its creation. Ownership of the intellectual property includes the right to copyright, patent, and register, and the ability to transfer these rights. Material which the Contractor uses to perform this Contract but is not created, prepared, constructed, assembled, made, performed or otherwise produced for or paid for by the County is owned by the Contractor and is not "work made for hire" within the terms of this Agreement.

Public Records Act. This Contract and all records associated with this Contract shall be available 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 Contractor are needed for the County to respond to a request under the Act, as determined by the County, the Contractor agrees to make them promptly available to the County at no cost to the County. If the Contractor 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 Contractor 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 Contractor 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 Contractor (a) of the request and (b) of the date that such information will be released to the requester unless the Contractor obtains a court order to enjoin that disclosure pursuant to RCW 42.56.540. If the Contractor 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 Contractor to claim any exemption from disclosure under the Act. The County shall not be liable to the Contractor for releasing records not clearly identified by the Contractor as confidential or proprietary. The County shall not be liable to the Contractor for any records that the County releases in compliance with this section or in compliance with an order of a court of competent jurisdiction.

The Contractor shall be liable to the requester for any and all fees, costs, penalties or damages imposed or alleged as a result of the Contractor's failure to provide adequate or timely records.

This provision and the obligations it establishes shall remain in effect after the expiration of this contract.

31.2 Patent/Copyright Infringement:

Contractor will defend and indemnify the County from any claimed action, cause or demand brought against the County, to the extent such action is based on the claim that information supplied by the Contractor infringes any patent or copyright. The Contractor will pay those costs and damages attributable to any such claims that are finally awarded against the County in any action. Such defense and payments are conditioned upon the following:

A. The Contractor shall be notified promptly in writing by the County of any notice of such claim.

B. Contractor shall have the right, hereunder, at its option and expense, to obtain for the County the right to continue using the information, in the event such claim of infringement, is made, provided no reduction in performance or loss results to the County.

32.1 Confidentiality:

The Contractor, its employees, subcontractors, and their employees shall maintain the confidentiality of all information provided by the County or acquired by the Contractor in performance of this Agreement, except upon the prior written consent of the County or an order entered by a court after having acquired jurisdiction over the County. Contractor shall immediately give to the County notice of any judicial proceeding seeking disclosure of such information. Contractor shall indemnify and hold harmless the County, its officials, agents or employees from all loss or expense, including, but not limited to, settlements, judgments, setoffs, attorneys' fees and costs resulting from Contractor's breach of this provision.

33.1 Right to Review:

This contract is subject to review by any Federal, State or County auditor. The County or its designee shall have the right to review and monitor the financial and service components of this program by whatever means are deemed expedient by the Administrative Officer or by the County Auditor's Office. Such review may occur with or without notice and may include, but is not limited to, on-site inspection by County agents or employees, inspection of all records or other materials which the County deems pertinent to the Agreement and its performance, and any and all communications with or evaluations by service recipients under this Agreement. The Contractor shall preserve and maintain all financial records and records relating to the performance of work under this Agreement for three (3) years after contract termination, and shall make them available for such review, within Whatcom County, State of Washington, upon request. Contractor also agrees to notify the Administrative Officer in advance of any inspections, audits, or program review by any individual, agency, or governmental unit whose purpose is to review the services provided within the terms of this Agreement. If no advance notice is given to the Contractor, then the Contractor agrees to notify the Administrative Officer as soon as it is practical.

34.1 Insurance

The Contractor shall, at its own expense, obtain and continuously maintain the following insurance coverage for the duration of this contract, which shall include insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, subcontractors or employees. All insurers providing such insurance shall have an A.M. Best Rating of not less than A- (or otherwise be acceptable to the County) and be licensed to do business in the State of Washington and admitted by the Washington State Insurance Commissioner. Coverage limits shall be the minimum limits identified in this Contract or the coverage limits provided or available under the policies maintained by the Contractor without regard to this Contract, whichever are greater.

1. Commercial General Liability

Property Damage	\$500,000.00, per occurrence
General Liability & bodily injury	\$1,000,000.00, per occurrence
Annual Aggregate	\$2,000,000.00

At least as broad as ISO form CG 00 01 or the equivalent, which coverage shall include personal injury, bodily injury and property damage for Premises Operations, Products and Completed Operations, Personal/Advertising Injury, Contractual Liability, Independent Contractor Liability, medical payments and Stop Gap/Employer's Liability. Coverage shall not exclude or contain sub-limits less than the minimum limits required, unless approved in writing by the County.

2. Business Automobile Liability

\$1,000,000.00 Minimum, per occurrence

\$2,000,000.00 Minimum, Annual Aggregate

Contractor shall provide auto liability coverage for owned, non-owned and hired autos using ISO Business Auto Coverage form CA 00 01 or the exact equivalent with a limit of no less than \$1,000,000 per accident. If Contractor owns no vehicles this requirement may be met through a non-owned auto Endorsement to the CGL policy.

3. Additional Insurance Requirements and Provisions

- a. All insurance policies shall provide coverage on an occurrence basis.
- b. Additional Insureds. Whatcom County, its departments, elected and appointed officials, employees, agents and volunteers shall be included as additional insureds on Contractor's and Contractor's subcontractors' insurance policies by way of endorsement for the full available limits of insurance required in this contract or maintained by the Contractor and subcontractor, whichever is greater.
- c. Primary and Non-contributory Insurance. Contractor shall provide primary insurance coverage and the County's insurance shall be non-contributory. Any insurance, self-insured retention, deductible, risk retention or insurance pooling maintained or participated in by the County shall be excess and non-contributory to Contractor's insurance.
- d. Waiver of Subrogation. The insurance policy shall provide a waiver of subrogation with respect to each insurance policy maintained under this Contract. When required by an insurer, or if a policy condition does not permit Contractor to enter into a pre-loss agreement to waive subrogation without an endorsement, then Contractor agrees to notify the insurer and obtain such endorsement. This requirement shall not apply to any policy which includes a condition expressly prohibiting waiver of subrogation by the insured or which voids coverage should the Contractor enter into such a waiver of subrogation on a pre-loss basis.
- e. Review of and Revision of Policy Provisions. Upon request, the Contractor shall provide a full and complete certified copy of all requested insurance policies to the County. The County reserves the right, but not the obligation, to revise any insurance requirement, including but not limited to limits, coverages and endorsements, or to reject any insurance policies which fail to meet the requirements of this Contract. Additionally, the County reserves the right, but not the obligation, to review and reject any proposed insurer providing coverage based upon the insurer's financial condition or licensing status in Washington.
- f. Verification of Coverage/Certificates and Endorsements. The Contractor shall furnish the County with a certificate of insurance and endorsements required by this contract. The certificates and endorsements for each policy shall be signed by a person authorized by the insurer to bind coverage on its behalf. The certificate and endorsements for each insurance policy are to be on forms approved by the County prior to commencement of activities associated with the contract. The certificate and endorsements, and renewals thereof, shall be attached hereto as Exhibit "C". If Exhibit C is not attached, the Contractor must submit the certificate and endorsements required in this contract to the County prior to the commencement of any work on the contracted project. A certificate alone is insufficient proof of the required insurance; endorsements must be included with the certificate. The certificate of insurance must reflect the insurance required in this contract, including appropriate limits, insurance coverage dates, per occurrence, and in the description of operations, include the County project, Whatcom County, its departments, officials, employees, agents and volunteers as additional insureds, primary, non-contributory, and waiver of subrogation.
- g. The County must be notified immediately in writing of any cancellation of the policy, exhaustion of aggregate limits, notice of intent not to renew insurance coverage, expiration of policy or change in insurer carrier. Contractor shall always provide the County with a current copy of the certificate and endorsements throughout the duration of the contract.

- h. No Limitation on Liability. The insurance maintained under this Contract shall not in any manner limit the liability or qualify the liabilities or obligations of the Contractor to the coverage provided by such insurance, or otherwise limit the County's recourse to any remedy available at law or equity.
- i. Payment Conditioned on Insurance and Failure to Maintain Insurance. Compensation and/or payments due to the Contractor under this Contract are expressly conditioned upon the Contractor's compliance with all insurance requirements. Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract. Payment to the Contractor may be suspended in the event of non-compliance, upon which the County may, after giving five business days' notice to the Contractor to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the County on demand or offset against funds due the Contractor. Upon receipt of evidence of Contractor's compliance, payments not otherwise subject to withholding or set-off will be released to the Contractor.
- j. Workers' Compensation. The Contractor shall maintain Workers' Compensation coverage as required under the Washington State Industrial Insurance Act, RCW Title 51, for all Contractors' employees, agents and volunteers eligible for such coverage under the Industrial Insurance Act.
- k. Failure of the Contractor to take out and/or maintain required insurance shall not relieve the Contractor or subcontractors from any liability under the contract, nor shall the insurance requirements be construed to conflict with or otherwise limit the obligations concerning indemnification. The County does not waive any insurance requirements even in the event the certificate or endorsements provided by the Contractor were insufficient or inadequate proof of coverage but not objected to by the County. The County's failure to confirm adequate proof of insurance requirements does not constitute a waiver of the Contractor's insurance requirements under this Contract.
- l. Availability of Contractor Limits. If the Contractor maintains higher insurance limits than the minimums shown above, the County shall be insured for the full available limits, including Excess or Umbrella liability maintained by the Contractor, irrespective of whether such limits maintained by the Contractor are greater than those required by this contract or whether any certificate furnished to the County evidences limits of liability lower than those maintained by the Contractor.
- m. Insurance for Subcontractors. If the Contractor subcontracts (if permitted in the contract) any portion of this Contract, the Contractor shall include all subcontractors as insureds under its policies or shall require separate certificates of insurance and policy endorsements from each subcontractor. Insurance coverages by subcontractors must comply with the insurance requirements of the Contractor in this contract and shall be subject to all of the requirements stated herein, including naming the County as additional insured.
- n. The Contractor agrees Contractor's insurance obligation shall survive the completion or termination of this Contract for a minimum period of three years.

34.3 Defense & Indemnity Agreement. To the fullest extent permitted by law, the Contractor agrees to indemnify, defend and hold the County and its departments, elected and appointed officials, employees, agents and volunteers, harmless from and against any and all claims, damages, losses and expenses, including but not limited to court costs, attorney's fees, and alternative dispute resolution costs, for any personal injury, for any bodily injury, sickness, disease, or death and for any damage to or destruction of any property (including the loss of use resulting therefrom) which: 1) are caused in whole or in part by any error, act or omission, negligent or otherwise, of the Contractor, its employees, agents or volunteers or Contractor's subcontractors and their employees, agents or volunteers; or 2) directly or indirectly arise out of or occur in connection with performance of this Contract or 3) are based upon the Contractor's or its subcontractors' use of, presence upon, or proximity to the property of the County. This indemnification obligation of the Contractor shall not apply in the limited circumstance where the claim, damage, loss, or expense is caused by the sole negligence of the County.

Should a court of competent jurisdiction determine that this contract is subject to RCW 4.24.115, then in the event of concurrent negligence of the Contractor, its subcontractors, employees or agents, and the County, its employees or agents, this indemnification obligation of the Contractor shall be valid and enforceable only to the extent of the negligence of the Contractor, its subcontractors, employees, and agents. This indemnification obligation of the Contractor shall not be limited in any way by the Washington State Industrial Insurance Act, RCW Title 51, or by application of any other workmen's compensation act, disability benefit act or other employee benefit act, and the Contractor hereby expressly waives any immunity afforded by such acts.

It is further provided that no liability shall attach to the County by reason of entering into this contract, except as expressly provided herein. The parties specifically agree that this Contract is for the benefit of the parties only and this Contract shall create no rights in any third party. The County reserves the right, but not the obligation, to participate in the defense of any claim, damages, losses, or expenses, and such participation shall not constitute a waiver of Contractor's indemnity obligations under this Agreement.

In the event the Contractor enters into subcontracts to the extent allowed under this Contract, the Contractor's subcontractors shall indemnify the County on a basis equal to or exceeding Contractor's indemnity obligations to the County. The Contractor shall pay all attorney's fees and expenses incurred by the County in establishing and enforcing the County's rights under this indemnification provision, whether or not suit was instituted.

The Contractor agrees all Contractor's indemnity obligations shall survive the completion, expiration or termination of this Agreement. The foregoing indemnification obligations of the Contractor are a material inducement to County to enter into this Agreement and are reflected in the Contractor's compensation.

By signing this contract, the Contractor acknowledges that it has freely negotiated and agreed to the indemnification requirements to defend, indemnify and hold harmless the County from all claims and suits including those brought against the County by the Contractor's own employees, arising from this contract.

35.1 Non-Discrimination in Employment:

The County's policy is to provide equal opportunity in all terms, conditions and privileges of employment for all qualified applicants and employees without regard to race, color, creed, religion, national origin, sex, sexual orientation (including gender identity), age, marital status, disability, or veteran status. The Contractor shall comply with all laws prohibiting discrimination against any employee or applicant for employment on the grounds of race, color, creed, religion, national origin, sex, sexual orientation (including gender identity), age, marital status, disability, political affiliation, or veteran status, except where such constitutes a bona fide occupational qualification.

Furthermore, in those cases in which the Contractor is governed by such laws, the Contractor shall take affirmative action to insure that applicants are employed, and treated during employment, without regard to their race, color, creed, religion, national origin, sex, age, marital status, sexual orientation (including gender identity), disability, or veteran status, except where such constitutes a bona fide occupational qualification. Such action shall include, but not be limited to: advertising, hiring, promotions, layoffs or terminations, rate of pay or other forms of compensation benefits, selection for training including apprenticeship, and participation in recreational and educational activities. In all solicitations or advertisements for employees placed by them or on their behalf, the Contractor shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The foregoing provisions shall also be binding upon any subcontractor, provided that the foregoing provision shall not apply to contracts or subcontractors for standard commercial supplies or raw materials, or to sole proprietorships with no employees.

35.2 Non-Discrimination in Client Services:

The Contractor shall not discriminate on the grounds of race, color, creed, religion, national origin, sex, age, marital status, sexual orientation (including gender identity), disability, or veteran status; or deny an individual or business any service or benefits under this Agreement unless otherwise allowed by applicable law; or subject an individual or business to segregation or separate treatment in any manner related to his/her/its receipt any service or services or other benefits provided under this Agreement unless otherwise allowed by applicable law; or deny an individual or business an opportunity to participate in any program provided by this Agreement unless otherwise allowed by applicable law.

36.1 Waiver of Noncompetition:

Contractor irrevocably waives any existing rights which it may have, by contract or otherwise, to require another person or corporation to refrain from submitting a proposal to or performing work or providing supplies to the County, and contractor further promises that it will not in the future, directly or indirectly, induce or solicit any person or corporation to refrain from submitting a bid or proposal to or from performing work or providing supplies to the County.

36.2 Conflict of Interest:

If at any time prior to commencement of, or during the term of this Agreement, Contractor or any of its employees involved in the performance of this Agreement shall have or develop an interest in the subject matter of this Agreement that is potentially in conflict with the County's interest, then Contractor shall immediately notify the County of the same. The notification of the County shall be made with sufficient specificity to enable the County to make an informed judgment as

to whether or not the County's interest may be compromised in any manner by the existence of the conflict, actual or potential. Thereafter, the County may require the Contractor to take reasonable steps to remove the conflict of interest. The County may also terminate this contract according to the provisions herein for termination.

37.1 Administration of Contract:

This Agreement shall be subject to all laws, rules, and regulations of the United States of America, the State of Washington, and political subdivisions of the State of Washington. The Contractor also agrees to comply with applicable federal, state, county or municipal standards for licensing, certification and operation of facilities and programs, and accreditation and licensing of individuals.

The County hereby appoints, and the Contractor hereby accepts, the Whatcom County Executive, and his or her designee, as the County's representative, hereinafter referred to as the Administrative Officer, for the purposes of administering the provisions of this Agreement, including the County's right to receive and act on all reports and documents, and any auditing performed by the County related to this Agreement. The Administrative Officer for purposes of this agreement is:

Eric Chambers, Special Projects Manager
Whatcom County Health and Community Services

37.2 Notice:

Any notices or communications required or permitted to be given by this Contract must be (i) given in writing and (ii) personally delivered or mailed, by prepaid, certified mail or overnight courier, or transmitted by electronic mail transmission (including PDF), to the party to whom such notice or communication is directed, to the mailing address or regularly-monitored electronic mail address of such party as follows:

Whatcom County Health and Community Services

Eric Chambers, Special Projects Manager
509 Girard Street
Bellingham, WA 98229
EKChambe@co.whatcom.wa.us

Housing Authority of the City of Bellingham

Andrew Calkins, Executive Director
PO Box 9701.
Bellingham, WA 98227-9701
Andrew.Calkins@bellinghamhousing.org

Any such notice or communication shall be deemed to have been given on (i) the day such notice or communication is personally delivered, (ii) three (3) days after such notice or communication is mailed by prepaid certified or registered mail, (iii) one (1) working day after such notice or communication is sent by overnight courier, or (iv) the day such notice or communication is sent electronically, provided that the sender has received a confirmation of such electronic transmission. A party may, for purposes of this Agreement, change his, her or its address, email address or the person to whom a notice or other communication is marked to the attention of, by giving notice of such change to the other party pursuant to this Section.

37.3 If agreed by the parties, this Contract may be executed by Email transmission and PDF signature and Email transmission and PDF signature shall constitute an original for all purposes.

38.1 Certification of Public Works Contractor's Status under State Law:

If applicable, Contractor certifies that it has fully met the responsibility criteria required of public works contractors under RCW 39.04.350 (1), which include: (a) having a certificate of registration in compliance with RCW 18.27; (b) having a current state unified business identifier number; (c) if applicable, having industrial insurance coverage for its employees working in Washington as required in Title 51 RCW, an employment security department number as required in Title 50 RCW, and a state excise tax registration number as required in Title 82 RCW; and (d) not being disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065 (3).

38.2 Certification Regarding Federal Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions:

If applicable, the Contractor further certifies, by executing this contract, that neither it nor its principles is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or Agency.

The Contractor also agrees that it shall not knowingly enter into any lower tier covered transactions (a transaction between the Contractor and any other person) with a person who is proposed for debarment, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, and the Contractor agrees to include this clause titled "Certification Regarding Federal Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction" without modification, in all lower tier covered transactions and in all solicitations for lower tier transactions.

The "Excluded Parties List System in the System for Award Management (SAM) website is available to research this information at WWW.SAM.GOV. Contractor shall immediately notify Whatcom County if, during the term of this Contract, Contractor becomes debarred.

38.3 E-Verify:

The E-Verify contractor program for Whatcom County applies to contracts of \$100,000 or more and sub contracts for \$25,000 or more if the primary contract is for \$100,000 or more. If applicable, Contractor represents and warrants that it will, for at least the duration of this contract, register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work for Whatcom County. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Contractor/Seller agrees to maintain records of such compliance and, upon request of the County, to provide a copy of each such verification to the County. Contractor/Seller further represents and warrants that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Washington. Contractor/Seller understands and agrees that any breach of these warranties may subject Contractor/Seller to the following: (a) termination of this Agreement and ineligibility for any Whatcom County contract for up to three (3) years, with notice of such cancellation/termination being made public. In the event of such termination/cancellation, Contractor/Seller would also be liable for any additional costs incurred by the County due to contract cancellation or loss of license or permit." Contractor will review and enroll in the E-Verify program through this website: www.uscis.gov

Series 40-49: Provisions Related to Interpretation of Agreement and Resolution of Disputes

40.1 Modifications:

Either party may request changes in the Agreement. Any and all agreed modifications, to be valid and binding upon either party, shall be in writing and signed by both of the parties.

40.2 Contractor Commitments, Warranties and Representations:

Any written commitment received from the Contractor concerning this Agreement shall be binding upon the Contractor, unless otherwise specifically provided herein with reference to this paragraph. Failure of the Contractor to fulfill such a commitment shall render the Contractor liable for damages to the County. A commitment includes, but is not limited to, any representation made prior to execution of this Agreement, whether or not incorporated elsewhere herein by reference, as to performance of services or equipment, prices or options for future acquisition to remain in effect for a fixed period, or warranties.

41.1 Severability:

If any term or condition of this contract or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this contract are declared severable.

41.2 Waiver:

Waiver of any breach or condition of this contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this contract shall be held to be waived, modified or deleted except by an instrument, in writing, signed by the parties hereto. The failure of the County to insist upon strict performance of any of the covenants and agreements of this Agreement, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a

waiver or relinquishment of any such, or any other covenants or agreements, but the same shall be and remain in full force and effect.

42.1 Disputes:

a. General:

Differences between the Contractor and the County, arising under and by virtue of the Contract Documents, shall be brought to the attention of the County at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. Except for such objections as are made of record in the manner hereinafter specified and within the time limits stated, the records, orders, rulings, instructions, and decisions of the Administrative Officer shall be final and conclusive.

b. Notice of Potential Claims:

The Contractor shall not be entitled to additional compensation which otherwise may be payable, or to extension of time for (1) any act or failure to act by the Administrative Officer or the County, or (2) the happening of any event or occurrence, unless the Contractor has given the County a written Notice of Potential Claim within ten (10) days of the commencement of the act, failure, or event giving rise to the claim, and before final payment by the County. The written Notice of Potential Claim shall set forth the reasons for which the Contractor believes additional compensation or extension of time is due, the nature of the cost involved, and insofar as possible, the amount of the potential claim. Contractor shall keep full and complete daily records of the work performed, labor and material used, and all costs and additional time claimed to be additional.

c. Detailed Claim:

The Contractor shall not be entitled to claim any such additional compensation, or extension of time, unless within thirty (30) days of the accomplishment of the portion of the work from which the claim arose, and before final payment by the County, the Contractor has given the County a detailed written statement of each element of cost or other compensation requested and of all elements of additional time required, and copies of any supporting documents evidencing the amount or the extension of time claimed to be due.

d. Arbitration:

Other than claims for injunctive relief, temporary restraining order, or other provisional remedy to preserve the status quo or prevent irreparable harm, brought by a party hereto (which may be brought either in court or pursuant to this arbitration provision), and consistent with the provisions hereinabove, any claim, dispute or controversy between the parties under, arising out of, or related to this Contract or otherwise, including issues of specific performance, shall be determined by arbitration in Bellingham, Washington, under the applicable American Arbitration Association (AAA) rules in effect on the date hereof, as modified by this Agreement. There shall be one arbitrator selected by the parties within ten (10) days of the arbitration demand, or if not, by the AAA or any other group having similar credentials. Any issue about whether a claim is covered by this Contract shall be determined by the arbitrator. The arbitrator shall apply substantive law and may award injunctive relief, equitable relief (including specific performance), or any other remedy available from a judge but shall not have the power to award punitive damages. Each Party shall pay all their own costs, attorney fees and expenses of arbitration and the parties shall share equally in the Arbitrator's fees and costs. The decision of the arbitrator shall be final and binding and an order confirming the award or judgment upon the award may be entered in any court having jurisdiction. The parties agree that the decision of the arbitrator shall be the sole and exclusive remedy between them regarding any dispute presented or pled before the arbitrator. At the request of either party made not later than forty-five (45) days after the arbitration demand, the parties agree to submit the dispute to nonbinding mediation, which shall not delay the arbitration hearing date; provided, that either party may decline to mediate and proceed with arbitration.

Any arbitration proceeding commenced to enforce or interpret this Contract shall be brought within six years after the initial occurrence giving rise to the claim, dispute, or issue for which arbitration is commenced, regardless of the date of discovery or whether the claim, dispute, or issue was continuing in nature. Claims, disputes, or issues arising more than six years prior to a written request or demand for arbitration issued under this Contract are not subject to arbitration.

e. The parties may agree in writing signed by both parties that a claim or dispute may be brought in Whatcom County Superior Court rather than mediation or arbitration.

Unless otherwise specified herein, this Contract shall be governed by the laws of Whatcom County and the State of Washington.

43.1 Venue and Choice of Law:

In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this Agreement, the venue of such action of litigation shall be in the courts of the State of Washington in and for the County of Whatcom. This Agreement shall be governed by the laws of the State of Washington.

44.1 Survival:

The provisions of paragraphs 11.1, 11.2, 11.3, 21.1, 22.1, 30.1, 31.1, 31.2, 32.1, 33.1, 34.2, 34.3, 36.1, 40.2, 41.2, 42.1, and 43.1, if utilized, shall survive, notwithstanding the termination or invalidity of this Agreement for any reason.

45.1 Entire Agreement:

This written Agreement, comprised of the writings signed or otherwise identified and attached hereto, represents the entire Agreement between the parties and supersedes any prior oral statements, discussions or understandings between the parties.

EXHIBIT "A"
(SCOPE OF WORK)

I. Background and Purpose

On November 6, 2024, County Council approved Contract #202411026 to provide support for the creation of the Samish Commons Early Learning Center (SCELC) on the ground floor of the Samish Commons Affordable Housing apartments. Once complete, the facility will create 40 childcare slots, of which, no less than 25% will be reserved for children from households that have an income of 85% or lower than the current state medium income.

On August 6, 2025 Whatcom County published RFP 25-61 – HCF Child Care Capital Projects which closed on September 23, 2025. The Housing Authority of the City of Bellingham responded to this RFP, their application was reviewed and scored, and subsequently recommended for funding by the Evaluation Committee.

For avoidance of doubt, the Project is owned by the Samish Way Family Housing LLLP, a Washington Limited Liability Limited Partnership (“the Company”). The Contractor, the Housing Authority of the City of Bellingham, is the manager and controlling member of the Company and leases the Project site from the Company. Further, the Contractor intends to sublease the space, once complete, to a licensed child care provider.

This contract provides additional funds for capital expenses to support unanticipated construction-related cost escalation including professional fees necessary to make the early learning center operational

II. Definition

The “Project” is the Samish Common Early Learning Center (SCELC) located at:

301 N Samish Way
Bellingham, WA 98225

III. Statement of Work:

The Contractor will facilitate the construction of the remaining interior buildout of the Project in a substantially similar form to the design description described in their response to RFP #23-87 and RFP #25-61 (see Exhibits D and E) and in a manner that meets or exceeds requirements to operate as a licensed childcare facility.

- a. During the Capital Phase, the Contractor will complete the tenant improvements of SCELC to make the facility operational.
- b. Contingency of 10% of the construction hard costs has been added to the project budget. The intent of the contingency is to support unanticipated in-scope costs and cost escalation while eliminating the administrative burden, and subsequent project delays, to complete a contract amendment. Contingency funds will not be released without written approval of the contract administrator. Written authorization must be received by the Contractor prior to expending funds.
- c. Additional Requirements During the Capital Phase
 1. The Contractor must comply with all additional terms and conditions of Whatcom County Contract #202411026, incorporated here by reference.
 2. Public Works:
 - a. The Contractor must comply with all public works requirements. Public works is governed by RCW 39.04 and other state statutes. Public Works is defined by RCW 39.04.010 to generally include all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property herein.
 - b. The statute excludes “ordinary maintenance,” which is generally defined in WAC 296-127-010(7)(b)(iii) (as may be amended) as either (1) work not performed by contract and that is performed on a regularly scheduled basis (e.g., daily, weekly, monthly, seasonally, semi-

annually, but at least once per year), to service, check, or replace items that are not broken; or (2) work not performed by contract that is not regularly scheduled but is required to maintain an asset so that repair does not become necessary.

- c. The Contractor shall conduct all work funded under this contract in compliance with and pursuant to the provisions of RCW 39.04, including but not limited to competitive bidding requirements, prevailing wages, retainage and performance and payment bonds.
 - d. Upon request of the County, the Contractor shall provide documentation that confirms the Contractor's compliance with the requirements of RCW 39.04 and other state statutes concerning Public Works requirements.
3. Retainage:

The Contractor shall comply in all aspects with the requirements of RCW 60.28.011 or other law applicable to it, including, but not limited to, the provisions thereof, to the extent applicable to the Contractor, which require the holding of certain amounts of payments to be made to contractors working and the deposit of such amounts in an escrow account, or as otherwise may be held, pursuant to authorized under RCW 60.28.011.

IV. Statement of Work: Operations

The Contractor will complete the following activities during the contract period:

- a. **Facility Construction.** The Contractor will construct a facility that meets or exceeds the standards necessary to gain a Washington State Department of Children, Youth, and Families (DCYF) license to operate as a childcare facility, including:
 - 1. Establishing three (3) licensed classrooms: one (1) infant room and two (2) toddler rooms serving up to 40 children total.
 - 2. Purchasing and installing required equipment, furnishings, and supplies necessary to achieve full DCYF licensure and meet health and safety standards.
- b. **Licensed Program Operations.** The Contractor will identify a licensed or licensable child care provider to operate the facility, enter into a sublease agreement with the provider to operate the facility as a licensed childcare facility, and ensure that the sublease includes the applicable terms and conditions identified in Exhibit A of Contract #202411026, in addition to the terms below, with clear remedies for noncompliance. This contract shall control in cases where terms conflict.
 - 1. Maintain DCYF licensure and operate a full-day program with part-time availability, serving infants and toddlers, aligned with DCYF standards.
 - 2. Provide high quality learning experiences by implementing culturally responsive services and curriculum, including dual-language education and family engagement.
 - 3. Equitable Access and WCCC Compliance including:
 - a. Maintain active status as a Working Connections Child Care (WCCC) provider, meeting all DCYF requirements including provider portal management, attendance tracking, and accurate subsidy billing.
 - b. Actively recruit and enroll subsidy-eligible families with no upper limit on WCCC participation.
 - c. Reserve at least 25% of total enrollment for children from families whose income is at or below 85% of the State Median Income (SMI).
 - 4. Workforce Development and Quality Improvement including:
 - a. Hire and retain qualified early learning professionals to operate the new facility, ensuring all staff meet DCYF and MERIT training requirements.

- b. Provide ongoing professional development, reflective supervision, and training aligned with the Washington Core Competencies for Early Care and Education Professionals.
- c. Take part in available professional development opportunities, funded by the County and HCF, including trainings, reflective learning cohorts, and similar initiatives, with the expectation that staff will participate when these opportunities are offered and when timing and availability make sense for program operations.

5. Project Completion

- a. Once tenant improvements are complete, the Contractor shall request an inspection with the County. During the inspection, the County designated Contract Administrator will:
 - i. Visually inspect the work that has been completed according to the project scope.
 - ii. Reconcile all receipts to actual work performed and verify that the County has satisfied their financial commitment to the Contractor.
 - iii. Ensure any monitoring or compliance issues have been resolved.
 - iv. Review ongoing monitoring requirements.

V. Reporting Requirements

- a. Clear communication is essential to project success. During the Capital Phase, the Contractor shall provide quarterly progress reports to the County's Contract Administrator. Reports must include, at a minimum:
 - 1. Progress and any milestones achieved;
 - 2. Outline of the plan for the coming quarter;
 - 3. Any problem experienced.
- b. In addition to quarterly reports, the Contractor shall communicate with the County's Contract Administrator within 48 hours, when:
 - 1. An event occurs that could substantially threaten the scope, budget, or schedule;
 - 2. Any other event of unusual and/or significant nature that occurs whether directly or indirectly related to the project.

These reports shall include a description of the chain of events, personnel involved, response, and any other pertinent information.

VI. Project Closeout

Project closeout occurs when the following conditions have been met:

- a. The County has satisfied their financial commitment to the Contractor;
- b. The Contractor or designee, has operated as a licensed childcare facility on behalf of the Contractor for a period of ten (10) years beyond the capital phase.
- c. The Contractor has resolved all monitoring and compliance issues, if any, with the County, including any with the designee, if applicable.
- d. The Contractor participate in an exit interview with the County's Contract Administrator or Designee.

VII. Ongoing Monitoring

The contract expiration date is set at September 30, 2036, to allow the County to ensure long term affordability requirements are met.

The County will conduct an annual audit to monitor for compliance against the terms of the contract. The Contractor will:

- a. Maintain Site Control of the land and facility described in Section II of this Exhibit.
- b. Maintain books, records, documents, and other evidence directly related to the performance of the work in accordance to Generally Accepted Accounting Principles (GAAP) when applicable, in which Whatcom County, or any of its duly authorized representatives, shall have access to for inspection and audit for a period of five years beyond the last date of service, which is five (5) years after the Monitoring Phase has ended, including, but not limited to.

Operational

As part of this contract, the Contractor shall submit quarterly updates and one annual report to the County as described below.

a. Quarterly Updates

Quarterly updates shall be submitted beginning with the first full calendar quarter following contract completion. Reports are due no later than the 15th calendar day of the month following the end of each quarter (April 15, July 15, October 15, and January 15). Each quarterly report shall cover activities and data from the preceding calendar quarter.

Each quarterly update will include:

1. Confirmation of DCYF licensure and Working Connection Child Care (WCCC) status
2. Total number of children served this year (unduplicated count)
 - a. % of those children from families whose income is at or below 85% of the State Median Income
 - b. % of those children on WCCC
 - c. % of those children with diagnosed health or developmental disabilities
3. If the Contractor is out of compliance with any equitable access or WCCC requirements, a written explanation and corrective action plan for the following quarter.

b. Annual Report

An annual report shall be submitted no later than January 31st of each contract monitoring year and shall summarize performance for the full calendar year (January 1 – December 31).

The annual report shall include:

1. Number of early learning professional on payroll this year, including:
 - a. Turnover rate for the past year. Turnover rate calculation: $(\text{Separations} \div \text{Average Employees}) \times 100$
 - b. Confirmation that all early learning professionals met DCYF and MERIT training requirements
 - c. Staffing changes or vacancies affecting program operation
2. Description of any maintenance, facility changes, or upgrades made during the year.
3. Narrative summary describing how the facility conducts outreach and prioritizes enrollment of families utilizing Working Connections Child Care (WCCC) subsidies, ensuring access to early learning for income-eligible children.
4. Description of any observed outcomes related to family stability, workforce support, or kindergarten readiness.
5. Examples of partnerships or community collaborations supported by the facility.

EXHIBIT "B"
(COMPENSATION)

Budget and Source of Funding: The source of funding for this contract, in an amount not to exceed \$851,350, is provided by the Healthy Children’s Fund. The budget for this contract is as follows:

Cost Description	Documents Required with Each Invoice	Budget
Construction and remodel expenses	<ul style="list-style-type: none"> • Invoice for eligible expenses • Intent to pay prevailing wage documentation • Procurement documentation 	\$746,682
Professional fees	<ul style="list-style-type: none"> • Invoice of eligible expenses • Procurement documentation, if applicable 	\$30,000
Construction Contingency	<ul style="list-style-type: none"> • Invoice for eligible expenses • Preapproval from County Contract Administrator¹ 	\$74,668
Total:		\$851,350

¹ Contingency funds will not be released without written approval of the contract administrator. Written authorization must be received by the Contractor prior to expending funds.

Contractor’s Invoicing Contact Information:	
Name	Andrew Calkins
Phone	360.527.4605
Email	Andrew.calkins@bellinghamhousing.org

Refer to Exhibits B.1 and B.2 for additional invoicing requirements and information.

EXHIBIT “B.1” – Invoicing – General Requirements

1. When applicable, the contractor may transfer funds among budget line items in an amount not to exceed 10% of the line item budget. Line item changes that exceed 10% must be pre-approved by the County Contract Administrator, prior to invoicing.
2. When applicable, indirect costs and fringe benefit cost rates may not exceed the amount indicated in Exhibit B or the Contractor’s federally approved indirect cost rate.
3. The Contractor shall submit invoices indicating the County-assigned contract number to: HL-BusinessOffice@co.whatcom.wa.us and EKChambe@co.whatcom.wa.us.
4. The Contractor shall submit itemized invoices on a monthly basis in a format approved by the County and by the 15th of the month, following the month of service, except for January and July where the same is due by the 10th of the month.
5. When applicable, the Contractor will utilize grant funding sources in the order of their expiration date as indicated by the County, prior to spending local funding sources, when no funding restrictions prevent doing so.
6. The contractor shall submit the required invoice documentation identified in Exhibit B.
 - a. The County reserves the right to request additional documentation in order to determine eligible costs. Additional documentation must be received within 10 business days of the County’s request.
 - b. When applicable, if GL reports for personnel reimbursement do not specify position titles, additional documentation must be provided that includes staff name and position title.
 - c. When applicable, mileage will be reimbursed at the current GSA rate (www.gsa.gov). Reimbursement requests for mileage must include:
 1. Name of staff member
 2. Date of travel
 3. Starting address (including zip code) and ending address (including zip code)
 4. Number of miles traveled
 - d. When applicable, travel and/or training expenses will be reimbursed as follows:
 1. Lodging and meal costs for training are not to exceed the current GSA rate (www.gsa.gov), specific to location.
 2. Ground transportation, coach airfare and ferries will be reimbursed at cost when accompanied by receipts.
 3. Reimbursement requests for allowable travel and/or training must include:
 - a. Name of staff member
 - b. Dates of travel
 - c. Starting point and destination
 - d. Brief description of purpose
 - e. Receipts for registration fees or other documentation of professional training expenses.
 - f. Receipts for meals are not required.
7. Payment by the County will be considered timely if it is made within 30 days of the receipt and acceptance of billing information from the Contractor.
8. The County may withhold payment of an invoice if the Contractor submits it or the required invoice documentation, more than 30 days after the month of services performed and/or the expiration of this contract.
9. Invoices must include the following statement, with an authorized signature and date: **I certify that the materials have been furnished, the services rendered, or the labor performed as described on this invoice.**
10. Duplication of billed costs or payments for service: The Contractor shall not bill the County for services performed or provided under this contract, and the County shall not pay the Contractor, if the Contractor has been or will be paid by any other source, including grants, for those costs used to perform or provide the services in this contract. The Contractor is responsible for any audit exceptions or disallowed amounts paid as a result of this contract.

EXHIBIT "B.2" – Invoice Preparation Checklist for Vendors

The County intends to pay you promptly. Below is a checklist to ensure your payment will be processed quickly. Provide this to the best person in your company for ensuring invoice quality control.

- Send the invoices to the correct address:
HL-BusinessOffice@co.whatcom.wa.us and EKChambe@co.whatcom.wa.us.
- Submit invoices monthly, or as otherwise indicated in your contract.

Verify that:

- invoices include the following statement with an authorized signature and date: **I certify that the materials have been furnished, the services rendered, or the labor performed as described on this invoice.**
- the time period for services performed is clearly stated and within the contract term beginning and end dates. Also verify any other dates identified in the contract, such as annual funding allocations;
- invoice items have not been previously billed or paid, given the time period for which services were performed;
- enough money remains on the contract and any amendments to pay the invoice;
- the invoice is organized by task and budget line item as shown in Exhibit B;
- the Overhead or Indirect Rate costs match the most current approved rate sheet;
- the direct charges on the invoice are allowable by contract. Eliminate unallowable costs.
- personnel named are explicitly allowed for within the contract and the Labor Rates match the most current approved rate sheet;
- back-up documentation matches what is required as stated in Exhibit B and B.1;
- contract number is referenced on the invoice;
- any pre-authorizations or relevant communication with the County Contract Administrator is included; and
- Check the math.

Whatcom County will not reimburse for:

- Alcohol or tobacco products;
- Traveling Business or First Class; or
- Indirect expenses exceeding 10% except as approved in an indirect or overhead rate agreement.

EXHIBIT "C"
(CERTIFICATE OF INSURANCE)

Prior to the release of funds under this contract, the Contractor must provide evidence of insurance as outlined in Section 34.1 of the General Terms of this Contract.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/23/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hub International Northwest PO Box 3018 Bothell WA 98041	CONTACT NAME: PHONE (A/C No. Ext): 425-489-4500 FAX (A/C, No): 425-485-8489 E-MAIL ADDRESS: now.info@hubinternational.com												
INSURER(S) AFFORDING COVERAGE													
INSURED ASSOOF0-04 Association of Owners of Samish Way Condominium; Samish Way Redevelopment Partners LLLP; Samish Way Senior Housing LLLP; Samish Way Family Housing LLLP, c/o Bellingham Housing Authority and Indigo Real Estate	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>INSURER A: Monterey Insurance Company</td> <td style="text-align: right;">NAIC # 23540</td> </tr> <tr> <td>INSURER B: Coalition Insurance Company</td> <td style="text-align: right;">29530</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER A: Monterey Insurance Company	NAIC # 23540	INSURER B: Coalition Insurance Company	29530	INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER B: Coalition Insurance Company	29530												
INSURER C:													
INSURER D:													
INSURER E:													
INSURER F:													

COVERAGES **CERTIFICATE NUMBER:** 1838802367 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			25SOP3070022511	6/12/2025	6/12/2026	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 WA STOP GAP \$ 1,000,000
A	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			25SOP3070022511	6/12/2025	6/12/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			25SUL3070022512	6/12/2025	6/12/2026	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
A	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			25SOP3070022511	6/12/2025	6/12/2026	<input type="checkbox"/> PER STATUTE <input checked="" type="checkbox"/> OTH-ER WA STOP GAP E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
B	Fidelity			C4M3176320MLPSME2025	6/12/2025	6/12/2026	Employee Dishonesty \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 RE: 1331 E Laurel St, 321 N Samish Way, & 333 N Samish Way, Bellingham, WA 98225. At least 30 days notice of cancellation will be provided to the association, except in the case of non-payment of premium which is 10 days. The referenced policies do not cover any non-affiliated associations. Certificate Holder is included as an Additional Insured.

CERTIFICATE HOLDER

CANCELLATION

Whatcom County 311 Grand Avenue Bellingham WA 98225	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	---

EXHIBIT "D"
(Response to RFP 23-87)

Whatcom County
RFP #23-87
Funding for Childcare/Early Learning Facilities – Capital Program
Attachment A: Application

ORGANIZATION INFORMATION

Describe applicant type: Current operator Other Click or tap here to enter text.

Business Name: Mountain View Early Learning Center

UBI #: 604 556 554

UEI #: PL5MMRAUMQH5

EIN #: 84-3994942

DUNS #: 117795060

Name of Person Completing Application: Morgan Curry, Certified Grant Writer

Application Date: 1/18/2024

Business Address, City, Zip: 830 Ball St. Sedro Woolley, WA 98258

Proposed Service Location Name (if different from business name): Same as above.

Proposed Service Location Address, City, Zip (if different from business address): 301 N Samish Way, Bellingham, WA 98225

Contact Phone: 360-421-6235

Email: aalvarez0615@gmail.com

Provider Type (select all that apply):

<input type="checkbox"/> Center-based	<input type="checkbox"/> Nonprofit
<input checked="" type="checkbox"/> For-profit	<input type="checkbox"/> Public
<input checked="" type="checkbox"/> Licensed	<input type="checkbox"/> License Exempt
<input type="checkbox"/> Other <small>Click or tap here to enter text.</small>	<input type="checkbox"/> Outdoor
	<input type="checkbox"/> Seeking licensure

Initial/Expected licensure date April 17 2020

Expiration date of license: Non-Expiring

Has your organization received any notice of findings from the Washington State Department of Children Youth and Families (DCYF) indicating safety or licensure/certificate issues? If so, please provide additional information and how any problems are being addressed. None.

Has your organization received any notice, findings, or penalties from the Washington State Department of Revenue? If so, please provide additional information and how any problems are being addressed. None.

Are you also applying for stabilization funds through the Opportunity Council? Yes No Not Sure

Current licensed capacity: 33 children

Age range: 1 week - 6 years old

What are the socioeconomic, racial, and ethnic demographics of the children you currently serve: Mountain View Early Learning Center primarily serves low-income children through its active ECEAP and WCCC programs. Because we remain one of the only state licensed bilingual early learning centers in Skagit County, we serve a diverse racial and ethnic array of children, largely aggregated by Hispanic and Mexican-indigenous children. Over 50 percent of children served are native Spanish and/or Mixteco speakers.

PROJECT INFORMATION – COMMUNITY BENEFIT

Whatcom County

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Funding for Childcare/Early Learning Facilities – Capital Program

Attachment A: Application

Projected licensed capacity after completing proposed project: The projected licensed capacity upon completion of the proposed project will be up to 74 children, of which 64 full-time slots will be reserved for children receiving WCCC subsidies. This capacity projection is across two locations (Skagit and Whatcom), where all 41 childcare slots created by the addition of a Whatcom site will be reserved for WCCC recipient families.

Age range: One week – 2.5 years.

Current days/hours of operation: Monday – Friday: 7:00am – 5:00pm

Proposed days/hours of operation: Monday – Friday: 7:00am – 5:00pm

Do you limit the number of children in your program receiving Working Connections subsidy? If so, please include your limit. The limit for the number of children in our programs receiving any state subsidy is approximately 80 percent of all enrolled children. Meaning, out of 33 childcare slots, 23 are reserved for children in our program receiving either WCCC or ECEAP subsidies. However, for this proposed project, we anticipate offering all 41 slots to children receiving WCCC subsidies.

How many total children receiving WCCC are served at your site? 23 children at our existing site receive WCCC subsidies.

Amount of Funding Requested: \$755,643

Total Project Budget: \$781,368

Total Organization Operating Budget: \$634,936

Total Site/Location Operating Budget: \$317,468

Please provide a brief summary of your proposed use of funding (250 words max): Mountain View Early Learning Center is requesting \$755,643 to construct a childcare facility in Whatcom County. We anticipate using our existing business plan and infrastructure from our Skagit location to replicate a second thriving center in Whatcom County. Funds are specifically needed for a major construction/renovation project, including anything from demolition to finishing expenses. Completion of the project will provide 41 new full-time licensed child care slots to families receiving WCCC subsidies in Whatcom County, increasing early learning opportunities for children from low-income households.

Please provide a detailed narrative description of your project, including how it will increase licensed and/or affordable slots: Mountain View Early Learning Center currently operates a robust center at 830 Ball Street in the city of Sedro Woolley, Washington. This center offers 33 licensed early learning slots to local families in need of affordable childcare and has been in operation since 2020. Our childcare organization aims to expand its services into Whatcom County. We are seeking funds to construct and open a second location at 301 N Samish Way in Bellingham, increasing licensed and affordable WCCC full-time childcare slots by 41 spaces in Whatcom County. This project aims to augment the capacity of our existing operation and reach a sector of Whatcom County that is otherwise deemed as a “childcare desert”. Upon completion of this project, we will be able to expand our early learning services to more low-income children by increasing our WCCC and ECEAP capacity to 64 full-time slots, between the two locations (41 new slots in Whatcom County and 23 existing slots in Skagit County). The new center will replicate the priorities of Mountain View Early Learning Center by addressing disparate communities, with a special concentration on low-income Spanish speaking and Hispanic families, of whom remain one of the most overlooked populations in this sector. Mountain View Early Learning Center is one of the only childcare centers in Skagit County that offers curriculum in both English and Spanish. All ten teachers at the facility are Hispanic and Spanish speaking early learning educators. Considering that Hispanic and Spanish speaking students make up nearly 60 percent of Whatcom County's public-school demographic, leadership at Mountain View Early Learning Center understands the dire need for bilingual

**Whatcom County
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Funding for Childcare/Early Learning Facilities – Capital Program

Attachment A: Application

childcare services for this respective community. We intend to replicate the activities and operations of Mountain View Early Learning Center into Whatcom County, thus expanding quality bilingual and culturally responsive childcare services. Through cross-sector collaboration, private funding and the support from the Whatcom County Health and Community Services program, this project is aimed to be completed by December 2024, with an operational date as early as January 1, 2025.

What mechanisms (e.g., subsidies, scholarships, sliding scale fees, etc.) will you utilize to serve low-income and/or ALICE (Asset Limited, Income Constrained, Employed) families? Mountain View Early Learning Center currently uses subsidies and scholarships to best serve low-income and/or ALICE families. We plan to continue using these same mechanisms to serve low-income families at the Whatcom County location.

After completing the proposed project, how many of your total slots will be filled with children receiving WCCC or another affordability mechanism? Upon completion of the proposed project, Mountain View Early Learning Center will be able to fill a total of 64 full-time slots with children receiving WCCC between the two locations. 41 full-time slots will be for the Whatcom location, while 23 slots will remain for the Skagit location.

Describe the children in your program and how they and their families have been impacted by the COVID-19 pandemic. How will your proposal address COVID-19 impacts? Pandemic-era childcare closures and staffing struggles drained Whatcom County of nearly 600 childcare slots. The end state of this project will greatly fill a need for low-income families in a region that has already been identified as a child-care desert. Completion of the project will provide 41 new full-time affordable licensed child care slots to families in Whatcom County, of which all of those slots are reserved for children receiving WCCC subsidies. The COVID-19 pandemic highlighted disparities among Hispanic and migrant populations relating to equitable access to social services. By de facto, migrant families are more likely to have low-income households and are largely overlooked when it comes to developing childcare systems that offer accessible, affordable, and relevant services to their families. Heightened by the pandemic, childcare systems failed to offer the appropriate curriculum, communication, outreach, and services that were conducive for migrant families. As a result, Hispanic and migrant families remain grossly underserved in this sector. With the support from this grant, Mountain View Early Learning Center plans to address this community need by expanding quality bilingual and culturally relevant childcare services into Whatcom County.

Who is the target population you hope to serve with these additional funds? The targeted population that we hope to serve with these funds are low-income families, primarily Hispanic, migrant, or Mexican-Indigenous families.

Which costs will these funds pay for? These funds will largely pay for the construction/major renovation for a new licensed childcare facility location at 301 N Samish Way in Bellingham, Washington. Specific costs include but are not limited to demolition, concrete, wood and plastics, building weather protections, finishes, specialties (e.g., fire extinguishers and cabinets, corner guards, toilet and bath accessories, lockers, etc.), equipment and appliances, mechanical (e.g., plumbing, piping, heating, HVAC system), electrical systems, site requirements (e.g., temporary lighting, temporary heating, temporary sanitary facilities, general clean up, material and equipment handling, man-lifts, equipment fuel and maintenance), and general conditions (e.g., liability insurance and construction salaries for project manager, superintendent, project administrator, and yard labor). We are requesting \$755,643 for the construction and major renovation for this facility, of which \$15,750 is for site-preparation costs and \$127,655 is for professional fees.

Will your proposal meet any of the following high-priority system needs? If so, please provide additional detail for any applicable category.

Provides additional slots for children birth to twenty-four months: Yes

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Attachment A: Application

Provides new affordable and/or subsidized slots for children: Yes, our proposal will provide 41 new full-time spaces for children receiving WCCC subsidies, thus, offering more affordable and/or subsidized slots for low-income children in Whatcom County. We plan to maintain these efforts by working closely with the Department of Social and Health Services (DSHS) as they currently already provide us with a comprehensive list of families who qualify for WCCC subsidies under low-income statuses.

Targets an underserved area of the County: Our proposal targets an underserved area of Whatcom County by offering early learning services in an area that has been deemed as a “childcare desert,” while simultaneously offering quality bilingual early learning services. Our existing bilingual model has proven to be successful in targeting specific marginalized populations such as Spanish-only speaking or migrant families.

Meets the specific and diverse needs of children with special needs including but not limited to: disabilities, neurodivergence, OT/PT needs, mental/behavioral health needs, and other needs: Our proposal will provide care that meets the specific and diverse needs of children with special needs. Such care includes one-on-one support, sensory rooms, adaptive curriculum, and ADA accessible facility spaces, including an accessible playground.

Emphasizes quality, cultural relevance, and/or wrap around services to better meet the needs of children. This includes, but is not limited to, utilizing culturally-relevant curriculum, integrating mental/behavioral health into programs, training and coaching; communicating with families in their native language; and other services to increase inclusivity and belonging: As a BIPOC (Black, Indigenous, People Of Color) led organization, the owners and operators of Mountain View Early Learning Center have a vast array of experience and expertise in providing culturally responsive services to a diverse pool of children. Inspired by the lived experiences of Co-Owner and Operator, Silvia Alvarez, the center has implemented a variety of Mexican-Indigenous activities and a vigorous bilingual curriculum that simultaneously fosters inclusion of Spanish only speaking families while encouraging the growth of cultural humility across families of differing backgrounds. Mountain View Early Learning Center intends to provide the same direct and indirect services to local families at our new location. The biggest service being opportunities for dual language learners, in the form of internal bilingual curriculum and external multilingual communications to families. If awarded a grant for this project, Mountain View Early Learning Center will continue to provide Spanish and English curriculum to dual language learners at the Whatcom site. All early learning educators at the center will be bilingual, including assistant teachers and floating staff. Having copious amounts of bilingual support will address language differences and build trust among Whatcom County's robust Hispanic population. Historically marginalized communities and communities of color will be served to a high degree, primarily through trauma informed care, targeted program outreach, and responsive curriculum. Targeted program outreach and collaboration with DCYF and other community partners will help the new center extend services to tribal community members, families experiencing homelessness, and other low-income or otherwise vulnerable populations. Additionally, culturally relevant, and nutrient-rich foods will be provided to children at the center, while other culturally responsive early learning techniques will be applied, including culturally appropriate familiar instruments/music. Even more so, Mountain View Early Learning Center will continue to grow its scholarship program at the new site to waive a select amount of childcare service fees for low-income families who are ineligible for state childcare subsidies. Lastly, we will continue to offer full Early Childhood Education (ECE) tuition support for our teachers at the Whatcom site, ensuring all center educators have the relevant education and tools to offer trauma informed care.

Provides non-traditional and/or flexible hours of service: While evening or weekend activities for families are not currently provided at our existing site, we are exploring ways to offer these additional services at the Whatcom site.

How many additional licensed infant slots will your project provide: 8 infants

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Will you provide drop-in care? If so, explain your plan to do so: At this present time our program structure is not designed to accommodate for drop-in care, but could be something to look into in the future, should we see a great need.

PROJECT INFORMATION – FEASIBILITY AND LIKELIHOOD OF SUCCESS

What is your planned funding mix for the project and what other funding have you secured to date? What is your plan to secure the remainder of the funding? If needed, appropriate bank loans are anticipated to be secured by Spring 2024. Private giving and grant solicitation will take place January - December 2024. Mountain View Early Learning Center has hired a certified grant writer to pursue grant opportunities for this project. Already identified potential grant makers for the project include the Whatcom Community Foundation, Janson Foundation, PSE Foundation, Norcliffe Foundation, the WECU Community Builder grant, and the Bank of America Foundation Economic Mobility program.

Please describe your project timeline and any critical milestones, including all significant events that increase likelihood of a project moving forward (e.g., site control timeline, permitting, etc.). Overall, the site as proposed by this project is set to be in use by January 2025. Predevelopment stages for this project are already underway. Because we are merely leasing a property that has already satisfied pre development stages (e.g., rezoning, drinking water assessment, septic assessment, wetland reviews), our process for the pre development stage of this project is an overall measurement of project feasibility and includes a professional cost estimate, fundraising plans, development consultations, a lease agreement, and other project-specific exploratory activities as they arise. Permitting will be completed by May 2024, upon entering a contract with Whatcom County through the generosity of this grant, while the design phase/engineering services/other predevelopment and development activities are slated to be completed by June 2024. By the end of June 2024, we plan to prepare bid documents, procure construction services, and award a construction contract. Between July 2024 – August 2024, the site will be prepared for construction, which includes demolition, removal, and concrete handling. The facility construction phase will be from August 2024 – November 2024, with an anticipated post construction period beginning December 2024. The site is proposed to be in use by January 2025. We have already secured the required regulatory agency licensure from DCYF to operate the new facility, pending a final walk-through of the facility (we are opening the facility under our existing agency licensure).

If you are seeking licensure for a new site, please provide a detailed plan and timeline for ensuring success during the licensure process. Detail any steps that have already been taken to begin licensure. Not applicable. Mountain View Early Learning Center has already obtained the required licensure to expand its operation to this new location and facility.

Please describe your organizational leadership and project team. What skill and experience do they have implementing projects like this? Founders and Co-Owners, Silvia and Anthony Alvarez, have a vast amount of experience in the childcare and early learning sector. They currently own and operate three successful centers in Skagit County titled Skagit Valley Early Learning Center, Valley Preschool, and Mountain View Early Learning Center. Mountain View Early Learning Center is licensed by DCYF and provides both ECEAP and WCCC services, while Valley Preschool is in the process of getting licensed by DCYF. Upon licensure, Valley Preschool will provide ECEAP and WCCC services for up to 30 full-time slots. Because two of our three owned and operated sites currently provide WCCC and ECEAP services, we have an array of experience serving children from families at or below 200% of the federal poverty level. **Please detail the team and agency’s experience using federal funding and complying with federal requirements, such as procurement regulations.** Mountain View Early Learning Center has a broad experience in complying with federal and state requirements as it pertains to licensure and DSHS reporting. However, we only recently started seeking federal funding for our programs and have limited experience using those funds. Nonetheless, our management at the organization is committed to fully understanding the federal grant process to use and report such allocations efficiently and accurately. Additionally, the proposed property is controlled by the Bellingham Housing Authority (BHA) who has extensive

Whatcom County

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Funding for Childcare/Early Learning Facilities – Capital Program

Attachment A: Application

experience with federal requirements, including procurement regulations, and BHA is committed to being a resource throughout all phases of this project.

Does your organization receive annual audits? If so, have you received any financial or accountability findings and/or recommendations. Please describe. Our organization is not required to complete annual audits.

Please describe the proposed property including ownership. Do you have site control? Does any lease allow for facility improvements? Landlord approval, if applicable, will be required during the contracting process.

The proposed site consists of approximately 3,300 square feet of unfinished commercial space that is incorporated within the Samish Commons mixed-use property. Samish Commons was developed and is operated by the Bellingham Housing Authority, and the property includes 171 residential rental units that are priced at varying levels affordable for low-income community members. Samish Commons is a mixed-income and mixed-use intergenerational community that includes apartments ranging from 3-bedroom family units to 1-bedroom homes set-aside for seniors, as well as tenant amenity spaces and offices for the housing authority's administrative personnel. The commercial suite proposed for this project is owned by Samish Way Family Housing LLLP, with the housing authority being General Partner and holding a master-lease on the space. The commercial suite will be sub-leased to Mountain View Early Learning, if this application is successful, for a nominal annual rent amount anticipated to be \$1 per year. Preliminary facility improvement discussions have begun, and a draft lease agreement is under review. BHA will allow for tenant improvements/facility improvements under the executed lease agreement and will collaborate with Mountain View Early Learning Center to ensure facility build out requirements under this application, if funded, are met.

Are there any existing leases, covenants, or other restrictions on the proposed property? Yes, the commercial suite identified throughout this application includes an existing covenant imposed by the City of Bellingham who provided a portion of funding for construction of the shell and core. The existing covenant requires that the premises be used for the purposes of providing licensed child care, and that at least 20% of the licensed child care slots be occupied by children from households with incomes at or below eighty percent of the Area Median Income (80% AMI).

What mechanism have you used to determine project costs and feasibility? Has the project's cost and feasibility been reviewed by a professional contractor? Examples include professional estimates, etc. Management of Mountain View Early Learning Center have consulted with a variety of agents to outlay project costs and feasibility as it pertains to this project. In addition to working closely with representatives from Whatcom County Health and Community Services, we have received a comprehensive professional cost estimate that guided us through the project budget and feasibility process. This professional estimate has been reviewed by a professional building contractor and engineer.

Please indicate whether an environmental survey has or will be done to determine potential contaminants at the project site. Projects are not required to perform a survey as part of the application process but may be asked to do so if awarded. Samish Commons consists of new construction, and the site previously satisfied all environmental survey and reviews requirements. There were no contaminants identified, and we do not anticipate any additional environmental assessments being required under the scope of work proposed herein. The housing authority will provide documentation of compliance with environmental review standards as needed.

Please indicate your timeline and plan to receive all appropriate permits. Please indicate if you have held a pre-application meeting with the relevant City/County permitting department and any information gleaned from that meeting. If awarded, our team will apply for all appropriate permits immediately with an expectancy of acquiring them after a 3 month processing wait time, depending on the city's backlog.


Certification

**Whatcom County
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Funding for Childcare/Early Learning Facilities – Capital Program

Attachment A: Application

I understand the terms and conditions of this RFP #23-87 and certify that the above-named agency/business will comply with all Whatcom County requirements if a contract award is made. All information contained in this application is true and accurate to the best of my knowledge.

 /CO-owner _____ 1/22/24 _____
Authorized Signature and Title Date

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Attachment B: Workplan Form

When do you expect tasks to be completed? Please list month and year. Use the "Other" lines or insert items for additional tasks. If your project will involve more than one bid/construction process, insert additional lines for each construction phase. The applicant is responsible for complying with all federal requirements, regardless of whether functions are contracted out.

Task	Person Responsible	Start Date (mm/yy)	End Date (mm/yy)
Predevelopment	Silvia and Anthony Alvarez, Co-Owners and Operators	12/23	01/24
Procure development services, if used	Silvia and Anthony Alvarez, Co-Owners and Operators	01/24	04/24
Acquisition and/or site control	Silvia and Anthony Alvarez, Co-Owners and Operators	01/24	03/24
Development	Silvia and Anthony Alvarez, Co-Owners and Operators	05/24	06/24
Procure architectural/engineering services	Silvia and Anthony Alvarez, Co-Owners and Operators	05/24	06/24
Design phase	Silvia and Anthony Alvarez, Co-Owners and Operators	05/24	06/24
Procure construction services	Silvia and Anthony Alvarez, Co-Owners and Operators	06/24	07/24
Prepare bid documents	Silvia and Anthony Alvarez, Co-Owners and Operators	06/24	06/24
Award construction contract	Silvia and Anthony Alvarez, Co-Owners and Operators	07/24	07/24
Site preparation	Silvia and Anthony Alvarez, Co-Owners and Operators	07/24	08/24
Complete environmental assessment, if needed	NA a Phase 1 ESA was completed 7/22/21	07/21	07/21
Facility construction/remodel	Silvia and Anthony Alvarez, Co-Owners and Operators	08/24	11/24
Permitting	Silvia and Anthony Alvarez, Co-Owners and Operators	04/24	05/24
Construction/remodel	Silvia and Anthony Alvarez, Co-Owners and Operators	08/24	11/24
Post-Construction	Silvia and Anthony Alvarez, Co-Owners and Operators	12/24	12/24
Obtain regulatory agency approval (licensure)	Silvia and Anthony Alvarez, Co-Owners and Operators	Already Obtained	N/A
Site in use	Silvia and Anthony Alvarez, Co-Owners and Operators	01/25	N/A
Other (describe)			

Whatcom County
RFP #23-87

Funding for Childcare/Early Learning Facilities – Capital Program

Attachment C: Project Capital Budget and Budget Narrative

Please utilize provided Excel spreadsheet (Attachment E) to indicate a Project Capital Budget. Print out all tabs of spreadsheet and submit with the proposal packet.

Project Capital Budget Instructions

- Please review the entire Excel spreadsheet provided as Attachment E before beginning.
- Please ONLY write in the shaded portions of the spreadsheet.
- DO NOT modify any of the formulas.
- A budget narrative (see last page of this Attachment C) must accompany these worksheets with the proposal submittal. The budget narrative should provide enough information for the review team to determine the eligibility and reasonableness of the cost.
- Please note that when an estimate is provided in any of the line items, the Applicant must provide a detailed description of how that estimate was derived. Final award, if any, may be depended on verification of actually costs.
- Proposers may be asked to provide an electronic copy of the Excel spreadsheet as part of the evaluation process.

Tab A: Summary

Tab A is a summary sheet. The numbers are pulled directly from Tabs B, C, and D.

Please complete the following fields:

Applicant Name is the submitting organization not the submitting individual. This should match the name provided on the application cover sheet.

Project Name is a unique name YOU have given to your project.

RFP Number is the number of the RFP you are responding to.

Funding Source(s) capture the entirety of the project cost and include County funds (Source A) and any other sources where funds will cover direct project expenses. If you are receiving or anticipating receiving funds from other funders, or are using your own funds to pay for parts of the project, please enter the source of these funds in the shaded cells under Source B, C, and D.

If you have more than three additional sources of funds, please contact the County for a revised budget form.

Tab B: Acquisition Costs

Applicants not requesting funds to support the acquisition of property may skip Tab B.

Purchase cost is the negotiate cost of the real property including any and all building and/or land. When the purchase price is not known at the time of application, provide a best estimate for the cost and provide an explanation of how you derived the estimate in your budget narrative. However, the County will reimburse only the actual costs up to the limit of the request.

Appraisal and Closing Costs are costs associated with an appraisal, if needed, and other costs related to the closing including credit check fees, surveys, loan application and originating fees feels for title services, lender and owner title insurance premiums, recordation fees, and the like. When these costs are known, please describe specifically in the narrative. When unknown, a percentage-based estimate is acceptable. However, the County will reimburse only the actual costs up to the limit of the request.

Rights of Way is the cost to secure, by easement or fee, the right to pass through another property to access your own. These fees are rare.

Whatcom County
RFP #23-87

Funding for Childcare/Early Learning Facilities – Capital Program

Attachment C: Project Capital Budget and Budget Narrative

Environmental Assessment is the fee, if required, to complete a Phase I or II, or similar environmental assessment, if required.

Pre-Site Development is a catchment for other pre-site development costs not listed, and as applicable. Examples include cost associates with rezoning, drinking water assessment, septic assessment, wetland reviews, and so forth. Please be specific in the budget narrative.

Other includes other reasonable costs associated with the acquisition of real property not covered above.

Tab C: Site Preparation, Construction or Remodel Costs

Site Preparation Costs

Permitting includes costs of required permits required for the construction, remodel, or renovation of the property.

Excavation costs are those associated with moving, and often removing, earth, rock, or other material necessary to prepare the site for construction including trenchwork for utilities, basement or septic excavation, or leveling the property.

Demolition costs are associated with the removal of dwellings, accessory buildings, or hardscape.

Site improvement includes costs associated with pavement sidewalks parking lots, drainage, and so forth.

Utilities are the infrastructure costs associated with bringing utilities, including water, sewer, electrical, and (in some cases) fiberoptic to the property.

Other includes any other costs associated with site preparation not covered above.

Facility Construction or Remodel Costs

Demolition cost are those associated with the removal and disposal of interior building material. See also, "demolition" under Site Preparation, above.

Foundation includes the cost of the building foundation including the repair of an existing foundation, if warranted.

Framing includes the materials and efforts to provide interior framing and includes both heavy and light frame construction.

Windows includes the materials and efforts to install or replace windows.

Doors includes the materials and efforts to install or replace doors.

Roofing include the material and efforts to install roofing including sheathing, underlayment, rolled, BUR materials, shingles, or similar material, and ventilation.

Mechanicals include HVAC, Plumbing, Electrical, Gas, and Fire Protection/Suppression systems. Include the costs for both the rough in and the finished work, including fixtures such as lighting and faucets, associated with each of these sub categories.

Technology Systems include low voltage wiring (e.g. Category 6 ethernet cabling), security cameras, access control systems, sensors, (e.g. CO2 sensors, "vape" sensors) and phone systems. Most end-user equipment such as computers are not an allowable expense under this category.

Exterior Finishing includes materials and efforts to install exterior surfaces including masonry and siding and includes painting, if needed.

**Whatcom County
RFP #23-87**

Funding for Childcare/Early Learning Facilities – Capital Program

Attachment C: Project Capital Budget and Budget Narrative

Interior Finishing include materials and efforts to install insulation, drywall, carpentry, cabinetry and countertops, stairwells if used, vertical transportation systems (e.g. elevators and escalators) interior masonry and flooring.

Major appliances include refrigerators and freezers, stoves and ovens, built in microwave ovens, built in dishwashers, washing machines and clothes drying, water heaters, and furnaces if not account for in the HVAC system, above. Minor appliances, including non-built in microwaves or portable dishwashers, as well as food preparation equipment such as commercial mixers are generally not eligible. Please break out itemized costs in the budget narrative.

Interior painting and trim work include interior painting and the installation of trim.

Landscaping includes the materials and efforts to install both soft and hard scape in the exterior of the buildings including sod/lawns, trees, flowers, and shrubs, installation of sprinkler systems, retaining walls, fences, some outdoor structures (e.g. sheds,) and so forth. Generally, exterior features of purely decorative function, like a fountain are not allowable. Maintenance of existing softscape is generally not eligible, however, repair of existing hardscape is.

Temporary Services and Facilities are those services and facilities directly attributed to the jobsite for exclusive use by the general contractor and their associated sub-contractors during the construction or remodel phase of the project. Allowable costs under this category include site offices and construction trailers, portable toilets and hand washing stations, temporary fencing, temporary storage, temporary utilities, and security. Generally, existing services and facilities are not eligible for reimbursement. For example, if you currently use a security firm to provide security at the site as part of general operations and you intend continue this service after the construction is complete then the cost of that service would not be allowable under this grant. However, if you currently use security during the work day but ant to extended that to overnight in order to the secure the job site, then the cost associated with the temporary increase may be eligible.

Other. This includes other reasonable costs associated with the construction and remodel not covered above.

Tab D: Professional Fees

Development Consultant are those with specialized knowledge of the complexities of capital project development including acquisition, construction and rehabilitation specific to the type of project proposed. Development consultants may assist in identifying and managing complex funding streams, including tax advisory, debt restructuring, grant applications; coordinating with other professional services including architects and engineers; and managing the competitive bidding for these services.

Project Manager provide the day to day management of the project.

Architectural Services include pre-design work, schematic design phase, design development, development of construction documents, permitting phase, bidding and negotiating, and administration (e.g., site visits during the construction phases, if needed).

Engineering Services include design and development services, technical documentation, and consulting provided either independently or in collaboration with architectural services. Specialized engineering services may also be used, in some cases in lieu of architectural services, especially for remodel and rehabilitation projects Specialized engineers may work in mechanical, electrical, plumbing and drainage design, or other more specialized systems as warranted.

Environmental Consultant provide support to navigate and plan for complex environmental regulations. Tasks may include environmental impact assessments, site remediation, pollution prevention, sustainability planning, or regulatory compliance.

**Whatcom County
RFP #23-87**

Funding for Childcare/Early Learning Facilities – Capital Program

Attachment C: Project Capital Budget and Budget Narrative

Landscape Architects design and plan outdoor spaces including both softscapes such as plants, shrubs, and trees, and hardscapes such as paths and retaining walls.

Interior Design Services include services to make indoor spaces functional, safe, and esthetically pleasing through the selection of colors, lighting, and materials.

Other. This includes other reasonable costs associated with professional fees not covered above.

Budget Narrative

A budget narrative should provide contextual detail about your project costs, cost estimates, and any notes or additional information you would like reviewers to consider in analyzing your budget. The budget narrative should provide enough information for the review team to determine the eligibility and reasonableness of the cost.

The entire budget for this project is \$781,368, of which Mountain View Early Learning Center is requesting \$755,643 from Whatcom County. Because we are conducting a major renovation versus acquiring land or purchasing a building for this capital project, acquisition costs are set at \$0. Site preparation costs largely consist of permitting expenses and are budgeted for \$15,750, with a five percent contingency. Total facility remodel/construction costs are \$628,513, of which we are requesting \$612,238 from Whatcom County. These costs include demolition (\$6,282), foundation (\$8,387), framing, (\$34,475), windows (\$15,500), exterior doors (\$24,223), roofing (\$50,000), mechanicals (\$188,371), technology systems (\$16,094), interior (\$127,173), major appliances (\$5,696), paint/trim finishing (\$13,284), landscaping (\$2,000), temporary services and facilities (\$16,070), and other expenses (\$84,029). Other expenses include general clean-up/garbage dump (\$16,754), material/equipment handling (\$6,960), insurance/bond (\$8,775), pickup truck (\$3,200), postage/UPS (\$300), closeout procedures (\$1,700), acoustical ceilings (\$44,338), visual display surfaces (\$1,224), and a signage room (\$778). Mechanical expenses include HVAC (\$73,370), plumbing (\$43,345), electrical (\$66,700), and fire protection/suppression (\$4,956). Interior costs include \$9,620 for insulation, \$53,410 for drywall/gypsum board, \$10,901 for carpentry, \$25,489 for cabinetry and countertops, \$6,150 for vertical transportation systems (e.g., scissor-lift, forklift), and \$28,603 for flooring. There are no expenses expected for stairwells or interior masonry. A five percent contingency cost of \$29,154 is estimated for this proposed major renovation project. Expenses for the foundation and exterior masonry/siding are low or non-existent because we anticipate using the existing foundation and external structure. Professional fees for this project are \$137,105, of which Mountain View Early Learning Center anticipates paying \$9,450 in part of this cost. The remainder \$127,655 is requested by this proposal. The largest aggregator of this cost is "other" professional fees and includes \$26,400 for a superintendent, \$4,800 for a project administrator, \$1,600 for yard labor, and \$68,776 for contractor overhead and profit. Additionally, \$20,000 is estimated for project management, \$9,000 is estimated for engineering services, and \$2,000 is projected for a landscape architect. Due to this project being a major renovation, we plan to use engineering services instead of development consultants or architectural services. All professional fees are not to exceed a five percent contingency (\$6,429). Mountain View Early Learning Center acquired a professional cost estimate to help determine construction and renovation costs for this project. The professional estimate disaggregated costs associated with demolition/removal, concrete, wood/plastics, weather protection, openings, finishes, specialties, equipment, mechanical, electrical/special systems, general requirements (e.g., temporary utilities, temporary services, temporary sanitation facilities) and general conditions (e.g., bond/insurance, project management/crew costs, temporary office set-up). The cost breakdown from each of these divisions were instrumental in developing an accurate project budget and can be made available upon the County's request.

Tab A: Summary

Applicant Name Mountain View Early Learning Center
 Project Name MVELC Capital Facility Project
 RFP Number 23-87
 Source A **Whatcom County**
 Source B Mountain View Early Learning Center
 Source C
 Source D

Totals	Source A	Source B	Source C	Source D	Total Project Cost
Acquisition Costs	\$ -	\$ -	\$ -	\$ -	\$ -
Site Preparation	\$ 15,750.00	\$ -	\$ -	\$ -	\$ 15,750.00
Facility Remodel/Construction	\$ 612,238.20	\$ 16,275.00	\$ -	\$ -	\$ 628,513.20
Professional Fees	\$ 127,654.80	\$ 9,450.00	\$ -	\$ -	\$ 137,104.80
	\$ 755,643.00	\$ 25,725.00	\$ -	\$ -	\$ 781,368.00

Tab B: Acquisition Costs

	Source A	Source B	Source C	Source D	Total Project Cost
<u>Acquisition Costs</u>	Whatcom County	[Name]	[Name]	[Name]	
Purchase Costs					\$ -
Appraisal and Closing Costs					\$ -
Rights of Way					\$ -
Environmental Assessments					\$ -
Pre-Site Development					\$ -
Other (Describe in Narrative)					\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency (not to exceed 5%)	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -

Tab C: Site Preparation; Construction or Remodel Costs

	Source A	Source B	Source C	Source D	Total Project Cost
	Whatcom County	Mountain View ELC	[Name]	[Name]	
Site Preparation Costs					
Permitting	\$ 15,000.00	\$ -			\$ 15,000.00
Demolition	\$ -				\$ -
Excavation	\$ -				\$ -
Site improvement	\$ -				\$ -
Utilities (water, sewer, gas, electrical)	\$ -	\$ -			\$ -
Other (described in narrative)					\$ -
Subtotal	\$ 15,000.00	\$ -	\$ -	\$ -	\$ 15,000.00
Contingency (not to exceed 5%)	\$ 750.00	\$ -	\$ -	\$ -	\$ 750.00
Total	\$ 15,750.00	\$ -	\$ -	\$ -	\$ 15,750.00

	Source A	Source B	Source C	Source D	Total Project Cost
	Whatcom County	Mountain View ELC	[Name]	[Name]	
Facility Construction or Remodel Costs					
Demolition	\$ 6,282.00				\$ 6,282.00
Foundation	\$ 8,387.00				\$ 8,387.00
Framing	\$ 34,475.00				\$ 34,475.00
Windows	\$ 15,500.00				\$ 15,500.00
Exterior Doors	\$ 24,223.00				\$ 24,223.00
Roofing	\$ 50,000.00				\$ 50,000.00
Mechanicals					
HVAC	\$ 73,370.00				\$ 73,370.00
Plumbing	\$ 43,345.00				\$ 43,345.00
Electrical	\$ 66,700.00				\$ 66,700.00
Gas	\$ -				\$ -
Fire Protection/Suppression	\$ 4,956.00				\$ 4,956.00
Technology Systems					
Low Voltage Wiring	\$ -				\$ -
Security Cameras	\$ -	\$ 6,500.00			\$ 6,500.00
Access Control Systems	\$ 7,344.00				\$ 7,344.00
Sensors	\$ 2,250.00				\$ 2,250.00
Exterior (Masonry/Siding)					
Masonry	\$ -				\$ -
Siding	\$ -				\$ -
Interior					
Insulation	\$ 9,620.00				\$ 9,620.00
Drywall	\$ 53,410.00				\$ 53,410.00
Carpentry	\$ 3,901.00	\$ 7,000.00			\$ 10,901.00
Cabinetry and countertops	\$ 25,489.00				\$ 25,489.00
Stairwells	\$ -				\$ -
Vertical transportation systems	\$ 6,150.00				\$ 6,150.00
Masonry	\$ -				\$ -
Flooring	\$ 28,603.00				\$ 28,603.00
Major Appliances	\$ 5,696.00				\$ 5,696.00
Finishing (Paint/Trim)	\$ 13,284.00				\$ 13,284.00
Landscaping	\$ -	\$ 2,000.00			\$ 2,000.00
Temporary Services & Facilities					
Site Offices/Construction Trailers	\$ 4,800.00				\$ 4,800.00
Portable Toilets & Hand Washing Stations	\$ 640.00				\$ 640.00
Temporary Fencing	\$ -				\$ -
Temporary Storage	\$ -				\$ -
Temporary Utilities	\$ 10,630.00				\$ 10,630.00
Security	\$ -				\$ -
Other (Describe in Narrative)	\$ 84,029.00				\$ 84,029.00
Subtotal	\$ 583,084.00	\$ 15,500.00	\$ -	\$ -	\$ 598,584.00
Contingency (autocalculated at 5%)	\$ 29,154.20	\$ 775.00	\$ -	\$ -	\$ 29,929.20
Total	\$ 612,238.20	\$ 16,275.00	\$ -	\$ -	\$ 628,513.20

Tab D: Professional Fees

Line Item	Source A	Source B	Source C	Source D	Total Project Cost
	Whatcom County	Mountain View ELC	[Name]	[Name]	
Development Consultant	\$ -	\$ -			\$ -
Project Management	\$ 20,000.00				\$ 20,000.00
Architectural Services		\$ -			\$ -
Engineering Services		\$ 9,000.00			\$ 9,000.00
Environmental Consultant		\$ -			\$ -
Landscape Architect		\$ -			\$ -
Interior Design Services		\$ -			\$ -
Other (Describe in Narrative)	\$ 101,576.00				\$ 101,576.00
Subtotal	\$ 121,576.00	\$ 9,000.00	\$ -	\$ -	\$ 130,576.00
Contingency (not to exceed 5%)	\$ 6,078.80	\$ 450.00	\$ -	\$ -	\$ 6,528.80
Total	\$ 127,654.80	\$ 9,450.00	\$ -	\$ -	\$ 137,104.80

Whatcom County
RFP #23-87
Funding for Childcare/Early Learning Facilities – Capital Program
Attachment D: Operations Budget

Operating Revenues	Current Year	Year 1	Year 2	Year 3	Year 4
User Fees	\$86,181	\$86,181	\$86,181	\$86,181	\$86,181
State Subsidy Payments	\$387,818	\$741,163	\$741,163	\$741,163	\$741,163
County Revenue	\$0	\$0	\$0	\$0	\$0
Other Grant Revenue	\$100,000	\$50,000	\$50,000	\$50,000	\$50,000
Other Operating Revenues	\$0	\$0	\$0	\$0	\$0
Total Annual Revenues	\$574,000	\$877,344	\$877,344	\$877,344	\$877,344
Operating Expenses	Current Year	Year 1	Year 2	Year 3	Year 4
Personnel Costs	\$163,490	\$326,980	\$326,980	\$326,980	\$326,980
Direct Client Costs (e.g., food)	\$16,200	\$32,400	\$32,400	\$32,400	\$32,400
Insurance	\$6,336	\$12,672	\$12,672	\$12,672	\$12,672
Utilities	\$7,550	\$15,100	\$15,100	\$15,100	\$15,100
Operating Reserve ¹	\$20,000	\$40,000	\$40,000	\$40,000	\$40,000
Travel/Training	\$0	\$0	\$0	\$0	\$0
Equipment/Supplies	\$1,596	\$3,192	\$3,192	\$3,192	\$3,192
Marketing and Advertising	\$900	\$1,800	\$1,800	\$1,800	\$1,800
Facility Costs	\$63,996	\$127,992	\$127,992	\$127,992	\$127,992
Repairs	\$1,800	\$3,600	\$3,600	\$3,600	\$3,600
Services – Contracts	\$14,400	\$28,800	\$28,800	\$28,800	\$28,800
Maintenance Supplies	\$1,200	\$2,400	\$2,400	\$2,400	\$2,400
Replacement Reserve ²	\$20,000	\$40,000	\$40,000	\$40,000	\$40,000
Other Expenses (specify)	\$0	\$0	\$0	\$0	\$0
Total Annual Operating Expenses	\$317,468	\$634,936	\$634,936	\$634,936	\$634,936
NET INCOME (income minus expenses)	\$256,532	\$242,408	\$242,408	\$242,408	\$242,408

If a proposed project will increase or expand operations, include the current budget in the first column, and show the changes with this project, starting in Year 1.

If the space will be operated by an outside agency, please include that organization's anticipated operational costs.

¹Operating Reserve is defined as how much the organization retains as cash reserves for operating expenses.

²Replacement Reserve is defined as how much the organization maintains as a reserve for upkeep of capital assets, such as roof replacement or other issues.

1719176
PROVIDER ID NUMBER



341793
SSPS PROVIDER NUMBER

WASHINGTON STATE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES
Child Care Center
Full
Non-Expiring

In compliance with the laws of the State of Washington in meeting the licensing requirements of the Department of Children, Youth, and Families (DCYF), a child care license is hereby granted to the Child Care Center facility named below. For information on the status of this license, call 1-866-482-4325 (or 1-866-48-check).

Mountain View Early Learning Center
 is licensed to maintain a Child Care Center located at 830 Ball st, city of Sedro-Woolley, zip code 98284, county of Skagit in the State of Washington for the care of children between the ages of 1 month - 7 years 0 months but not to exceed 33 children.

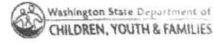
Classroom Name	Group Size	Classroom Name	Group Size	Classroom Name	Group Size
Infant (Little Mountain) (Infant)	6	Toddler (Mt. Rainier) (Toddler)	14	Preschool (Mt. Baker) (Pre-School Age)	13

This license is issued on March 10, 2022. Dated: March 10, 2022 at Bellingham, Washington.
 Anniversary date: September 7

DCYF Licensor Signature
SHEAU-PYNG LI
 360-685-8702
 Telephone Number

Judy Bunkelman
 DCYF Licensing Administrator Signature
Judy Bunkelman

Notice: This license is valid only for use by the individual(s) to whom it is issued and at the location described.
 Issued by Authority of Chapter 43.216 Revised Code of Washington.
 DCYF 15-985 Child Care Center Non-Expiring License - 07/2020





WASHINGTON STATE
Department of
Children, Youth, and Families

Declaration of Compliance
(for family home and centers)

Date: 8/10/2023

Provider Name: Mountain View Early Learning Center Provider ID: 1719176

1. I, Anthony Alvarez Center Owner (full name and title) declare I am the licensee or the licensee's authorized agent and voluntarily make this declaration.

2. Pursuant to RCW 43.216.305(2)(b), I declare:

I intend to continue to operate a licensed child care facility from the date of this declaration until further notice.

or

I intend to cease or stop operating my licensed child care facility on the following date and I will return my license to DCYF. I understand that by discontinuing the operation of my licensed child care facility, I must reapply for a child care license if I decide to provide child care in the future.

3. Below are the days and hours of operation for my child care program, including closure dates and holiday observances.

Days: Monday, Tuesday, Wednesday, Thursday, Friday

Hours: 7am to 5pm

Closed on these dates/holidays: Labor Day and the day after, Thanksgiving day and the day after, The last week of december in observance for Christmas Eve, Christmas Day, New Years Eve and New Years day, Martin Luther King Day, Presidents Day, Memorial Day, Independence Day, Veterans Day.

4. Pursuant to RCW 43.216.305 I declare, to the best of my knowledge, that I am in compliance with all licensing rules.

5. **FOR FAMILY HOME PROVIDERS:** Pursuant to WAC 110-300-0130, I declare the following are found in unlicensed space at my home:

(Check all that apply)

- Furnace area safety, or smoke or carbon monoxide detector requirements under WAC 110-300-0170(3)
- Guns, weapons, or ammunition storage under WAC 110-300-0165(2)(e)
- Medication storage under WAC 110-300-0215
- Refrigerator or freezer under WAC 110-300-0165(3)(d)
- Storage areas that contain chemicals, utility sinks, or wet mops under WAC 110-300-0260
- Swimming pools under WAC 110-300-0175

I intend to comply with all requirements for those items I have indicated are in unlicensed space at my home.

6. I understand that a person may be subject to penalties under Chapter 9A.72 RCW for making a materially false written statement.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

DATED and signed at Sedro Woolley, Washington on the 10 August of 2023
(City) (Day) (Month) (Year)

830 Ball street Sedro Woolley Wa, 98284

Signature



WASHINGTON STATE
Department of
Children, Youth, and Families

Declaration of Compliance (for family home and centers)

Address

Print Full Name

Telephone & Email Address

(360)982-2790 mountainviewlc@gmail.com


DECLARATION OF COMPLIANCE (FH/CTR)
DCYF 15-974 (REV. 08/2019) INT/EXT

Page 1 of 2

Here are some important regulations to remember:

- An early learning provider must allow parents or guardians access to their child during normal hours of operation, except as excluded by a court order. WAC 110-300-0085(4)(f)
- An early learning provider must communicate verbally or in writing [with a child’s parents or guardians]:
 - (i) Changes in drop-off and pickup arrangements as needed; and (ii) Daily activities. WAC 110-300-0085(4)(g)
- If a child suffers from an allergic reaction, the early learning provider must immediately:
 - (a) Administer medication pursuant to the instructions in that child’s individual care plan;
 - (b) Contact 911 whenever epinephrine or other lifesaving medication has been administered; and
 - (c) Notify the parents or guardians of a child if it is suspected or appears that any of the following occurred, or is occurring:
 - (i) The child is having an allergic reaction; or
 - (ii) The child consumed or came in contact with a food identified by the parents or guardians that must not be consumed by the child, even if the child is not having or did not have an allergic reaction. WAC 110-300-0186(3)
- At the first opportunity, but in no case longer than twenty-four hours of learning that an enrolled child, staff member, volunteer or household member has been diagnosed by a health care professional with a contagious disease listed in WAC 246-110-010(3), as now and hereafter amended, an early learning provider must provide written notice to the department, the local health jurisdiction, and the parents or guardians of the enrolled children. WAC 110-300-0205(6)
- If an early learning program is served by a private septic system, the septic system must be designed, constructed, and maintained in accordance with state and local health jurisdiction requirements. WAC 110-300-0250(1)
- An early learning provider must notify the department prior to making a change to early learning program space that may impact the health, safety, or welfare of enrolled children. Such changes include but are not limited to:
 - (a) Moving early learning programs to a different residence, building, or facility (even if the new location is on the same premises);
 - (b) An early learning program altering a planned use of space including, but not limited to, the ages of children served in a room or previously unlicensed areas;
 - (c) Modifying facilities in a way that requires a permit under the Washington state building code or by a local jurisdiction, such as remodeling or renovating early learning program space; and
 - (d) Changing outdoor play areas, such as adding or altering the type of surface or altering stationary climbing or play equipment. WAC 110-300-0402(1)

An early learning provider must submit to the department the new proposed floor plan prior to making changes under subsections (1)(a) through (c) of this section. WAC 110-300-0402(2)
- Licensee, center director, assistant director, or program supervisor must notify the department within thirty calendar days when liability insurance coverage under RCW 43.216.700 has lapsed or been terminated. WAC 110-300-0425(12)
- An early learning provider must notify the department when changes are made to these written policies:
 - Staff policies. WAC 110-300-0110
 - Emergency preparedness plan. WAC 110-300-0470
 - Health policies. WAC 110-300-0500
 - Parent handbook (WAC does not require department notification when changes are made to this document, but DCYF recommends it to ensure any changes to policy meet licensing requirements) WAC 110-300-0450

 Washington State Department of CHILDREN, YOUTH & FAMILIES		Child Care Center/School-Age/ONB Background Checklist		
Facility name: <u>Mountain View Early Learning Center</u>		Provider ID #: <u>1719176</u>		Date:
Facility address: 830 Ball Street Wa,		City: Sedro Woolley	State: WA	Zip code: 98284
Facility email address: mountainviewelc@gmail.com		Facility 10 digit telephone number: (360)982-2790		
Name of individual completing this form:		Signature of individual completing this form:		
A list of ALL staff and volunteers in your facility must be returned with the Declaration of Compliance.				
Full Name	Birthdate (mm/dd/yyyy)	Position	Date of Hire	PBC Expiration Date
Keiarra Counley	04/19/1997	Director	3/1/2021	07/07/2024
Edith Valerio-Vargas	08/07/2001	Mount Rainier Lead Teacher	9/10/2020	10/21/2025
Yvette Guajardo	08/22/1997	Director in training/Lead Teacher	9/10/2020	03/03/2024
Sylvia Alvarez	11/03/85	Owner	9/10/2020	02/22/2024
Eugenia Morales	02/24/1989	Financial Director	2/1/2020	11/23/2025
Krista Calender	6/5/2023	Mount Baker Lead teacher	6/6/2023	4/13/2028
Zulicia Vizcaya	11/23/1999	Little Mountain Lead Teacher	11/2/2022	11/7/2027

CHILD CARE CENTER/SCHOOL-AGE/ONB BACKGROUND

New staff and volunteers must complete the portable background check process prior to the date of hire.
ALL staff and volunteers in your facility must complete the portable background check process every three years.
Information about the Portable Background Check process can be found at: www.dcyf.wa.gov
After DCYF receives this form and uploads it to WA Compass, the form will be shredded.

CHILD CARE CENTER/SCHOOL-AGE/ONB BACKGROUND



Phone: (360) 676-6887
Toll Free: (888) 585-3808
Fax: (360) 527-4646
TTY: (800) 833-6384
www.bellinghamhousing.org

Mountain View Early Learning Center LLC
830 Ball Street
Sedro Woolley, WA 98284

January 17, 2024

To Whom it May Concern:

Please accept the following letter of intent as an expression of the Housing Authority of the City of Bellingham's (BHA) commitment to sublease the commercial suite located at 301 N Samish Way, Bellingham, WA (ELC space) to Mountain View Early Learning Center LLC (Provider) for the explicit purpose of operating a licensed childcare and early learning educational facility.

The building is owned by Samish Way Family Housing LLLP for which BHA is the General Partner. BHA also maintains a master lease that covers the ELC Space. Final approval and the ability to proceed with executing a lease is conditioned upon specific deliverables including but not limited to the following:

- Provider secures all financing necessary for completing tenant improvements by June 30, 2024.
- Terms and conditions of the final lease agreement are negotiated and agreeable to all parties.
- BHA obtains approval from the limited partner and other stakeholders, as necessary.

BHA intends to lease the ELC space to a qualified entity for a term covering at least ten (10) years and for a nominal rent amount. The Provider is responsible for obtaining all financing required for tenant improvements and ongoing operations.

Attached to this letter is a sample lease agreement. The purpose of this sample is to act as a foundation for subsequent negotiations, and so the Provider can pursue funding for tenant improvements. The terms and conditions stated in this sample lease are not binding and are subject to change.

Do not hesitate to contact me directly if you have any questions pertaining to this letter of intent and thank you for supporting the expansion of childcare in Whatcom County.

Sincerely,

Brien Thane
Executive Director / CEO
Housing Authority of the City of Bellingham



Saratoga Commercial Real Estate
228 E. Champion Street # 102
Bellingham, WA 98227
Phone: 360-676-4866
Fax: 360-733-8008

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LEASE AGREEMENT

(Single Tenant - Gross Lease - Bellingham Housing Authorities – Samish Commons ELC)

THIS LEASE AGREEMENT (the "Lease") is entered into and effective as of [Click or tap here to enter text.](#), between the Housing Authority of the City of Bellingham ("Landlord"), and Mountain View Early Learning Center, LLC ("Tenant"). Landlord and Tenant agree as follows:

1. LEASE SUMMARY.

- a. **Leased Premises.** The leased commercial real estate (the "Premises") consists of the real property legally described on attached Exhibit A, and all improvements thereon, and commonly described as 301 N Samish Way, Bellingham, WA 98225
- b. **Lease Commencement Date.** The term of this Lease shall be for a period of 120 months and shall commence on [Click or tap here to enter text.](#) or such earlier or later date as provided in Section 3 (the "Commencement Date").
- c. **Lease Termination Date.** The term of this Lease shall expire at midnight or [Click or tap here to enter text.](#) or such earlier or later date as provided in Section 3 (the "Termination Date"). Tenant shall have option to extend this Lease pursuant to the terms set forth in the Option to Extend Rider attached hereto.
- d. **Base Rent.** The base monthly rent shall be according to the Rent Rider attached hereto ("Base Rent"). Rent shall be payable at Landlord's address shown in Section 1(h) below, or such other place designated in writing by Landlord.
- e. **Prepaid Rent.** Upon execution of this Lease, Tenant shall deliver to Landlord the sum \$10 as prepaid rent.
- f. **Permitted Use.** The Premises shall be used only for childcare and early learning education and for no other purpose without the prior written consent of Landlord (the "Permitted Use").
- g. **Notice and Payment Addresses.**

Landlord: Housing Authority of the City of Bellingham
c/o Saratoga Commercial Real Estate
228 E. Champion St., Suite 102
Bellingham, WA 98225

Phone: 360-676-4866
Email: Info@SaratogaCom.Com


Tenant: Mountain View Early Learning Center, LLC
[Click or tap here to enter text.](#)
[Click or tap here to enter text.](#)

Phone: 360-540-3231
Email: sylviaalvarez25@gmail.com

2. PREMISES

- a. **Lease of Premises.** Landlord leases to Tenant, and Tenant leases from Landlord the Premises upon the terms specified in this Lease.

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- b. **Acceptance of Premises.** Except as specified elsewhere in this Lease, Landlord makes no representations or warranties to Tenant regarding the Premises, including the structural condition of the Premises or the condition of all mechanical, electrical, and other systems on the Premises. Except for any tenant improvements to be completed by Landlord as described on attached Exhibit B (the "Landlord's Work"), Tenant shall be responsible for performing any work necessary to bring the Premises into a condition satisfactory to Tenant. By signing this Lease, Tenant acknowledges that it has had adequate opportunity to investigate the Premises; acknowledges responsibility for making any corrections, alterations and repairs to the Premises (other than the Landlord's Work); and acknowledges that the time needed to complete any such items shall not delay the Commencement Date.
 - c. **Tenant Improvements.** Attached Exhibit B sets forth all of Landlord's Work, if any, and all tenant improvements to be completed by Tenant (the "Tenant's Work"), if any, that will be performed on the Premises. Responsibility for design, payment and performance of all such work shall be as set forth on attached Exhibit B. If Tenant fails to notify Landlord of any defects in the Landlord's Work within thirty (30) days of delivery of possession to Tenant, Tenant shall be deemed to have accepted the Premises in their then condition. If Tenant discovers any major defects in the Landlord's Work during this 30-day period that would prevent Tenant from using the Premises for the Permitted Use, Tenant shall notify Landlord in writing and the Commencement Date shall be delayed until Landlord has notified Tenant that Landlord has corrected the major defects and Tenant has had five (5) days to inspect and approve the Premises. The Commencement Date shall not be delayed if Tenant's inspection reveals minor defects in the Landlord's Work that will not prevent Tenant from using the Premises for the Permitted Use. Tenant shall prepare a punch list of all minor defects in Landlord's Work and provide the punch list to Landlord, which Landlord shall promptly correct.
3. **TERM.** The term of this Lease shall commence on the Commencement Date specified in Section 1, or on such earlier or later date as may be specified by written notice delivered by Landlord to Tenant advising Tenant that the Premises are ready for possession and specifying the Commencement Date.
- a. **Early Possession.** If Landlord permits Tenant to possess and occupy the Premises prior to the Commencement Date specified in Section 1, then such early occupancy shall not advance or change the Commencement Date or the Termination Date set forth in Section 1, but otherwise all terms and conditions of this Lease shall nevertheless apply during the period of early occupancy before the Commencement Date.
 - b. **Delayed Possession.** Landlord shall act diligently to make the Premises available to Tenant; provided, however, neither Landlord nor any agent or employee of Landlord shall be liable for any damage or loss due to Landlord's inability or failure to deliver possession of the Premises to Tenant as provided in this Lease. If possession is delayed, the Commencement Date set forth in Section 1 shall also be delayed. In addition, the Termination Date set forth in Section 1 shall be modified so that the length of the Lease term remains the same. If Landlord does not deliver possession of the Premises to Tenant within sixty (60) after the Commencement Date specified in Section 1, Tenant may elect to cancel this Lease by giving written notice to Landlord within ten (10) days after such time period ends. If Tenant gives such notice of cancellation, the Lease shall be cancelled, all prepaid rent and security deposits shall be refunded to Tenant, and neither Landlord nor Tenant shall have any further obligations to the other. The first "Lease Year" shall commence on the Commencement Date and shall end on the date which is sixteen (16) months from the end of the month in which the Commencement Date occurs. Each successive Lease Year during the initial term and any extension terms shall be twelve (12) months, commencing on the first day following the end of the preceding Lease Year. To the extent that the tenant improvements are not completed in time for the Tenant to occupy or take possession of the Premises on the Commencement Date due to the failure of Tenant to fulfill any of its obligations under this Lease, the Lease shall nevertheless commence



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on the Commencement Date set forth in Section 1.

4. RENT.

- a. **Payment of Rent.** Tenant shall pay Landlord without notice, demand, deduction, or offset, in lawful money of the United States, the base monthly rental stated in Section 1 above in advance on or before the first day of each month during the Lease term beginning [Click or tap here to enter text.](#), and shall also pay any other additional payments due to Landlord ("Additional Rent") (collectively, "rent" or "Rent") when required under this Lease. Payments for any partial month at the beginning or end of the Lease shall be prorated. All payments due to Landlord under this Lease, including late fees and interest, shall also constitute Additional Rent, and upon failure of Tenant to pay any such costs, charges or expenses, Landlord shall have the same rights and remedies as otherwise provided in this Lease for the failure of Tenant to pay rent.
- b. **Late Charges; Default Interest.** If any sums payable by Tenant to Landlord under this Lease are not received within five (5) business days after their due date, Tenant shall pay Landlord an amount equal to the greater of \$100 or five percent (5%) of the delinquent amount for the cost of collecting and handling such late payment in addition to the amount due and as Additional Rent. All delinquent sums payable by Tenant to Landlord and not paid within five (5) business days after their due date shall, at Landlord's option, bear interest at the rate of fifteen percent (15%) per annum, or the highest rate of interest allowable by law, whichever is less (the "Default Rate"). Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.
- c. **Less Than Full Payment.** Landlord's acceptance of less than the full amount of any payment due from Tenant shall not be deemed an accord and satisfaction or compromise of such payment unless Landlord specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Landlord claims. Any portion that remains to be paid by Tenant shall be subject to the late charges and default interest provisions of this Section.

5. SECURITY DEPOSIT. Upon execution of this Lease, Tenant shall deliver to Landlord the security deposit specified in Section 1 above. Landlord's obligations with respect to the security deposit are those of a debtor and not of a trustee, and Landlord may commingle the security deposit with its other funds. If Tenant breaches any covenant or condition of this Lease, including but not limited to the payment of Rent, Landlord may apply all or any part of the security deposit to the payment of any sum in default and any damage suffered by Landlord as a result of Tenant's breach. Tenant acknowledges, however, that the security deposit shall not be considered as a measure of Tenant's damages in case of default by Tenant, and any payment to Landlord from the security deposit shall not be construed as a payment of liquidated damages for Tenant's default. If Landlord applies the security deposit as contemplated by this Section, Tenant shall, within five (5) days after written demand therefor by Landlord, deposit with Landlord the amount so applied. If Tenant complies with all of the covenants and conditions of this Lease throughout the Lease term, the security deposit shall be repaid to Tenant without interest within thirty (30) days after the surrender of the Premises by Tenant in the condition required by Section 11 of this Lease.

6. USES. The Premises shall be used only for the Permitted Use specified in Section 1 above, and for no other business or purpose without the prior written consent of Landlord. No act shall be done on or around the Premises that is unlawful or that will increase the existing rate of insurance on the Premises or cause the cancellation of any insurance on the Premises. Tenant shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance.

7. COMPLIANCE WITH LAWS. Tenant shall not cause or permit the Premises to be used in any way which violates any law, ordinance, or governmental regulation or order. Landlord represents to Tenant that, as of the Commencement Date, to Landlord's knowledge, but without duty of investigation, and with the exception of

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- any Tenant's Work, the Premises comply with all applicable laws, rules, regulations, or orders, including without limitation, the Americans With Disabilities Act, if applicable, and Landlord shall be responsible to promptly cure at its sole cost any noncompliance which existed on the Commencement Date. Tenant shall be responsible for complying with all laws applicable to the Premises as a result of the Permitted Use, and Tenant shall be responsible for making any changes or alterations as may be required by law, rule, regulation, or order for Tenant's Permitted Use at its sole cost and expense. Otherwise, if changes or alterations are required by law, rule, regulation, or order unrelated to the Permitted Use, Landlord shall make changes and alterations at its expense.
- 8. UTILITIES.** Landlord shall not be responsible for providing any electricity, janitorial, garbage removal, heat, gas, telephone, water, sewer, Internet or cable services used by Tenant for the Premises and shall not be liable for any loss, injury or damage to person or property caused by or resulting from any variation, interruption, or failure of utilities due to any cause whatsoever, and rent shall not abate as a result thereof, except to the extent due to the intentional misconduct or gross negligence of Landlord. Tenant shall be responsible for determining whether available utilities and their capacities will meet Tenant's needs. Landlord will provide alarm monitoring and annual fire inspection during the term ("Provided Services"). Tenant's proportionate share of the Provided Services shall be billed to Tenant in accordance with the terms contained in the Rent Rider attached hereto. Tenant will also procure, or cause to be procured, without cost to Landlord, all necessary permits, licenses or other authorizations required for the lawful and proper installation, maintenance, replacement, and removal on or from the Premises of wires, pipes, conduits, tubes, and other equipment and appliances for use in supplying all utilities or services to the Premises. Landlord, upon request of Tenant, and at the sole expense and liability of Tenant, shall join with Tenant in any reasonable applications required for obtaining or continuing such utilities or services.
- 9. TAXES.** Tenant shall pay all taxes, assessments, liens and license fees ("Taxes") levied, assessed or imposed by any authority having the direct or indirect power to tax or assess any such liens, related to or required by Tenant's use of the Premises as well as all Taxes on Tenant's personal property located on the Premises. Landlord shall pay all Taxes with respect to the Premises, including any Taxes resulting from a reassessment of the Premises due to a change of ownership or otherwise.
- 10. ALTERATIONS.** Tenant may make alterations, additions or improvements to the Premises, including any Tenant's Work identified on attached Exhibit B (the "Alterations"), only with the prior written consent of Landlord, which, with respect to Alterations not affecting the structural components of the Premises or utility systems therein, shall not be unreasonably withheld, conditioned, or delayed. Landlord shall have thirty (30) days in which to respond to Tenant's request for any Alterations so long as such request includes the name of Tenant's contractors and reasonably detailed plans and specifications therefor. The term "Alterations" shall not include the installation of shelves, movable partitions, Tenant's equipment, and trade fixtures that may be performed without damaging existing improvements or the structural integrity of the Premises, and Landlord's consent shall not be required for Tenant's installation or removal of those items. Tenant shall perform all work within the Premises at Tenant's expense in compliance with all applicable laws and shall complete all Alterations in accordance with plans and specifications approved by Landlord, using contractors approved by Landlord. Tenant shall pay, when due, or furnish a bond for payment (as set forth in Section 18) all claims for labor or materials furnished to or for Tenant at or for use in the Premises, which claims are or may be secured by any mechanics' or materialmen's liens against the Premises or any interest therein. Tenant shall remove all Alterations at the end of the Lease term unless Landlord conditioned its consent upon Tenant leaving a specified Alteration at the Premises, in which case Tenant shall not remove such Alteration and it shall become Landlord's property. Tenant shall immediately repair any damage to the Premises caused by removal of Alterations.
- 11. REPAIRS AND MAINTENANCE; SURRENDER.** Tenant shall, at its sole expense, maintain the entire Premises including without limitation normal repairs and maintenance to all heating, ventilation, and air conditioning ("HVAC") equipment at the Premises, in good condition and promptly make all repairs and



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replacements, whether structural or non-structural, necessary to keep the Premises in safe operating condition, including all utilities and other systems serving the Premises, which shall in no event exceed 50% of the full replacement cost of the system unless caused by the negligent act or omission of the Tenant or the Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, but excluding the roof structure, subfloor, foundation, exterior walls, and capital repairs and replacements to the HVAC system (collectively, "Landlord's Repair Items"), which Landlord shall maintain in good condition and repair at Landlord's expense. Tenant shall not damage any Landlord's Repair Items and shall promptly repair any damage or injury done thereto caused by Tenant or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. Notwithstanding anything in this Section to the contrary, Tenant shall not be responsible for any repairs to the Premises made necessary by the negligence or willful misconduct of Landlord or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees therein. If Tenant fails to perform Tenant's obligations under this Section, Landlord may at Landlord's option enter upon the Premises after ten (10) days' prior notice to Tenant and put the same in good order, condition and repair and the cost thereof together with interest thereon at the default rate set forth in Section 4 shall be due and payable as Additional Rent to Landlord. Upon expiration of the Lease term, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises, together with all keys, to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable wear and tear and insured casualty excepted.

12. ACCESS AND RIGHT OF ENTRY. After twenty-four (24) hours' notice from Landlord (except in cases of emergency, when no notice shall be required), Tenant shall permit Landlord and its agents, employees and contractors to enter the Premises at all reasonable times to make repairs, inspections, alterations or improvements, provided that Landlord shall use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises. This Section shall not impose any repair or other obligation upon Landlord not expressly stated elsewhere in this Lease. After reasonable notice to Tenant, Landlord shall have the right to enter the Premises for the purpose of (a) showing the Premises to prospective purchasers or lenders at any time, and to prospective tenants within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term; and, (b) for posting "for lease" signs within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term.

13. SIGNAGE. Tenant shall obtain Landlord's written consent as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Premises. Tenant shall install any approved signage at Tenant's sole expense and in compliance with all applicable laws. Tenant shall not damage or deface the Premises in installing or removing signage and shall repair any injury or damage to the Premises caused by such installation or removal.

14. DESTRUCTION OR CONDEMNATION.

a. Damage and Repair. If the Premises are partially damaged but not rendered untenable, by fire or other insured casualty, then Landlord shall diligently restore the Premises to the extent required below and this Lease shall not terminate. Tenant may, however, terminate the Lease if Landlord is unable to restore the Premises within six (6) months of the casualty event by giving twenty (20) days' notice of termination.

The Premises shall not be deemed untenable if twenty-five percent (25%) or less of the Premises are damaged. If insurance proceeds are not available or are not sufficient to pay the entire cost of restoring the Premises, or if Landlord's lender does not permit all or any part of the insurance proceeds to be applied toward restoration, then Landlord may elect to terminate this Lease and keep the insurance proceeds, by notifying Tenant within sixty (60) days of the date of such casualty.

If fifty (50) percent or more of the rentable area of the Premises are destroyed or damaged and rendered untenable, by fire or other casualty, Landlord may, at its option: (a) terminate this Lease as provided herein, or (b) restore the Premises to their previous condition to the extent required below; provided,

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however, if such casualty event occurs during the last six (6) months of the Lease term (after considering any option to extend the term timely exercised by Tenant) then either Tenant or Landlord may elect to terminate the Lease. If, within sixty (60) days after receipt by Landlord from Tenant of written notice that Tenant deems the Premises untenable, Landlord fails to notify Tenant of its election to restore the Premises, or if Landlord is unable to restore the Premises within six (6) months of the date of the casualty event, then Tenant may elect to terminate the Lease upon twenty (20) days' written notice to Landlord unless Landlord, within such twenty (20) day period, notifies Tenant that it will in fact restore the Premises or actually completes such restoration work to the extent required below, as applicable.

If Landlord restores the Premises under this Section, Landlord shall proceed with reasonable diligence to complete the work, and the Base Rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole Premises, provided that there shall be a Rent abatement only if the damage or destruction of the Premises did not result from, or was not contributed to directly or indirectly by the act, fault or neglect of Tenant, or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. No damages, compensation or claim shall be payable by Landlord for inconvenience, loss of business or annoyance directly, incidentally or consequentially arising from any repair or restoration of any portion of the Premises. Landlord shall have no obligation to carry insurance of any kind for the protection of Tenant; any alterations or improvements paid for by Tenant; any Tenant Work identified in Exhibit B (regardless of who may have completed them); Tenant's furniture; or on any fixtures, equipment, improvements or appurtenances of Tenant under this Lease, and Landlord's restoration obligations hereunder shall not include any obligation to repair any damage thereto or replace the same.

- b. **Condemnation.** If the Premises are made untenable by eminent domain, or conveyed under a threat of condemnation, this Lease shall automatically terminate as of the earlier of the date title vests in the condemning authority or the condemning authority first has possession of the Premises and all Rents and other payments shall be paid to that date. If the condemning authority takes a portion of the Premises that does not render the Premises untenable, then this Lease shall continue in full force and effect and the base monthly rent shall be equitably reduced based on the proportion by which the floor area of any structures is reduced. The reduction in Rent shall be effective on the earlier of the date the condemning authority first has possession of such portion or title vests in the condemning authority. Landlord shall be entitled to the entire award from the condemning authority attributable to the value of the Premises and Tenant shall make no claim for the value of its leasehold. Tenant shall be permitted to make a separate claim against the condemning authority for moving expenses if Tenant may terminate this Lease pursuant to this Section, provided that in no event shall Tenant's claim reduce Landlord's award.

15. INSURANCE.

- a. **Tenant's Liability Insurance.** During the Lease term, Tenant shall pay for and maintain commercial general liability insurance with broad form property damage and contractual liability endorsements. This policy shall name Landlord, its property manager (if any), and other parties designated by Landlord as additional insureds using an endorsement form acceptable to Landlord, and shall insure Tenant's activities and those of Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees with respect to the Premises against loss, damage or liability for personal injury or bodily injury (including death) or loss or damage to property with a combined single limit of not less than \$2,000,000, and a deductible of not more than \$10,000. Tenant's insurance will be primary and noncontributory with any liability insurance carried by Landlord. Landlord may also require Tenant to obtain and maintain business income coverage for at least six (6) months, business auto liability coverage, and, if applicable to Tenant's Permitted Use, liquor liability insurance and/or warehouseman's coverage.
- b. **Tenant's Property Insurance.** During the Lease term, Tenant shall pay for and maintain special form clauses of loss coverage property insurance (with coverage for earthquake if required by Landlord's lender



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and, if the Premises are situated in a flood plain, flood damage) for all of Tenant's personal property, fixtures, and equipment in the amount of their full replacement value, with a deductible of not more than \$10,000

- c. **Miscellaneous.** Tenant's insurance required under this Section shall be with companies rated A-/VII or better in Best's Insurance Guide, and which are admitted in the State in which the Premises are located. No insurance policy shall be cancelled or reduced in coverage and each such policy shall provide that it is not subject to cancellation or a reduction in coverage except after thirty (30) days prior written notice to Landlord. Tenant shall deliver to Landlord upon commencement of the Lease and from time to time thereafter, copies of the insurance policies or evidence of insurance and copies of endorsements required by this Section. In no event shall the limits of such policies be considered as limiting the liability of Tenant under this Lease. If Tenant fails to acquire or maintain any insurance or provide any policy or evidence of insurance required by this Section, and such failure continues for three (3) days after written notice from Landlord, Landlord may, but shall not be required to, obtain such insurance for Landlord's benefit and Tenant shall reimburse Landlord for the costs of such insurance upon demand. Such amounts shall be Additional Rent payable by Tenant hereunder and in the event of non-payment thereof, Landlord shall have the same rights and remedies with respect to such non-payment as it has with respect to any other non-payment of Rent hereunder.
- d. **Landlord's Insurance.** Landlord, acting through the Samish Commons Condo Owner's Association, shall carry special form clauses of loss coverage property insurance for the improvements that make up the Premises (including their shell and core) in the amount of their full replacement value, and such other insurance of such types and amounts as Landlord, in its discretion, shall deem reasonably appropriate.
- e. **Waiver of Subrogation.** Landlord and Tenant hereby release each other and any other tenant, their agents or employees, from responsibility for, and waive their entire claim of recovery for any loss or damage arising from any cause covered by property insurance required to be carried or otherwise carried by each of them. Each party shall provide notice to the property insurance carrier or carriers of this mutual waiver of subrogation, and shall cause its respective property insurance carriers to waive all rights of subrogation against the other. This waiver shall not apply to the extent of the deductible amounts to any such property policies or to the extent of liabilities exceeding the limits of such policies.

16. INDEMNIFICATION.

- a. **Indemnification by Tenant.** Tenant shall defend, indemnify, and hold Landlord harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Tenant or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises, or arising from any breach of this Lease by Tenant. Tenant shall use legal counsel reasonably acceptable to Landlord in defense of any action within Tenant's defense obligation.
- b. **Indemnification by Landlord.** Landlord shall defend, indemnify and hold Tenant harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Landlord or Landlord's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises, or arising from any breach of this Lease by Landlord. Landlord shall use legal counsel reasonably acceptable to Tenant in defense of any action within Landlord's defense obligation.
- c. **Waiver of Immunity.** Landlord and Tenant each specifically and expressly waive any immunity that each may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. Neither party's indemnity obligations under this Lease shall be limited by any limitation on the amount or type of damages,

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compensation, or benefits payable to or for any third party under the Worker Compensation Acts, Disability Benefit Acts or other employee benefit acts.

d. **Exemption of Landlord from Liability.** Except to the extent of claims arising out of Landlord's gross negligence or intentional misconduct, Landlord shall not be liable for injury to Tenant's business or assets or any loss of income therefrom or for damage to any property of Tenant or of its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, or any other person in or about the Premises.

e. **Survival.** The provisions of this Section shall survive expiration or termination of this Lease.

17. ASSIGNMENT AND SUBLETTING. Tenant shall not assign, sublet, mortgage, encumber or otherwise transfer any interest in this Lease (collectively referred to as a "Transfer") or any part of the Premises, without first obtaining Landlord's written consent which shall not be unreasonably withheld, conditioned, or delayed. No Transfer shall relieve Tenant of any liability under this Lease notwithstanding Landlord's consent to such Transfer. Consent to any Transfer shall not operate as a waiver of the necessity for Landlord's consent to any subsequent Transfer. In connection with each request for consent to a Transfer, Tenant shall pay the reasonable cost of processing same, including attorneys' fees, upon demand of Landlord, up to a maximum of \$1,250.

If Tenant is a partnership, limited liability company, corporation, or other entity, any transfer of this Lease by merger, consolidation, redemption or liquidation, or any change in the ownership of, or power to vote, which singularly or collectively represents a majority of the beneficial interest in Tenant, shall constitute a Transfer under this Section.

As a condition to Landlord's approval, if given, any potential assignee or sublessee otherwise approved by Landlord shall assume all obligations of Tenant under this Lease and shall be jointly and severally liable with Tenant and any guarantor, if required, for the payment of Rent and performance of all terms of this Lease. In connection with any Transfer, Tenant shall provide Landlord with copies of all assignments, subleases and assumption agreements or documents.

18. LIENS. Tenant shall not subject the Landlord's assets to any liens or claims of lien. Tenant shall keep the Premises free from any liens created by or through Tenant. Tenant shall indemnify and hold Landlord harmless from liability for any such liens including, without limitation, liens arising from any Alterations. If a lien is filed against the Premises by any person claiming by, through or under Tenant, Tenant shall, within ten (10) days after Landlord's demand, at Tenant's expense, either remove the lien or furnish to Landlord a bond in form and amount and issued by a surety satisfactory to Landlord, indemnifying Landlord and the Premises against all liabilities, costs and expenses, including attorneys' fees, which Landlord could reasonably incur as a result of such lien.

19. DEFAULT. The following occurrences shall each constitute a default by Tenant (an "Event of Default").

- a. **Failure To Pay.** Failure by Tenant to pay any sum, including Rent, due under this Lease following five (5) days' notice from Landlord of the failure to pay.
- b. **Vacation/Abandonment.** Vacation by Tenant of the Premises (defined as an absence for at least fifteen (15) consecutive days without prior notice to Landlord), or abandonment by Tenant of the Premises (defined as an absence of five (5) days or more while Tenant is in breach of some other term of this Lease). Tenant's vacation or abandonment of the Premises shall not be subject to any notice or right to cure.
- c. **Insolvency.** Tenant's insolvency or bankruptcy (whether voluntary or involuntary); or appointment of a receiver, assignee or other liquidating officer for Tenant's business; provided, however, that in the event



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of any involuntary bankruptcy or other insolvency proceeding, the existence of such proceeding shall constitute an Event of Default only if such proceeding is not dismissed or vacated within sixty (60) days after its institution or commencement.

- d. **Levy or Execution.** The taking of Tenant's interest in this Lease or the Premises, or any part thereof, is taken by execution or other process of law directed against Tenant, or attachment of Tenant's interest in this Lease by any creditor of Tenant, if such attachment is not discharged within fifteen (15) days after being levied.
- e. **Other Non-Monetary Defaults.** The breach by Tenant of any agreement, term or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease, which breach continues for a period of thirty (30) days after notice by Landlord to Tenant of the breach.
- f. **Failure to Take Possession.** Failure by Tenant to take possession of the Premises on the Commencement Date or failure by Tenant to commence any Tenant Improvement in a timely fashion.


Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after notice by Tenant to Landlord. If Landlord fails to cure any such default within the allotted time, Tenant's sole remedy shall be to seek actual money damages (but not consequential or punitive damages) for loss arising from Landlord's failure to discharge its obligations under this Lease. Nothing herein contained shall relieve Landlord from its duty to perform of any of its obligations to the standard prescribed in this Lease.

Any notice periods granted herein shall be deemed to run concurrently with and not in addition to any default notice periods required by law.

20. REMEDIES. Landlord shall have the following remedies upon an Event of Default. Landlord's rights and remedies under this Lease shall be cumulative, and none shall exclude any other right or remedy allowed by law.

- a. **Termination of Lease.** Landlord may terminate Tenant's interest under the Lease, but no act by Landlord other than notice of termination from Landlord to Tenant shall terminate this Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Tenant will remain liable to Landlord for damages in an amount equal to the rent and other sums that would have been owing by Tenant under this Lease for the balance of the Lease term, less the net proceeds, if any, of any re-letting of the Premises by Landlord subsequent to the termination, after deducting all of Landlord's Reletting Expenses (as defined below). Landlord shall be entitled to either collect damages from Tenant monthly on the days on which rent or other amounts would have been payable under the Lease, or alternatively, Landlord may accelerate Tenant's obligations under the Lease and recover from Tenant: (i) unpaid rent which had been earned at the time of termination; (ii) the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of rent loss that Tenant proves could reasonably have been avoided; (iii) the amount by which the unpaid rent for the balance of the term of the Lease after the time of award exceeds the amount of rent loss that Tenant proves could reasonably be avoided (discounting such amount by the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%); and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under the Lease, or which in the ordinary course would be likely to result from the Event of Default, including without limitation Reletting Expenses described below.
- b. **Re-Entry and Reletting.** Landlord may continue this Lease in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Tenant from the Premises and anyone claiming through or under the Tenant, and remove the personal property of either.

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Landlord may relet the Premises, or any part of them, in Landlord's or Tenant's name for the account of Tenant, for such period of time and at such other terms and conditions, as Landlord, in its discretion, may determine. Landlord may collect and receive the rents for the Premises. To the fullest extent permitted by law, the proceeds of any reletting shall be applied: first, to pay Landlord all Reletting Expenses (defined below); second, to pay any indebtedness of Tenant to Landlord other than rent; third, to the rent due and unpaid hereunder; and fourth, the residue, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant shall not be entitled to receive any portion of such revenue. Re-entry or taking possession of the Premises by Landlord under this Section shall not be construed as an election on Landlord's part to terminate this Lease, unless a notice of termination is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease. Tenant will pay Landlord the Rent and other sums which would be payable under this Lease if repossession had not occurred, less the net proceeds, if any, after reletting the Premises and after deducting Landlord's Reletting Expenses.

"Reletting Expenses" is defined to include all expenses incurred by Landlord in connection with reletting the Premises, including without limitation, all repossession costs, brokerage commissions and costs for securing new tenants, attorneys' fees, remodeling and repair costs, costs for removing persons or property, costs for storing Tenant's property and equipment, and costs of tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.

- c. **Waiver of Redemption Rights.** Tenant, for itself, and on behalf of any and all persons claiming through or under Tenant, including creditors of all kinds, hereby waives and surrenders all rights and privileges which they may have under any present or future law, to redeem the Premises or to have a continuance of this Lease for the Lease term or any extension thereof.
- d. **Nonpayment of Additional Rent.** All costs which Tenant is obligated to pay to Landlord pursuant to this Lease shall in the event of nonpayment be treated as if they were payments of Rent, and Landlord shall have the same rights it has with respect to nonpayment of Rent.
- e. **Failure to Remove Property.** If Tenant fails to remove any of its property from the Premises at Landlord's request following an uncured Event of Default, Landlord may, at its option, remove and store the property at Tenant's expense and risk. If Tenant does not pay the storage cost within five (5) days of Landlord's request, Landlord may, at its option, have any or all of such property sold at public or private sale (and Landlord may become a purchaser at such sale), in such manner as Landlord deems proper, without notice to Tenant. Landlord shall apply the proceeds of such sale: (i) to the expense of such sale, including reasonable attorneys' fees actually incurred; (ii) to the payment of the costs or charges for storing such property; (iii) to the payment of any other sums of money which may then be or thereafter become due Landlord from Tenant under any of the terms hereof; and (iv) the balance, if any, to Tenant. Nothing in this Section shall limit Landlord's right to sell Tenant's personal property as permitted by law or to foreclose Landlord's lien for unpaid rent.

21. MORTGAGE SUBORDINATION AND ATTORNMENT. This Lease shall automatically be subordinate to any mortgage or deed of trust created by Landlord which is now existing or hereafter placed upon the Premises including any advances, interest, modifications, renewals, replacements or extensions ("Landlord's Mortgage"). Tenant shall attorn to the holder of any Landlord's Mortgage or any party acquiring the Premises at any sale or other proceeding under any Landlord's Mortgage provided the acquiring party assumes the obligations of Landlord under this Lease. Tenant shall promptly, and in no event later than fifteen (15) days after request, execute, acknowledge and deliver documents which the holder of any Landlord's Mortgage may reasonably require as further evidence of this subordination and attornment. Notwithstanding the foregoing, Tenant's obligations under this Section to subordinate in the future are conditioned on the holder of each Landlord's Mortgage and each party acquiring the Premises at any sale or other proceeding under any such Landlord's Mortgage not disturbing Tenant's occupancy and other rights under this Lease, so long as no uncured Event of Default by Tenant exists.

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- 22. NON-WAIVER.** Landlord's waiver of any breach of any provision contained in this Lease shall not be deemed to be a waiver of the same provision for subsequent acts of Tenant. The acceptance by Landlord of Rent or other amounts due by Tenant hereunder shall not be deemed to be a waiver of any previous breach by Tenant.
- 23. HOLDOVER.** If Tenant shall, without the written consent of Landlord, remain in possession of the Premises and fail to return them to Landlord after the expiration or termination of the Lease, the tenancy shall be a holdover tenancy and shall be on a month-to-month basis, which may be terminated according to Washington law. During such tenancy, Tenant agrees to pay to Landlord 150% of the rate of rental last payable under this Lease, unless a different rate is agreed upon by Landlord. All other terms of the Lease shall remain in effect. Tenant acknowledges and agrees that this Section does not grant any right to Tenant to holdover, and that Tenant may also be liable to Landlord for any and all damages or expenses which Landlord may have to incur as a result of Tenant's holdover.
- 24. NOTICES.** All notices under this Lease shall be in writing and effective (i) when delivered in person or via overnight courier to the other party, (ii) three (3) days after being sent by registered or certified mail to the other party at the address set forth in Section 1; or (iii) upon confirmed transmission by facsimile to the other party at the facsimile numbers set forth in Section 1. The addresses for notices and payment of rent set forth in Section 1 may be modified by either party only by written notice delivered in conformance with this Section.
- 25. COSTS AND ATTORNEYS' FEES.** If Tenant or Landlord engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Rent or other payments or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such action, whether in mediation or arbitration, at trial, on appeal, or in any bankruptcy proceeding.
- 26. ESTOPPEL CERTIFICATES.** Tenant shall, from time to time, upon written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement specifying the following, subject to any modifications necessary to make such statements true and complete: (i) the total rentable square footage of the Premises; (ii) the date the Lease term commenced and the date it expires; (iii) the amount of minimum monthly Rent and the date to which such Rent has been paid; (iv) that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way; (v) that this Lease represents the entire agreement between the parties; (vi) that all obligations under this Lease to be performed by either party have been satisfied; (vii) that there are no existing claims, defenses or offsets which the Tenant has against the enforcement of this Lease by Landlord; (viii) the amount of Rent, if any, that Tenant paid in advance; (ix) the amount of security that Tenant deposited with Landlord; (x) if Tenant has sublet all or a portion of the Premises or assigned its interest in the Lease and to whom; (xi) if Tenant has any option to extend the Lease or option to purchase the Premises; and (xii) such other factual matters concerning the Lease or the Premises as Landlord may reasonably request. Tenant acknowledges and agrees that any statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or assignee of any mortgage or new mortgagee of Landlord's interest in the Premises. If Tenant shall fail to respond within ten (10) days to Landlord's request for the statement required by this Section, Landlord may provide the statement and Tenant shall be deemed to have admitted the accuracy of the information provided by Landlord.
- 27. TRANSFER OF LANDLORD'S INTEREST.** This Lease shall be assignable by Landlord without the consent of Tenant. In the event of any transfer or transfers of Landlord's interest in the Premises, other than a transfer for collateral purposes only, upon the assumption of this Lease by the transferee, Landlord shall be automatically relieved of obligations and liabilities accruing from and after the date of such transfer, including any liability for any retained security deposit or prepaid rent, for which the transferee shall be liable, and Tenant shall attorn to the transferee.
- 28. LANDLORD'S LIABILITY.** Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants,

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undertakings and agreements for the purpose of binding Landlord personally or the assets of Landlord but are made and intended for the purpose of binding only the Landlord's interest in the Premises, as the same may from time to time be encumbered. In no event shall Landlord or its partners, shareholders, or members, as the case may be, ever be personally liable hereunder.

29. RIGHT TO PERFORM. If Tenant shall fail to timely pay any sum or perform any other act on its part to be performed hereunder, Landlord may make any such payment or perform any act on Tenant's behalf. Tenant shall, within ten (10) days of demand, reimburse Landlord for its expenses incurred in making such payment or performance. Landlord shall (in addition to any other right or remedy of Landlord provided by law) have the same rights and remedies in the event of the nonpayment of sums due under this Section as in the case of default by Tenant in the payment of Rent.

30. HAZARDOUS MATERIAL. As used herein, the term "Hazardous Material" means any hazardous, dangerous, toxic or harmful substance, material or waste including biomedical waste which is or becomes regulated by any local governmental authority, the State of Washington or the United States Government, due to its potential harm to the health, safety or welfare of humans or the environment. Landlord represents and warrants to Tenant that, to Landlord's knowledge without duty of investigation, there is no Hazardous Material on, in, or under the Premises as of the Commencement Date except as may otherwise have been disclosed to Tenant in writing before the execution of this Lease. If there is any Hazardous Material on, in, or under the Premises as of the Commencement Date which has been or thereafter becomes unlawfully released through no fault of Tenant, then Landlord shall indemnify, defend and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred or suffered by Tenant either during or after the Lease term as the result of such contamination.


Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except with Landlord's prior consent and then only upon strict compliance with all applicable federal, state and local laws, regulations, codes and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including, without limitation, diminution in the value of the Premises; damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, or elsewhere; damages arising from any adverse impact on marketing of space at the Premises; and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees incurred or suffered by Landlord either during or after the Lease term.

These indemnifications by Landlord and Tenant include, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work, whether or not required by any federal, state or local governmental agency or political subdivision, because of Hazardous Material present in the Premises, or in soil or ground water on or under the Premises. Tenant shall immediately notify Landlord of any inquiry, investigation or notice that Tenant may receive from any third party regarding the actual or suspected presence of Hazardous Material on the Premises.

Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any unlawful release of any Hazardous Material on the Premises, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Premises or any other property, to the condition existing prior to the release of any such Hazardous Material; provided that Landlord's approval of such actions shall first be obtained, which approval may be withheld at Landlord's sole discretion. The provisions of this Section shall survive expiration or termination of this Lease.

31. QUIET ENJOYMENT. So long as Tenant pays the Rent and performs all of its obligations in this Lease, Tenant's possession of the Premises will not be disturbed by Landlord or anyone claiming by, through or under

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Landlord.

32. MERGER. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.

33. GENERAL.

- a. **Heirs and Assigns.** This Lease shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.
- b. **Entire Agreement.** This Lease contains all of the covenants and agreements between Landlord and Tenant relating to the Premises. No prior or contemporaneous agreements or understanding pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or amended to except in writing signed by Landlord and Tenant.
- c. **Severability.** Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Lease.
- d. **Force Majeure.** Time periods for either party's performance under any provisions of this Lease (excluding payment of Rent) shall be extended for periods of time during which the party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war or other strife.
- e. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Washington.
- f. **Memorandum of Lease.** Neither this Lease nor any memorandum or "short form" thereof shall be recorded without Landlord's prior consent.
- g. **Submission of Lease Form Not an Offer.** One party's submission of this Lease to the other for review shall not constitute an offer to lease the Premises. This Lease shall not become effective and binding upon Landlord and Tenant until it has been fully signed by both of them.
- h. **Authority of Parties.** Each party signing this Lease represents and warrants to the other that it has the authority to enter into this Lease, that the execution and delivery of this Lease has been duly authorized, and that upon such execution and delivery this Lease shall be binding upon and enforceable against the party on signing.
- i. **Time.** "Day" as used herein means a calendar day and "business day" means any day on which commercial banks are generally open for business in the state where the Premises are situated. Any period of time which would otherwise end on a non-business day shall be extended to the next following business day. Time is of the essence of this Lease.

34. EXHIBITS AND RIDERS. The following exhibits and riders are made a part of this Lease, and the terms thereof shall control over any inconsistent provision in the sections of this Lease:

- Exhibit A: Legal Description of the Premises
- Exhibit B: Tenant Improvements of the Premises
- Exhibit C: Covenants on the Premises

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Rent Rider

Option to Extend Rider

Early Termination Rider

Use Agreement

35. AGENCY DISCLOSURE. At the signing of this Lease,

Landlord is represented by [Click or tap here to enter text.](#), Saratoga Commercial Real Estate (insert name of Broker and Firm as licensed) (the "Landlord's Broker"); and Tenant is represented by [Click or tap here to enter text.](#)(insert name of Broker and Firm as licensed) (the "Tenant's Broker").

This Agency Disclosure creates an agency relationship between Landlord, Landlord's Broker (if any such person is disclosed), and any managing brokers who supervise Landlord Broker's performance (collectively the "Supervising Brokers"). In addition, this Agency Disclosure creates an agency relationship between Tenant, Tenant's Broker (if any such person is disclosed), and any managing brokers who supervise Tenant's Broker's performance (also collectively the "Supervising Brokers"). If Tenant's Broker and Landlord's Broker are different real estate licensees affiliated with the same Firm, then both Tenant and Landlord confirm their consent to that Firm and both Tenant's and Landlord's Supervising Brokers acting as dual agents. If Tenant's Broker and Landlord's Broker are the same real estate licensee who represents both parties, then both Landlord and Tenant acknowledge that the Broker, his or her Supervising Brokers, and his or her Firm are acting as dual agents and hereby consent to such dual agency. If Tenant's Broker, Landlord's Broker, their Supervising Brokers, or their Firm are dual agents, Landlord and Tenant consent to Tenant's Broker, Landlord's Broker and their Firm being compensated based on a percentage of the rent or as otherwise disclosed on an attached addendum. Neither Tenant's Broker, Landlord's Broker nor either of their Firms are receiving compensation from more than one party to this transaction unless otherwise disclosed on an attached addendum, in which case Landlord and Tenant consent to such compensation. Landlord and Tenant confirm receipt of the pamphlet entitled "The Law of Real Estate Agency."

36. BROKER PROVISIONS. LANDLORD'S BROKER, TENANT'S BROKER AND THEIR FIRMS HAVE MADE NO REPRESENTATIONS OR WARRANTIES CONCERNING THE PREMISES, THE MEANING OF THE TERMS AND CONDITIONS OF THIS LEASE, LANDLORD'S OR TENANT'S FINANCIAL STANDING, ZONING, COMPLIANCE OF THE PREMISES WITH APPLICABLE LAWS, SERVICE OR CAPACITY OF UTILITIES, OPERATING COSTS, OR HAZARDOUS MATERIALS. LANDLORD AND TENANT ARE EACH ADVISED TO SEEK INDEPENDENT LEGAL ADVICE ON THESE AND OTHER MATTERS ARISING UNDER THIS LEASE.

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Executed by the parties as of the day and year first set forth above.

**Housing Authority of the City of
Bellingham**

Mountainview Early Learning Center, LLC

By: _____
Name: Brien Thane
Title: Executive Director

By: _____
Name: Sylvia Alvarez
Title: Click or tap here to enter text.

STATE OF _____)
) ss
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged that as the _____ of Housing Authority of the City of Bellingham to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this ____ day of _____, 2024.

NOTARY PUBLIC in and for the State of _____
My Commission expires _____

STATE OF _____)
) ss
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged that as the _____ of Mountain View Early Learning, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this ____ day of _____, 2024.

NOTARY PUBLIC in and for the State of _____
My Commission expires _____

EXHIBIT A

[Legal Description of the Premises]

Unit 8 of Samish Way, a Condominium, according to the Declaration thereof, recorded on November 15, 2019, under Auditor's File No. 2019-1102157, and any amendments thereto, records of Whatcom County, Washington.

Situate in Whatcom County, Washington.

SAMPLE

EXHIBIT B

[Tenant Improvements of the Premises]

TBD

EXHIBIT C

[Covenants of the Premises]

The City of Bellingham has an existing covenant on the premises requiring the following:

1. The leased premises will be actively used for the purposes of provided licensed childcare.
2. At least 20% of the licensed childcare slots will be filled by children from households who at the time of initial enrollment and annually thereafter have gross annual household incomes at or below eighty percent (80%) of the local area median income. Household incomes are adjusted for housing size, as estimated from time to time by the United States Department of Housing and Urban Development ("HUD"). If HUD ceases to provide such estimates of median income, then median income shall mean such comparable figure for Whatcom County, Washington published or reported by a federal, state, or local agency as the City of Bellingham shall reasonably select.
3. The Covenant is for a period of 18 years following commencement of childcare activities at the premises.

RENT RIDER

1. Base Rent:

- a. Click or tap here to enter text.to Click or tap here to enter text. - \$1.00/annum

2. Security Deposit:

- a. No security deposit will be required under this agreement.

3. Utilities

- a. Tenant's Leased Premises proportionate share of building insurance, water, sewer, garbage, alarm monitoring and annual fire inspection (such charges will be billed, due and payable on a quarterly basis).

4. State Leasehold Tax:

- a. No Washington State Leasehold Tax will be required under this agreement.

OPTION TO EXTEND RIDER

Tenant will have the option to renew this Lease annually up to 8 years at the same terms and conditions. In order to exercise said option, Tenant must give in written notice to Landlord no later than ninety (90) days prior to the expiration of the Lease.

SAMPLE

EARLY TERMINATION RIDER

Notwithstanding anything to the contrary contained in the Lease, upon sixty (60) days' notice, Tenant may terminate this Lease without liability for any Base Rent or Additional Rent beyond that which accrued prior to the final early termination date.

USE RIDER

Within the confines of its federally approved selection criteria and processes, the Mountain View Early Learning Center program administrators will ensure eligible residents of Samish Commons and eligible low-income families in the community, the opportunity to participate in their programming on a preference basis.

Waiting List:

As necessary, a waiting list will be maintained by the staff of Mountain View Early Learning Center, which reflects the above noted preferences. As openings become available, applicants on the waiting list will be offered an opportunity.

Mountain View Early Learning Center will encourage up to 40% of beneficiaries to be "low-income children". Low-income children shall mean full time equivalent children from households earning below 80% of the area median income (AMI). Children will be assumed to be low-income children if the provider qualifies and receives State reimbursement funds through the Working Connections Child Care program, or a substantially similar childcare subsidy program, for an equivalent percentage of children. Absent enrollment in such a program, the Tenant shall gather and retain annual income certifications of enrolled households to substantiate this low-income requirement.

7)

EXHIBIT "E"
(Response to RFP 25-61)

Samish Commons Early Learning Center

Response to RFP #25-61

List of Exhibits & Attachments

- **Exhibit A: Project Specific Questions**
- **Exhibit B: Signed Assurances**
- **Exhibit C: Completed Budget Template**
- **Exhibit D: Completed Budget Narrative**
 - Budget Narrative information is included in Section 3 Question 15 of Exhibit A *Project Specific Questions*.
- **Attachment 1: Acknowledgement of Addenda 1 & 2**
- **Attachment 2: Site Control**
 - Lease between Samish Way Family Housing LLLP and BHA
- **Attachment 3: Site Control**
 - Draft sub-lease between BHA and MVELC
- **Attachment 4: Excerpt from Design Development Drawings for Project**
- **Attachment 5: Cost Estimate for Project**
- **Attachment 6: MVELC's Current DCYF License**
 - License is applicable to facility in Skagit County and will be expanded upon project completion.
- **Attachment 7: MVELC's Most Recent Compliance Report**
 - Report is applicable to Skagit County facility and there were no non-compliances identified.

**Whatcom County
RFP #25-61
Healthy Children’s Fund – Child Care Capital Projects
Exhibit A
Application Cover Page & Project Specific Questions**

Project Name:	Samish Commons Early Learning Center
Legal Name of Business:	Housing Authority of the City of Bellingham
Business Mailing Address:	PO Box 9701 Bellingham, WA 98227
UBI #:	601-139-688
DUNS #:	612543215
UEI #:	GLBPMYLJFLE9
TIN #:	91-0816170
Proposed Service Location:	301 N Samish Way Bellingham, WA 98225
Name of Person Completing Application:	Tony Casale
Primary Phone Number:	(360) 527-4617
Alternate Phone Number:	(360) 319-4946
Email Address:	Tony.Casale@bellinghamhousing.org
Name, Title, Email Address of Contract Signatory (if different than above):	Alternate signatory: Andrew Calkins, Executive Director / CEO – andrew.calkins@bellinghamhousing.org

Whatcom County
RFP #25-61
Exhibit A

RFP Application Form: Child Care Capital Projects

RFP #25-61

SECTION 1: Cover Page and Abstract

Organization Name: **Housing Authority of the City of Bellingham**

Primary Contact Name: **Tony Casale**

Title: **Director of Asset Development**

Phone: **(360) 527-4617**

Email: **tony.casale@bellinghamhousing.org**

Organization Address: **333 N Samish Way, Bellingham, WA 98225**

Project Title: **Samish Commons Early Learning Center**

Requested Amount: **\$870,790.80**

Proposed Start Date: **January 2026**

Anticipated Completion Date: **December 2026**

Project Abstract (250 words max):

The Samish Commons Early Learning Center project consists of tenant improvements for a commercial unit controlled by the Bellingham Housing Authority and located in the Samish Commons affordable housing community. The housing authority will lease the childcare facility to Mountain View Early Learning Center, a licensed and established care provider with a passion for providing dual-language education to families with modest incomes. Funding requested in this application will be combined with previous grants from the City of Bellingham and Whatcom County to transform a vacant commercial space into a vibrant three classroom facility providing 40 new childcare opportunities for infants and toddlers.

Based on prior engagement with Whatcom County, the housing authority is the primary applicant for this project. As the recipient of funds, the housing authority will ensure compliance and manage the project through construction. To identify an experienced and suitable childcare provider for this unique opportunity, the housing authority previously issued a Request for Qualifications, and Mountain View Early Learning Center, an established provider in Skagit County, was selected. Mountain View has a successful track record delivering high quality affordable childcare for infants and toddlers, and they participate in all applicable subsidy programs.

The housing authority is committed to leasing this space as a childcare facility for at least 18 years, and its proximity to Samish Commons, which includes 171 rent restricted housing opportunities, creates unique synergy that will benefit families with low incomes. This project is closely aligned with many priorities of the Healthy Children's Fund and offers a high return on investment.

**Whatcom County
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Exhibit A**

SECTION 2: Organizational Eligibility

- Federally recognized tribe in Whatcom County
- Local government entity in Whatcom County
- 501(c)(3) nonprofit incorporated in Washington
- Public agency as defined in RCW 39.34.20
- Sole proprietorship, partnership, or other Washington-registered business
- DCYF licensed childcare provider or in application process (**through partnership with MVELC**)

Briefly describe your organization’s mission and childcare-related experience:

The Bellingham Housing Authority's (BHA) mission is to offer opportunities for people to thrive by ensuring access to quality, affordable homes in Whatcom County. Our organization knows that it takes more than a home for families to achieve their desired potential. Recognizing that limited access to affordable childcare poses an impediment to pursuing employment and education, the housing authority is proud to partner with Mountain View Early Learning Center (MVELC) to help address this critical need.

BHA has more than 15 years of experience collaborating with the Opportunity Council through similar arrangements at two other properties, The Birches and Heather Commons. At both of those sites, the Opportunity Council leases space for \$1 per year and is responsible for all aspects of operating early childhood education programs, with an enrollment preference for households with low income.

MVELC’s mission is to provide high quality care, nurturing each child to flourish. In pursuit of their mission, MVELC first opened their Sedro Woolley center in 2020, to 33 children ranging from infants to preschoolers. Mountain View maintains current licensing with DCYF and participates in state and local childcare subsidy programs.

Silvia and Anthony Alvarez, founders and co-owners of MVELC, bring vast amounts of experience and expertise in early childhood education and childcare. Their commitment to quality care is reflected in their successful operation of two additional licensed centers in Skagit County. In addition to MVELC, they also own and operate Skagit Valley Early Learning Center, established in 2020 with a capacity of 55 children ranging from infants to preschoolers, and Valley Kids Preschool, which opened in 2023 with a capacity of 20 preschool aged children.

SECTION 3: Project Specific Questions

Project Significance:

1. Describe the goals and outcomes of your project, how your project will increase early learning and care slots, and by how many, who it will serve, and how it aligns with HCF goals.

The goal of our project is to deliver 40 additional high-quality, professional, and affordable childcare opportunities for infants and toddlers in Whatcom County. The project outcome will be a brand new three-classroom childcare facility specifically

**Whatcom County
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Exhibit A**

designed for infants and toddlers, co-located with Samish Commons, a mixed-use and multigenerational affordable housing community that includes 171 rental homes.

MVELC's programming primarily serves children from low-income families, and their successful track record for providing culturally responsive dual-language curriculum is in direct alignment with HCF goals for expanding opportunities that adhere to an ethos based around equity and anti-racism. The three-classroom configuration will feature an infant room licensed for 8 students, and two toddler rooms each licensed for 14 students. The Samish Commons early learning facility will create approximately 40 new childcare slots through a combination of part-time (3-5.5 hours/day) and full-time (5.5-9.5 hours/day) opportunities.

Consistent with MVELC's other facilities, programming at Samish Commons will include vigorous bilingual, English and Spanish, curriculum that simultaneously fosters inclusion of Spanish only speaking children while encouraging the growth of cultural humility across families of differing backgrounds. MVELC is proudly a BIPOC (Black, Indigenous, and People of Color) led organization with a vast array of experience and expertise in providing culturally responsive services to diverse families.

Consistent with the general qualifications of RFP #25-61, the Samish Commons childcare site will reserve at least 25% of the available slots, and encourage up to 40%, for children from households with income at or below 80% of the Area Median Income (AMI). MVELC is knowledgeable about state and local subsidies and happily enrolls families who participate in the Working Connections Child Care Program, or other financial support programs. Additionally, MVELC offers in-house scholarship opportunities to help make quality programming accessible even if a family is not eligible for existing subsidies.

Whatcom County is a childcare desert with critical needs for expanded programming among infant and toddler age ranges. Creating a successful business model for this demographic is exceptionally difficult, in part, because of the costs attributed to higher student to staff ratios. To keep this high quality and professional program both feasible and affordable, the housing authority is committed to leasing the space to MVELC (or its successor) at a nominal rate of approximately \$1 per year for at least 18 years.

The Samish Commons childcare project specifically aligns with the following HCF goals as identified in the matrix of strategies:

- **Strategy 1: Use small capital projects to increase early learning and care slots.**
 - This capital project is limited to tenant improvements (TIs) in a recently developed shell and core designed specifically for the intended use, therefore it will deliver a higher number of childcare opportunities for the level of investment being requested.
- **Strategy 5: Create regional hubs that include shared administrative services.**
 - MVELC will leverage efficiencies through shared administrative and programmatic services because they are expanding a model with a proven track record of success over the last five years in Skagit County.
- **Strategy 6: Support innovative approaches to meet various HCF goals.**

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- **This program will expand access to healthy foods and through a dual language teaching model it will increase access to culturally appropriate curriculum that reduces gaps in kindergarten readiness, especially for Latinx families.**
 - **Strategy 8: Expand resources for families who experience housing instability.**
 - **Data shows that families who identify as a racial or ethnic minority experience housing stability at disproportionate levels. MVELC's culturally competent programming combined with proximity to affordable housing expands resources available to vulnerable families who may face housing instability.**
 - **Strategy 10: Co-locate services via coordinated access to resource navigation.**
 - **The housing authority will be the lessor for this space and can lend comprehensive knowledge of community resources, including longstanding relationships with a myriad of service providers, to broaden access beyond early childhood education.**
2. Does the project take place outside of Bellingham City Limits?

No, our project will be located within Bellingham City Limits.

Project Personnel:

3. Please list the names of the key members of the project's development team, including participating members of partnering organizations and consultants if used, their titles, and their years of experience developing similar projects. For the purpose of this question, 'developing affordable housing projects' means pre-development activities, construction and/or significant remodel or rehabilitation of properties. Note that, if selected for funding, a letter of commitment from each partner/consultant will be required during the contracting process.

The project's development team consists of:

- **Owner / Lessor – Housing Authority of the City of Bellingham**
 - **Andrew Calkins, Executive Director/CEO – 10+ years of experience in developing and operating publicly funded projects.**
 - **Kate Donnelly, Chief Operating Officer – 19+ years of experience in developing and operating publicly funded projects.**
 - **Tony Casale, Director of Asset Development – 14+ years of experience in developing and operating publicly funded projects.**
 - **Lance Simons, Manager of Capital Improvements – 13+ years of experience in developing and operating publicly funded projects.**
- **Childcare Provider – Mountain View Early Learning**
 - **Silvia Alvarez, Regional Director – 20+ years of experience in early childhood education, including capital improvement projects.**
 - **Anthony Alvarez, Project Manager/Bookkeeper – 10+ years of experience in early childhood education including project management for capital improvements.**
- **Architect – RMC Architects**

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- Neil McCarthy, Principal – 30+ years of experience in design of publicly funded projects, including early learning centers.
 - Heather Kosin, Architect – 10+ years of experience in design of publicly funded projects, including early learning centers.
 - General Contractor – To be determined through competitive procurement.
4. Please describe the roles and responsibilities of each member of the project development team, including consultants, if used, and how much time each will dedicate to the proposed project.

The roles and responsibilities of each member of the development team include:

- Owner / Lessor – Housing Authority of the City of Bellingham
 - Andrew Calkins, Executive Director/CEO – Andrew will provide high-level leadership and decision-making as-needed throughout the project.
 - Kate Donnelly, Chief Operating Officer – Kate offers a strategic lens as-needed throughout the project to ensure long term operational success.
 - Tony Casale, Director of Asset Development – Tony will provide direct oversight throughout development and dedicate as much time as necessary.
 - Lance Simons, Manager of Capital Improvements – Lance will support project management and stakeholder coordination during construction as needed.
- Childcare Provider – Mountain View Early Learning
 - Silvia Alvarez, Regional Director – Silvia’s experience and expertise will inform facility design for feasibility, licensing, and programmatic success.
 - Anthony Alvarez, Project Manager/Bookkeeper – Anthony will provide project management with a focus on compliance with licensing requirements.
- Architect – RMC Architects
 - Neil McCarthy, Principal – Neil is the principal in charge for the design team that consists of architects and subconsultants.
 - Heather Kosin, Architect – Heather will be the managing architect and provide design consultation services through completion.

Project Schedule:

5. Please provide a detailed timeline, including key milestones, for the proposed project. Please use January 7, 2026 as the project start date but understand the actual start date will be negotiated during the contract phase if your project is selected for funding.

The anticipated project schedule is as follows:

Phase	Milestone	Date Completed
Site Control	BHA lease agreement with LLLP	October 2021
Financing	Funding award from City	October 2021
Construction	Shell and core completed	May 2023
Financing	Initial award for TIs from County	November 2024
Design/Permitting	Schematic design completed	March 2025

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Design/Permitting	Design development completed	May 2025
Financing	Construction cost estimate	May 2025
Financing	Supplemental funding request to County	September 2025
Financing	Supplemental award from County	October 2025
Design/Permitting	Permit drawings completed	December 2025
Site Control	MVELC executes sub-lease	December 2025
Financing	Start date for supplemental County funding	January 7, 2026
Construction	Selection of general contractor	February 2026
Design/Permitting	Permit application submitted	March 2026
Design/Permitting	Permits issued	April 2026
Design/Permitting	Construction Documents Completed	April 2026
Construction	Begin construction	April 2026
Construction	Issued certificate of occupancy	October 2026
Occupancy	Begin operations	December 2026

6. Please identify any known or anticipated threats or risks to the proposed timeline and scope of work and your plan to address these risks if necessary.

The primary known or anticipated risk is getting a supplemental funding award from Whatcom County. If the necessary funding is not awarded through the Healthy Children's Fund, we will need to identify alternative sources which will contribute to delays and jeopardize feasibility.

Secondary risks include permitting and construction timelines, which include variables outside of the housing authority's control, but in a worst-case scenario would only result in minor delays for completion.

Site Control:

7. Are there any easements, liens, covenants, or other restrictions on the property? If yes, please describe.

Yes, the commercial condo unit that will house the Samish Commons Early Learning Center has an existing Childcare Covenant recorded by the City of Bellingham and is also encumbered by a prior funding Agreement with Whatcom County.

The City of Bellingham (COB) provided \$750,000 in American Rescue Plan Act (ARPA) funds to cover a portion of development costs associated with the shell and core. Under the COB's covenant, at least 20% of the childcare slots must serve households with incomes at or below 80% of the local AMI. This covenant runs for a period of eighteen (18) years after project completion.

In addition to the city's award and covenant, Whatcom County previously granted this project \$1,093,637 through the Community Priorities Fund, and related restricted use requirements are outlined in that funding Agreement (Contract 202411026). The existing County agreement generally aligns with the covenant recorded by the City and further establishes that a minimum of 20% of the forty (40) childcare slots created by this project will be reserved for children from households that have income at or below

**Whatcom County
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Exhibit A**

80% of the AMI. The County's existing Agreement runs for ten (10) years after completion of the project and outlines various reporting requirements for the full term.

8. Do you have site control? If so, what is the form of site control (deed, lease, purchase contract, etc.). If no, please describe your plan for obtaining.

Yes, the housing authority maintains site control through a lease agreement with Samish Commons Family Housing LLLP, an entity for which the housing authority serves as General Partner. This single asset ownership entity was created for the sole purpose of developing and maintaining Samish Commons Family Housing, which is one of three residential components of the Samish Commons community. Samish Commons Family Housing, and its associated condo units, were financed in part through the IRS Section 42 Low-Income Housing Tax Credit Program and therefore an investor member retains the controlling interest and serves as Limited Partner.

- a. For projects that will take place in leased spaced (where the Applicant does not own the property) please provide the name, address, phone, and email address of the owner. The County will NOT contact the property owner unless the applicant is identified as an apparently successful applicant.

For this project the housing authority as Applicant, is also the Owner in its role as General Partner of the LLLP, the Lessee of the commercial unit which is controlled through an agreement between the LLLP and BHA, and lastly the Lessor who will be executing a sub-lease with Mountain View Early Learning, a licensed childcare provider.

Any questions pertaining to the ownership and/or lease structure can be directed to:

**Tony Casale, Director of Asset Development
PO Box 9701
Bellingham, WA 98227
(360) 527-4617
Tony.casale@bellinghamhousing.org**

- b. For leased property, the property owner must provide a letter of commitment prior to contracting with acknowledgement of the County's right to covenant the property for the terms specified in the RFP. Please see Attachment F for a sample covenant.

In a manner that is consistent with existing Contract 202411026, it is anticipated that the County's interest will be secured through a funding agreement specifying terms, conditions, and requirements but also deferring to the City of Bellingham's existing childcare covenant recorded against the property. This approach provides important security and assurance for the County while avoiding otherwise unnecessary legal fees and delays that would be encountered by engaging the Limited Partner.

Zoning, Permitting, and Licensing:

9. Please describe the existing zoning of the project location. Does zoning currently support your proposed project? If zoning does not currently support this proposed project, describe the steps you are taking to address zoning issues.

**Whatcom County
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Existing zoning for the project location is Urban Village, and it is covered by the City of Bellingham's Samish Way Urban Village Subarea Plan. Current zoning allows the site to be used for the intended purpose described herein.

10. Please describe any required permits and child care licensing necessary to complete this project. Describe steps already taken and any planned steps, including anticipated timelines to complete permitting and licensing aligned with project plan.

Standard building permits will be required to complete this project, but because the scope of work is limited to tenant improvements in an existing structure, we anticipate a relatively short review and approval timeline. The City of Bellingham's current estimate for permitting, assuming one round of comments and subsequent revisions, is approximately 6-8 weeks. The general contractor will be responsible for submitting permit applications and we will work collaboratively between the design and construction teams to provide prompt responses to any questions or concerns from the permit center.

Throughout the design phase of this project, the housing authority and MVELC have maintained close coordination with both the Center for Retention & Expansion of Child Care (C-RECC), and Health and Safety Specialists from the Department of Children, Youth & Families (DCYF). This collaborative approach was implemented to ensure efficient licensing after construction is completed. Mountain View has already received preliminary approval to increase the number of childcare slots authorized under their current license, and licensing inspections will be preemptively scheduled to align closely with certificate of occupancy.

11. Please describe any necessary special assessments required to complete this project (e.g. historical preservation, environmental assessments, limited surveys for mold, lead paint, asbestos, or wetlands). Describe any steps already taken and any planned steps, including anticipated timelines.

There are no special assessments required for this project.

Maintenance and Operations:

12. Please describe your plan for securing funding to provide on-going maintenance of the facility. Include any planned or actual set-aside.

Mountain View Early Learning is an experienced childcare provider in Skagit County with a proven business model that ensures adequate funding for ongoing maintenance of their facilities. For maintenance funds, Mountain View will draw upon their successful track record generating revenue through a variety of state and local early childhood education and assistance programs, private pay clients, and by securing supplemental funding through grants or philanthropic opportunities as needed.

The housing authority through its role as landlord and general partner for the ownership entity will ensure appropriate maintenance of exterior areas and common spaces that are not specifically covered under the sub-lease with MVELC.

13. Please provide a plan for supporting the day-to-day operations of the facility once open. If you will contract with a third party to provide operational support, please indicate that partner, if known, or the process you will use to identify that partner. If the party is known, please provide a letter of commitment with your application.

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The housing authority will lease the program space to MVELC who will be responsible for all aspects of operating the licensed childcare facility. As previously mentioned, MVELC will draw upon their successful track record generating operating revenue through a variety of state and local early childhood education and assistance programs, private pay clients, and grant opportunities. Potential grant opportunities already identified as a source of supplemental operating revenue include the Whatcom Community Foundation, Janson Foundation, PSE Foundation, Norcliffe Foundation, the WECU Community Builder grant, and the Bank of America Foundation Economic Mobility program.

The housing authority will be leasing the space to MVELC for a nominal annual rent amount (e.g. \$1 per year) which further supports the long-term financial feasibility of operating an infant and toddler program targeting low-income households.

Budget:

14. County funds are provided on a cost-reimbursement basis, generally, no more than once a month. Please describe your overall agency budget, cash flow, reserve, and any other information that demonstrates you have the capacity to complete this project on a cost reimbursement basis.

For fiscal year 2025 the housing authority's operating budget is approximately \$51,000,000. The majority of the organization's revenue is attributed to the administration of federal affordable housing programs, and therefore has a corresponding expense, but unrestricted income is also generated through program fees and cash flow disbursements from developments where we serve as general partner. Current unrestricted fund balances total approximately \$8,000,000 thereby demonstrating sufficient capacity to complete this project on a cost reimbursement basis.

15. Please describe how you estimated the costs in your budget?

The cost estimates shown in our budget were derived from multiple sources as follows:

- **Construction Cost (\$1,606,187)** – Construction cost estimates were determined by a third-party professional, RC Cost Group, who specializes in providing reliable and comprehensive pricing information based on the project location. RC Cost Group's estimate is based on design development drawings including material specifications and quantity takeoffs prepared by RMC Architects. RMC Architects has recently managed the design of multiple early learning and childcare projects throughout the region, reinforcing their knowledge as subject matter experts.

To account for market volatility and inflationary pressures, a 3% escalator was applied to the construction cost estimate originally completed in May 2025.

- **Professional Fees: A&E Costs (\$148,000)** – A&E costs are based on the value of the housing authority's current contract with RMC Architects plus an anticipated amendment to cover full-service design consultation through project completion.
- **Professional Fees: Permitting Costs (\$14,000)** – Permitting costs were estimated based off conversations with the City of Bellingham's Permit Center. The cost for

**Whatcom County
RFP #25-61
Exhibit A**

permits is included in the *Professional Services* line to be consistent with where they appear under the existing funding agreement with Whatcom County.

- **Staff Time (\$50,000) - Project management staffing costs were estimated based on the anticipated number of hours that will be required by the housing authority and/or a third-party construction management firm to ensure successful completion of this project.**
 - **Other Costs (\$15,000) - The amount reflected in *Other Costs* is a rough estimate to account for anticipated Transportation Impact Fees. The design team had a preliminary discussion with the City of Bellingham on this topic, but they could not offer detailed guidance. An approximate range of \$10,000-\$65,000 was provided by the city, and we included \$15,000 in this application because it is likely that a portion of the fee was already accounted for when the commercial shell was approved for construction.**
16. While matching funds are not required, the County is interested in understanding how you determined that County funds are the best source of funding for your project. Please describe any other sources you considered and the outcome of that consideration. If you applied for funds from other sources, please describe the status of those applications, including any that are pending. If you have received other funds, or are contributing your own funds to pay some of the costs, please describe.

It was determined that County funds are the best source for this project because of its alignment with the goals of the Healthy Children's Fund.

The City of Bellingham previously provided \$750,000 toward construction of the shell and core, which was completed as a component of the Samish Commons Family Housing residential development.

The housing authority will be leasing the early learning space for a nominal fee of approximately \$1 per year to MVELC (or its successor), the value of which is not easily quantifiable but critical to the operational feasibility of this program.

Whatcom County
RFP #25-61
Exhibit A

SECTION 4: Attachments Checklist

- Exhibit A: Completed Application Cover Page & Project Specific Questions
- Exhibit B: Signed Assurances
- Exhibit C: Completed Budget Template
- Exhibit D: Completed Budget Narrative (above)
- Copy of DCYF License or explanation of current step in the process

SECTION 5: Authorized Signature

I hereby certify that the information provided in this application is true and complete and that I am authorized to submit this proposal on behalf of the organization listed above.

Name (printed): *Tony Casale*
Title: *DIRECTOR OF ASSET DEVELOPMENT*
Signature: *[Handwritten Signature]*
Date: *9/15/25*

Exhibit A – Whatcom Co. RFP #25-61

Whatcom County
RFP #25-61
Healthy Children's Fund – Child Care Capital Projects
Exhibit B
Assurances

When submitting a final bid in response to this RFP, you must make the following certifications by initialing in the lines on the left. If unable to make one or more certification(s), you must include an explanation in the space provided in this document. The inability to certify an item will not disqualify your application but will be used in the evaluation and scoring of your proposal as described in the RFP.

I certify that I have read the County's Standard Contract for Services (<https://www.whatcomcounty.us/DocumentCenter/View/1488/Contract-for-Services-Agreement-PDF?bidId=>) and understand that, if selected for funding, my company, organization, or agency will be required to sign an agreement with substantially similar terms.

TC

I have read, understand and agree to comply with the County's procurement policies and procedures (<https://www.whatcomcounty.us/159/Purchasing-Policies>).

TC

I understand that this project is subjected to prevailing wage requirements as articulated in RCW 39.04.010, RCW 39.12.020, RCW 39.12.030, or RCW 39.12.030 or similar, and agree to comply and ensure lower-tier recipients comply with these requirements.

TC

I understand that if my organization or agency receives an award under this RFP the County may place a covenant on the property to ensure continued public benefit. If I/we do not own the property I have discussed this with requirement with the property owner.

TC

I understand that this is a cost-reimbursement grant which means I/we must spend the money first then seek reimbursement from the County no more than once per month. I understand that the reimbursement process can take several weeks.

TC

I certify that I am authorized by my company, organization, or agency, to make these authorizations.

TC

Printed Name

Date

Tony Casale

9/15/25

Signature

TC

Whatcom County
 RFP #25-61
 Healthy Children's Fund – Child Care Capital Projects
 Exhibit C
 Budget Template

Applicant Name Housing Authority of the City of Bellingham
 Project Name Samish Commons Early Learning Center
 RFP Number RFP #25-61
 Source A **Whatcom County**
 Source B Whatcom County
 Source C
 Source D

	Source A	Source B	Source C	Source D	Total Project Cost
	Whatcom County Current Request	Whatcom County Prior Award	[Name]	[Name]	
Acquisition	\$ -	\$ -			\$ -
Site Preparation	\$ -	\$ -			\$ -
Construction and Remodel	\$ 746,628.00	\$ 859,559.00			\$ 1,606,187.00
Major Appliances	\$ -	\$ -			\$ -
Minor Appliances	\$ -	\$ -			\$ -
Fixtures and Furniture	\$ -	\$ -			\$ -
Technology Equipment	\$ -	\$ -			\$ -
Landscaping	\$ -	\$ -			\$ -
Professional Fees	\$ 30,000.00	\$ 132,000.00			\$ 162,000.00
Program Development	\$ -	\$ -			\$ -
Staff Time	\$ -	\$ 50,000.00			\$ 50,000.00
Other costs	\$ 15,000.00	\$ -			\$ 15,000.00
Subtotal:	\$ 791,628.00	\$ 1,041,559.00	\$ -	\$ -	\$ 1,833,187.00
Contingency:	\$ 79,162.80	\$ 52,078.00	\$ -	\$ -	\$ 91,659.35
Total:	\$ 870,790.80	\$ 1,093,637.00	\$ -	\$ -	\$ 1,924,846.35

WHATCOM COUNTY
ADMINISTRATIVE SERVICES DEPARTMENT



FINANCE/ACCOUNTING

Whatcom County Courthouse
311 Grand Avenue, Suite #503
Bellingham WA 98225-4082

Randy Rydel, Finance Director

August 25, 2025

ADDENDUM 1

RFP #25-61 – Healthy Children’s Fund – Child Care Capital Projects

ATTENTION:

This Addendum 1 consists of 3 pages, including this page.

All documented holders are hereby notified that the RFP documents for the subject RFP have been amended as hereinafter set forth. The following changes, additions, and/or deletions are hereby made a part of the RFP documents.

- The following pages contain answers to questions received at the virtual applicant conference on August 19, 2025.
- The deadline for questions remains 5:00 PM, Friday, August 29, 2025.
- The deadline for responses remains 2:30 PM, Tuesday, September 16, 2025.
 - **As referenced in section 7.1 of the RFP, responses transmitted directly to Whatcom County Government electronically or by fax will not be considered.**

NOTE: Acknowledgment of the receipt of this addendum is required in order for the response to be considered complete. Failure to acknowledge receipt of this addendum may become cause for rejection of the proposal response.

Please sign below and submit this page of the addendum with your proposal response:

Signed

Company Name

Housing Authority of the City of Bellingham

WHATCOM COUNTY
ADMINISTRATIVE SERVICES DEPARTMENT



FINANCE/ACCOUNTING
Whatcom County Courthouse
311 Grand Avenue, Suite #503
Bellingham WA 98225-4082

Randy Rydel, Finance Director

September 11, 2025

ADDENDUM 2

RFP #25-61 – Healthy Children’s Fund – Child Care Capital Projects

ATTENTION:


This Addendum 2 consists of 2 pages, including this page.

All documented holders are hereby notified that the RFP documents for the subject RFP have been amended as hereinafter set forth. The following changes, additions, and/or deletions are hereby made a part of the RFP documents.

- The following pages contain answers to questions received between August 20, 2025 and September 4, 2025.
- The deadline for responses is hereby **EXTENDED** one week to 2:30 PM, Tuesday, September 23, 2025.
- **As referenced in section 7.1 of the RFP, responses transmitted directly to Whatcom County Government electronically or by fax will not be considered.**

NOTE: Acknowledgment of the receipt of this addendum is required in order for the response to be considered complete. Failure to acknowledge receipt of this addendum may become cause for rejection of the proposal response.

Please sign below and submit this page of the addendum with your proposal response:

Signed  _____

Company Name Housing Authority of the City of Bellingham _____

COMMERCIAL SPACE MASTER LEASE

This Commercial Space Master Lease (the "Lease") is made and entered into as of October 25, 2021 (the "Effective Date"), by and between SAMISH WAY FAMILY HOUSING LLLP, a Washington limited liability limited partnership ("Landlord"), and the HOUSING AUTHORITY OF THE CITY OF BELLINGHAM, a public body corporate and politic of the State of Washington ("Tenant"), with reference to the following recitals of fact:

RECITALS:

A. WHEREAS, Landlord is the owner of certain real property located at 1331 E Laurel Street, Bellingham, Whatcom County, Washington 98225, as legally described in Exhibit A hereto (the "Property");

B. WHEREAS, the Property includes approximately 3,338 square feet of commercial space on the ground floor of the Property (the "Premises");

D. WHEREAS, Tenant desires to lease the Premises from Landlord, and Landlord desires to lease the Premises to Tenant, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereby agree as follows:

AGREEMENT:

1. Premises. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises on the terms and conditions hereinafter set forth.

2. Term. The term of this Lease (the "Term") shall commence on the Effective Date (the "Commencement Date") and shall terminate December 31, 2041, unless earlier terminated as provided herein or as otherwise provided by law.

3. Condition and Acceptance. Tenant's taking possession of the Premises shall constitute Tenant's acknowledgment that the Premises are in good condition and repair.

4. Annual Rent.

(a) Commencing on November 1, 2021 (the "Initial Rent Date"), and thereafter on each anniversary of the Initial Rent Date, Tenant shall pay to Landlord annual rent in the amount that is the greater of (a) \$1.00 or (b) the amount of any unfunded Operating Deficits (as defined in the Landlord's Amended and Restated Agreement of Limited Liability Limited Partnership dated October 1, 2021 (as amended from time to time, the "Landlord's Partnership Agreement")), but not more than the actual amount of income received by the Tenant from the Premises, which shall be paid in advance on an annual basis and in no event will the Annual Rent Amount exceed twenty percent (20%) of total building revenue (the "Annual Rent Amount").

(b) Landlord shall not become or be deemed to be a partner or a joint venturer of Tenant by reason of this Lease.

5. Taxes.

(a) Tenant shall pay when due all taxes, assessments, license fees and other charges that are levied or assessed against Tenant's personal property installed or located in or on the Premises and that become payable during the term of this Lease. Upon written request by Landlord, Tenant shall furnish Landlord with satisfactory evidence of such payment.

(b) In the event that any tax, assessment, levy, license fee, commercial rental tax or charge is levied by any governmental authority against the Premises or any portion thereof, or on Landlord's interest therein, then Tenant shall pay any such amount.

(c) Tenant acknowledges and agrees that (i) Landlord shall have the exclusive right to deduct, claim, retain and enjoy any and all income, appreciation gain, depreciation, amortization and tax credits for federal and state tax purposes relating to the Premises (with the exception of any tenant improvements paid by Tenant) and (ii) Tenant shall treat Landlord as the tax owner of the Premises for federal income tax purposes and shall not file any tax returns inconsistent with this treatment.

6. Permitted Use.

(a) The Premises may be used for any lawful purposes except as otherwise set forth herein. Tenant's use of the Premises as provided in this Lease shall be in accordance with the following terms and conditions:

(i) Insurance. Tenant shall not do, bring or keep anything in, on or about the Premises that will cause a cancellation or an increase in premium of any insurance covering the Premises, the Project and/or the Property.

(ii) Compliance with Laws. Tenant shall comply with all local, state and federal laws, rules and regulations concerning the Premises and Tenant's use of the Premises, including, without limitation, subject to the terms of this Lease, the obligation, at Tenant's sole cost and expense to maintain the Premises in compliance with all laws relating to the condition, use or occupancy of the Premises during the term of this Lease.

(iii) Waste; Nuisance. Tenant shall not use the Premises, or any portion of the Project, in a manner that will constitute waste, nuisance or unreasonable annoyance to owners or occupants of adjacent properties or buildings, or occupants of the Project.

(b) Prohibited Uses. The uses described in Exhibit B or any use which would materially and adversely interfere with the ability to occupy the Project as an affordable housing project will not now or hereafter be permitted in the Premises.

(c) Default. Tenant acknowledges and agrees that its use of the Premises in accordance with this Section and Section 10 below is a material inducement to Landlord to enter into this

Lease. Tenant's violation of any provision of this Section or the provisions of Section 10, shall constitute a material default by Tenant of its obligations under this Lease and shall entitle Landlord to all of its rights and remedies provided hereunder or at law or in equity.

7. Maintenance; Tenant Improvements.

(a) Landlord's Maintenance. Landlord, at its sole cost and expense, shall maintain, in good condition, the following:

- (i) The structural portion of the Premises, which structural portion shall include only the foundations, bearing and exterior walls, subflooring, and roof (excluding skylights);
- (ii) The unexposed electrical, plumbing and sewage systems lying outside the Premises;
- (iii) Window frames, gutters, downspouts on the Premises;
- (iv) Heating, ventilating and air conditioning systems servicing the Premises;
- (v) The parking areas, if any;
- (vi) All outdoor areas on the Property; and
- (vii) Elevator systems, if any, serving the Premises.

(b) Tenant's Maintenance; Net lease. Except as provided in subsection 7(a) above, (i) Tenant shall, at its sole cost and expense, maintain, in good, clean and sanitary condition and repair, Tenant's improvements, all of Tenant's personal property within the Premises, and any signage installed by Tenant or any Subtenant, (ii) Tenant shall pay for all utilities provided to the Premises pursuant to subsection 7(e), and (iii) Tenant shall pay for all other expenses or costs associated with the Premises.

(c) Alterations. Tenant may make improvements and alterations to the Premises; however, no such improvement or alteration shall be made until Tenant has provided to Landlord plans and specifications therefor and obtained Landlord's written consent thereto (which consent shall not unreasonably be withheld so long as, in Landlord's judgment, such improvement or alteration will not violate any portion of this Lease, or impair the value of the Property, or adversely affect Landlord's use of the Property). Any improvements or alterations made to the Premises shall be made only: (i) in good and workmanlike manner, and in accordance with all applicable building codes and other laws; and (ii) in such a manner that the use and enjoyment of the Property by other tenants is not compromised. Any alterations to the Premises made by Tenant shall remain on and be surrendered with the Premises upon the expiration of the Term of this Lease, except that Landlord may elect, during the period commencing 30 days before the expiration of the Term of this Lease, and terminating five days after the expiration of such Term, to require Tenant to remove any alterations that Tenant has made to the Premises.

(d) Mechanic's and Other Liens. Except as otherwise provided herein, Tenant shall: (i) within 30 days after it is filed or claimed, have released (by bonding or otherwise) any contractor's, mechanic's, materialman's or other lien filed or claimed against any or all of the Premises, by reason of labor or materials provided for or about any or all of the Premises, or otherwise arising out of Tenant's use or occupancy of any or all of the Premises; and (ii) defend, indemnify and hold harmless Landlord against and from any and all liability, claim of liability or expense (including but not limited to that of reasonable attorneys' fees) incurred by Landlord on account of any such lien or claim. Tenant shall have the right to contest the correctness or the validity of any such lien if, immediately upon written demand by Landlord, Tenant procures and records a lien release bond issued by a corporation authorized to issue surety bonds in the State of Washington, in an amount equal to one and one-half times the amount of the lien. The bonds shall meet the requirements of applicable Washington law and shall provide for the payment of any sum that the claimant may recover on the claim (together with the costs of suit, if it recovers in the action).

(e) Utilities. Tenant shall pay for all utilities and services furnished to the Premises or used by it, including, without limitation, gas, electricity, water, telephone service and trash collection, and for all connection charges. To the extent reasonable, Landlord shall cause all utilities serving the Premises (including, without limitation, electricity, telephone, gas, water, sewer, and trash removal) to be separately metered and in the name of the Tenant or applicable Subtenant. If any utility cannot be reasonably sub-metered, Tenant shall pay to Landlord its pro-rata share of expenses for such utilities, as reasonably determined by Landlord, upon Landlord's request.

(f) Additional Charges. Landlord shall pay all charges associated with common areas, insurance associated with common areas, fire alarm costs and other similar charges associated with the common areas.

8. Exculpation; Indemnity; Insurance.

(a) Exculpation of Landlord. Landlord shall not be liable to Tenant for any damage to Tenant or Tenant's property from any cause, except for damage arising from Landlord's failure to make any repairs required under subsection 7(a) within 30 days after Tenant has notified Landlord in writing of the need for such repairs; provided, however, that in the event such repairs cannot reasonably be completed within such 30 day period, Landlord shall not be liable to Tenant for such damages if Landlord commences such repairs within such 30 day period and thereafter diligently prosecutes such repairs to completion. Tenant waives all claims against Landlord for damages to personal property arising for any reason. In addition to the foregoing, Tenant will not bring any claim against Landlord for any breach or default under this Lease that occurs or arises when Tenant is a managing member of Landlord or an affiliate of any member of Landlord.

(b) Indemnity of Landlord. To the extent permitted by law, Tenant shall indemnify, defend with counsel acceptable to Landlord (except as set forth below) and hold Landlord harmless from and against any and all claims, losses, damages, demands and liabilities (excluding claims, losses, damages, demands and liabilities arising out of the negligence or intentional misconduct of Landlord or its agents, contractors, employees or legal representatives) arising from Tenant's use or occupancy of the Premises or from the conduct of Tenant's business at the Premises, or from

any activity, work or things done, permitted or suffered by Tenant in, on or about the Premises and, to the extent permitted by law, shall further indemnify, defend and hold harmless Landlord from and against any and all claims, losses, damages, demands and liabilities arising from any breach or default in the performance of any obligation of Tenant's part to be performed under the terms of this Lease, or arising from any negligence of Tenant, or any of Tenant's Subtenants, agents, contractors, employees or invitees, and from and against any all reasonable costs, attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against Landlord by reason of any such claim, loss, damage, demand or liability, Tenant, upon notice from Landlord, shall defend the same at Tenant's expense by counsel satisfactory to Landlord, provided that the selection of such counsel shall in all events be subject to the requirements of any insurance policy which may apply. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons, in, upon or about the Premises or the Property, arising from any cause (other than as a result of the negligence or intentional misconduct of Landlord or its agents, contractors, employees or legal representatives) and Tenant hereby waives all claims in respect thereof against Landlord and its constituent partners.

(c) Insurance.

(i) Tenant shall cause each Subtenant to carry liability insurance (bodily injury and property damage) in an amount of not less than \$1,000,000 per person and \$1,000,000 per occurrence for bodily injuries and death and in an amount not less than \$1,000,000 per occurrence for property damage. Such liability insurance shall insure against all liability of Tenant and its authorized representatives arising out of, or in connection with Tenant's use or occupancy of the Premises and other portions of the Property, including without limitation, the indemnity made by Tenant set forth in subsection 8(b) above. Tenant shall provide Landlord with certificates verifying such coverage acceptable to Landlord before entry upon the Premises. The certificate must be followed within 60 days by an endorsement to the insurance policy. All insurance policies shall name Landlord as an additional insured. Limits of said insurance shall not, however, limit the liability of Tenant hereunder.

(iii) All insurance required by this Lease shall be effected under policies issued by insurers of recognized responsibility, licensed or permitted to do business in the State of Washington.

(iv) No required insurance policies shall be subject to any of the following events: cancellation, reduction in coverage or limits, or non-renewal, except after notice in writing shall have been sent by registered mail addressed to Landlord, not less than 30 days (or ten days in the event of a failure to pay premiums) prior to the effective date of such event. Tenant shall, at least 30 days prior to the expiration of any such policy, furnish Landlord with renewals or "binders" thereof, or Landlord may order such insurance and charge the cost thereof to Tenant, which amount shall be payable by Tenant upon written demand.

(v) In accordance with applicable Washington laws, Tenant shall carry workers' compensation and employers' liability insurance for all persons employed by

Tenant in the performance of services set forth herein and in connection with operation of the Premises. Such workers' compensation insurance shall cover liability within statutory limits for compensation based upon death or bodily injury claims made by, for, or on behalf of any person incurring or suffering injury or death in connection with the operation of the Premises by Tenant. Tenant shall provide Landlord with a certificate verifying such coverage or endorsement acceptable to Landlord before commencing services under this Lease. Such policy shall require 30 days' notice to Landlord in writing prior to cancellation, termination or expiration of any kind.

(vi) Tenant acknowledges that under the terms of this Lease, Landlord may from time to time amend its insurance requirements and Tenant agrees that it shall at all times obtain and maintain all such insurance as Landlord may reasonably require from time to time in connection with the Premises.

9. Assignment. Tenant shall not assign its interest in this Lease without Landlord's and Landlord's investor member's (the "Investor Member") prior written consent, which consent shall not be unreasonably withheld or delayed in the event the proposed assignee is an affiliate of Tenant or under common control with Tenant.

10. Default.

(a) The occurrence of any of the following shall constitute a default by Tenant hereunder:

(i) Failure to perform any provision of this Lease if the failure to perform is not cured within ten days after the date of any notice of such failure has been sent by Landlord to Tenant.

(ii) (A) The making by Tenant of any general arrangement or assignment for the benefit of creditors; (B) Tenant becomes a "debtor" as defined in applicable federal bankruptcy laws (unless, in the case of a petition filed against Tenant, the same is dismissed within 90 days of its filing); (C) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within 90 days; or (D) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or Tenant's interest in this Lease, where such seizure is not discharged within 90 days.

(b) In the event of any default by Tenant under the terms of this Lease, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such default:

(i) Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default including, but not limited to, the cost of recovering possession of the Premises, expenses of re-letting, including necessary renovation and alteration of the Premises, reasonable attorney's fees,

and the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the term after the time of such award exceeds the amount of such rental loss for the same period that Tenant proves could be reasonably avoided;

(ii) Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder or pursue any other remedy now or hereafter available to Landlord.

(iii) Pursue any other right or remedy now or hereafter available to Landlord under the laws or judicial decisions of the State of Washington, including, without limitation, the right to seek specific performance of Tenant's obligations hereunder.

(c) Landlord, at any time after Tenant commits a default hereunder may cure such default at Tenant's cost. If Landlord at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be due immediately from Tenant to Landlord at the time the sum is paid, and, if paid at a later date, shall bear interest at the lesser of 10% *per annum* or the maximum rate permitted by law from the date the sum is paid by Landlord until Landlord is reimbursed by Tenant.

(d) If Landlord is in default of this Lease, and as a consequence Tenant recovers a money judgment against Landlord, the judgment shall be satisfied only out of Landlord's right, title and interest in the Property. Landlord shall not be personally liable for any deficiency. Notwithstanding the foregoing, for so long as Tenant or an affiliate of Tenant serve as a managing member of Landlord, Tenant shall not have any rights or remedies against Landlord arising from any default by Landlord under this Lease.

(e) All of Landlord's rights and remedies under this Section 10 shall survive the termination and/or expiration of this Lease and be binding upon Tenant.

11. Signs. Tenant shall comply with all applicable laws, rules, regulations and recorded declarations of covenants, conditions and restrictions regarding the installation and use of signage. Tenant shall be permitted to install signs and placards on the Premises and the common areas; provided, however, that any external signs placed on the Property shall be subject to the approval of the Landlord, which approval shall not be unreasonably withheld, conditioned or delayed.

12. Right of Entry.

(a) Landlord and its authorized representatives shall have the right to enter the Premises at all reasonable times for any of the following purposes:

(i) to determine whether the Premises is in good condition and repair and whether Tenant is complying with its obligations under this Lease.

(ii) to do any necessary maintenance and to make any restoration to the Premises.

(iii) to serve, post or keep posted any notices required or allowed under the provisions of this Lease.

(iv) to post "for sale", "for rent", or "for lease" signs at any time during the term of this Lease.

(v) to show the Premises to prospective brokers, agents, buyers, or tenants at any time during the term of this Lease.

(vi) to shore the foundations, footings and walls of the buildings and other improvements that are a part of the Premises and to erect scaffolding and protective barricades around and about the Premises, provided such scaffolding or protective barricades do not prevent entry to the Premises, and to do any other act or thing necessary for the safety of preservation of the Premises.

(b) Inconvenience or Nuisance. Landlord shall conduct its activities at the Premises as allowed in this Section 12 in a manner that minimizes inconvenience, annoyance or disturbance to Tenant.

(c) No Abatement or Reduction of Rights and Remedies. Tenant shall not be entitled to any abatement or reduction of Landlord's rights and remedies under Section 10, or otherwise, if Landlord exercises any rights reserved in this Section 12.

13. (a) Subordination Generally. This Lease is and shall be junior and subordinate to any encumbrance now of record. If any lender or other entity requires that this Lease be expressly subordinated to any encumbrance now or in the future, this Lease shall be subordinated to such encumbrance, pursuant to a document which is in form and substance acceptable to Landlord and such lender. Tenant shall attorn to any purchase whether out of a foreclosure sale or otherwise, or to any grantee or transferee designated in any deed given in lieu of foreclosure, or otherwise. Tenant shall execute, acknowledge if appropriate, and deliver to Landlord or any other party a written sublease required by any lender to accomplish the purposes of this subsection.

(c) Estoppel. Either party to this Lease or the Investor (as defined below), within ten days after request from the other party, shall execute and deliver to the other party, a certificate, stating that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. Failure to deliver the certificate within ten days of request therefor shall constitute a certification that this Lease is in full and effect and has not been modified except as may be represented by the party from whom the estoppel was requested.

14. Quiet Enjoyment. Landlord hereby covenants and agrees that, at the time of the execution and delivery of this Lease by the parties hereto, Landlord (a) is the fee simple owner of the Premises, (b) has the full right, power and authority to enter into this Lease and thereby to lease the Premises to Tenant, and (c) warrants that Tenant will have quiet and peaceful possession of the Premises during the term hereof so long as all of Tenant's obligations hereunder are timely performed, except if and to the extent that such possession is terminated pursuant to the provision of this Lease.

15. Notice. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid first class mail in the United States Mail, or by reputable overnight courier. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be delivered to the following addresses:

To Landlord: Samish Way Family Housing LLLP
c/o Housing Authority of the City of Bellingham
208 Unity Street
Bellingham, Washington 98225
Attention: Executive Director

with a copy to: RBC-Samish Way III, LLC
600 Superior Avenue, Suite 2300
Cleveland, Ohio 44114
Attention: President and General Counsel

with a copy to: Bocarsly Emden Cowan Esmail & Arndt LLP
633 West Fifth Street, 64th Floor
Los Angeles, California 90071
Attention: Kyle Arndt, Esq.

To Tenant: Housing Authority of the City of Bellingham
208 Unity Street
Bellingham, Washington 98225
Attention: Executive Director

Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated when actually delivered if delivered by hand or overnight courier or delivery service, or, if mailed, upon the first to occur of receipt or the expiration of three business days after deposit in the United States Postal Service mail, first class, postage prepaid, addressed to the party to whom the notice is to be given.

16. Termination and Holding Over. Notwithstanding anything to the contrary contained in this Lease, in the event that Tenant, is removed as a general partner of Landlord, pursuant to the terms and conditions of the Landlord's Partnership Agreement then either party shall have the option to terminate this Lease within thirty (30) days after such removal. This Lease also shall terminate without further notice upon the expiration of the Term. Tenant shall have no right to extend or renew this Lease upon the expiration of the Term. Upon the expiration or earlier termination of the Term, Tenant shall peaceably and quietly surrender the Premises broom clean and in the same condition (including, at Landlord's option, the demolition and removal of any Alterations made by Tenant to the Premises, unless at the time Landlord gave its consent to such Alterations Landlord agreed in writing that Tenant would not have to demolish and remove such Alterations upon the termination of this Lease) as the Premises were in upon delivery of possession of same to Tenant by Landlord, reasonable wear and tear excepted. Subject to the foregoing,

Tenant shall remove from the Premises all of Tenant's trade fixtures, furniture, equipment, signs, improvements, additions and Alterations to the extent such items are not permanently affixed to the Premises, and immediately repair any damage occasioned to the Premises by reason of such removal so as to leave the Premises in a neat and clean condition. Should Tenant hold over in the Premises beyond the expiration or earlier termination of this Lease, the holding over shall not constitute a renewal or extension of this Lease or give Tenant any rights under this Lease.

17. Delay and Waiver.

(a) Delay. No delay or omission in the exercise of any right or remedy by Landlord upon any default by Tenant shall impair such right or remedy or be construed as a waiver.

(b) Consent Not Waiver. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent act by Tenant.

(c) Waiver in Writing. Any waiver by Landlord of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Lease.

18. No Recordation. This Lease shall not be recorded.

19. Sale or Transfer. If Landlord sells or transfers all or any portion of the Property, the Project or the Premises, Landlord, upon consummation of the sale or transfer, shall be released from any and all liability under this Lease.

20. No Discrimination. There shall be no discrimination against or segregation of any person, or group of persons on account of race, color, religion, national origin, sex, age, disability, marital status, sexual preference, creed, ancestry, medical condition, Acquired Immune Deficiency Syndrome (AIDS), acquired or perceived, or retaliation for having filed a discrimination complaint in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee himself/herself or any person claiming under or through him/her, establish or permit any such practice or practices of discrimination or segregation with reference to the lessees, subtenants, sublessees or vendees of the land.

21. Hazardous Materials.

(a) For purposes of this Lease, "Hazardous Materials" shall mean petroleum, asbestos, flammable explosives, radioactive materials, hazardous wastes, toxic substances and hazardous substances and related materials, including without limitation, the substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.; and the regulations adopted in publications promulgated pursuant to said laws.

(b) If Tenant believes or has reasonable cause to believe that any release of a Hazardous Material has come to be located on or beneath the Property, then Tenant shall give written notice of any such discovery to Landlord. In addition, Tenant, at its sole cost, shall comply with all current

and future laws, regulations and orders relating to the storage, use and disposal of Hazardous Materials. If Tenant does store, use or dispose of any Hazardous Materials, Tenant shall notify Landlord in writing at least ten days prior to the first appearance of such materials on or about the Property and Tenant's failure to do so shall constitute a default under this Lease. Tenant shall not dispose of any Hazardous Materials at the Property. Tenant shall be solely responsible for and, to the extent permitted by law, shall defend, indemnify and hold Landlord and its members, directors, officers, employees, agents, contractors and the holder of any mortgage lien on all or a portion of the Property, and any successor to Tenant's interest in this Lease, their partners, directors, officers, employees and agents (collectively, the "Landlord Group") harmless from and against all claims, costs, losses, expenses and liabilities, including, without limitation, actual attorneys' fees and costs, arising out of or in connection with the storage, use and disposal of Hazardous Materials by Tenant, its partners, directors, officers, employees, invitees and agents (collectively, the "Tenant Group"). If the presence of Hazardous Materials on the Property caused or permitted by the Tenant Group results in contamination of the Property, or any portion thereof, then Tenant shall promptly take any and all action necessary to cleanup such contamination. If Tenant fails to proceed with the cleanup of any contamination or otherwise fails to comply with any laws, regulations or orders relating to Hazardous Materials, then Landlord, at its option, shall have the right to (i) declare Tenant in default under this Lease, and/or (ii) take any and all action necessary to cleanup such contamination or otherwise comply with any laws, regulations or orders relating to Hazardous Materials. Landlord shall have the right to (i) enter the Premises for the purpose of conducting any tests to determine the presence of Hazardous Materials at the Property, (ii) enter the Premises for the purpose of taking any corrective action pursuant to the rights granted to Landlord hereunder, and/or (iii) notify the appropriate governmental agencies of the existence of Hazardous Materials at the Property. Any costs incurred by Landlord in correcting or responding to the Hazardous Materials as set forth in this Lease shall be immediately due and payable by Tenant to Landlord. Tenant shall further be solely responsible for, and to the extent permitted by law, shall defend, indemnify and hold Landlord Group harmless from and against any and all claims, costs, losses, expenses and liabilities, including, without limitation, actual attorneys' fees and costs, arising out of or in connection with any removal, cleanup and restoration work and materials required hereunder to return the Property and any other property of whatever nature to their condition existing prior to the appearance of Hazardous Materials, to the extent that such Hazardous Materials are attributable to the Tenant Group. Tenant's obligations hereunder shall survive the termination of this Lease. All of Landlord's rights set forth in this Section shall be enforceable by, and shall inure to the benefit of, any and all of Landlord's lenders.

22. Miscellaneous.

(a) Time of Essence. Time is of the essence of each provision of this Lease.

(b) Corporate Authority. If either party is a corporation, that party shall deliver to the other party, upon execution of this Lease, a certified copy of a resolution of its board of directors authorizing the execution of this Lease and naming the officers that are authorized to execute this Lease on behalf of the corporation.

(c) Successors. Subject to Section 9 above, this Lease shall be binding on, and inure to the benefit of, the parties and successors and assigns.

(d) U.S. Money. All sums payable under this Lease must be paid in lawful money of the United States of America.

(e) Exhibits. All exhibits referred to in this Lease are attached to this Lease and incorporated herein by this reference.

(f) Washington Law. This Lease shall be construed and interpreted in accordance with the laws of the State of Washington.

(g) Integrated Lease; Modification. This Lease contains all the agreements of the parties hereto relating to the sublease of the Premises and cannot be amended or modified except by a written document executed with the Investor Member's prior written consent, not to be unreasonably withheld, conditioned or delayed.

(h) Severability. The enforceability, invalidity or illegality of any provision shall not render the other provisions of this Lease unenforceable, invalid or illegal.

(i) Counterparts. This Lease may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same instrument.

(j) Non-Merger. Except upon the expiration of the term of this Lease or upon other termination of this Lease pursuant to an express right set forth herein, there shall be no merger of this Lease nor of the leasehold estate created by this Lease with the fee estate or any part thereof by reason of the fact that the same person may acquire or own or hold, directly or indirectly, (i) this Lease or the leasehold estate created by this Lease or any interest in this Lease or in any such leasehold estate, and (ii) the fee estate or any part thereof, unless and until Landlord and Tenant, or their respective successor or assigns, shall enter into a written instrument effecting and acknowledging such merger.

22. Subletting. Notwithstanding anything to the contrary contained in this Lease, Landlord and Tenant acknowledge and agree that (a) Tenant intends, from time to time, to enter into one or more subleases of the Premises (each, a "Sublease") with a subtenant (each, a "Subtenant"), (b) pursuant to the terms of the Sublease, Tenant shall require the Subtenant to assume and perform all of Tenant's obligations under this Lease, and (c) Landlord shall first look to Subtenant to perform any of the Tenant's obligations under this Lease which have been assumed by the Subtenant. Notwithstanding the foregoing, prior to execution of any sublease for all or portions of the Premises, Tenant shall obtain the written consent of RBC-Samish Way III, LLC, a Delaware limited liability company, or its successors and/or assigns (the "Investor") to the tenant and the form of sublease, which consent shall not be unreasonably withheld, conditions or delayed.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have entered into this Lease as of the day and year first above written.


TENANT: HOUSING AUTHORITY of the City of Bellingham, a public body corporate and politic of the State of Washington



Brien Thane, Executive Director

LANDLORD: SAMISH WAY FAMILY HOUSING LLLP, a Washington limited liability limited partnership

By: Housing Authority of the City of Bellingham, its general partner



Brien Thane, Executive Director

Signature Page to Commercial Space Master Lease

112726309 0072716-00001



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228 E. Champion Street # 102
Bellingham, WA 98227
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LEASE AGREEMENT

(Single Tenant - Gross Lease - Bellingham Housing Authorities – Samish Commons ELC)

THIS LEASE AGREEMENT (the "Lease") is entered into and effective as of Click or tap here to enter text., between the Housing Authority of the City of Bellingham ("Landlord"), and Mountain View Early Learning Center, LLC ("Tenant"). Landlord and Tenant agree as follows:

1. LEASE SUMMARY.

- a. **Leased Premises.** The leased commercial real estate (the "Premises") consists of the real property legally described on attached Exhibit A, and all improvements thereon, and commonly described as 301 N Samish Way, Bellingham, WA 98225
- b. **Lease Commencement Date.** The term of this Lease shall be for a period of 120 months and shall commence on [Click or tap here to enter text.](#) or such earlier or later date as provided in Section 3 (the "Commencement Date").
- c. **Lease Termination Date.** The term of this Lease shall expire at midnight or [Click or tap here to enter text.](#) or such earlier or later date as provided in Section 3 (the "Termination Date"). Tenant shall have option to extend this Lease pursuant to the terms set forth in the Option to Extend Rider attached hereto.
- d. **Base Rent.** The base monthly rent shall be according to the Rent Rider attached hereto ("Base Rent"). Rent shall be payable at Landlord's address shown in Section 1(h) below, or such other place designated in writing by Landlord.
- e. **Prepaid Rent.** Upon execution of this Lease, Tenant shall deliver to Landlord the sum \$10 as prepaid rent.
- f. **Permitted Use.** The Premises shall be used only for childcare and early learning education and for no other purpose without the prior written consent of Landlord (the "Permitted Use").
- g. **Notice and Payment Addresses.**

Landlord: Housing Authority of the City of Bellingham
c/o Saratoga Commercial Real Estate
228 E. Champion St., Suite 102
Bellingham, WA 98225

Phone: 360-676-4866
Email: Info@SaratogaCom.Com

Tenant: Mountain View Early Learning Center, LLC
[Click or tap here to enter text.](#)
[Click or tap here to enter text.](#)

Phone: 360-540-3231
Email: sylviaalvarez25@gmail.com

2. PREMISES

- a. **Lease of Premises.** Landlord leases to Tenant, and Tenant leases from Landlord the Premises upon the terms specified in this Lease.



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b. **Acceptance of Premises.** Except as specified elsewhere in this Lease, Landlord makes no representations or warranties to Tenant regarding the Premises, including the structural condition of the Premises or the condition of all mechanical, electrical, and other systems on the Premises. Except for any tenant improvements to be completed by Landlord as described on attached Exhibit B (the "Landlord's Work"), Tenant shall be responsible for performing any work necessary to bring the Premises into a condition satisfactory to Tenant. By signing this Lease, Tenant acknowledges that it has had adequate opportunity to investigate the Premises; acknowledges responsibility for making any corrections, alterations and repairs to the Premises (other than the Landlord's Work); and acknowledges that the time needed to complete any such items shall not delay the Commencement Date.

c. **Tenant Improvements.** Attached Exhibit B sets forth all of Landlord's Work, if any, and all tenant improvements to be completed by Tenant (the "Tenant's Work"), if any, that will be performed on the Premises. Responsibility for design, payment and performance of all such work shall be as set forth on attached Exhibit B. If Tenant fails to notify Landlord of any defects in the Landlord's Work within thirty (30) days of delivery of possession to Tenant, Tenant shall be deemed to have accepted the Premises in their then condition. If Tenant discovers any major defects in the Landlord's Work during this 30-day period that would prevent Tenant from using the Premises for the Permitted Use, Tenant shall notify Landlord in writing and the Commencement Date shall be delayed until Landlord has notified Tenant that Landlord has corrected the major defects and Tenant has had five (5) days to inspect and approve the Premises. The Commencement Date shall not be delayed if Tenant's inspection reveals minor defects in the Landlord's Work that will not prevent Tenant from using the Premises for the Permitted Use. Tenant shall prepare a punch list of all minor defects in Landlord's Work and provide the punch list to Landlord, which Landlord shall promptly correct.

3. **TERM.** The term of this Lease shall commence on the Commencement Date specified in Section 1, or on such earlier or later date as may be specified by written notice delivered by Landlord to Tenant advising Tenant that the Premises are ready for possession and specifying the Commencement Date.

a. **Early Possession.** If Landlord permits Tenant to possess and occupy the Premises prior to the Commencement Date specified in Section 1, then such early occupancy shall not advance or change the Commencement Date or the Termination Date set forth in Section 1, but otherwise all terms and conditions of this Lease shall nevertheless apply during the period of early occupancy before the Commencement Date.

b. **Delayed Possession.** Landlord shall act diligently to make the Premises available to Tenant; provided, however, neither Landlord nor any agent or employee of Landlord shall be liable for any damage or loss due to Landlord's inability or failure to deliver possession of the Premises to Tenant as provided in this Lease. If possession is delayed, the Commencement Date set forth in Section 1 shall also be delayed. In addition, the Termination Date set forth in Section 1 shall be modified so that the length of the Lease term remains the same. If Landlord does not deliver possession of the Premises to Tenant within sixty (60) after the Commencement Date specified in Section 1, Tenant may elect to cancel this Lease by giving written notice to Landlord within ten (10) days after such time period ends. If Tenant gives such notice of cancellation, the Lease shall be cancelled, all prepaid rent and security deposits shall be refunded to Tenant, and neither Landlord nor Tenant shall have any further obligations to the other. The first "Lease Year" shall commence on the Commencement Date and shall end on the date which is sixteen (16) months from the end of the month in which the Commencement Date occurs. Each successive Lease Year during the initial term and any extension terms shall be twelve (12) months, commencing on the first day following the end of the preceding Lease Year. To the extent that the tenant improvements are not completed in time for the Tenant to occupy or take possession of the Premises on the Commencement Date due to the failure of Tenant to fulfill any of its obligations under this Lease, the Lease shall nevertheless commence



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on the Commencement Date set forth in Section 1.

4. RENT.

- a. **Payment of Rent.** Tenant shall pay Landlord without notice, demand, deduction, or offset, in lawful money of the United States, the base monthly rental stated in Section 1 above in advance on or before the first day of each month during the Lease term beginning **Click or tap here to enter text.**, and shall also pay any other additional payments due to Landlord ("Additional Rent") (collectively, "rent" or "Rent") when required under this Lease. Payments for any partial month at the beginning or end of the Lease shall be prorated. All payments due to Landlord under this Lease, including late fees and interest, shall also constitute Additional Rent, and upon failure of Tenant to pay any such costs, charges or expenses, Landlord shall have the same rights and remedies as otherwise provided in this Lease for the failure of Tenant to pay rent.
- b. **Late Charges; Default Interest.** If any sums payable by Tenant to Landlord under this Lease are not received within five (5) business days after their due date, Tenant shall pay Landlord an amount equal to the greater of \$100 or five percent (5%) of the delinquent amount for the cost of collecting and handling such late payment in addition to the amount due and as Additional Rent. All delinquent sums payable by Tenant to Landlord and not paid within five (5) business days after their due date shall, at Landlord's option, bear interest at the rate of fifteen percent (15%) per annum, or the highest rate of interest allowable by law, whichever is less (the "Default Rate"). Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.
- c. **Less Than Full Payment.** Landlord's acceptance of less than the full amount of any payment due from Tenant shall not be deemed an accord and satisfaction or compromise of such payment unless Landlord specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Landlord claims. Any portion that remains to be paid by Tenant shall be subject to the late charges and default interest provisions of this Section.

5. SECURITY DEPOSIT. Upon execution of this Lease, Tenant shall deliver to Landlord the security deposit specified in Section 1 above. Landlord's obligations with respect to the security deposit are those of a debtor and not of a trustee, and Landlord may commingle the security deposit with its other funds. If Tenant breaches any covenant or condition of this Lease, including but not limited to the payment of Rent, Landlord may apply all or any part of the security deposit to the payment of any sum in default and any damage suffered by Landlord as a result of Tenant's breach. Tenant acknowledges, however, that the security deposit shall not be considered as a measure of Tenant's damages in case of default by Tenant, and any payment to Landlord from the security deposit shall not be construed as a payment of liquidated damages for Tenant's default. If Landlord applies the security deposit as contemplated by this Section, Tenant shall, within five (5) days after written demand therefor by Landlord, deposit with Landlord the amount so applied. If Tenant complies with all of the covenants and conditions of this Lease throughout the Lease term, the security deposit shall be repaid to Tenant without interest within thirty (30) days after the surrender of the Premises by Tenant in the condition required by Section 11 of this Lease.

6. USES. The Premises shall be used only for the Permitted Use specified in Section 1 above, and for no other business or purpose without the prior written consent of Landlord. No act shall be done on or around the Premises that is unlawful or that will increase the existing rate of insurance on the Premises or cause the cancellation of any insurance on the Premises. Tenant shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance.

7. COMPLIANCE WITH LAWS. Tenant shall not cause or permit the Premises to be used in any way which violates any law, ordinance, or governmental regulation or order. Landlord represents to Tenant that, as of the Commencement Date, to Landlord's knowledge, but without duty of investigation, and with the exception of



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any Tenant's Work, the Premises comply with all applicable laws, rules, regulations, or orders, including without limitation, the Americans With Disabilities Act, if applicable, and Landlord shall be responsible to promptly cure at its sole cost any noncompliance which existed on the Commencement Date. Tenant shall be responsible for complying with all laws applicable to the Premises as a result of the Permitted Use, and Tenant shall be responsible for making any changes or alterations as may be required by law, rule, regulation, or order for Tenant's Permitted Use at its sole cost and expense. Otherwise, if changes or alterations are required by law, rule, regulation, or order unrelated to the Permitted Use, Landlord shall make changes and alterations at its expense.

- 8. UTILITIES.** Landlord shall not be responsible for providing any electricity, janitorial, garbage removal, heat, gas, telephone, water, sewer, Internet or cable services used by Tenant for the Premises and shall not be liable for any loss, injury or damage to person or property caused by or resulting from any variation, interruption, or failure of utilities due to any cause whatsoever, and rent shall not abate as a result thereof, except to the extent due to the intentional misconduct or gross negligence of Landlord. Tenant shall be responsible for determining whether available utilities and their capacities will meet Tenant's needs. Landlord will provide alarm monitoring and annual fire inspection during the term ("Provided Services"). Tenant's proportionate share of the Provided Services shall be billed to Tenant in accordance with the terms contained in the Rent Rider attached hereto. Tenant will also procure, or cause to be procured, without cost to Landlord, all necessary permits, licenses or other authorizations required for the lawful and proper installation, maintenance, replacement, and removal on or from the Premises of wires, pipes, conduits, tubes, and other equipment and appliances for use in supplying all utilities or services to the Premises. Landlord, upon request of Tenant, and at the sole expense and liability of Tenant, shall join with Tenant in any reasonable applications required for obtaining or continuing such utilities or services.
- 9. TAXES.** Tenant shall pay all taxes, assessments, liens and license fees ("Taxes") levied, assessed or imposed by any authority having the direct or indirect power to tax or assess any such liens, related to or required by Tenant's use of the Premises as well as all Taxes on Tenant's personal property located on the Premises. Landlord shall pay all Taxes with respect to the Premises, including any Taxes resulting from a reassessment of the Premises due to a change of ownership or otherwise.
- 10. ALTERATIONS.** Tenant may make alterations, additions or improvements to the Premises, including any Tenant's Work identified on attached Exhibit B (the "Alterations"), only with the prior written consent of Landlord, which, with respect to Alterations not affecting the structural components of the Premises or utility systems therein, shall not be unreasonably withheld, conditioned, or delayed. Landlord shall have thirty (30) days in which to respond to Tenant's request for any Alterations so long as such request includes the name of Tenant's contractors and reasonably detailed plans and specifications therefor. The term "Alterations" shall not include the installation of shelves, movable partitions, Tenant's equipment, and trade fixtures that may be performed without damaging existing improvements or the structural integrity of the Premises, and Landlord's consent shall not be required for Tenant's installation or removal of those items. Tenant shall perform all work within the Premises at Tenant's expense in compliance with all applicable laws and shall complete all Alterations in accordance with plans and specifications approved by Landlord, using contractors approved by Landlord. Tenant shall pay, when due, or furnish a bond for payment (as set forth in Section 18) all claims for labor or materials furnished to or for Tenant at or for use in the Premises, which claims are or may be secured by any mechanics' or materialmen's liens against the Premises or any interest therein. Tenant shall remove all Alterations at the end of the Lease term unless Landlord conditioned its consent upon Tenant leaving a specified Alteration at the Premises, in which case Tenant shall not remove such Alteration and it shall become Landlord's property. Tenant shall immediately repair any damage to the Premises caused by removal of Alterations.
- 11. REPAIRS AND MAINTENANCE; SURRENDER.** Tenant shall, at its sole expense, maintain the entire Premises including without limitation normal repairs and maintenance to all heating, ventilation, and air conditioning ("HVAC") equipment at the Premises, in good condition and promptly make all repairs and



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replacements, whether structural or non-structural, necessary to keep the Premises in safe operating condition, including all utilities and other systems serving the Premises, which shall in no event exceed 50% of the full replacement cost of the system unless caused by the negligent act or omission of the Tenant or the Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, but excluding the roof structure, subfloor, foundation, exterior walls, and capital repairs and replacements to the HVAC system (collectively, "Landlord's Repair Items"), which Landlord shall maintain in good condition and repair at Landlord's expense. Tenant shall not damage any Landlord's Repair Items and shall promptly repair any damage or injury done thereto caused by Tenant or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. Notwithstanding anything in this Section to the contrary, Tenant shall not be responsible for any repairs to the Premises made necessary by the negligence or willful misconduct of Landlord or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees therein. If Tenant fails to perform Tenant's obligations under this Section, Landlord may at Landlord's option enter upon the Premises after ten (10) days' prior notice to Tenant and put the same in good order, condition and repair and the cost thereof together with interest thereon at the default rate set forth in Section 4 shall be due and payable as Additional Rent to Landlord. Upon expiration of the Lease term, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises, together with all keys, to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable wear and tear and insured casualty excepted.

12. ACCESS AND RIGHT OF ENTRY. After twenty-four (24) hours' notice from Landlord (except in cases of emergency, when no notice shall be required), Tenant shall permit Landlord and its agents, employees and contractors to enter the Premises at all reasonable times to make repairs, inspections, alterations or improvements, provided that Landlord shall use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises. This Section shall not impose any repair or other obligation upon Landlord not expressly stated elsewhere in this Lease. After reasonable notice to Tenant, Landlord shall have the right to enter the Premises for the purpose of (a) showing the Premises to prospective purchasers or lenders at any time, and to prospective tenants within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term; and, (b) for posting "for lease" signs within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term.

13. SIGNAGE. Tenant shall obtain Landlord's written consent as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Premises. Tenant shall install any approved signage at Tenant's sole expense and in compliance with all applicable laws. Tenant shall not damage or deface the Premises in installing or removing signage and shall repair any injury or damage to the Premises caused by such installation or removal.

14. DESTRUCTION OR CONDEMNATION.

a. Damage and Repair. If the Premises are partially damaged but not rendered untenable, by fire or other insured casualty, then Landlord shall diligently restore the Premises to the extent required below and this Lease shall not terminate. Tenant may, however, terminate the Lease if Landlord is unable to restore the Premises within six (6) months of the casualty event by giving twenty (20) days' notice of termination.

The Premises shall not be deemed untenable if twenty-five percent (25%) or less of the Premises are damaged. If insurance proceeds are not available or are not sufficient to pay the entire cost of restoring the Premises, or if Landlord's lender does not permit all or any part of the insurance proceeds to be applied toward restoration, then Landlord may elect to terminate this Lease and keep the insurance proceeds, by notifying Tenant within sixty (60) days of the date of such casualty.

If fifty (50) percent or more of the rentable area of the Premises are destroyed or damaged and rendered untenable, by fire or other casualty, Landlord may, at its option: (a) terminate this Lease as provided herein, or (b) restore the Premises to their previous condition to the extent required below; provided,



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however, if such casualty event occurs during the last six (6) months of the Lease term (after considering any option to extend the term timely exercised by Tenant) then either Tenant or Landlord may elect to terminate the Lease. If, within sixty (60) days after receipt by Landlord from Tenant of written notice that Tenant deems the Premises untenable, Landlord fails to notify Tenant of its election to restore the Premises, or if Landlord is unable to restore the Premises within six (6) months of the date of the casualty event, then Tenant may elect to terminate the Lease upon twenty (20) days' written notice to Landlord unless Landlord, within such twenty (20) day period, notifies Tenant that it will in fact restore the Premises or actually completes such restoration work to the extent required below, as applicable.

If Landlord restores the Premises under this Section, Landlord shall proceed with reasonable diligence to complete the work, and the Base Rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole Premises, provided that there shall be a Rent abatement only if the damage or destruction of the Premises did not result from, or was not contributed to directly or indirectly by the act, fault or neglect of Tenant, or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. No damages, compensation or claim shall be payable by Landlord for inconvenience, loss of business or annoyance directly, incidentally or consequentially arising from any repair or restoration of any portion of the Premises. Landlord shall have no obligation to carry insurance of any kind for the protection of Tenant; any alterations or improvements paid for by Tenant; any Tenant Work identified in Exhibit B (regardless of who may have completed them); Tenant's furniture; or on any fixtures, equipment, improvements or appurtenances of Tenant under this Lease, and Landlord's restoration obligations hereunder shall not include any obligation to repair any damage thereto or replace the same.

- b. **Condemnation.** If the Premises are made untenable by eminent domain, or conveyed under a threat of condemnation, this Lease shall automatically terminate as of the earlier of the date title vests in the condemning authority or the condemning authority first has possession of the Premises and all Rents and other payments shall be paid to that date. If the condemning authority takes a portion of the Premises that does not render the Premises untenable, then this Lease shall continue in full force and effect and the base monthly rent shall be equitably reduced based on the proportion by which the floor area of any structures is reduced. The reduction in Rent shall be effective on the earlier of the date the condemning authority first has possession of such portion or title vests in the condemning authority. Landlord shall be entitled to the entire award from the condemning authority attributable to the value of the Premises and Tenant shall make no claim for the value of its leasehold. Tenant shall be permitted to make a separate claim against the condemning authority for moving expenses if Tenant may terminate this Lease pursuant to this Section, provided that in no event shall Tenant's claim reduce Landlord's award.

15. INSURANCE.

- a. **Tenant's Liability Insurance.** During the Lease term, Tenant shall pay for and maintain commercial general liability insurance with broad form property damage and contractual liability endorsements. This policy shall name Landlord, its property manager (if any), and other parties designated by Landlord as additional insureds using an endorsement form acceptable to Landlord, and shall insure Tenant's activities and those of Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees with respect to the Premises against loss, damage or liability for personal injury or bodily injury (including death) or loss or damage to property with a combined single limit of not less than \$2,000,000, and a deductible of not more than \$10,000. Tenant's insurance will be primary and noncontributory with any liability insurance carried by Landlord. Landlord may also require Tenant to obtain and maintain business income coverage for at least six (6) months, business auto liability coverage, and, if applicable to Tenant's Permitted Use, liquor liability insurance and/or warehouseman's coverage.
- b. **Tenant's Property Insurance.** During the Lease term, Tenant shall pay for and maintain special form clauses of loss coverage property insurance (with coverage for earthquake if required by Landlord's lender



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and, if the Premises are situated in a flood plain, flood damage) for all of Tenant's personal property, fixtures, and equipment in the amount of their full replacement value, with a deductible of not more than \$10,000

- c. **Miscellaneous.** Tenant's insurance required under this Section shall be with companies rated A-/VII or better in Best's Insurance Guide, and which are admitted in the State in which the Premises are located. No insurance policy shall be cancelled or reduced in coverage and each such policy shall provide that it is not subject to cancellation or a reduction in coverage except after thirty (30) days prior written notice to Landlord. Tenant shall deliver to Landlord upon commencement of the Lease and from time to time thereafter, copies of the insurance policies or evidence of insurance and copies of endorsements required by this Section. In no event shall the limits of such policies be considered as limiting the liability of Tenant under this Lease. If Tenant fails to acquire or maintain any insurance or provide any policy or evidence of insurance required by this Section, and such failure continues for three (3) days after written notice from Landlord, Landlord may, but shall not be required to, obtain such insurance for Landlord's benefit and Tenant shall reimburse Landlord for the costs of such insurance upon demand. Such amounts shall be Additional Rent payable by Tenant hereunder and in the event of non-payment thereof, Landlord shall have the same rights and remedies with respect to such non-payment as it has with respect to any other non-payment of Rent hereunder.
- d. **Landlord's Insurance.** Landlord, acting through the Samish Commons Condo Owner's Association, shall carry special form clauses of loss coverage property insurance for the improvements that make up the Premises (including their shell and core) in the amount of their full replacement value, and such other insurance of such types and amounts as Landlord, in its discretion, shall deem reasonably appropriate.
- e. **Waiver of Subrogation.** Landlord and Tenant hereby release each other and any other tenant, their agents or employees, from responsibility for, and waive their entire claim of recovery for any loss or damage arising from any cause covered by property insurance required to be carried or otherwise carried by each of them. Each party shall provide notice to the property insurance carrier or carriers of this mutual waiver of subrogation, and shall cause its respective property insurance carriers to waive all rights of subrogation against the other. This waiver shall not apply to the extent of the deductible amounts to any such property policies or to the extent of liabilities exceeding the limits of such policies.

16. INDEMNIFICATION.

- a. **Indemnification by Tenant.** Tenant shall defend, indemnify, and hold Landlord harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Tenant or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises, or arising from any breach of this Lease by Tenant. Tenant shall use legal counsel reasonably acceptable to Landlord in defense of any action within Tenant's defense obligation.
- b. **Indemnification by Landlord.** Landlord shall defend, indemnify and hold Tenant harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Landlord or Landlord's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises, or arising from any breach of this Lease by Landlord. Landlord shall use legal counsel reasonably acceptable to Tenant in defense of any action within Landlord's defense obligation.
- c. **Waiver of Immunity.** Landlord and Tenant each specifically and expressly waive any immunity that each may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. Neither party's indemnity obligations under this Lease shall be limited by any limitation on the amount or type of damages,



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compensation, or benefits payable to or for any third party under the Worker Compensation Acts, Disability Benefit Acts or other employee benefit acts.

- d. **Exemption of Landlord from Liability.** Except to the extent of claims arising out of Landlord's gross negligence or intentional misconduct, Landlord shall not be liable for injury to Tenant's business or assets or any loss of income therefrom or for damage to any property of Tenant or of its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, or any other person in or about the Premises.
- e. **Survival.** The provisions of this Section shall survive expiration or termination of this Lease.

17. ASSIGNMENT AND SUBLETTING. Tenant shall not assign, sublet, mortgage, encumber or otherwise transfer any interest in this Lease (collectively referred to as a "Transfer") or any part of the Premises, without first obtaining Landlord's written consent which shall not be unreasonably withheld, conditioned, or delayed. No Transfer shall relieve Tenant of any liability under this Lease notwithstanding Landlord's consent to such Transfer. Consent to any Transfer shall not operate as a waiver of the necessity for Landlord's consent to any subsequent Transfer. In connection with each request for consent to a Transfer, Tenant shall pay the reasonable cost of processing same, including attorneys' fees, upon demand of Landlord, up to a maximum of \$1,250.

If Tenant is a partnership, limited liability company, corporation, or other entity, any transfer of this Lease by merger, consolidation, redemption or liquidation, or any change in the ownership of, or power to vote, which singularly or collectively represents a majority of the beneficial interest in Tenant, shall constitute a Transfer under this Section.

As a condition to Landlord's approval, if given, any potential assignee or sublessee otherwise approved by Landlord shall assume all obligations of Tenant under this Lease and shall be jointly and severally liable with Tenant and any guarantor, if required, for the payment of Rent and performance of all terms of this Lease. In connection with any Transfer, Tenant shall provide Landlord with copies of all assignments, subleases and assumption agreements or documents.

18. LIENS. Tenant shall not subject the Landlord's assets to any liens or claims of lien. Tenant shall keep the Premises free from any liens created by or through Tenant. Tenant shall indemnify and hold Landlord harmless from liability for any such liens including, without limitation, liens arising from any Alterations. If a lien is filed against the Premises by any person claiming by, through or under Tenant, Tenant shall, within ten (10) days after Landlord's demand, at Tenant's expense, either remove the lien or furnish to Landlord a bond in form and amount and issued by a surety satisfactory to Landlord, indemnifying Landlord and the Premises against all liabilities, costs and expenses, including attorneys' fees, which Landlord could reasonably incur as a result of such lien.

19. DEFAULT. The following occurrences shall each constitute a default by Tenant (an "Event of Default").

- a. **Failure To Pay.** Failure by Tenant to pay any sum, including Rent, due under this Lease following five (5) days' notice from Landlord of the failure to pay.
- b. **Vacation/Abandonment.** Vacation by Tenant of the Premises (defined as an absence for at least fifteen (15) consecutive days without prior notice to Landlord), or abandonment by Tenant of the Premises (defined as an absence of five (5) days or more while Tenant is in breach of some other term of this Lease). Tenant's vacation or abandonment of the Premises shall not be subject to any notice or right to cure.
- c. **Insolvency.** Tenant's insolvency or bankruptcy (whether voluntary or involuntary); or appointment of a receiver, assignee or other liquidating officer for Tenant's business; provided, however, that in the event



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of any involuntary bankruptcy or other insolvency proceeding, the existence of such proceeding shall constitute an Event of Default only if such proceeding is not dismissed or vacated within sixty (60) days after its institution or commencement.

- d. **Levy or Execution.** The taking of Tenant's interest in this Lease or the Premises, or any part thereof, is taken by execution or other process of law directed against Tenant, or attachment of Tenant's interest in this Lease by any creditor of Tenant, if such attachment is not discharged within fifteen (15) days after being levied.
- e. **Other Non-Monetary Defaults.** The breach by Tenant of any agreement, term or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease, which breach continues for a period of thirty (30) days after notice by Landlord to Tenant of the breach.
- f. **Failure to Take Possession.** Failure by Tenant to take possession of the Premises on the Commencement Date or failure by Tenant to commence any Tenant Improvement in a timely fashion.

Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after notice by Tenant to Landlord. If Landlord fails to cure any such default within the allotted time, Tenant's sole remedy shall be to seek actual money damages (but not consequential or punitive damages) for loss arising from Landlord's failure to discharge its obligations under this Lease. Nothing herein contained shall relieve Landlord from its duty to perform of any of its obligations to the standard prescribed in this Lease.

Any notice periods granted herein shall be deemed to run concurrently with and not in addition to any default notice periods required by law.

20. REMEDIES. Landlord shall have the following remedies upon an Event of Default. Landlord's rights and remedies under this Lease shall be cumulative, and none shall exclude any other right or remedy allowed by law.

- a. **Termination of Lease.** Landlord may terminate Tenant's interest under the Lease, but no act by Landlord other than notice of termination from Landlord to Tenant shall terminate this Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Tenant will remain liable to Landlord for damages in an amount equal to the rent and other sums that would have been owing by Tenant under this Lease for the balance of the Lease term, less the net proceeds, if any, of any re-letting of the Premises by Landlord subsequent to the termination, after deducting all of Landlord's Reletting Expenses (as defined below). Landlord shall be entitled to either collect damages from Tenant monthly on the days on which rent or other amounts would have been payable under the Lease, or alternatively, Landlord may accelerate Tenant's obligations under the Lease and recover from Tenant: (i) unpaid rent which had been earned at the time of termination; (ii) the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of rent loss that Tenant proves could reasonably have been avoided; (iii) the amount by which the unpaid rent for the balance of the term of the Lease after the time of award exceeds the amount of rent loss that Tenant proves could reasonably be avoided (discounting such amount by the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%); and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under the Lease, or which in the ordinary course would be likely to result from the Event of Default, including without limitation Reletting Expenses described below.
- b. **Re-Entry and Reletting.** Landlord may continue this Lease in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Tenant from the Premises and anyone claiming through or under the Tenant, and remove the personal property of either.



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Landlord may relet the Premises, or any part of them, in Landlord's or Tenant's name for the account of Tenant, for such period of time and at such other terms and conditions, as Landlord, in its discretion, may determine. Landlord may collect and receive the rents for the Premises. To the fullest extent permitted by law, the proceeds of any reletting shall be applied: first, to pay Landlord all Reletting Expenses (defined below); second, to pay any indebtedness of Tenant to Landlord other than rent; third, to the rent due and unpaid hereunder, and fourth, the residue, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant shall not be entitled to receive any portion of such revenue. Re-entry or taking possession of the Premises by Landlord under this Section shall not be construed as an election on Landlord's part to terminate this Lease, unless a notice of termination is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease. Tenant will pay Landlord the Rent and other sums which would be payable under this Lease if repossession had not occurred, less the net proceeds, if any, after reletting the Premises and after deducting Landlord's Reletting Expenses.

"Reletting Expenses" is defined to include all expenses incurred by Landlord in connection with reletting the Premises, including without limitation, all repossession costs, brokerage commissions and costs for securing new tenants, attorneys' fees, remodeling and repair costs, costs for removing persons or property, costs for storing Tenant's property and equipment, and costs of tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.

- c. **Waiver of Redemption Rights.** Tenant, for itself, and on behalf of any and all persons claiming through or under Tenant, including creditors of all kinds, hereby waives and surrenders all rights and privileges which they may have under any present or future law, to redeem the Premises or to have a continuance of this Lease for the Lease term or any extension thereof.
- d. **Nonpayment of Additional Rent.** All costs which Tenant is obligated to pay to Landlord pursuant to this Lease shall in the event of nonpayment be treated as if they were payments of Rent, and Landlord shall have the same rights it has with respect to nonpayment of Rent.
- e. **Failure to Remove Property.** If Tenant fails to remove any of its property from the Premises at Landlord's request following an uncured Event of Default, Landlord may, at its option, remove and store the property at Tenant's expense and risk. If Tenant does not pay the storage cost within five (5) days of Landlord's request, Landlord may, at its option, have any or all of such property sold at public or private sale (and Landlord may become a purchaser at such sale), in such manner as Landlord deems proper, without notice to Tenant. Landlord shall apply the proceeds of such sale: (i) to the expense of such sale, including reasonable attorneys' fees actually incurred; (ii) to the payment of the costs or charges for storing such property; (iii) to the payment of any other sums of money which may then be or thereafter become due Landlord from Tenant under any of the terms hereof; and (iv) the balance, if any, to Tenant. Nothing in this Section shall limit Landlord's right to sell Tenant's personal property as permitted by law or to foreclose Landlord's lien for unpaid rent.

21. MORTGAGE SUBORDINATION AND ATTORNMENT. This Lease shall automatically be subordinate to any mortgage or deed of trust created by Landlord which is now existing or hereafter placed upon the Premises including any advances, interest, modifications, renewals, replacements or extensions ("Landlord's Mortgage"). Tenant shall attorn to the holder of any Landlord's Mortgage or any party acquiring the Premises at any sale or other proceeding under any Landlord's Mortgage provided the acquiring party assumes the obligations of Landlord under this Lease. Tenant shall promptly, and in no event later than fifteen (15) days after request, execute, acknowledge and deliver documents which the holder of any Landlord's Mortgage may reasonably require as further evidence of this subordination and attornment. Notwithstanding the foregoing, Tenant's obligations under this Section to subordinate in the future are conditioned on the holder of each Landlord's Mortgage and each party acquiring the Premises at any sale or other proceeding under any such Landlord's Mortgage not disturbing Tenant's occupancy and other rights under this Lease, so long as no uncured Event of Default by Tenant exists.



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- 22. NON-WAIVER.** Landlord's waiver of any breach of any provision contained in this Lease shall not be deemed to be a waiver of the same provision for subsequent acts of Tenant. The acceptance by Landlord of Rent or other amounts due by Tenant hereunder shall not be deemed to be a waiver of any previous breach by Tenant.
- 23. HOLDOVER.** If Tenant shall, without the written consent of Landlord, remain in possession of the Premises and fail to return them to Landlord after the expiration or termination of the Lease, the tenancy shall be a holdover tenancy and shall be on a month-to-month basis, which may be terminated according to Washington law. During such tenancy, Tenant agrees to pay to Landlord 150% of the rate of rental last payable under this Lease, unless a different rate is agreed upon by Landlord. All other terms of the Lease shall remain in effect. Tenant acknowledges and agrees that this Section does not grant any right to Tenant to holdover, and that Tenant may also be liable to Landlord for any and all damages or expenses which Landlord may have to incur as a result of Tenant's holdover.
- 24. NOTICES.** All notices under this Lease shall be in writing and effective (i) when delivered in person or via overnight courier to the other party, (ii) three (3) days after being sent by registered or certified mail to the other party at the address set forth in Section 1; or (iii) upon confirmed transmission by facsimile to the other party at the facsimile numbers set forth in Section 1. The addresses for notices and payment of rent set forth in Section 1 may be modified by either party only by written notice delivered in conformance with this Section.
- 25. COSTS AND ATTORNEYS' FEES.** If Tenant or Landlord engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Rent or other payments or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such action, whether in mediation or arbitration, at trial, on appeal, or in any bankruptcy proceeding.
- 26. ESTOPPEL CERTIFICATES.** Tenant shall, from time to time, upon written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement specifying the following, subject to any modifications necessary to make such statements true and complete: (i) the total rentable square footage of the Premises; (ii) the date the Lease term commenced and the date it expires; (iii) the amount of minimum monthly Rent and the date to which such Rent has been paid; (iv) that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way; (v) that this Lease represents the entire agreement between the parties; (vi) that all obligations under this Lease to be performed by either party have been satisfied; (vii) that there are no existing claims, defenses or offsets which the Tenant has against the enforcement of this Lease by Landlord; (viii) the amount of Rent, if any, that Tenant paid in advance; (ix) the amount of security that Tenant deposited with Landlord; (x) if Tenant has sublet all or a portion of the Premises or assigned its interest in the Lease and to whom; (xi) if Tenant has any option to extend the Lease or option to purchase the Premises; and (xii) such other factual matters concerning the Lease or the Premises as Landlord may reasonably request. Tenant acknowledges and agrees that any statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or assignee of any mortgage or new mortgagee of Landlord's interest in the Premises. If Tenant shall fail to respond within ten (10) days to Landlord's request for the statement required by this Section, Landlord may provide the statement and Tenant shall be deemed to have admitted the accuracy of the information provided by Landlord.
- 27. TRANSFER OF LANDLORD'S INTEREST.** This Lease shall be assignable by Landlord without the consent of Tenant. In the event of any transfer or transfers of Landlord's interest in the Premises, other than a transfer for collateral purposes only, upon the assumption of this Lease by the transferee, Landlord shall be automatically relieved of obligations and liabilities accruing from and after the date of such transfer, including any liability for any retained security deposit or prepaid rent, for which the transferee shall be liable, and Tenant shall attorn to the transferee.
- 28. LANDLORD'S LIABILITY.** Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants,



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undertakings and agreements for the purpose of binding Landlord personally or the assets of Landlord but are made and intended for the purpose of binding only the Landlord's interest in the Premises, as the same may from time to time be encumbered. In no event shall Landlord or its partners, shareholders, or members, as the case may be, ever be personally liable hereunder.

29. RIGHT TO PERFORM. If Tenant shall fail to timely pay any sum or perform any other act on its part to be performed hereunder, Landlord may make any such payment or perform any act on Tenant's behalf. Tenant shall, within ten (10) days of demand, reimburse Landlord for its expenses incurred in making such payment or performance. Landlord shall (in addition to any other right or remedy of Landlord provided by law) have the same rights and remedies in the event of the nonpayment of sums due under this Section as in the case of default by Tenant in the payment of Rent.

30. HAZARDOUS MATERIAL. As used herein, the term "Hazardous Material" means any hazardous, dangerous, toxic or harmful substance, material or waste including biomedical waste which is or becomes regulated by any local governmental authority, the State of Washington or the United States Government, due to its potential harm to the health, safety or welfare of humans or the environment. Landlord represents and warrants to Tenant that, to Landlord's knowledge without duty of investigation, there is no Hazardous Material on, in, or under the Premises as of the Commencement Date except as may otherwise have been disclosed to Tenant in writing before the execution of this Lease. If there is any Hazardous Material on, in, or under the Premises as of the Commencement Date which has been or thereafter becomes unlawfully released through no fault of Tenant, then Landlord shall indemnify, defend and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred or suffered by Tenant either during or after the Lease term as the result of such contamination.

Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except with Landlord's prior consent and then only upon strict compliance with all applicable federal, state and local laws, regulations, codes and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including, without limitation, diminution in the value of the Premises; damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, or elsewhere; damages arising from any adverse impact on marketing of space at the Premises; and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees incurred or suffered by Landlord either during or after the Lease term.

These indemnifications by Landlord and Tenant include, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work, whether or not required by any federal, state or local governmental agency or political subdivision, because of Hazardous Material present in the Premises, or in soil or ground water on or under the Premises. Tenant shall immediately notify Landlord of any inquiry, investigation or notice that Tenant may receive from any third party regarding the actual or suspected presence of Hazardous Material on the Premises.

Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any unlawful release of any Hazardous Material on the Premises, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Premises or any other property, to the condition existing prior to the release of any such Hazardous Material; provided that Landlord's approval of such actions shall first be obtained, which approval may be withheld at Landlord's sole discretion. The provisions of this Section shall survive expiration or termination of this Lease.

31. QUIET ENJOYMENT. So long as Tenant pays the Rent and performs all of its obligations in this Lease, Tenant's possession of the Premises will not be disturbed by Landlord or anyone claiming by, through or under



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Landlord.

32. MERGER. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.

33. GENERAL.

- a. **Heirs and Assigns.** This Lease shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.
- b. **Entire Agreement.** This Lease contains all of the covenants and agreements between Landlord and Tenant relating to the Premises. No prior or contemporaneous agreements or understanding pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or amended to except in writing signed by Landlord and Tenant.
- c. **Severability.** Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Lease.
- d. **Force Majeure.** Time periods for either party's performance under any provisions of this Lease (excluding payment of Rent) shall be extended for periods of time during which the party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war or other strife.
- e. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Washington.
- f. **Memorandum of Lease.** Neither this Lease nor any memorandum or "short form" thereof shall be recorded without Landlord's prior consent.
- g. **Submission of Lease Form Not an Offer.** One party's submission of this Lease to the other for review shall not constitute an offer to lease the Premises. This Lease shall not become effective and binding upon Landlord and Tenant until it has been fully signed by both of them.
- h. **Authority of Parties.** Each party signing this Lease represents and warrants to the other that it has the authority to enter into this Lease, that the execution and delivery of this Lease has been duly authorized, and that upon such execution and delivery this Lease shall be binding upon and enforceable against the party on signing.
- i. **Time.** "Day" as used herein means a calendar day and "business day" means any day on which commercial banks are generally open for business in the state where the Premises are situated. Any period of time which would otherwise end on a non-business day shall be extended to the next following business day. Time is of the essence of this Lease.

34. EXHIBITS AND RIDERS. The following exhibits and riders are made a part of this Lease, and the terms thereof shall control over any inconsistent provision in the sections of this Lease:

Exhibit A: Legal Description of the Premises

Exhibit B: Tenant Improvements of the Premises

Exhibit C: Covenants on the Premises



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Rent Rider

Option to Extend Rider

Early Termination Rider

Use Agreement

35. AGENCY DISCLOSURE. At the signing of this Lease,

Landlord is represented by Click or tap here to enter text., Saratoga Commercial Real Estate (insert name of Broker and Firm as licensed) (the "Landlord's Broker"); and Tenant is represented by Click or tap here to enter text.(insert name of Broker and Firm as licensed) (the "Tenant's Broker").

This Agency Disclosure creates an agency relationship between Landlord, Landlord's Broker (if any such person is disclosed), and any managing brokers who supervise Landlord Broker's performance (collectively the "Supervising Brokers"). In addition, this Agency Disclosure creates an agency relationship between Tenant, Tenant's Broker (if any such person is disclosed), and any managing brokers who supervise Tenant's Broker's performance (also collectively the "Supervising Brokers"). If Tenant's Broker and Landlord's Broker are different real estate licensees affiliated with the same Firm, then both Tenant and Landlord confirm their consent to that Firm and both Tenant's and Landlord's Supervising Brokers acting as dual agents. If Tenant's Broker and Landlord's Broker are the same real estate licensee who represents both parties, then both Landlord and Tenant acknowledge that the Broker, his or her Supervising Brokers, and his or her Firm are acting as dual agents and hereby consent to such dual agency. If Tenant's Broker, Landlord's Broker, their Supervising Brokers, or their Firm are dual agents, Landlord and Tenant consent to Tenant's Broker, Landlord's Broker and their Firm being compensated based on a percentage of the rent or as otherwise disclosed on an attached addendum. Neither Tenant's Broker, Landlord's Broker nor either of their Firms are receiving compensation from more than one party to this transaction unless otherwise disclosed on an attached addendum, in which case Landlord and Tenant consent to such compensation. Landlord and Tenant confirm receipt of the pamphlet entitled "The Law of Real Estate Agency."

36. BROKER PROVISIONS. LANDLORD'S BROKER, TENANT'S BROKER AND THEIR FIRMS HAVE MADE NO REPRESENTATIONS OR WARRANTIES CONCERNING THE PREMISES, THE MEANING OF THE TERMS AND CONDITIONS OF THIS LEASE, LANDLORD'S OR TENANT'S FINANCIAL STANDING, ZONING, COMPLIANCE OF THE PREMISES WITH APPLICABLE LAWS, SERVICE OR CAPACITY OF UTILITIES, OPERATING COSTS, OR HAZARDOUS MATERIALS. LANDLORD AND TENANT ARE EACH ADVISED TO SEEK INDEPENDENT LEGAL ADVICE ON THESE AND OTHER MATTERS ARISING UNDER THIS LEASE.

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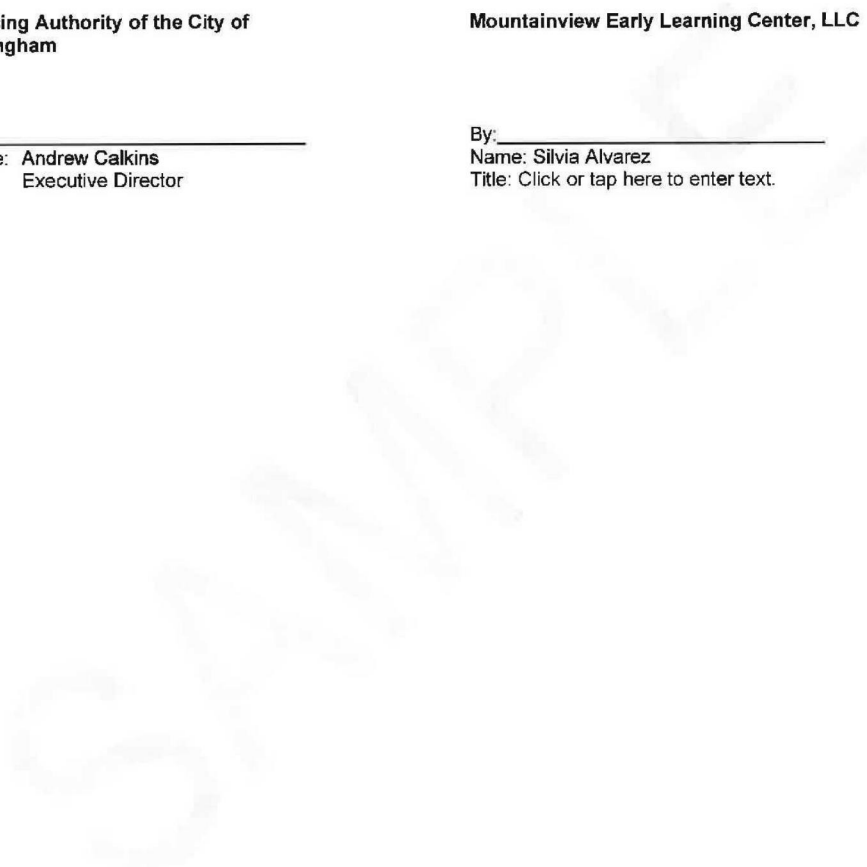
Executed by the parties as of the day and year first set forth above.

**Housing Authority of the City of
Bellingham**

Mountainview Early Learning Center, LLC

By: _____
Name: Andrew Calkins
Title: Executive Director

By: _____
Name: Silvia Alvarez
Title: Click or tap here to enter text.





BELINGHAM HOUSING AUTHORITY
SAMISH COMMONS EARLY LEARNING CENTER
301 North Samish Way
Bellevue, WA 98225

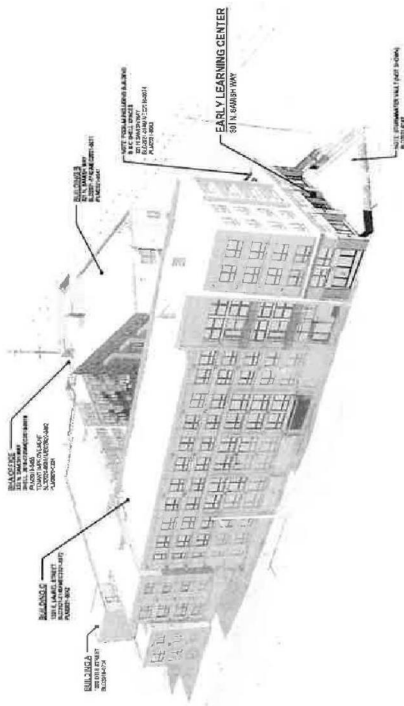
DATE: 06/20/2017	
TIME: 10:00 AM	
PROJECT: SAMISH COMMONS EARLY LEARNING CENTER	
SHEET: 001	
COVER SHEET	
G001	

Project Team

ROLE	NAME	COMPANY
OWNER	BELINGHAM HOUSING AUTHORITY	BELINGHAM HOUSING AUTHORITY
ARCHITECT	RMC ARCHITECTS	RMC ARCHITECTS
ENGINEER
CONTRACTOR

Drawing Index

NO.	DESCRIPTION
1	COVER SHEET
2	GENERAL NOTES
3	FOUNDATION
4	FLOOR PLAN
5	ROOF PLAN
6	ELEVATIONS



Rendering of Samish Exterior

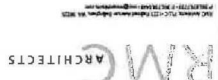
Vicinity Map



Architectural Symbols

Legend for architectural symbols including: View Name, Section Line, Wall Line, Window Line, Door Line, and various material and finish symbols.

NO.	DESCRIPTION
1	GENERAL NOTES
2	FOUNDATION
3	FLOOR PLAN
4	ROOF PLAN
5	ELEVATIONS
6	SECTION



Project Information

PROJECT DATA
 PROJECT NAME: SAMISH COMMONS EARLY LEARNING CENTER
 PROJECT ADDRESS: 301 NORTH SAMISH WAY, BELLINGHAM, WA 98225
 PROJECT NUMBER: 2018-001
 PROJECT DATE: 10/2018
 PROJECT OWNER: BELLINGHAM HOUSING AUTHORITY
 PROJECT ARCHITECT: RMC ARCHITECTS
 PROJECT ENGINEER: RMC ARCHITECTS
 PROJECT DESIGNER: RMC ARCHITECTS
 PROJECT CONTRACTOR: [REDACTED]
 PROJECT PERMITS: [REDACTED]

USE / OCCUPANCY	AREA (SQ FT)	PERMITTED USES	PERMITTED OCCUPANCY
ASSEMBLY	10,000	Assembly, Performance, Exhibition, Entertainment	A-1, A-2, A-3, A-4, A-5, A-6, A-7, A-8, A-9, A-10
RETAIL	5,000	Retail, Sales, Service	S-1, S-2, S-3, S-4, S-5, S-6, S-7, S-8, S-9, S-10
OFFICE	15,000	Office, Professional, Business	O-1, O-2, O-3, O-4, O-5, O-6, O-7, O-8, O-9, O-10
EDUCATION	20,000	Education, Training, Research	E-1, E-2, E-3, E-4, E-5, E-6, E-7, E-8, E-9, E-10
RESIDENTIAL	30,000	Residential, Single-Family, Multi-Family	R-1, R-2, R-3, R-4, R-5, R-6, R-7, R-8, R-9, R-10

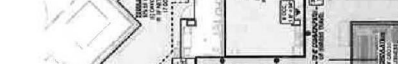
SAMISH COMMONS EARLY LEARNING CENTER
 BELLINGHAM HOUSING AUTHORITY
 301 North Samish Way
 Bellingham, WA 98225

PROJECT AND CODE INFORMATION

G002

PERMITS
 PERMIT NUMBER: [REDACTED]
 PERMIT DATE: [REDACTED]
 PERMIT EXPIRES: [REDACTED]

GENERAL NOTES
 1. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL BUILDING CODE (IBC) AND THE INTERNATIONAL PLUMBING AND MECHANICAL CODE (IMC).
 2. THE OWNER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL JURISDICTION.
 3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL JURISDICTION.
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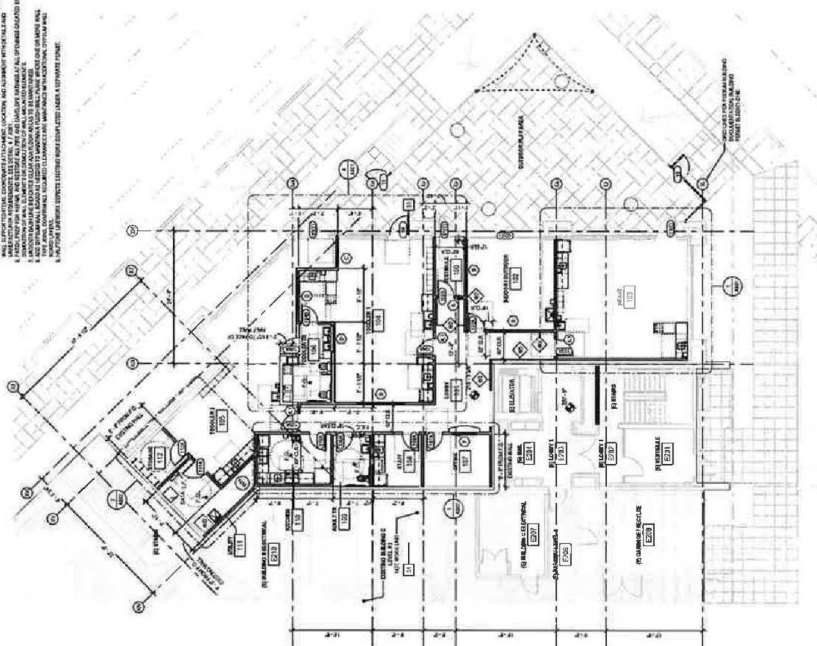


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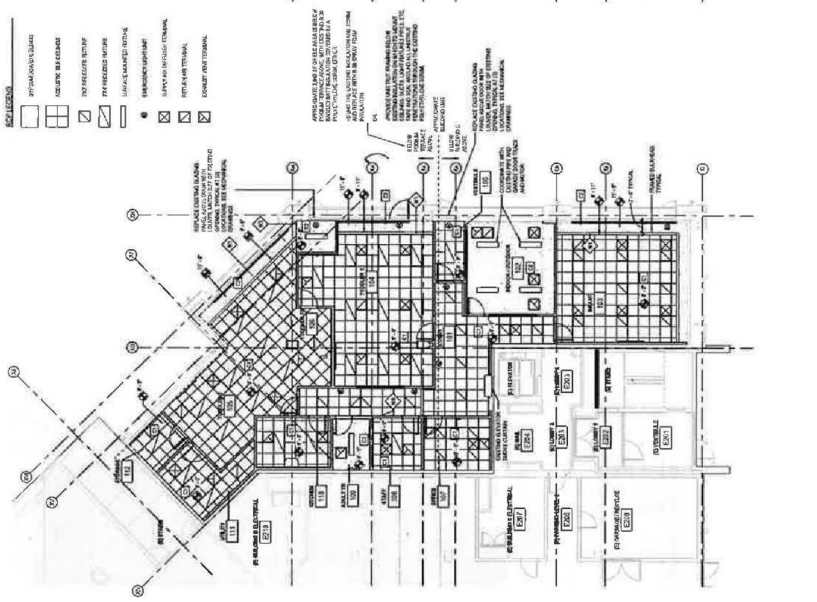
BELLINGHAM HOUSING AUTHORITY
301 North Samish Way
Bellingham, WA 98225

A201
FLOOR PLAN
AND REFLECTED
CEILING PLAN

NOTES:
1. ALL DIMENSIONS UNLESS OTHERWISE NOTED ARE TO FACE.
2. REFER TO ALL RELATED DRAWINGS FOR COMPLETE INFORMATION.
3. VERIFY ALL CONDITIONS AND CONDITIONS BEFORE CONSTRUCTION.
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1 Floor Plan
1/8" = 1'-0"

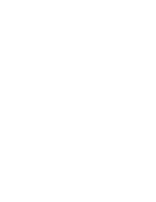
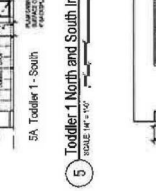
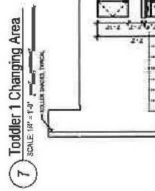
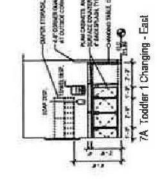
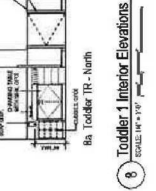
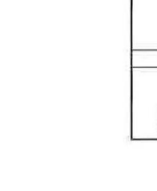
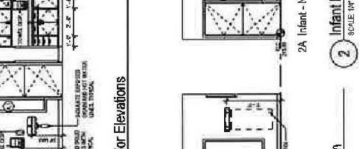
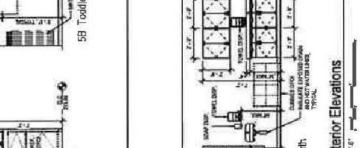
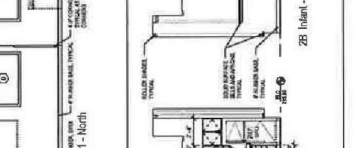
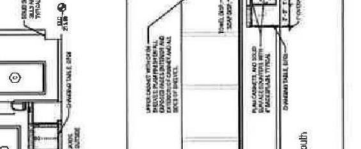
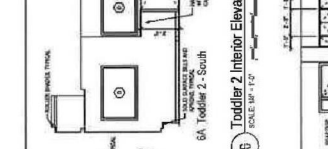
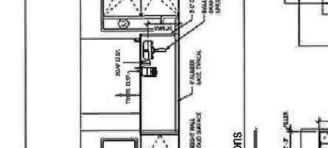
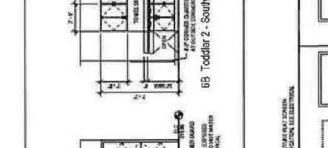
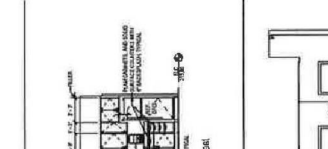
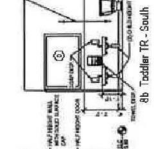
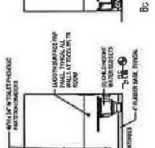
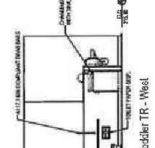
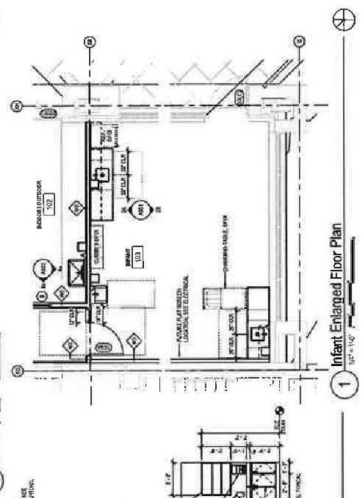
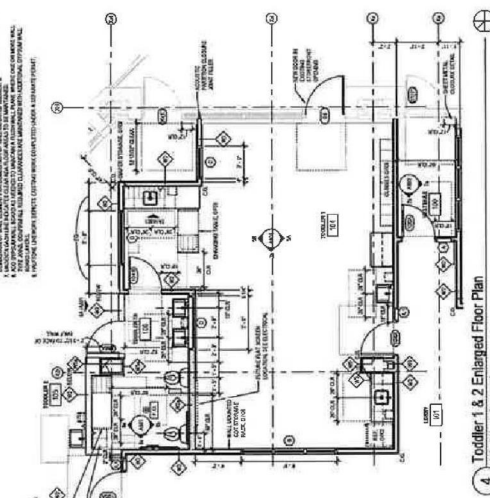
2 Reflected Ceiling Plan
1/8" = 1'-0"

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301 North Samish Way
Bellingham, WA 98225

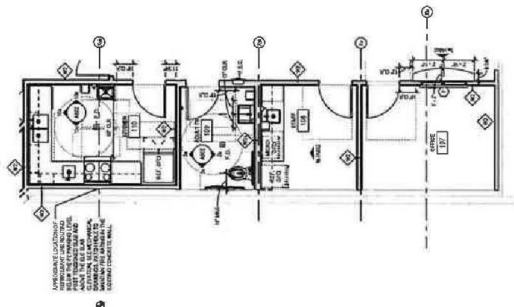
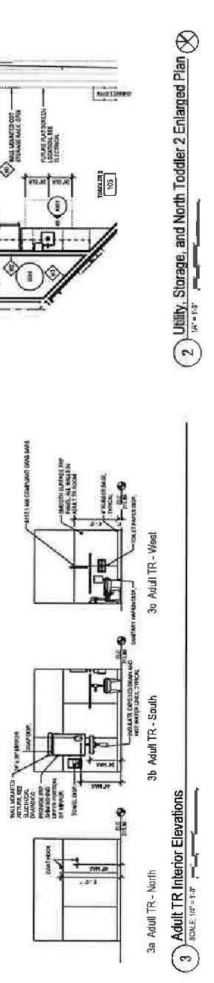
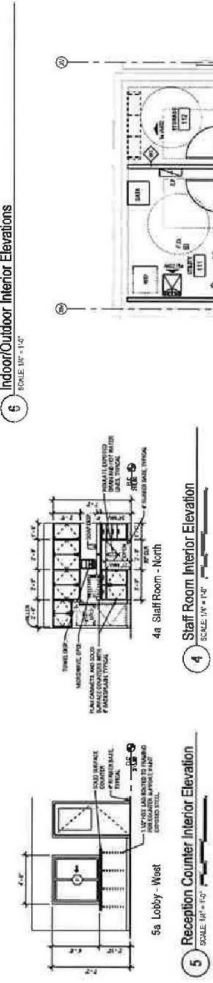
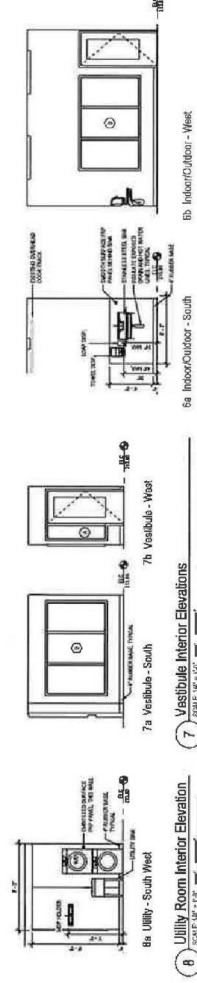
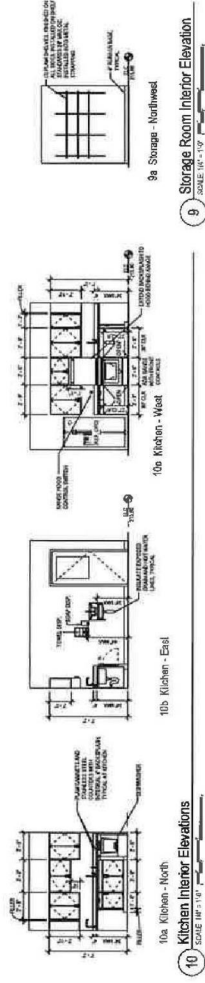
SAMISH COMMONS EARLY LEARNING CENTER
BELLINGHAM HOUSING AUTHORITY

ENLARGED PLANS & INTERIOR ELEVATIONS
A601

GENERAL NOTES:
1. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL BUILDING CODE (IBC) AND THE INTERNATIONAL PLUMBING AND MECHANICAL CODE (IMC).
2. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL ELECTRICAL CODE (IEC) AND THE INTERNATIONAL FIRE CODE (IFC).
3. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL SCHEDULING CODE (ISC) AND THE INTERNATIONAL SAFETY CODE (ISC).
4. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL ACCESSIBILITY AND MOBILITY ACT (ADA) AND THE INTERNATIONAL EQUAL OPPORTUNITY ACT (IEOA).
5. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL ENVIRONMENTAL AND ENERGY EFFICIENCY CODE (IEE) AND THE INTERNATIONAL SUSTAINABLE DESIGN AND CONSTRUCTION ACT (ISDCA).
6. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL HEALTH AND SAFETY CODE (IHSC) AND THE INTERNATIONAL OCCUPATIONAL SAFETY AND HEALTH ACT (IOSHA).
7. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL LABOR STANDARDS ORGANIZATION (ILO) AND THE INTERNATIONAL CONVENTION ON THE RIGHTS OF THE CHILD (CRC).
8. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL HUMAN RIGHTS INSTRUMENTS (IHR) AND THE INTERNATIONAL DECLARATION OF THE RIGHTS OF INDIGENOUS PEOPLES (IDRIP).
9. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL CONVENTION ON THE ELIMINATION OF ALL FORMS OF RACISM AND RACIAL DISCRIMINATION (ICERD) AND THE INTERNATIONAL CONVENTION ON THE ELIMINATION OF ALL FORMS OF DISCRIMINATION AGAINST WOMEN (CEDAW).
10. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL CONVENTION ON THE RIGHTS OF PERSONS WITH DISABILITIES (CRPD) AND THE INTERNATIONAL CONVENTION ON THE RIGHTS OF THE CHILD (CRC).



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1 Staff, Adult TR, & Kitchen Enlarged Plan

2 Utility, Storage, and North Toddler 2 Enlarged Plan



**BELLINGHAM HOUSING AUTHORITY
SAMISH COMMONS EARLY LEARNING CENTER
BELLINGHAM, WA
DESIGN DEVELOPMENT ESTIMATE**

**ESTIMATE ISSUE DATE: May 16, 2025
ESTIMATE REVISION: 0**

**Submitted To:
NEIL MCCARTHY
RMC ARCHITECTS
1223 RAILROAD AVENUE
BELLINGHAM, WA 98225**

BAINBRIDGE ISLAND, WA | TACOMA, WA | PORTLAND, OR | www.rccostgroup.com

**BELLINGHAM HOUSING AUTHORITY
SAMISH COMMONS EARLY LEARNING CENTER
BELLINGHAM, WA
DESIGN DEVELOPMENT ESTIMATE**



CLARIFICATIONS AND ASSUMPTIONS

RC Cost Group Estimating Team:

Lead Estimator: Mark Richardson
Architectural: Mark Richardson
Structural: N/A
Mechanical: Neil Watson
Electrical: Neil Watson
Landscape: PLA
QA/QC: Andy Cluness

Exclusions from Construction Cost:

Design fees
Owners administration costs
Building and land acquisition fees
Legal and accounting fees
Removal of unforeseen underground obstructions
Owner's furniture, furnishings and equipment
Owners supplied materials
Moving owners equipment and furniture
Compression of schedule, premium or shift work
Assessments, finance, legal and development charges
Builder's risk, project wrap-up and other owner provided insurance program
Washington State Sales Tax
AV Equipment

Assumption used in establishing the estimate:

The project will be procured utilizing the Design, Bid, Build Project Delivery Method
Escalation has been included at Year 1: 4.50%
Open and competitive bidding among all proportions of the work

Items that may affect the cost estimate:

Modifications to the scope of work included in this estimate.
Special phasing requirements other than mentioned above.
Restrictive technical specifications or excessive contract conditions.
Any non-competitive bid situations.
Bids delayed beyond the projected schedule.

**BELLINGHAM HOUSING AUTHORITY
SAMISH COMMONS EARLY LEARNING CENTER
BELLINGHAM, WA
DESIGN DEVELOPMENT ESTIMATE**

Date: May 16, 2025



OVERALL SUMMARY CONSTRUCTION COST

	GFA	\$/SF	\$
Early Learning Center	3,265 SF	459.74	1,501,063
Outdoor Play Area			58,342
TOTAL CONSTRUCTION COST	3,265 SF	477.61	1,559,405

Options

Demo existing insulation & replace with R-30			
Spray Foam in-lieu of Unistrut System			-19,448
Fence Option B			5,445
Fence Option C			2,414

**BELLINGHAM HOUSING AUTHORITY
 SAMISH COMMONS EARLY LEARNING CENTER
 BELLINGHAM, WA
 DESIGN DEVELOPMENT ESTIMATE**



DATE: May 16, 2025

BUILDING DATA

Building Area:	
Level 1	3,265 SF
Total Gross Floor Area	3,265 SF
Mechanical Areas included in GFA	N/A
Total Unoccupied Space (Excluded from GFA)	

	Quantity	Unit	Ratio to Gross Area
Number of stories (x1,000)	1	EA	0.306
Gross Area	3,265	SF	1.000
Enclosed Area	3,265	SF	1.000
Footprint Area	3,265	SF	1.000

**BELLINGHAM HOUSING AUTHORITY
SAMISH COMMONS EARLY LEARNING CENTER
BELLINGHAM, WA
DESIGN DEVELOPMENT ESTIMATE
BUILDING**



GROSS FLOOR AREA: 3,265 SF
DATE: May 16, 2025 COST GROUP

No.	ELEMENT DESCRIPTION	ELEMENT TOTAL	GROUP TOTAL	COST PER SF
A10	FOUNDATIONS	\$ -	\$ 18,289	\$ 5.60
A1010	Standard Foundation	\$ -	\$ -	
A1020	Special Foundation	\$ -	\$ -	
A1030	Slab on grade	\$ 18,289	\$ 5.60	
A20	BASEMENT WALL CONSTRUCTION	\$ -	\$ -	\$ -
A2010	Basement Excavation	\$ -	\$ -	
A2020	Basement Wall Construction	\$ -	\$ -	
B10	SUPERSTRUCTURE	\$ -	\$ -	\$ -
B1010	Floor & Roof Construction	\$ -	\$ -	
B20	EXTERIOR ENCLOSURE	\$ -	\$ 12,490	\$ 3.83
B2010	Exterior Walls	\$ 1,750	\$ 0.54	
B2020	Exterior Windows	\$ 3,000	\$ 0.92	
B2030	Exterior Doors	\$ 7,740	\$ 2.37	
B30	ROOFING	\$ -	\$ -	\$ -
B3010	Roofing	\$ -	\$ -	
C10	INTERIOR CONSTRUCTION	\$ -	\$ 219,550	\$ 67.24
C1010	Partitions	\$ 105,207	\$ 32.22	
C1020	Interior Doors	\$ 73,450	\$ 22.50	
C1030	Fittings and Specialties	\$ 40,894	\$ 12.52	
C20	STAIRS	\$ -	\$ -	\$ -
C2010	Stair Construction	\$ -	\$ -	
C30	INTERIOR FINISHES	\$ -	\$ 138,309	\$ 42.36
C3010	Wall Finishes	\$ 18,386	\$ 5.63	
C3020	Floor Finishes	\$ 42,026	\$ 12.87	
C3030	Ceiling Finishes	\$ 77,897	\$ 23.86	
D10	CONVEYING	\$ -	\$ -	\$ -
D1010	Elevators & Lifts	\$ -	\$ -	
D20	PLUMBING	\$ -	\$ 180,928	\$ 55.41
D2010	Plumbing	\$ 180,928	\$ 55.41	
D30	HVAC	\$ -	\$ 274,430	\$ 84.05
D3010	HVAC	\$ 274,430	\$ 84.05	
D40	FIRE PROTECTION	\$ -	\$ 9,795	\$ 3.00
D4010	Sprinkler System	\$ 9,795	\$ 3.00	
D50	ELECTRICAL	\$ -	\$ 214,105	\$ 65.58
D5000	Electrical	\$ 214,105	\$ 65.58	
E10	EQUIPMENT	\$ -	\$ 5,550	\$ 1.70
E1010	Equipment	\$ 5,550	\$ 1.70	
E20	FIXED FURNISHINGS	\$ -	\$ 48,760	\$ 14.93
E2010	Fixed Furnishings	\$ 48,760	\$ 14.93	
F10	SPECIAL CONSTRUCTION	\$ -	\$ -	\$ -
F1010	Special Structure	\$ -	\$ -	
F1020	Special Construction	\$ -	\$ -	
F20	SELECTIVE BUILDING DEMOLITION	\$ -	\$ 22,107	\$ 6.77
F2010	Building Elements Demolition	\$ 22,107	\$ 6.77	
Sub-Total Direct Cost			\$ 1,144,313	\$ 350.48
General Conditions/General Requirements		14.80%	\$ 169,358	\$ 51.87
Sub-Total			\$ 1,313,671	\$ 402.35
Estimating / Design Contingency		5.00%	\$ 65,684	\$ 20.12
Sub-Total			\$ 1,379,355	\$ 422.47
Insurance & Bonds		1.50%	\$ 20,690	\$ 6.34
General Contractor's Overhead and Profit		5.65%	\$ 79,103	\$ 24.23
Sub-Total			\$ 1,479,147	\$ 453.03
Escalation: October 2025		1.48%	\$ 21,916	\$ 6.71
TOTAL CONSTRUCTION COST			\$ 1,501,063	\$ 459.74

**BELLINGHAM HOUSING AUTHORITY
 SAMISH COMMONS EARLY LEARNING CENTER
 BELLINGHAM, WA
 DESIGN DEVELOPMENT ESTIMATE
 BUILDING**

Gross Floor Area: **3,265 SF**
 Date: **May 16, 2025**



ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTALS
A10 FOUNDATIONS				
A1010 Standard Foundation				
No work anticipated				N/A
Total For Standard Foundations				
A1020 Special Foundation				
No work anticipated				N/A
Total For Special Foundations				
A1030 Slab on Grade				
A1031 Standard slab on grade				
Reinforced concrete slab on grade at corridors for sanitary sewer piping replacement at corridors	385	SFA	27.44	10,564
Dowel into existing structure, 1'-6" oc	206	EA	37.50	7,725
Total For Slab on Grade				18,289
A20 BASEMENT CONSTRUCTION				
A2010 Basement Excavation				
No work anticipated				N/A
Total For Basement Excavation				
A2010 Basement Walls				
No work anticipated				N/A
Total For Basement Walls				
B1010 Floor & Roof Construction				
No work anticipated				N/A
Total For Floor & Roof Construction				
B20 EXTERIOR CLOSURE				
B2010 Exterior Walls				
B2011 Exterior wall construction Louvers	2	LOC	875.00	1,750
Total For Exterior Walls				1,750
B2020 Exterior Windows				
B2023 Storefronts				
Prep existing storefront for new door	1	LOC	1,500.00	1,500
Prep existing storefront for new louver	2	LOC	750.00	1,500
Total For Exterior Windows				3,000

**BELLINGHAM HOUSING AUTHORITY
SAMISH COMMONS EARLY LEARNING CENTER
BELLINGHAM, WA
DESIGN DEVELOPMENT ESTIMATE
BUILDING**

Gross Floor Area: **3,265 SF**
Date: **May 16, 2025**



ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTALS
B2030 Exterior Doors				
B2031 Glazed doors and entrances Aluminum glazed door, single, 3'-0" x 7'-0"	1	EA	5,740.00	5,740
Miscellaneous Specialty hardware	1	LS	2,000.00	2,000
Total For Exterior Doors				7,740
B30 ROOFING				
B3010 Roof Covering				
No work anticipated				N/A
Total For Roofing				
C10 INTERIOR CONSTRUCTION				
C1010 Partitions				
C1011 Fixed partitions				
Metal stud				
Hat Channel	306	SF	5.35	1,637
4"	4,140	SF	7.45	30,843
6"	408	SF	9.35	3,815
GWB				
5/8", type 'X', taped & finished	8,483	SF	4.55	38,598
Batt Insulation	3,264	SF	1.95	6,365
Patch and repair all existing wall damaged/affected by the demolition	1	LS	2,000.00	2,000
C1017 Interior windows and storefronts				
Interior relites	199	SF	75.00	14,925
Transaction window, 4'-6"x 4'-4"	1	EA	2,900.00	2,900
Miscellaneous				
Blocking and backing	1	LS	2,122.25	2,122
Solid surface cap at partial height wall	17	LF	27.50	468
Caulking, sealants and firestopping				
Caulking, sealants, and firestopping	3,265	GFA	0.47	1,535
Total For Interior Partitions				105,207
C1020 Interior Doors				
C1021 Interior doors				
Interior doors, frames and hardware				
SCW Door, Glazed, Sgl, 3'x7'	2	EA	3,450.00	6,900
SCW Door, Flush Dutch, Sgl, 3'x7'	3	EA	3,375.00	10,125
SCW Door, Half Lite, Sgl, 3'x7'	1	EA	3,375.00	3,375
SCW Door, Flush, Sgl, 3'x7'	10	EA	3,250.00	32,500
SCW Door, Flush, Sgl, 3'x3'-6"	5	EA	2,850.00	14,250
Specialty hardware, rated doors, sound doors	1	LS	2,500.00	2,500

**BELLINGHAM HOUSING AUTHORITY
 SAMISH COMMONS EARLY LEARNING CENTER
 BELLINGHAM, WA
 DESIGN DEVELOPMENT ESTIMATE
 BUILDING**

Gross Floor Area: 3,265 SF
 Date: May 16, 2025



ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTALS
C1025 Interior door sidelights and transoms Glazed sidelights at interior doors	4	EA	950.00	3,800
Total For Interior Doors				73,450
C1030 Specialties				
C1033 Storage shelving and lockers Janitors mop rack and shelf	1	EA	845.00	845
Shelving, 3-tier at storage	6	LF	195.00	1,170
C1035 Identifying devices Interior signage	3,265	SFA	0.85	2,775
Exterior building signage	1	LS	20,000.00	20,000
C1037 General fittings and misc. metals Miscellaneous metals, allow 0.3#/SF	980	LB	3.50	3,428
Fire extinguisher cabinet	1	EA	550.00	550
Cornerguards	13	EA	275.00	3,575
Grab bars, per set	2	EA	385.00	770
Toilet compartments Toilet partition divider	2	EA	1,850.00	3,700
Restroom accessories Changing table, OFOI				N/A
Mirrors, 24" x 36"	1	EA	375.00	375
Paper towel dispenser	13	EA	175.00	2,275
Sanitary napkin receptacle	1	EA	80.00	80
Soap dispenser	12	EA	75.00	900
Toilet paper dispenser	3	EA	150.00	450
Total For Fittings and Specialty Items				40,894
C20 STAIRS				
C2010 Stair Construction				
No work anticipated				N/A
Total For Stair Construction				
C30 INTERIOR FINISHES				
C3010 Wall Finishes				
C 3010 Wall Finishes Interior painting at walls	3,265	GFA	3.85	12,570
Wall Coverings FRP	397	SF	14.65	5,816
Total For Wall Finishes				18,386
C3020 Floor Finishes				
C3024 Flooring Floor preparation	2,785	SF	1.00	2,785
Sheet vinyl flooring	2,225	SF	13.58	30,220
LVP flooring	560	SF	8.05	4,508

**BELLINGHAM HOUSING AUTHORITY
SAMISH COMMONS EARLY LEARNING CENTER
BELLINGHAM, WA
DESIGN DEVELOPMENT ESTIMATE
BUILDING**

Gross Floor Area: **3,265 SF**
Date: **May 16, 2025**



ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTALS
C3026 Bases, curbs and trim	180	LF	6.50	1,170
Coved base	796	LF	4.20	3,343
Rubber base				
Total For Floor Finishes				42,026
C3030 Ceiling Finishes				
C3031 Ceiling finishes	378	SF	19.45	7,352
New gypsum board ceiling	156	SF	23.95	3,736
New gypsum board ceiling, soffits	847	SF	9.00	7,623
Acoustic Ceiling Panel	1,598	SF	9.75	15,581
Acoustic Ceiling Panel, sound rated	125	SF	9.25	1,156
Acoustic Ceiling Panel, moisture resistant	82	LF	75.00	6,150
GWB Bulkheads	2,045	SF	17.75	36,299
Unistrut system				
Total For Ceiling Finishes				77,897
D10 VERTICAL TRANSPORTATION				
D1010 Elevator & Lift				N/A
No work anticipated				
Total For Elevator & Lifts				
D20 PLUMBING				
D2010 Plumbing				
D 2010 Plumbing Fixtures	3	EA	1,500.00	4,500
Water closet, WC-1 & WC-2	3	EA	1,250.00	3,750
Lavatories, wall mounted L-1 & L-2	1	EA	1,600.00	1,600
Mop sinks, MS-1	1	EA	425.00	425
Washer wall box, CWB-1	3	EA	1,275.00	3,825
Hand washing sink, wall hung, SK-1	6	EA	1,350.00	8,100
Sink, undermount, SK-2	1	EA	1,450.00	1,450
Indoor/Outdoor sink, wall hung, SK-3	1	EA	1,250.00	1,250
Prep sink, undermount, SK-4	1	EA	1,765.00	1,765
Kitchen sink, undermount, SK-5	1	EA	1,325.00	1,325
Hand washing sink, wall hung, SK-6	5	EA	1,150.00	5,750
Floor drains/sinks	11	EA	1,050.00	11,550
Fixture carriers	21	EA	545.00	11,445
Fixture rough-in				
D 2020 Domestic Water Distribution				Existing
Incoming water valve assembly	1	EA	3,500.00	3,500
Water heater, 119 Gal	1	EA	2,250.00	2,250
Pumps	1	EA	750.00	750
Expansion tanks	1	EA	3,450.00	3,450
Master mixing valve assembly	1,034	LF	42.85	44,307
Domestic water piping and fittings	1	LS	6,646.04	6,646
Valves and specialties	1,034	LF	15.00	15,510
Insulation	2	EA	175.00	350
Water connections to existing	1	LS	2,500.00	2,500
Trap primers and connection piping				

**BELLINGHAM HOUSING AUTHORITY
 SAMISH COMMONS EARLY LEARNING CENTER
 BELLINGHAM, WA
 DESIGN DEVELOPMENT ESTIMATE
 BUILDING**

Gross Floor Area: **3,265 SF**
 Date: **May 16, 2025**



ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTALS
D 2030 Sanitary Waste Cleanouts				
Sanitary waste/vent piping/grease waste and fittings	1	ALLOW	1,500.00	1,500
Waste connections to existing	563	LF	70.80	39,860
	12	EA	175.00	2,100
D 2040 Rain Water Drainage				
No work anticipated				N/A
D 2090 Other Plumbing Systems				
No work anticipated				N/A
D 2090 Other Plumbing Systems				
Testing				
Testing	1	LS	1,469.25	1,469
Total For Plumbing				180,928

**D30 HVAC
 D3010 HVAC**

D3032 Direct Expansion Systems				
VRF Outdoor Condensing Units				
VRF Unit	1	EA	19,750.00	19,750
Controllers	5	EA	4,250.00	21,250
VRF Accessories	1	EA	4,000.00	4,000
Refrigeration Piping	1	LS	5,000.00	5,000
Refrigeration Piping Insulation	480	LF	56.00	26,880
	480	LF	7.55	3,624
D3041 Air Distribution Systems				
Ductwork and fittings, OSA/SA/RA/HREA	2,175	LB	14.30	31,103
Dampers	1	LS	2,000.00	2,000
Duct insulation	1,980	SF	6.90	13,662
Air Devices (GRD's)	36	EA	266.00	9,576
Misc adjustments to existing system	1	ALLOW	50,000.00	50,000
D3042 Exhaust Ventilation Systems				
ERV				
Volume control dampers	930	CFM	21.50	19,995
	1	ALLOW	2,500.00	2,500
D3060 Controls and Instrumentation				
Standalone controls	3,265	GFA	9.11	29,744
D3070 Systems Testing and Balancing				
Test and Balance (TAB)				
Commissioning Assistance	1	LS	7,173.00	7,173
	1	LS	956.00	956
D3090 Other HVAC				
Condensate Pumps	5	EA	318.70	1,593
Condensate piping	150	LF	24.17	3,626
Unit heaters, electric	1	EA	2,750.00	2,750
Seismic	1	LS	1,435.00	1,435
Trucking & Deliveries	1	LS	598.00	598
Rentals	1	LS	1,674.00	1,674

**BELLINGHAM HOUSING AUTHORITY
SAMISH COMMONS EARLY LEARNING CENTER
BELLINGHAM, WA
DESIGN DEVELOPMENT ESTIMATE
BUILDING**

Gross Floor Area: **3,265 SF**
Date: **May 16, 2025**



ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTALS
Rigging and Hoisting Allowance	1	LS	2,391.00	2,391
Supervision, Labeling, Cleanup	1	LS	5,977.00	5,977
General Conditions	1	LS	7,173.00	7,173
Total For HVAC				274,430

D40 FIRE PROTECTION				
D4010 Fire Protection				
D4010 Fire Protection				
Modifications to fire protection system, allow	3,265	GFA	3.00	9,795
Total For Fire Sprinkler System				9,795

D50 ELECTRICAL				
D5000 Electrical				
D5000 Electrical Systems				
Electrical Service and Distribution				
Incoming electrical feeder conduit and wire				N/A
Main switchboard, existing to remain				N/A
Distribution panel, existing to remain				N/A
Panelboards, relocate existing	1	EA	1,492.00	1,492
Disconnect switches, 480/277V				N/A
Transformers, 480/277V:208/120V, 150kVA				N/A
Feeder conduit and wire modifications and extensions to revised locations	66	LF	125.00	8,250
Photovoltaic system				
PV array, assumed not required				N/A
Lighting and Branch Wiring				
Machine and equipment power				
Plumbing & HVAC	3,265	GFA	2.25	7,346
Overhead door	1	EA	675.00	675
Miscellaneous	1	LS	1,250.00	1,250
User convenience power				
Receptacles	85	EA	415.00	35,275
Specialty	2	EA	750.00	1,500
Receptacle controls	3,265	GFA	0.35	1,143
Lighting systems				
Lighting fixtures	61	EA	633.20	38,625
Fixture installation	61	EA	225.00	13,725
Branch circuit conduit and wire	1,037	LF	15.00	15,555
Lighting controls				
Lighting control panel, allow	1	EA	4,468.00	4,468
Occupancy Sensors	13	EA	471.40	6,128
Photocell	8	EA	471.40	3,771
Switches	28	EA	322.45	9,029
Telephone/Data systems				
Telecom passive equipment	1	LS	7,500.00	7,500
Telecom pathways	1	LS	2,007.98	2,008
Telephone/data/WAP outlets, rough-in only	15	EA	314.50	4,718
Horizontal cabling	1,500	LF	2.50	3,750
Backbone cabling	1	LS	783.60	784
Audio/visual systems				By Owner
Distributed Antenna Systems				N/A
Fire alarm system				

**BELLINGHAM HOUSING AUTHORITY
 SAMISH COMMONS EARLY LEARNING CENTER
 BELLINGHAM, WA
 DESIGN DEVELOPMENT ESTIMATE
 BUILDING**

Gross Floor Area: **3,265 SF**
 Date: **May 16, 2025**



ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTALS
Fire alarm control booster panel	1	EA	6,750.00	6,750
Fire fighter key box (knox box)	1	EA	644.00	644
Fire alarm devices and connections with re-use pf existing fire alarm power circuit	35	EA	744.33	26,052
Security and detection systems				
Access control/intruder detection				N/A
Head-end equipment				N/A
Access control panels				N/A
Device including conduit and cable				
Card readers - rough in only	3	EA	2,500.00	7,500
Electric locks - rough in only	3	EA	750.00	2,250
CCTV system				N/A
Other Electrical Systems				
Testing	1	LS	3,918.00	3,918
Total For Electrical				214,105

E10 EQUIPMENT

E1010 Equipment

E1093 Food service equipment				N/A
E1094 Residential equipment				
Washer, OFOI				N/A
Dryer, OFOI				N/A
Refrigerater/freezer, OFCI	2	EA	250.00	500
Microwave, OFCI	1	EA	100.00	100
Dishwasher	1	EA	950.00	950
Range	1	EA	1,050.00	1,050
Range hood	1	EA	1,950.00	1,950
Miscellaneous				
Owner furnished, contractor installed items	1	LS	1,000.00	1,000
Total For Equipment				5,550

E20 FIXED FURNISHINGS

E2010 Fixed Furnishing

E2012 Fixed casework				
Toddler 1				
Base cabinetry with doors	12.0	LF	411.00	4,932
Countertop	15.0	LF	115.00	1,725
Upper cabinetry	10.0	LF	325.00	3,250
Toddler 2				
Base cabinetry with doors	6.0	LF	411.00	2,466
Countertop	8.0	LF	115.00	920
Upper cabinetry	9.0	LF	325.00	2,925
Infant				
Base cabinetry with doors	11.0	LF	411.00	4,521
Countertop	13.0	LF	115.00	1,495
Upper cabinetry	9.0	LF	325.00	2,925
Upper cabinetry, open	3.0	LF	275.00	825

**BELLINGHAM HOUSING AUTHORITY
SAMISH COMMONS EARLY LEARNING CENTER
BELLINGHAM, WA
DESIGN DEVELOPMENT ESTIMATE
BUILDING**

Gross Floor Area: **3,265 SF**
Date: **May 16, 2025**



ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTALS
Staff				
Base cabinetry with doors	4.0	LF	411.00	1,644
Base cabinetry, knee space	3.0	LF	235.00	705
Countertop	7.0	LF	115.00	805
Upper cabinetry	7.0	LF	325.00	2,275
Kitchen				
Base cabinetry with doors	7.0	LF	411.00	2,877
Base cabinetry, knee space	6.0	LF	235.00	1,410
Countertop	15.0	LF	115.00	1,725
Upper cabinetry	18.0	LF	325.00	5,850
E2013 Blinds and other window treatments				
Window treatments	1	LS	5,485.20	5,485
Total For Fixed Furnishings				48,760
F10 SPECIAL STRUCTURES				
F1010 Special Structure				
No work anticipated				N/A
Total For Special Structure				
F1020 Special Construction				
No work anticipated				N/A
Total For Special Construction				
F20 SELECTIVE BUILDING DEMOLITION				
F2010 Building Elements Demolition				
F2011 Building Interior demolition				
Concrete slabs at corridors including sawcutting	385	SFA	26.80	10,318
Remove existing storefront glazing panel	3	LOC	175.00	525
Mechanical demolition	3,265	GFA	1.70	5,551
Electrical demolition	3,265	GFA	1.25	4,081
Misc demolition	3,265	GFA	0.50	1,633
F2020 Hazardous Components Abatement				
F 2020 Hazardous Components Abatement				N/A
Total For Selective Building Demolition				22,107

**BELLINGHAM HOUSING AUTHORITY
 SAMISH COMMONS EARLY LEARNING CENTER
 BELLINGHAM, WA**



**DESIGN DEVELOPMENT ESTIMATE
 SITework**

ELEMENTAL ESTIMATE SUMMARY

DATE: May 16, 2025

COST GROUP

No.	ELEMENT DESCRIPTION	ELEMENT TOTAL	GROUP TOTAL
G10	SITE PREPARATION		\$ -
G1010	Site Clearing	\$ -	
G1020	Site Demolition and Relocations	\$ -	
G1030	Site Earthwork	\$ -	
G1040	Hazardous Waste Remediation	\$ -	
G20	SITE IMPROVEMENTS		\$ 44,476
G2010	Roadways	\$ -	
G2020	Parking Lots	\$ -	
G2030	Pedestrian Paving	\$ -	
G2040	Site Development	\$ 44,476	
G2050	Landscaping	\$ -	
G30	SITE MECHANICAL UTILITIES		\$ -
G3010	Water Supply	\$ -	
G3020	Sanitary Sewer	\$ -	
G3030	Storm Sewer	\$ -	
G3040	Heating Distribution	\$ -	
G3050	Cooling Distribution	\$ -	
G3060	Fuel Distribution	\$ -	
G3090	Other Site Mechanical Utilities	\$ -	
G40	SITE ELECTRICAL UTILITIES		\$ -
G4010	Electrical Distribution	\$ -	
G4020	Site Lighting	\$ -	
G4030	Site Communications and Security	\$ -	
G4090	Other Site Electrical Utilities	\$ -	
	Sub-Total Direct Cost		\$ 44,476
	General Conditions/General Requirements 14.80%		\$ 6,582
	Sub-Total		\$ 51,058
	Estimating / Design Contingency 5.00%		\$ 2,553
	Sub-Total		\$ 53,611
	Insurance & Bonds 1.50%		\$ 804
	General Contractor's Overhead and Profit 5.65%		\$ 3,074
	Sub-Total		\$ 57,490
	Escalation: October 2025 1.48%		\$ 852
	TOTAL CONSTRUCTION COST		\$ 58,342

**BELLINGHAM HOUSING AUTHORITY
 SAMISH COMMONS EARLY LEARNING CENTER
 BELLINGHAM, WA
 DESIGN DEVELOPMENT ESTIMATE
 SITEWORK**

Date: **May 16, 2025**



ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTALS
G20 SITE IMPROVEMENTS				
G2040 Site Development				
Site Development Estimate provided by PLA, dated 4/21/25				
Fence Modification	101	LF	80.00	8,080
Gate Modification	2	EA	800.00	1,600
Shade Sail	1	LS	6,396.00	6,396
Shade Sail posts	3	EA	1,000.00	3,000
Play Surfacing Tile	1,375	SF	16.00	22,000
Custom Play Surface Tile at Storm Drain lid	5	EA	20.00	100
Play Surfacing Tile Installation	1	LS	3,300.00	3,300
Total For Site Development				44,476

1719176
PROVIDER ID NUMBER



341793
SSPS PROVIDER NUMBER

WASHINGTON STATE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES
**Child Care Center
Full**

Non-Expiring
In compliance with the laws of the State of Washington in meeting the licensing requirements of the Department of Children, Youth, and Families (DCYF), a child-care license is hereby granted to the Child Care Center facility named below. For information on the status of this license, call 1-866-482-4325 (or 1-866-48-check).

Mountain View Early Learning Center
is licensed to maintain a Child Care Center located at 830 Ball st, city of Sedro-Woolley, zip code 98284, county of Skagit in the State of Washington for the care of children between the ages of 1 month - 7 years 0 months but not to exceed 33 children.

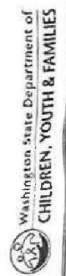
Classroom Name	Group Size	Classroom Name	Group Size	Classroom Name	Group Size
Infant (little mountain) (Infant)	6	Toddler (Mt. Rainier) (Toddler)	14	Preschool (Mt. Baker) (Pre-School Age)	13

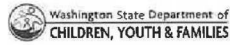
This license is issued on March 10, 2022. Dated: March 10, 2022 at Bellingham, Washington.
Anniversary date: September 7

DCYF Licensor Signature
SHEAU-PYNG LI
360-685-8702
Telephone Number

DCYF Licensing Administrator Signature
Judy Bunkelman
Judy Bunkelman

Notice: This license is valid only for use by the individual(s) to whom it is issued and at the location described.
Issued by Authority of Chapter 43.216 Revised Code of Washington.
DCYF 15-985 Child Care Center Non-Expiring License - 07/2020





Child Care Licensing Inspection Report

Provider ID: 1719176	Provider Case ID: PC-423613	Inspection Date:08/06/2025	Inspection Type: Monitoring
Director or Licensee: Anthony Alvarez		Licensors: Sheau-Pyng Li	Phone: 360-685-8702
Name of Facility: Mountain View Early Learning Center		Licensors Address: 4101 Meridian St., Bellingham, WA 98226	
I would like to request translation/ interpretation services.			

Information:

COMPLIANCE ACTION. “Compliance action” means actions other than enforcement actions taken by the department to bring an early learning provider into compliance with chapter 43.216 RCW, 110-300 WAC. A provider may contest compliance actions through the Child Care Violation Dispute process but has no right to an adjudicative proceeding under chapter 110-03 WAC (DCYF hearing rules). A provider may contact the licenser or health specialist for technical assistance to achieve compliance.

ENFORCEMENT ACTION. “Enforcement action” means denial, suspension, revocation, modification, or nonrenewal of a license pursuant to RCW 43.216.325(1) or assessment of civil monetary penalties pursuant to RCW 43.216.325(3), RCW 43.216.010(12). The department may take enforcement action for failure to meet licensing requirements of chapters 43.216 RCW, 110-300 WAC. A provider may contest enforcement actions and seek an adjudicative proceeding pursuant to chapter 110-03 WAC.

FACILITY LICENSING COMPLIANCE AGREEMENT. A facility licensing compliance agreement (FLCA) means an agreement issued by the department in lieu of the department taking enforcement action against a provider that contains: (i) A description of the violation and the rule or law that was violated; (ii) a statement from the licensee regarding the proposed plan to comply with the rule or law; (iii) the date the violation must be corrected; (iv) information regarding other licensing action that may be imposed if compliance does not occur by the required date; and (v) the signature of the licenser and licensee. RCW 43.216.395(2)(a).

FIRST TIME VIOLATION. A provider who violates a rule of short term or long term concern shall not be cited if that violation is the first time the provider violated that rule, and the violation can be corrected the same day the violation is identified. RCW 43.216.395(6). Violations in this category will be recorded in the technical assistance section.

CHILD CARE VIOLATION DISPUTE PROCESS. Child care violation dispute means a review of an Inspection Report by the department supervisor of the licenser who generated this report. A provider may dispute any violation identified on this Inspection Report within ten (10) business days from today’s date. To begin this process, a provider must complete form 15-907 Child Care Violation Dispute Request, available within the Provider Portal, for each rule violation disputed. To learn more about the entire violation dispute process, including the internal review process (“Community Review Board”) under RCW 43.216.395, contact your licenser.

Risk Level Classification:

IMMEDIATE CONCERN (I). Rules of immediate concern are requirements developed by the department to protect the health and safety of children against substantial risk of injury, illness, or death. The provider must correct any violation of rules of immediate concern as soon as possible, but in no case later than the next business day.

SERIOUS CONCERN (S). Rules of serious concern are requirements developed by the department to protect the health and safety of children against substantial risk of injury or illness. The provider must correct any violation of rules of serious concern as soon as possible, but in no case later than five business days from the date of non-compliance.

SHORT TERM CONCERN (SH). Rules of short term concern are requirements developed by the department to protect the health and safety of children against the risk of injury or illness that is likely to occur if a provider fails to comply over a short period of time. The provider must correct any violation of rules of short term concern as soon as possible. The provider must demonstrate compliance to the department within 10 business days from the date of non-compliance.

LONG TERM CONCERN (L). Rules of long term concern are requirements developed by the department to protect the health and safety of children against the potential risk of injury or illness that is likely to occur if a provider fails to comply over an extended period of time. The provider must agree to correct any violation of rules of long term concern as soon as possible. The provider must demonstrate compliance to the department within 20 business days from the date of non-compliance.

<p>Non-Compliances: This section of the Inspection Report lists non-compliances found during any licensing inspection. Information from this section will be reported to Child Care Check and can be used to determine current and future licensing and enforcement actions.</p>
<p>General Notes:</p>

<p>Technical Assistance Provided: This section of the Inspection Report provides providers with details regarding technical assistance provided and will not be reported to Child Care Check.</p>		
WAC/RCW	Risk Level	First Violation
110-300-0106(8)	Short Term	✓
<p>WAC/RCW Description:</p> <p>License applicants and early learning providers licensed to care for infants must complete the safe sleep training as approved or offered by the department. This training must be completed annually and: (a) Prior to being licensed; or (b) Prior to caring for infants.</p>		
<p>Observation:</p> <p>Two staff members annual safe sleep trainings have expired.</p>		
WAC/RCW	Risk Level	First Violation
110-300-0165(2)(c)	Short Term	✓
<p>WAC/RCW Description:</p>		

<p>Technical Assistance Provided: This section of the Inspection Report provides providers with details regarding technical assistance provided and will not be reported to Child Care Check.</p>		
<p>An early learning provider must take steps to prevent hazards to children including, but not limited to: (c) Making inaccessible to children straps, strings, cords, wires, or similar items capable of forming a loop around a child's neck that are not used during supervised early learning program activities;</p>		
<p>Observation:</p> <p>Observed a toddler chewing a teething object which has a loose string about 22 inches long.</p>		
WAC/RCW	Risk Level	First Violation
110-300-0356(5)	Short Term	✓
<p>WAC/RCW Description:</p> <p>In each classroom or well-defined space, the maximum group size and ratio of center staff members to children, including children related to staff or the licensee, must be:</p> <p>(a) Infants (birth through eleven months of age) with a: (i) Maximum group size of eight with a ratio of one staff to four children (1:4); (ii) Maximum group size of nine with a ratio of 1:3; (b) Toddlers (twelve through twenty-nine months of age) with a: (i) Maximum group size of fourteen with a ratio of 1:7; (ii) Maximum group size of fifteen with a ratio of 1:5; (c) Preschoolers (thirty months through six years of age who are not attending kindergarten or elementary school) with a maximum group size of twenty with a ratio of 1:10; and (d) School-age children (5 years through twelve years of age who are enrolled in or attending kindergarten or elementary school) with a maximum group size of thirty with a ratio of 1:15.</p>		
<p>Observation:</p> <p>Observed one staff with 10 toddlers and one staff with 11 preschoolers on the day of inspection.</p>		

<p>Annual Talking Points: This section outlines regulations that may not or cannot be observed during a monitoring visit but will be discussed during the inspection.</p>	
Discussed	Section
✓	110-300-0015(2): Licensee absence.
✓	110-300-0055(1): Developmental screening and communication to parents or guardians.
✓	110-300-0055(2): Developmental screening and communication to parents or guardians.
✓	110-300-0065(1): School readiness and family engagement activities.
✓	110-300-0085(3): Family partnerships and communication.
✓	110-300-0085(4)(a): Family partnerships and communication.
✓	110-300-0085(4)(b): Family partnerships and communication.
✓	110-300-0085(4)(c): Family partnerships and communication.
✓	110-300-0085(4)(d): Family partnerships and communication.


Annual Talking Points: This section outlines regulations that may not or cannot be observed during a monitoring visit but will be discussed during the inspection.	
Discussed	Section
✓	110-300-0425(7)(a): Initial, nonexpiring, dual licenses, and license modification.
✓	110-300-0425(7)(b)(i): Initial, nonexpiring, dual licenses, and license modification.
✓	110-300-0425(7)(b)(ii): Initial, nonexpiring, dual licenses, and license modification.
✓	110-300-0425(7)(b)(iii): Initial, nonexpiring, dual licenses, and license modification.
✓	110-300-0147(1): Weather conditions and outdoor hazards.
✓	110-300-0425(7)(b)(iv): Initial, nonexpiring, dual licenses, and license modification.
✓	110-300-0425(7)(b)(v): Initial, nonexpiring, dual licenses, and license modification.
✓	110-300-0148(3): Gardens in outdoor early learning program space.
✓	110-300-0150(1)(h): Program and activities.
✓	110-300-0170(3)(j): Fire safety.
✓	110-300-0186(4): Food allergies and special dietary needs.
✓	110-300-0210(7): Immunizations and exempt children.
✓	110-300-0215(3)(a)(v): Medication.
✓	110-300-0255(1): Pest control.
✓	110-300-0255(1)(a): Pest control.
✓	110-300-0255(1)(f): Pest control.
	110-300-0270(5)(b): Overnight care.
	110-300-0270(5)(d): Overnight care.
	110-300-0270(5)(e): Overnight care.
	110-300-0270(5)(h): Overnight care.
✓	110-300-0275(7): Infant and toddler care.
✓	110-300-0281(1)(d): Breast milk.
✓	110-300-0281(4): Breast milk.
✓	110-300-0331(1): Prohibited behavior and discipline, and physical separation of children
✓	110-300-0331(2): Prohibited behavior and discipline, and physical separation of children
✓	110-300-0335(4): Physical restraint.
✓	110-300-0335(5)(a): Physical restraint.
✓	110-300-0335(5)(c): Physical restraint.
✓	110-300-0335(5)(d): Physical restraint.
✓	110-300-0335(5)(e): Physical restraint.
✓	110-300-0345(1): Supervising children.
	110-300-0350(1): Supervising children during water activities.
	110-300-0350(6): Supervising children during water activities.
	110-300-0357(1): Center mixed age group capacity, ratio, and group size.

Annual Talking Points: This section outlines regulations that may not or cannot be observed during a monitoring visit but will be discussed during the inspection.	
Discussed	Section
✓	110-300-0402(1): Changing early learning program space or location.
✓	110-300-0402(2): Changing early learning program space or location.
✓	110-300-0402(3): Changing early learning program space or location.
	110-300-0480(1): Transportation and off-site activity policy.
✓	110-300-0470(3): Emergency preparedness plan.
✓	110-300-0475(1): Duty to protect children and report incidents.
✓	110-300-0475(2): Duty to protect children and report incidents.
✓	110-300-0475(4): Duty to protect children and report incidents.

Signatures:

To dispute violations, you must do so through the Provider Portal, for each rule violation you wish to dispute no later than 10 business days from today's date. Items listed in the Technical Assistance section cannot be disputed.

I agree to correct the issues of noncompliance cited above by the dates indicated according to the regulation risk classification. I understand that I may call the licenser or health specialist to request an extension, for good cause, if I am unable to complete the plan of correction by the agreed-upon date.

Licensee Refused to Sign:			
Licensee Signature: Yvette Guajardo	Date:	Licenser Signature: Sheau-Pyng Li	Date:
	08/06/2025		08/06/2025