

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE HISTORIC DOWNTOWN SNOHOMISH ASSOCIATION
AND
THE CITY OF SNOHOMISH**

The purpose of this agreement is to set forth the essential elements of a cooperative working relationship between the Parties to promote economic development and neighborhood revitalization in the Historic Business District (HBD); to assist trade, economic viability, and livability and for the purpose of financing improvements of the City's residential and business areas; and to meet City Council priorities to "promote and expand economic adaptability, vitality and diversity" and "preserve and enhance Snohomish's quality of life".

UNDERSTANDING:

1) To achieve the above, the Historic Downtown Snohomish Association (HDSA) will:

- a) Act as Program Manager (as defined in SMC Chapter 5.04.08) and make use of revenues from the special assessments authorized under SMC Chapter 5.04 ("Parking and Business Improvement Area") and RCW 35.87A.010 for the following purposes:
 - i) Decoration of any public place in the HBD.
 - ii) Sponsorship or promotion of public events which are to take place on or in public places in the area.
 - iii) Furnishing of music in any public place in the area.
 - iv) Providing professional management, planning, and promotion for the area, including the management and promotion of retail trade activities in the area.
 - v) Providing maintenance and security for common, public areas.
 - vi) Providing transportation services for the benefit of the area.
- b) Create and maintain a business database of all eligible business and lodging operators within the boundaries of the HBD.
- c) Provide the database to the City in sufficient time for its use in mailing annual special assessment notices, but no later than January 1 of each calendar year.
- d) Resolve disputes by any eligible business and lodging operators aggrieved by the amount of an assessment.
- e) When notified by the City of delinquent accounts, pursue collection within 30 days of notification, and prior to the City's assignment of the accounts to a collection agency or initiation of a formal collection action.
- f) Perform all basic contract provisions (e.g. billing and reporting requirements, internal controls, maintain accurate records, etc.).
- g) Perform the projects and services listed in Exhibit A ("Scope of Work") of this agreement as approved annually by the City Council.
- h) Submit reimbursement requests on vouchers drawn for services rendered (consistent with Section 1)a)i)-vi of this agreement).
- i) Appointment of one non-voting position for a representative of the City to serve as an HDSA Board Member in *ex officio* capacity, appointed by the Mayor.
- j) HDSA agrees not to discriminate against any customer, employee or applicant for employment, subcontractor, supplier, or materialman, because of race, color, creed,

religion, national origin, marital status, sex, sexual orientation, age, or handicap, except for a bona fide occupational qualification. HDSA understands that if it violates this provision, this agreement may be terminated by the City and that HDSA may be barred from performing services on behalf of the City now or in the future.

2) The City of Snohomish (City) agrees to provide the following:

- a) Review HDSA's annual proposed budget recommendations for special services and projects Exhibit A ("Scope of Work").
- b) Annual billing to each business within the boundary on an annual basis based on the
- c) assessment list provided by HDSA
- d) Collection of special assessments.
- e) Timely notification to HDSA of delinquent accounts, so that HDSA may pursue collection prior to the City's collection efforts.
- f) Collection of delinquent accounts by sending the bill to a collection agency or commencing an action in a court of competent jurisdiction to collect the special assessment;
- g) Review and reimbursement of eligible expenses.
- h) Conduct periodic review of HDSA's performance as related to Exhibit A ("Scope of Work").
- i) If HDSA operates a "Downtown Development Program" within the City's HBD based on the "Main Street Program" revitalization strategy as defined by RCW 43.360, the City will authorize a contribution agreement by and between the City and HDSA to apply for a tax credit (pursuant to RCW 43.360 and 82.73) through the Washington State Department of Revenue no later than May 31 of each calendar year.

3) Administration

- a) The following individuals are designated as representatives of the respective parties. The representatives shall be responsible for administration of this Agreement and for coordination and monitoring performance under this Agreement. In the event such representatives are changed, the party making the change shall notify the other party.
 - i) The City representative shall be the City Administrator or designee.
 - ii) The HDSA representative shall be the Executive Director or designee.

4) Insurance Requirements

- a) Each party shall maintain and provide evidence to the other of insurance or self-insurance adequate to cover its liability obligations under this Agreement and/or arising out of each party's activities hereunder.
- b) The City is part of a Public Entity insurance pool sanctioned by the Washington State Office of Financial Management Risk Management Division and it will provide a letter signed and executed by an authorized agent indicating the City's participation in said pool.
- c) HDSA is insured is privately insured by the Hanover Insurance Group with a general aggregate limit of \$4,000,000.

5) Indemnification and Liability

- a) The City and the HDSA shall indemnify and hold each other harmless, including their respective officers, agents, and employees, or any of them from any and all claims, actions,

suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by any reason of or arising out of any negligent act or omission of either party, its officers, agents, and employees, or any of them relating to or arising out of performing services pursuant to this Agreement. In the event that any such suit based upon such a claim, action, loss, or damages is brought against the City and/or the HDSA, each party shall defend the same at its sole cost and expense; provided that City and/or the HDSA reserves the right to participate in said suit if any principle of governmental or public law is involved; and if final judgment in said suit be rendered against the City or the HDSA or their respective officers, agents, and employees, or any of them, or jointly against City and/or the HDSA and their respective officers, agents, and employees, or any of them, the other party shall satisfy the same.

- b) In executing this Agreement, neither party assume liability or responsibility for or in any way release the City or the HDSA from any liability or responsibility which arises in whole or in part from the existence or effect of City or HDSA ordinances, policies, rules or regulations. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such City or HDSA ordinance, policy, rule or regulation is at issue, the City and/or the HDSA shall defend the same at its sole expense and, if judgment is entered or damages are awarded against the City, the HDSA, or any of them, the City and/or the HDSA shall satisfy the same, including all chargeable costs and reasonable attorney's fees.
- c) The foregoing indemnity is specifically intended to constitute a waiver of each party's immunity under Washington's Industrial Insurance Act, Title 51 RCW, as respects the other parties only, and only to the extent necessary to provide the indemnified party with a full and complete indemnity of claims made by the indemnitor's employees. The parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

6) **Modification**

- a) This Agreement constitutes the entire understanding of the Parties. Any written or verbal agreements that are not set forth herein or incorporated herein by reference are expressly excluded. The HDSA will not sell, lease, transfer or in any way encumber any of the items described in this agreement without the written consent of the City. No change, termination, or attempted waiver of any provisions of this agreement shall be binding on either of the parties unless executed in writing by authorized representatives of each of the parties.

7) **Benefits**

- a) This agreement is entered into for the benefit of the parties to this agreement only and shall confer no benefits, direct or implied, on any third persons.

8) **Arbitration**

- a) In the event of a disagreement between the parties relating to interpretation of the terms of this agreement, the parties agree that such dispute shall be resolved by binding arbitration.
- b) The arbitration shall be conducted by a panel of three (3) arbitrators selected from a list provided by the American Arbitration Association. Each party shall appoint an arbitrator

who shall not be employed or reside in Snohomish County, Washington. The two arbitrators shall appoint a third arbitrator with the same qualifications. Unless different rules are adopted by the Board of Arbitrators, the rules of the American Arbitration Association shall apply with respect to the arbitration proceedings.

9) **Costs**

- a) Each party agrees to bear and pay its own expenses in connection with the negotiation and implementation of this agreement, including but not limited to its attorney and consultant fees, unless otherwise described within this agreement.

10) **Severability**

- a) In the event that any section, sentence, clause, or paragraph of this agreement is held to be invalid by any
- b) court or competent jurisdiction, the remainder of this agreement shall not be affected and shall remain in full force and effect.

11) **Litigation**

- a) In the event that either party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this agreement, the parties agree that such action shall be initiated in the Superior Court of the State of Washington, in and for Snohomish County. The prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney fees, in addition to any other award.

12) **Third-Party Rights**

- a) Anything to the contrary notwithstanding, nothing contained in this agreement shall be interpreted to create third-party rights in any person or entity not a party thereto.

13) **Effective Date**

- a) This agreement shall become effective upon the approval and execution by both parties through December 31, 2026.

Dated this _____ day of _____ 2025.

CITY OF SNOHOMISH

HISTORIC DOWNTOWN SNOHOMISH
ASSOCIATION

Mayor Linda Redmon

By:

Its: President/Governing Member and
Authorized Representative

Attest/Authenticated:

Approved as to Form:

Brandi Whitson
City Clerk

Emily Guildner
City Attorney

Exhibit A: Scope of Work

Scope of Work by the Historic Downtown Snohomish Association for 2025-2026:

- Supporting safety measures
- Beautification of the Snohomish Historic Business District
- Community events
- Support for local businesses in the Snohomish Historic Business District
- Promotion of the Snohomish Historic Business District
- Payment of staff for professional management of activities and projects in the Snohomish Historic Business District
- Other work in the Snohomish Historic Business District as authorized under Snohomish Municipal Code Chapter 5.04 and RCW 35.87A.010