

**AMENDMENT No.1 TO THE
INTERLOCAL AGREEMENT ESTABLISHING A COOPERATIVE
EFFORT TO SUPPORT REGIONAL ECONOMIC DEVELOPMENT (Startup 425)**

This Amendment No.1 ("Amendment") is entered into by and between the cities of Bellevue, Issaquah, Kirkland, Redmond, and Renton, each a municipal corporation of the State of Washington, as of the last signature date below, for the purpose of revising the underlying interlocal agreement ("Agreement"), adopted 7/1/2019, and promoting economic development in each jurisdiction.

RECITALS

WHEREAS, in 2019, the cities of Bellevue, Issaquah, Kirkland, Redmond, and Renton (hereinafter "Parties") executed the Agreement, establishing collaborative program known as Startup 425;

WHEREAS, Kirkland previously and successfully served as the administrator of Startup 425; and

WHEREAS, the Parties would like to identify a new administrator for Startup 425 and prescribe a process for periodically reviewing the program's administration and designating a new administrator as the Parties may agree; and

WHEREAS, the Parties would like to revise the authorized activities and programming for Startup 425, including the development of a sustainability plan to further support small businesses within the region; and

WHEREAS, the Parties would like to prescribe a process where other jurisdictions in East King County might become parties to the cooperative effort, further promoting and strengthening economic development in the region; and

WHEREAS, the Parties would like to make other clarifications to the underlying interlocal agreement.

NOW, THEREFORE, the Parties agree to amend their Interlocal Agreement Establishing a Cooperative Effort to Support Regional Economic Development (Startup 425) as follows:

Section 3 – Administration is deleted in its entirety and replaced with the following:

3. ADMINISTRATION. No new or separate legal or administrative entity is created to administer the provisions of this Agreement. Instead, the City of Bellevue will function as the administrator of Startup 425 (the "Administrator"). If it becomes necessary to change the Administrator, the Parties may transfer this function to another Party by agreement of the Parties. This transfer shall not require the amendment of this Agreement or further assent from the Legislative Authorities of the Parties.

Section 5 – Scope is deleted in its entirety and replaced with the following:

5. SCOPE.

- A. Host, edit, and maintain the Startup 425 website.
- B. Actively participate in the Eastside startup and small business community to promote a vibrant ecosystem of entrepreneurs and small business owners.
- C. Evaluate structural options and develop a financial sustainability plan for the program. Engage in long-range planning for the Startup 425 program and the broader small business support ecosystem on the Eastside, including work toward additional revenue-generating activities and a sustainable operations model.
- D. Design, plan, and operate small business support programming, which may include community events, group education, online resources, workshops, webinars, one-on-one small business advising, incubator or accelerator programs, support for external business support providers, and other small business support services.
- E. Provide regular updates for all Parties, including information on customers served, services provided, budget, and other items as requested by the Parties.
- F. Other related programs as proposed by the Administrator or the Parties.

Section 6 – Term and Termination is deleted in its entirety and replaced with the following:

6. TERM AND TERMINATION. This Agreement shall become effective (“Effective Date”) when signed by all Parties and shall remain in effect until December 31, 2023. Thereafter, the Agreement shall renew automatically for one-year terms ending December 31, unless a Party gives notice 30 days before the end of the then-existing term that it is withdrawing from the Startup 425 program. The Agreement shall thereafter remain in effect as to the remaining Parties, unless the Parties determine the Startup 425 program is no longer viable without the Party withdrawing. If the remaining Parties are in agreement that the Startup 425 program is no longer viable as a result of any withdrawal, then the Administrator shall, per this Section 6, send written notice to each Party memorializing said agreement, and the Agreement shall terminate on December 31. No jointly-owned property will be obtained under this Agreement, and any Party’s real or personal property held by the Startup 425 program will be returned to that Party upon the Party’s withdrawal or this Agreement’s termination.

Section 7 – Financing is deleted in its entirety and replaced with the following:

7. FINANCING.

- A. **Base program:** Each Non-Adminstrating Party will provide **\$20,000** annually to fund base-level Startup 425 management and day-to-day operations, which shall include program coordination and staffing, events organizing, and basic marketing. Each payment will be due to the Administrator within one month of invoicing. A separate account will be established by the administrator for funds received for Startup 425. The Administrator will contribute **\$40,000** annually through cash and in-kind contributions to manage the Startup 425 program and its day-to-day operations, which may include, but is not limited to, staff salaries, meeting space, office space, and necessary equipment for its operation.

- B. **Additive programming:** Additional staffing beyond the base program, to carry out additional services (such as one-on-one small business advising or industry-specific educational content) may be proposed by the Administrator per Section 4, which will be funded as mutually agreed by the Parties in writing. The Administrator will invoice each Party its agreed share on a form acceptable to said party, which shall be payable within 30 days of receipt. In 2023, an additional one-time **\$12,200** contribution will be invoiced to and paid by each partner for staffing and management; additionally Bellevue will provide additional one-time **\$61,000** cash and in-kind contribution to fund these services.
- C. **Contracts.** Any contract executed by the Administrator per Section 4 for goods or services that are additive to the day-to-day administration/operation of the program (e.g. consultant contract), may be funded as mutually agreed in writing by the Parties prior to execution of the Contract. The Administrator will invoice each Party its agreed share on a form acceptable to said party, which shall be payable within 30 days of receipt. Nothing in this section shall otherwise limit the Administrator's authority to execute contracts for accounting services, legal services, or other contracts necessary to carry out the purposes of Startup 425 under Section 4.

Section 8 – Contact Persons is deleted in its entirety and replaced with the following

8. CONTACT PERSONS. For purposes of this Agreement, the following persons shall serve as contact persons for their respective jurisdictions:

| | |
|----------|------------------------------|
| Bellevue | Business Development Manager |
| Issaquah | Economic Development Manager |
| Kirkland | Government Affairs Manager |
| Redmond | Economic Development Manager |
| Renton | Economic Development Manager |

The Parties shall provide to each other up-to-date contact information for their respective representative.

Section 9 – General Matters and Recording is amended to add a new paragraph as follows:

J. Incorporation of Additional Parties. By unanimous written approval of the already participating Parties' designees, additional cities may, upon execution of an addendum (ATTACHMENT A), become a party to this Agreement. The Incorporation of Additional Parties shall not require the further assent from the Legislative Authorities of the Parties. Except for the City of Bothell, which may join effective immediately, each new Party must join effective on January 1 of the subsequent year. All new members shall have the rights, privileges, duties, and obligations afforded the Parties under the terms of the Agreement.

Section 10 – Counterparts is deleted in its entirety and replaced with the following:

10. COUNTERPARTS. This Agreement, and any amendments thereto, may be signed in counterparts and, if so signed, shall be deemed one integrated agreement.

A new Section 11 is added:

11. PROPERTY. In accordance with Section 6, no jointly-owned property will be obtained under this Agreement, and any Party's real or personal property held by the Startup 425 program will be returned to that Party upon the Party's withdrawal or this Agreement's termination. This includes, but is not limited to:

- a. Program Name (Bellevue)
- b. Logo and associated graphics developed for the program by the design firm Tribu (Bellevue);
- c. Website (Bellevue); and
- d. Springboard 425 Entrepreneur Curriculum Outline (Kirkland)

This section shall supersede the Parties' 2019 Memorandum of Understanding.

Except as modified by this Amendment No. ____, the 2019 Agreement remains in full force and effect.

Signature Pages Follow

Approved and executed this _____ day of _____, 202____.

Jurisdiction: Bellevue

Approved as to form:

By: _____

Name: Brad Miyake

City Attorney

Title: City Manager

Approved and executed this _____ day of _____, 202__.

Jurisdiction: Issaquah

Approved as to form:

By: _____

Name: Mary Lou Pauly

City Attorney

Title: Mayor

Approved and executed this _____ day of _____, 202__.

Jurisdiction: Kirkland

Approved as to form:

By: _____

Name: James Lopez

City Attorney

Title: Assistant City Manager

Approved and executed this _____ day of _____, 202__.

Jurisdiction: Redmond

Approved as to form:

By: _____

Name: Angela Birney

Title: Mayor

City Attorney

Approved and executed this _____ day of _____, 202__.

Jurisdiction: Renton

Approved as to form:

By: _____

Name: Armando Pavone

Title: Mayor

City Attorney

ATTACHMENT - A

**ADDENDUM TO
INTERLOCAL AGREEMENT
ESTABLISHING A COOPERATIVE EFFORT TO SUPPORT REGIONAL ECONOMIC DEVELOPMENT
(Startup 425)**

PREAMBLE

THIS ADDENDUM ("Addendum") to that certain Interlocal Agreement Establishing a Cooperative Effort to Support Regional Economic Development ("Agreement"), originally adopted July 1, 2019 and as subsequently amended, is entered into by the Parties to that Agreement and the City of _____ ("City"), for the purposes of allowing the City to become a member, with full rights and obligations under the Agreement as described in the Agreement, as amended. This Addendum sets forth the rights and obligations of the City in accordance with Section 9(J) of the Agreement. The Parties and the City share interests in and responsibility for supporting regional economic development and wish to provide for funding and implementation of various activities and projects connected thereto.

TERMS

1. The City of _____'s legislative authority, by City Council Action, has authorized the City's becoming a member of the Cooperative Effort to Support Regional Economic Development, hereinafter Startup 425, in accordance with the terms of the Agreement, as amended, and has authorized its designated representative to sign this Addendum on behalf of the City.
2. Upon the effective date of this Addendum, the City of _____ shall be a member of Startup 425, and shall have all the rights, privileges, duties, and obligations afforded the Parties under the terms of the Agreement.

IN WITNESS WHEREOF, the City of _____ and the Parties have executed this Addendum on the date indicated below:

City of _____

By: _____

Title: _____

Date: _____