



AGREEMENT BETWEEN THE CITY OF BELLEVUE AND  
KIDSQUEST CHILDREN'S MUSEUM

THIS AGREEMENT ("AGREEMENT") is entered into this \_\_\_\_ day of \_\_\_\_, 2025, by and between the CITY OF BELLEVUE, a municipal corporation Washington, hereinafter "the City" and KIDSQUEST CHILDREN'S MUSEUM, a non-profit corporation organized under the laws of the State of Washington, hereinafter "KIDSQUEST."

WHEREAS, KIDSQUEST is a 501 (c)(3) non-profit corporation serving over 200,000 visitors annually with STEAM-centered "learning through play" museum exhibits and educational programming at its hands-on, interactive children's museum in Downtown Bellevue; and

WHEREAS, by expanding the size and capacity of its current facility, KIDSQUEST will be able to increase public accessibility to the arts and sciences through additional programming and exhibits, serve additional residents and visitors to the City of Bellevue, and further contribute to the attractiveness and economic viability of Bellevue and the greater Eastside; and

WHEREAS, KIDSQUEST has embarked on a campaign to obtain both private and public contributions for the purpose of designing, developing, constructing, and operating an expanded museum in the City; and

WHEREAS, the City has determined that the provision of cultural opportunities and educational services to a broad range of City residents and visitors of all ages and abilities is in the public interest, and therefore has designated City funds to pay for a portion of the costs of design and construction of a larger museum facility operated consistently with the public interest and for the benefit of the public; and

WHEREAS, by this Agreement the parties intend to set forth the understandings and conditions that will govern KIDSQUEST's use of such public funds; now, therefore,

**IN CONSIDERATION OF THE MUTUAL PROMISES AND CONDITIONS CONTAINED  
HEREIN, THE PARTIES AGREE AS FOLLOWS:**

1. Term of Performance. The terms of this Agreement shall become effective on the date of last signature and shall terminate on December 31, 2026 pursuant to the terms and conditions of the Agreement.



2. City Funds. City agrees to provide up to Five Hundred Thousand dollars (\$500,000) hereinafter “the Funds” to KidsQuest Children’s Museum for design and feasibility studies relating to opening an expanded museum facility in Bellevue (“the Facility”), subject to the conditions and provisions set forth in this Agreement.
3. Investment Principles. The Parties agree that the City’s four investment principles for requests from cultural arts organizations applicable to this agreement are as follows:
  - a. The organization has a sustainable long-term financial model, including strong private sector financial commitment.
  - b. Any agreement for funding must clearly define public benefit to be received in exchange for investment.
  - c. Any agreement for funding shall provide for City involvement in financial oversight.
  - d. The City’s funding must be an investment in a facility, or for support of the operation of the facility. The funds cannot be used for fundraising activities.
4. Use of Funds. The Funds shall be used exclusively for the reimbursement of eligible costs incurred by KIDSQUEST for work performed on their behalf to conduct design, engineering, and feasibility studies related to potential expansion to a new museum facility in Bellevue (“the Project”).
5. Payment Terms.
  - a. KIDSQUEST shall comply with the City’s requirements for submittal of reimbursement requests to include:
    - i. Bills, invoices, contracts, or other writings evidencing the work performed by contractors or subcontractors on the maintenance project;
    - ii. Proof of payment by KIDSQUEST, including but not limited to, financial statements, receipts from contractor or subcontractor, or other payment confirmation;
    - iii. A written declaration by KIDSQUEST’s Executive Director or Financial Officer made under penalty of perjury under the law of the State of Washington that the documentation supporting the reimbursement request is true and correct; that the expenses have been incurred for the sole purpose described in this Agreement; and that the expenses



have been paid in full and the work executed prior to the submission of the reimbursement request.

- b. The City shall disburse the requested Funds to KIDSQUEST within thirty (30) days after written request subject to the payment requirements being satisfied as to any request for Funds.
  - c. All Funds shall be expended and invoiced to the City no later than December 31, 2026.
  - d. To the extent the Funds are not fully used by KIDSQUEST by such date, the City shall not be obligated to advance the remaining balance of the Funds (and in such event the term "Funds" shall mean only the amount so expended by December 31, 2026).
  - e. The Funds shall not be used for any other costs, including costs related to marketing or fundraising or other similar costs.
  - f. KIDSQUEST will be solely responsible for and will file, on a timely basis, all tax returns and payment required to be filed with or made to any federal, state, or local tax authority with respect to KIDSQUEST's receipt of Funds pursuant to the Agreement. KIDSQUEST will be solely responsible for and must maintain adequate records of expenses incurred in the course of performing the Services under the Agreement. No part of KIDSQUEST's compensation will be subject to withholding by the City for the payment of any social security, federal, state or any other employee payroll taxes; nor shall the City be obligated to make any such withholdings and/or payments on behalf of any employee, subcontractors, supplier, or other person working for or engaged by KIDSQUEST under the Agreement.
6. Financial Reporting. KIDSQUEST shall produce the following quarterly financial data to the City within sixty (60) days of the end of each quarter:
- a. Balance Sheet
  - b. Statement of Cash Flows
  - c. Profit & Loss Statement (Budget versus Actual)
- KIDSQUEST shall provide the following annual financial data to the City within one hundred eighty (180) days of the end of KIDSQUEST's fiscal year:
- a. Independent Auditor's Report
  - b. IRS Form 990 (Return of Organization Exempt from Tax)
  - c. Updated three-year projections



The financial reports provided by KIDSQUEST under this Section shall be substantially in the form currently produced and used by KIDSQUEST, or such other reasonable form for a non-profit entity as KIDSQUEST may hereafter adopt so long as they are prepared in accordance with generally accepted accounting principles consistently applied and in compliance with Washington State statutory obligations for non-profit financial reporting.

7. Maintenance of Records. KIDSQUEST shall maintain records for the Funds in a manner that readily allows for inspection. KIDSQUEST shall also maintain records of services provided for the public good as referred to in Section 8(b) below. All records and accounts pertaining to the work performed under this Agreement are to be kept available for inspection by representatives of the City for a period of three (3) years after final payment. Such records shall be made available for inspection by the City during normal business hours upon five (5) days written notice of any inspection request made by the City.
8. Consideration for City Investment.
  - a. Security Interest in Project Deliverables. KIDSQUEST shall grant to the City its interest in the construction documents, design development plans, and any feasibility studies generated for the Project pursuant to this Agreement.
  - b. Continued Operation as a Museum and Ongoing Public Benefit Contribution. KIDSQUEST agrees to continue to operate as a museum in the City of Bellevue at their current location providing cultural and educational services as previously agreed under Resolution 9659 and the 2019 Amendment to the original 2015 Funding Agreement recorded under Clerk's Record No. 75545, including Museum Services described in detail in Section 9.
  - c. Acknowledgement of City Support. KIDSQUEST shall provide public acknowledgement of the City's financial support by posting on-site signage noting the City's financial contribution to the Project and in press releases discussing the proposed new facility project as jointly agreed between the parties.
9. Compliance with Laws. KIDSQUEST shall comply with all zoning, land use, environmental and other laws applicable to the construction and operation of any new facility and with all applicable state and federal laws and regulations regarding employment, minimum wages and hours, and discrimination in employment.



10. Relationship of the Parties. In complying with its obligations for receipt of the Funds, KIDSQUEST shall determine the means of accomplishing the results contemplated by this Agreement. Neither KIDSQUEST nor its officers, agents, or employees are employees or agents of the City for any purpose, and this Agreement shall not be interpreted or construed as creating or evidencing an association, joint venture, partnership, or franchise relationship among the parties. KIDSQUEST shall not be entitled to, and shall not attempt to, create or assume any obligation, express or implied, on behalf of the City.

11. General Administration and Management.

The director of the Community Development Department, or their designee, shall be the City's representative, and shall coordinate all communications and review and approve all invoices, under this Agreement.

All notices and other communications under the Agreement must be in writing and directed to:

City of Bellevue  
Department of Community Development – Arts  
ATTN: Lorie Hoffman  
450 110th Avenue NE  
Bellevue, WA 98004

KIDSQUEST  
1116 108<sup>th</sup> Ave NE  
Bellevue WA 98004

12. Indemnification and Hold Harmless

- a. KIDSQUEST shall protect, defend, indemnify and save harmless the City, its officers, employees and agents from any and all costs, claims, judgments or awards of damages, arising out of or in connection with the performance of this Agreement, including but not limited to the acts or omissions of KIDSQUEST, its contractors, subcontractors, and/or the users of the KIDSQUEST'S services and/or products, except for injuries and damages caused by the sole negligence of the City. KIDSQUEST agrees that its obligations under this subparagraph extend to any claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents. In the event the City obtains any judgment or award, and/or incurs any cost



arising therefrom including attorneys' fees to enforce the provisions of this Section, all such fees, expenses, and costs shall be recoverable from KIDSQUEST.

- b. The City shall protect, defend, indemnify and save harmless KIDSQUEST, its officers, employees and agents from any and all costs, claims, judgments or awards of damages, directly caused by the sole negligence of the City. The City agrees that its obligations under this subparagraph extend to any claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents. In the event KIDSQUEST obtains any judgment or award, and/or incurs any cost arising therefrom including attorneys' fees to enforce the provisions of this article, all such fees, expenses, and costs shall be recoverable from the City.
- c. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of KIDSQUEST and the City, or each party's respective officers, officials, employees, and agents, the indemnifying party's liability hereunder shall be only to the extent of the indemnifying party's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the parties' waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.
- d. KIDSQUEST will indemnify, defend, and hold the City (and its elected officials, officers, employees, successors, assigns, insurers, licensees, distributors, independent Consultants, and agents) harmless from all claims, damages, losses, and expenses (including reasonable attorney's fee's incurred on such claims and in proving the right to indemnification) arising out of or resulting from any claim, action, or other proceeding that is based upon (a) KIDSQUEST's breach of any obligations, representations, or warranties under the Agreement, (b) KIDSQUEST's outside business activities, or (c) the infringement or misappropriation by KIDSQUEST of any foreign or United States patent, copyright, trade secret, or other proprietary right in results.

13. Insurance and Risk of Loss. KIDSQUEST shall maintain insurance that is sufficient to protect KIDSQUEST's business against all applicable risks, as set forth in



Attachment "A" (labeled as, "Insurance Requirements"). KIDSQUEST will cause the indemnified parties, as described in Section 12A and 12D, above, to be named as additional insureds on the policy required under the Agreement and shall cause its insurance to be primary to any insurance carried by the indemnified parties. KIDSQUEST will provide the City with certificates of insurance and other supporting materials as the City reasonably may request to evidence KIDSQUEST's continuing compliance with this Section.

14. Future Support. The City makes no commitment and assumes no obligations for the support, financial or otherwise, of KIDSQUEST's activities except as set forth in this Agreement.

15. Compliance with Laws.

- a. KIDSQUEST agrees not to discriminate against any employee or applicant for employment or any other person in performance of this Agreement because of race, color, creed, religion, gender, age, national origin, pregnancy, genetic information, marital status, sexual orientation (including gender identity), or the presence of any sensory, physical, or mental disability, or other circumstance prohibited by federal, state, or local law or ordinance, except for a bona fide occupational disqualification.
- b. KIDSQUEST shall comply with all current federal, state, and local laws and ordinances applicable to the work to be done under this Agreement, including where applicable Bellevue City Code 4.28.170.
- c. The Project may be subject to state prevailing wage law (Chapter 39.12 RCW). KIDSQUEST is advised to consult the Industrial Statistician at the Washington Department of Labor and Industries to determine whether prevailing wages must be paid. The City is not responsible for determining whether prevailing wage applies to this Project or for any prevailing wage payments that may be required by law.
- d. Violation of this section shall be a material breach of this Agreement and grounds for cancellation, termination or suspension of the Agreement by the City, in whole or in part, and may result in ineligibility for future funding by the City.

16. Governing Law and Venue. This Agreement will be construed and interpreted in accordance with the laws of the State of Washington. Any mediation, arbitration or legal proceeding that arises out of or in connection with this Agreement will be initiated and



maintained in King County, Washington. Each party consents to jurisdiction and venue in such courts and waives the right to claim that any such court is an inconvenient forum.

17. Severability. If any provision of the Agreement is held to be invalid or unenforceable for any reason, the remaining provision will continue in full force without being impaired or invalidated in any way. The City and KIDSQUEST agree to replace any invalid provision with a valid provision that most closely approximates the intent and economic effect of the invalid provision.
18. Nonwaiver. Any failure by the City to enforce strict performance of any provision of the Agreement will not constitute a waiver of the City's right to subsequently enforce such provision or any other provision of the Agreement.
19. Legal Fees. In any lawsuit between the parties with respect to the matters covered by the Agreement, the prevailing party will be entitled to receive its reasonable attorney's fees and costs incurred in the lawsuit, in addition to any other relief it may be awarded.
20. Noncompliance. If KIDSQUEST is found to be out of compliance with provisions of this agreement, the City may seek repayment of the principal amount of the Fund plus interest and attorney fees, or other appropriate legal remedy.
21. Entire Agreement and Modifications.
  - a. This Agreement does not restate, amend, replace, or supersede any prior agreements between the parties, including the 2019 Amendment to the original 2015 Funding Agreement between the parties and recorded under Clerk's Record No. 75545.
  - b. This Agreement constitutes all of the understandings and agreements between the parties with respect to the City's commitment to provide, and KIDSQUEST's use of, the Funds for the Project. Unless otherwise provided for herein, no amendments, changes, alterations or modifications of this Agreement shall be effective unless executed by written instrument properly signed by both parties.

KIDSQUEST,  
A non-profit corporation

City of Bellevue,  
a municipal corporation

By: \_\_\_\_\_

By: \_\_\_\_\_





Putter Bert,  
Executive Director

Emil King,  
Community Development Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved As to Form:

Trisna Tanus, City Attorney

By: \_\_\_\_\_

Courtney Popp, Assistant City Attorney



## **Attachment "A"** **Insurance Requirements**

KIDSQUEST shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by KIDSQUEST, its agents, representatives, employees or subcontractors.

**A. Minimum Insurance:**

- Commercial General Liability coverage with limits not less than \$1,000,000 per occurrence/ \$2,000,000 annual aggregate, including Stop Gap coverage.
- Crime Policy: Coverage shall include coverage for Employee Dishonesty, Forgery/Theft at a limit of not less than \$500,000
- Workers' Compensation coverage as required by the Industrial Insurance Laws of the State of Washington.
- Director and Officers Coverage in limits not less than \$1,000,000 per occurrence.

**B. Self-Insured Retentions:** Any self-insured retentions must be declared to the City in writing.

**C. Commercial General Liability:** Commercial General Liability policies must be endorsed to Include the City, its officials, employees and volunteers as additional insureds and provide that such insurance shall be primary as respects any insurance or self-insurance maintained by the City.

**D. Acceptability of Insurers:** Insurance shall be placed with Insurers with an AM Best rating of A:VII or higher.

**E. Verification of Coverage:** KIDSQUEST shall furnish the City with certificates of insurance required by this clause. The certificates are to be received and approved by the City prior to the effective date of the Agreement and throughout the term of the Agreement. The City reserves the right to require complete, certified copies of all required insurance policies at any time. KIDSQUEST shall notify the City of any cancellation or reduction in coverage of limits of any insurance within seven (7) days of receipt of insurer's notification to that effect.