INTERLOCAL AGREEMENT FOR THE JOINT ESTABLISHMENT OF A TOURISM PROMOTION AREA

THIS INTERLOCAL AGREEMENT FOR THE JOINT ESTABLISHMENT OF A TOURISM PROMOTION AREA ("Agreement") dated this <u>day of</u>, 2022 ("Effective Date"), is made and entered into by and among the CITY OF BELLEVUE ("Bellevue") and the CITY OF REDMOND ("Redmond", and together with Bellevue, the "Parties" or each a "Party"), each being a municipal corporation organized under the laws and statutes of the State of Washington, for the purpose of establishing a joint tourism promotion area pursuant to chapter 35.101 of the Revised Code of Washington (RCW).

RECITALS

WHEREAS, the tourism industry is a vital and substantial component of the region's economy and tourism promotion increases the number of visitors to the region, which in turn increases regional sales supporting the local economy; and

WHEREAS, the Washington Legislature, recognizing the importance of tourism promotion, by chapter 35.101 RCW, authorizes local governments to establish Tourism Promotion Areas ("TPAs") and levy lodging charges to fund tourism promotion; and

WHEREAS, RCW 35.101.010(2)(b) specifically authorizes cities located in any county within the state of Washington with a population of one million or more inhabitants to form a TPA when acting jointly under chapter 39.34 RCW; and

WHEREAS, RCW 35.101.050 specifically authorizes legislative authorities for a TPA to impose a base charge of up to two dollars (\$2.00) per night stay on the furnishing of lodging by a lodging business with 40 or more rooms located in a TPA; and

WHEREAS, RCW 35.101.057 specifically authorizes legislative authorities for a TPA to impose an additional charge of up to three dollars (\$3.00) per night stay on the furnishing of lodging by a lodging business with 40 or more rooms located in a TPA until July 1, 2027. This additional charge increases the authorized TPA charge to a maximum of five dollars (\$5.00) per night per stay; and

WHEREAS, other Washington counties and cities have already established TPAs and have dedicated applicable charges to fund tourism promotion within said areas; and

WHEREAS, the operators or lodging businesses located in the cities of Bellevue and Redmond are prepared to initiate the formation of a TPA within the jurisdictional boundaries of the cities of Bellevue and Redmond (the "Bellevue-Redmond Tourism Promotion Area"); and

WHEREAS, the operators or lodging businesses located in the proposed Bellevue-Redmond Tourism Promotion Area ("BRTPA") request that lodging charges be imposed as follows: a \$2.00 base charge per night per stay, and a \$0.50 additional charge per night per stay; and

WHEREAS, if the BRTPA is established as proposed, then it would provide approximately \$3.5 million of additional revenue for tourism promotion in the first year, which is expected to grow incrementally in subsequent years; and

WHEREAS, the additional revenue stream is expected to help the tourism promotion programs currently administered within the cities of Bellevue and Redmond to remain competitive with those administered by other destination marketing organizations in the state of Washington, bring more visitors to the area, bolster hotel occupancy, protect current jobs, create new jobs, increase business at restaurants and retail stores, and increase patronage at arts, cultural and sporting venues in an ever increasingly competitive marketplace; and

WHEREAS, to form a TPA an initiation petition satisfying the requirements of chapter 35.101 must first be presented to the legislative authority having jurisdiction of the area in which the proposed TPA is to be located and a public hearing must be held after providing proper notice; and

WHEREAS, the Parties now desire to enter into this Agreement for the purpose of appointing a legislative authority to receive the initiation petition for, and otherwise provide for the future administration of (if so established), the BRTPA;

NOW, THEREFORE, it is hereby agreed and covenanted among the undersigned as follows:

- I. <u>Authority:</u> Pursuant to chapters 35.101 and 39.34 RCW, the Parties are authorized to execute this Agreement.
- **II.** <u>Purpose:</u> The purpose of this Agreement is to promote tourism within the cities of Bellevue and Redmond by designating the legislative authority and establishing the framework for the formation of the Bellevue-Redmond Tourism Promotion Area ("BRTPA") pursuant to chapter 35.101 RCW, which when (and if) created will permit collection of Lodging Charges from Lodging Businesses located within the BRTPA to fund Tourism Promotion. It is also the purpose of this Agreement, to the fullest extent allowed by law, to incorporate the participation and direction of Lodging Businesses subject to the Lodging Charges authorized herein in all decisions concerning how revenues derived from said charges will be used for Tourism Promotion.
- **III.** <u>Duration</u>: This Agreement shall continue in full force and effect for a period of five (5) years from its Effective Date, subject to amendment or dissolution as provided herein. This Agreement shall automatically renew on each one year anniversary thereafter; provided, that if the BRTPA is never established within a year of the Effective Date of this Agreement, then this Agreement shall terminate on the date identified in Section V(H) below.
- **IV.** <u>Definitions:</u> In this Agreement the following terms, unless the context otherwise dictates, shall have the following meanings:

"Advisory Board" means the board created pursuant to this Agreement to serve in advisory capacity to the Bellevue City Council, as Legislative Authority, to make recommendations regarding the use of any Lodging Charge revenue collected within the BRTPA.

"Agreement" means this "Interlocal Agreement for the Joint Establishment of a Tourism Promotion Area" by and between Bellevue and Redmond, as it may be amended from time to time.

"Annual Budget" means the budget prepared by the Advisory Board and approved by the Legislative Authority pursuant to Sections VIII and IX of this Agreement.

"BRTPA" means the Bellevue-Redmond Tourism Promotion Area.

"Bellevue" means the City of Bellevue, a municipal corporation organized under the laws and statutes of the State.

"Bellevue City Council" means the City Council of Bellevue as the general legislative authority of Bellevue, as the same shall be duly and regularly constituted from time to time.

"Bellevue-Redmond Tourism Promotion Area" means the geographic area identified in the Petition and in Exhibit A to this Agreement, which shall encompass the corporate limits of Bellevue and Redmond.

"Legislative Authority" means the legislative authority of the BRTPA appointed pursuant to Section V and Section VIII of this Agreement, as the same shall be duly and regularly constituted from time to time.

"Lodging Business" means a business located within the BRTPA that furnishes lodging taxable by the State under chapter 82.08 RCW and that has 40 or more lodging units. Lodging facilities with fewer than 40 rooms are not considered "Lodging Businesses" for the purpose of this Agreement and are exempt from any fees imposed under chapter 35.101 RCW.

"Lodging Charges" means the levy (charge) imposed by the Legislative Authority on the Operators of Lodging Businesses within the BRTPA and subsequently passed on to the guests of the Lodging Business, as allowed under chapter 35.101 RCW, for the purpose of providing funding of Tourism Promotion in the boundaries of the BRTPA.

"Management Agreement" means one or more agreement(s) with a destination marketing organization, similar organizations, or public entity for operation and management of the BRTPA.

"Operator" or "Operator of a Lodging Business" means an operator of a Lodging Business, whether in the capacity of owner, general manager, lessee, sublessee, mortgagee in possession, licensee or any other similar capacity.

"Petition" means the initiation petition delivered to the Legislative Authority pursuant chapter 35.101 RCW.

"Redmond" means the City of Redmond, a municipal corporation organized under the laws and statutes of the State.

"Redmond City Council" means the City Council of Redmond as the general legislative authority of Redmond, as the same shall be duly and regularly constituted from time to time.

"Representative" means a member of the Advisory Board, who is an Operator of a Lodging Business, or his/her designee, and that is recommended by the Advisory Board and approved/appointed by the Legislative Authority.

"State" means the State of Washington.

"Tourism Promotion" means activities and expenditures designed to increase tourism and convention business, including but not limited to advertising, publicizing or otherwise distributing information for the purpose of attracting and welcoming tourists, and operating tourism destination marketing organizations.

V. Establishment of BRTPA:

- A. The Bellevue City Council is appointed to serve as the Legislative Authority of the proposed BRTPA for all purposes, including for the purpose of receiving a Petition from operators and Lodging Businesses seeking the establishment of the BRTPA. A copy of said Petition shall also be provided to the City of Redmond.
- B. Upon receipt of a valid Petition seeking establishment of the BRTPA, the Bellevue City Council shall adopt a resolution of intention to establish the area in accordance with RCW 35.101.030. A copy of said resolution shall also be provided to the City of Redmond.
- C. The Bellevue City Council shall provide notice of a public hearing to establish the BRTPA in accordance with RCW 35.101.060. Bellevue shall be responsible for all costs related to the provision of notice.
- D. At a properly noticed public hearing, the Bellevue City Council shall hear all testimony and receive evidence for or against the proposed action. The Bellevue City Council may continue the hearing from time to time. The Bellevue City Council shall terminate the hearing if protest is made by the Lodging Businesses in the area which would pay a majority of the lodging charges proposed.
- E. Only after a valid petition seeking establishment of the BRTPA has been presented to the Bellevue City Council, and only after the Bellevue City Council has conducted the requisite public hearing, may the Bellevue City Council adopt an ordinance to establish the BRTPA.
- F. If the Bellevue City Council adopts an ordinance establishing the BRTPA, then it shall contain the information prescribed by RCW 35.101.080. A copy of the ordinance establishing the BRTPA shall be provided to the City of Redmond.
- G. Upon establishment of BRTPA, the Bellevue City Council shall continue to serve as the Legislative Authority for purposes of the BRTPA and have all powers authorized under chapter 35.101 RCW and as may be clarified/supplemented by this Agreement.
- H. Notwithstanding anything herein to the contrary, if the BRTPA is not established by ordinance by [INSERT DATE CERTAIN], this Agreement shall terminate and shall no longer be in force and effect.
- I. It is understood and agreed that the purpose of authorizing the Bellevue City Council to establish the BRTPA is to provide revenue to fund Tourism Promotion in both the cities of Bellevue and Redmond. The amounts to be contributed toward Tourism Promotion within Bellevue and Redmond shall be proportionate to the amounts collected from Lodging Businesses operating within each respective city.

VI. <u>Levy of Lodging Charges:</u>

- A. The Bellevue City Council, as the Legislative Authority for the BRTPA, will by ordinance impose Lodging Charges on the furnishing of lodging by certain Lodging Businesses located within the BRTPA in accordance with the zones and rates stated in the Petition and this Agreement.
- B. In accordance with RCW 35.101.090, Bellevue shall contract for the administration and collection of lodging charges by the Department of Revenue.
- C. It is understood and agreed that the BRTPA will include the following two zones:
 - 1. <u>Bellevue Zone:</u> The Bellevue Zone encompasses the jurisdictional boundaries of Bellevue and includes Lodging Businesses that furnish lodging taxable by the State under chapter 82.08 RCW that have 40 or more lodging units and are not within another zone or otherwise exempt.
 - 2. <u>Redmond Zone</u>: The Redmond Zone encompasses the jurisdictional boundaries of Redmond and includes Lodging Businesses that furnish lodging taxable by the State under chapter 82.08 RCW that have 40 or more lodging units and are not within another zone or otherwise exempt.
- D. It is understood and agreed that Lodging Business located within the BRTPA will be subject to Lodging Charges for each zone as follows:

Classification	Base Charge (RCW 35.101.050)	Additional Charge (RCW 35.101.057)
Bellevue Zone	\$2.00 per night per stay	\$0.50 per night per stay
Redmond Zone	\$2.00 per night per stay	\$0.50 per night per stay.

In accordance with RCW 35.101.057, and absent an amendment to the statute, the "additional charge" shall expire on July 1, 2027.

- E. If the Bellevue City Council, as the Legislative Authority for the BRTPA, receives a valid petition to modify the Lodging Charges described herein and imposed by ordinance of the Bellevue City Council, then it shall have the authority to adopt an ordinance revising the charges imposed in accordance with chapter 35.101 without need to amend this Agreement. A copy of any petition, resolution of intention, and subsequent ordinance concerning modifications of Lodging Charges shall be provided to the City of Redmond.
- F. It is understood and agreed that in accordance with RCW 35.101.055, RCW 35.101.110, and RCW 35.101.120, the Lodging Charges to be imposed under this Agreement are not applicable to temporary medical housing exempt under RCW 82.08.997, are not a tax on the "sale of lodging" for purposes of RCW 82.14.410, and are in addition to the special assessments that may be levied under chapters 35.87A and 67.28 RCW. In addition, the Lodging Charges shall not be imposed on lodging rooms for (a) stays by airline crews under contract with Lodging Businesses subject to the tourism promotion charge; (b) stays exceeding thirty (30) consecutive days; and (c) stays pursuant to meetings, conventions, and event contracts executed prior to the start date of the BRTPA.

VII. <u>Administration and Collection of Lodging Charges:</u>

A. In accordance with RCW 35.101.090, the Lodging Charges authorized by this Agreement will be administered by the Department of Revenue and collected by Lodging Businesses from those persons who are taxable by the State under chapter 82.08 RCW, that the Department of Revenue

will deposit the Lodging Charges into the Local Tourism Promotion Account administered by the State Treasurer under RCW 35.101.100, and that the Lodging Charges are subject to chapter 82.32 RCW.

B. It is understood and agreed, in accordance with RCW 35.101.100, the State Treasurer will distribute the money in the Local Tourism Promotion Account to Bellevue on a monthly basis.

VIII. <u>Legislative Authority:</u>

- A. The Parties hereto acknowledge and agree that the Bellevue City Council is being appointed solely to serve as the Legislative Authority for purposes of the BRTPA and chapter 35.101 RCW.
- B. The Bellevue City Council, when acting in its capacity as Legislative Authority, shall have the authority to:
 - 1. Receive the Petition, adopt a resolution of intent to form the BRTPA, hold a public hearing as required by the chapter 35.101 RCW, and otherwise carry out the terms chapter 35.101 RCW;
 - 2. Form the BRTPA, establish rates for Lodging Charges and levy the same pursuant to the terms of this Agreement, the Petition, and chapter 35.101 RCW;
 - 3. Receive recommendations on the allocation of Lodging Charge revenue pursuant to this Agreement;
 - 4. Adopt an Annual Budget for use of Lodging Charges collected within the BRTPA. The Legislative Authority shall approve or deny all recommendations of the Advisory Board, and it shall not have the ability to alter the recommendation. If the Legislative Authority denies the recommendation, then it shall provide a rationale for the denial and request an alternative recommendation from the Advisory Board;
 - 5. Enter into agreements with third parties as necessary to fully implement the purposes of this Agreement, including Management Agreements for the operation and management of the BRTPA;
 - 6. Enter into agreements with the State Department of Revenue, as provided for in RCW 35.101.090;
 - 7. Enter into agreements with and receive funds from any federal, state, or local agencies to advance the purposes of this Agreement and the BRTPA;
 - 8. Receive and account for all funds allocated to the BRTPA;
 - 9. Engage in any and all other acts necessary to further the goals of this Agreement.

IX. Advisory Board:

- A. In accordance with RCW 35.101.130(1), the Bellevue City Council, as the Legislative Authority for the BRTPA, shall create an Advisory Board to make recommendations regarding the use of any revenue from Lodging Charges collected within the BRTPA.
- B. It is understood and agreed that the Advisory Board shall be comprised solely of Representatives

of Lodging Business that are subject to the Lodging Charges authorized under this Agreement; and the Representatives of the Lodging Businesses from both Bellevue and Redmond shall be an equal number. The Legislative Authority, or its designee, shall appoint Representatives to the Advisory Board after receiving a list of qualified candidates from Advisory Board.

- C. In addition to making recommendations regarding the use of Lodging Charges collected pursuant to this Agreement, the Advisory Board shall:
 - 1. Review tourism promotion activities and expenditures designed to increase tourism and convention business within the BRTPA and its two zones, including Tourism Promotion activities and expenditures paid for with Lodging Charges collected within the BRTPA.
 - 2. Review relevant financial statements concerning revenues and expenditures for the BRTPA and its two zones.
 - 3. Provide periodic reports to the Legislative Authority concerning the BRTPA revenues and expenditures.
 - 4. Develop and recommend an annual strategic/business plan for use of Lodging Charge revenue, to be submitted to the Legislative Authority no later than July 30 of each year.
 - 5. Develop and recommend an Annual Budget, to be submitted to the Legislative Authority no later than July 30 of each year.
 - 6. Provide an annual report to Redmond City Council concerning BRTPA; revenue and expenditures, strategic plan, budget, and management agreements.
 - 7. Review and recommend proposals for Management Agreements with tourism destination marketing organizations, public entities or other similar organizations to provide for the management and operation of the BRTPA.
 - 8. Recommend qualified candidates to serve as Representatives to the Advisory Board.
 - 9. Perform other duties related to the BRTPA as may be assigned by the Legislative Authority.
- D. The Advisory Board shall meet no less than quarterly.
- E. The Advisory Board shall serve as an advisory committee to the Legislative Authority for the purpose of making recommendations regarding the use of Lodging Charge revenue to fund Tourism Promotion. The Advisory Board shall not constitute a legal entity, shall have no employees, and shall not have the authority to enter into contracts or acquire property or other assets.
- F. Meetings of the Advisory Board shall be open to the public and conducted in accordance with chapter 42.30 RCW.

X. <u>Use of Revenues for Tourism Promotion:</u>

A. It is understood and agreed that the revenues derived from Lodging Charges imposed within the BRTPA will be used for Tourism Promotion as defined in RCW 35.101.010 and as further clarified by this Agreement. In accordance with RCW 35.101.130, the Bellevue City Council, as the Legislative Authority for the BRTPA, will have sole discretion as to how such revenues will be

allocated and used for this purpose; provided that revenues collected from Lodging Businesses located inside the Redmond Zone shall be applied for tourism promotion within Redmond and that revenues collected from Lodging Businesses located inside the Bellevue Zone shall be applied for tourism promotion within Bellevue. Bellevue shall segregate the revenues collected from the respective zones and deposit them into separate accounts. Bellevue will provide quarterly reports to Redmond to keep it apprised of the revenues/expenditures specific to each zone.

- B. Revenue derived from Lodging Charges and collected by the State Department of Revenue shall be remitted to Bellevue. The Parties hereto acknowledge and agree that Bellevue shall enter into one or more agreements with the State Department of Revenue in order to facilitate the orderly handling of funds received from Lodging Charges within the BRTPA. Bellevue shall hold such funds pursuant to its fiscal policies in a separate fund or account, until allocated in accordance with this Agreement and one or more Management Agreements. These funds shall be subject to the same audit and fiscal controls as other funds held by Bellevue and in full compliance with record-keeping and accounting methods required by State law and/or the Washington State Auditor and Washington State Treasurer in compliance with the requirements of any applicable State program. Interest on investment of the BRTPA funds shall accrue to the benefit of the BRTPA.
- C. In accordance with the proposed Petition, the revenues derived from Lodging Charges will be used for Tourism Promotion, which includes, but are not limited to:
 - 1. The general promotion of tourism and convention business within the BRTPA as may be recommended by the Advisory Committee, Redmond, Bellevue or destination marketing organization or other similar organization with whom the legislative authority shall contract to administer the operation of the BRTPA.
 - 2. Advertising, marketing, public relations, and communications programs designed to attract overnight visitors to, increase consumer demand to, and increase market share to the BRTPA.
 - 3. Tourism development programs, corporate visitation, meetings, conventions, festivals, events programs to promote and increase local tourism resulting in overnight stays within the BRTPA.
 - 4. Tourism and visitation research and data to inform and advance tourism to the BRTPA.
- D. The uses described in this section may include payment of administrative costs associated with the operation and management of the BRTPA. The City of Bellevue is authorized to retain charges limited to a total of 5% that is proportional to each zone's revenue for administrative cost recovery of BRTPA management. Reports of staff time and cost shall be presented to the BRTPA advisory board and the City of Redmond.
- XI. <u>Contract for Management</u>: In accordance with RCW 35.101.130, the Bellevue City Council as the designated Legislative Authority for the BRTPA may execute one or more Management Agreements with tourism destination marketing organizations, public entities or other similar organizations to provide for the management and operation of the BRTPA.

XII. Modification or Dissolution of BRTPA.

- A. The Bellevue City Council, as Legislative Authority for the BRTPA, may modify or dissolve the BRTPA by ordinance after adoption of a resolution of intention and public hearing. The resolution of intention shall describe the proposed action and state the time and place of the public hearing and may be adopted by motion.
- B. The Bellevue City Council must adopt a resolution of intention and hold a public hearing to modify or dissolve the BRTPA if a petition for modification or dissolution is filed with the Bellevue City Clerk and said petition contains the signatures of a majority of persons who operate Lodging Businesses subject to the Lodging Charge then-imposed.
 - a. If a petition to modify or dissolve the BRTPA contains the signatures of persons who operate Lodging Business that pay a majority of the Lodging Charges then-imposed, the Bellevue City Council must modify or dissolve the BRTPA consistent with the petition; unless at the public hearing described in the resolution of intention protest against the modification or dissolution is made by persons who operate Lodging Businesses that pay over 50 percent of the Lodging Charges then-imposed.
 - b. An ordinance adopted under this paragraph shall take effect within a reasonable time as determined by the Bellevue City Council and as allowed under chapter 35.101 RCW.

A copy of any petition, resolution of intention, and ordinance relating to the modification or dissolution shall be provided to the City of Redmond.

- C. If either Party elects to withdraw from this Agreement, then said Party's legislative body shall adopt a resolution of intent to withdraw from the Agreement, to include an explanation supporting the need for withdrawal, and deliver a copy of said resolution to the Bellevue City Council as the Legislative Authority for the BRTPA. The Bellevue City Council shall then adopt a resolution of intent to withdraw. A copy of said resolutions shall be provided to the City of Redmond and to Lodging Businesses in the BRTPA. The ordinance dissolving the BRTPA adopted under this paragraph shall take effect within a reasonable time as determined by the Bellevue City Council and as allowed under chapter 35.101 RCW.
- D. Following dissolution of the BRTPA, the Bellevue City Council shall be responsible for utilizing any remaining unallocated revenue from Lodging Charges for Tourism Promotion within Bellevue and Redmond consistent with the terms of this Agreement. Any property or equipment purchased with revenues from Lodging Charges shall be retained by Bellevue and used for any lawful purpose.
- XIII. <u>Amendments:</u> This Agreement may be amended by the mutual consent of the Parties hereto. No additions to or alterations of the terms of this Agreement shall be valid unless made in writing, formally approved and executed by duly authorized agents of both Parties. The Parties agree to meet every two (2) years to review BRTPA operations and discuss whether amendments to this Agreement may be appropriate.

XIV. <u>Termination:</u>

A. Any Party to this Agreement may withdraw its participation in this Agreement and in the BRTPA by providing written notice and serving that notice to the Legislative Authority as provided herein.

- B. Upon receipt of any notice communicating an intent to withdraw its participation, the Bellevue City Council shall adopt a resolution of intention and conduct the public hearing described in Section XI(C) above.
- C. For the sake of clarity, it is the intention of the Parties hereto that this Section XIII provides for a method of withdrawal and/or termination that is initiated solely by a Party to this Agreement.

XV. <u>Property Acquisition:</u>

- A. This Agreement does not provide for the acquisition, holding, or disposal of real property.
- B. To the extent either Party purchases property, using its own revenues, separate and apart from the charges levied pursuant to chapter 35.101 RCW, in furtherance of this Agreement, said property shall remain with the purchasing party upon termination of this Agreement.
- C. To the extent property is purchased using charges levied pursuant to chapter 35.101 RCW, then such property shall remain with the City of Bellevue upon termination of this Agreement and used for any lawful purpose.

XVI. Indemnification:

- A. Each party to this Agreement will be responsible for the acts or omissions of its own elected officials, officers, employees, or agents in the performance of this Agreement. Neither party will be considered the agent of the other and neither party assumes any responsibility to the other party for the consequence of any act or omission of any person, firm, or corporation not a party to this Agreement.
- B. 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 the Parties to this agreement, or their elected officials, officers, employees, or agents, each party's liability under this Agreement shall be only to the extent of that party's negligence.
- C. It is understood and agreed that all liabilities incurred by the BRTPA shall be satisfied exclusively from the charges collected for the benefit of the BRTPA to the fullest extent allowed by law. No creditor or other person shall have any recourse to the assets, credit, or services of the Parties hereto on account of any debts, obligations, liabilities, acts, or omissions of the BRTPA, unless otherwise agreed in writing by such Party.

XVII. <u>Miscellaneous Provisions:</u>

A. Interlocal Agreement. The Parties agree:

(1) This Agreement is not intended to create a separate entity within the meaning of RCW 39.34.030(3) or a "joint board" within the meaning of RCW 39.34.030(4)(a); and

(2) The Mayor of Redmond and the City of Bellevue City Manager, or such person's designee, are appointed as the "administrator" within the meaning of RCW 39.34.030(4)(a) responsible for administering the such Party's rights and duties set forth in this Agreement.

B. <u>Waiver</u>. No officer, employee, or agent of the either Party to this Agreement has the power, right or authority to waive any of the conditions or provisions of this Agreement. No waiver of

any breach of this Agreement by either Party shall be held to be a waiver of any other or subsequent breach. Failure of either Party to enforce any of the provisions of this Agreement or to require performance of any of the provisions herein, shall in no way be construed to be a waiver of such conditions, nor in any way effect the validity of this Agreement or any part hereof, or the right of either Party to hereafter enforce each and every such provision.

- C. <u>Integration</u>. This Agreement contains all of the terms and conditions agreed upon by the Parties concerning the establishment of the BRTPA by the Bellevue City Council and the collection of Lodging Charges from operators of Lodging Businesses within the BRTPA. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the Parties hereto. The Parties have read and understand all of this Agreement, and no state that no representation, promise or agreement not expressed in this Agreement has been made to induce the officials of the either Party to execute this Agreement.
- D. <u>Severability</u>. In the event that any provision of this Agreement shall be declared by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not, in any way, be affected or impaired thereby. Additionally, it is the intention of the Parties that the charges imposed pursuant to chapter 35.101 RCW are in addition to, and do not otherwise jeopardize funding the Parties may already collect in support of other programs and projects. To the extent that any provision within this Agreement may jeopardize other funding streams of the Parties, then said provision shall be considered severed and unenforceable.
- E. <u>Effective Date.</u> The Parties shall file or post a copy of this Agreement as required by RCW 39.34.040.
- F. <u>Notices:</u> All notices and other communications shall be in writing and shall be sufficiently given and shall be deemed given on the third day following the date on which the same has been mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

City of Bellevue	City of Redmond
Attn: City Manager	Attn: City Mayor
PO Box 90012	PO Box 97010
Bellevue, WA 98009	Redmond, WA 98073-9710
Phone 435.452.6800	Phone: 425.556.2900

Any Party may, by notice to the other Party, designate any further or different address to which subsequent notices or other communications to it shall be sent.

- G. <u>Governing Law</u>. This Agreement shall be governed by and construed in accordance with the laws of the State. If any dispute arises between the Parties hereto under any of the provisions of this Agreement, resolution of that dispute shall be available only through the jurisdiction, venue and rules of the King County Superior Court, King County, Washington.
- H. <u>Records, Audits and Reports: Public Records Requests</u>. At the expense of the BRTPA, the Legislative Authority shall maintain records and accounts of all operations and expenditures of the BRTPA. All records shall be maintained and be available for inspection and photocopying under the provisions of the Washington Public Records Act, chapter 42.56 RCW, subject to

any exemptions or limitations on disclosure.

I. <u>Counterparts</u>. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which shall be constitute one and the same agreement.

IN WITNESS WHEREOF, the City of Bellevue and the City of Redmond have executed this Agreement by their duly authorized officers as of the date last below written.

City of Bellevue	City of Redmond
XXXXXX, XXXXX	XXXXXXX, XXXXX
Deter	Dite
Date:	Date:
Approved as to Form:	Approved as to Form:
XXXXXX, Assistant City Attorney	XXXXXXX, Assistant City Attorney

EXHIBIT – A Geographical Boundary of the BRTPA