



**REGULAR MEETING AND SPECIAL PUBLIC HEARING OF THE  
NORTH BEND PLANNING COMMISSION  
Wednesday November 5, 2025, 6:30 PM  
City Hall, 920 SE Cedar Falls Way, North Bend, WA**

**AGENDA**

- 1) Call to order and roll call, Planning Commission**
- 2) Opportunity for public comment on non-agenda items**
- 3) Approval of minutes from October 1, 2025**
- 4) Hearing and PC recommendation - DDA for Related Northwest - 230 Main Affordable Housing Pg. 3**

- 5) Sign Regulations – 2<sup>nd</sup> review Prohibitions and Exemptions and Definitions Pg. 51**

- 6) Adjournment by 8:30 unless otherwise approved**

**PLEASE NOTE:** Members of the public may choose to attend the meeting in person or by teleconference. Members of the public attending the meeting in-person will have an opportunity to provide public comment and if attending the meeting by teleconference may submit written comments via in-person drop off, mail, fax, or e-mail to [planning@northbendwa.gov](mailto:planning@northbendwa.gov). All written comments must be received by 4 p.m. on the day of the scheduled meeting and must be 350 words or less. If an individual requires accommodation because of a difficulty attending the public meeting, the City requests notice of the need for accommodation by 3:30 p.m. on the day of the scheduled meeting. Participants can request an accommodation to be able to provide remote public comments by contacting the City by phone (425) 888-5633 or by e-mail to [planning@northbendwa.gov](mailto:planning@northbendwa.gov). No other remote public comment will be permitted. Those wishing to access the meeting by teleconference will be required to display your full name to be admitted to the online meeting.

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**REGULAR MEETING OF THE  
NORTH BEND PLANNING COMMISSION  
- ACTION MEETING MINUTES -  
Wednesday October 10, 2025, 6:30 PM**

This meeting was held at City Hall, 920 SE Cedar Falls Way, North Bend, WA, and was also available online. A complete video recording of this meeting is available on the City of North Bend YouTube website, at [www.youtube.com](http://www.youtube.com), under “City of North Bend.”

**1) Call to order and roll call, Planning Commission**

Planning Commissioners present: Hannah Thiel, Stephen Matlock, Chris Coulon, James Boevers, and Juliano Pereira and Sam White

Commissioner Brian Fitzgibbon is absent.

City Staff Present: Mike McCarty, Planning Manager; Caitlin Hepworth, Associate Planner

Meeting was called to Order at 6:30p.m.

**2) Opportunity for public comment on non-agenda items**

No comments.

**3) Approval of minutes from September 17, 2025**

Motion by Commissioner White, seconded by Commissioner Pereira to approve the September 17, 2025 meeting minutes. The motion passed unanimously.

**4) Sign Regulations – 1<sup>st</sup> Review of Prohibition sand Exemptions**

Caitlin Hepworth provided an overview of draft amendments to the existing Sign Regulations in NBMC Chapter 18.20, at this meeting focusing on amendments within section 18.20.030 sign regulation exemptions, and NBMC 18.20.070 Prohibited Signs. Commissioners provided staff with suggestions for revisions. No action was taken at the meeting and the amendments will be brought back for further review by the Commission.

**5) Adjournment by 8:30 unless otherwise approved.**

The meeting was adjourned at 7:16 p.m

Hanna Thiel noted that she will not be present at the November 5 meeting.



**Staff Report and Planning Commission Recommendation  
230 Main Avenue North Disposition and Disposition and Development Agreement**

**Meeting Date:** November 5, 2025

**Proponent:**

Related NW Development Co., LLC  
208 SW 1<sup>st</sup> Avenue, Suite 240  
Portland, Oregon 97204  
Contact: Aisaya Corbray, Project Manager Related NW  
[acorbray@related.com](mailto:acorbray@related.com) (206) 380-2764

**Staff Recommendation:** A Motion to recommend City Council approve the Disposition and Development Agreement (DDA) with Related NW Development Co., LLC and Housing Partners Limited Partnership for an affordable housing project at 230 Main Avenue North.

The North Bend Comprehensive Plan Housing Chapter identifies the need for housing and affordable housing and recommends city's assistance to seek financial resources and partnerships for affordable housing. The Comprehensive Plan, which contains the Housing Element, was approved by City Council in December 2024. The Housing Element has a target of 221 units within the 50-80% AMI income bracket where this project falls within. In November 2023, City Council authorized the purchase of the 230 Main North property with Real Estate Excise Tax 2 (REET 2) funds for the purpose of affordable workforce housing to support local businesses. The use of REET 2 funds to purchase the property means the property at 230 Main North can only be used for affordable housing. The project also helps the city meet housing goals and targets in the 2024 Comprehensive Plan and provides an alternative to the market rate townhomes which are allowed outright in zoning.



### **I. Summary of Disposition and Development Agreement:**

In December of 2023, the City of North Bend city council acquired a 0.4-acre parcel in downtown North Bend at 230 Main Avenue North for an affordable housing project. A Request for Proposal (RFP) was released on June 3, 2024, to identify a developer for the project. A total of three proposals were reviewed and the selection committee recommended Related NW as the developer for the project.

Related NW has proposed a 40-unit multifamily project totaling 28,245 square feet. The project would include 24 one-bedroom units and 16 studio units, on-site parking for 20 vehicles, and amenities such as a laundry room, bike storage, and courtyard. The project is estimated to cost \$19.5 million and would be funded through a mix of construction loans, permanent financing, Washington State grants, and City of North Bend Real Estate Excise Tax 2 and affordable housing sales and use tax funds. A Pre-Application review letter PRE 2023-0500 was issued to the applicant on July 28, 2025.

The Disposition and Disposition and Development Agreement (DDA) is an agreement between Related NW and the City of North Bend to agree on the disposition of the city-owned property at 230 Main Avenue North, code deviations to accommodate the proposed 40-unit apartment building, and City of North Bend financial contribution to the project to achieve the goal of 60% AMI for all units. The DDA will need to be considered and approved by North Bend city council.

The ***draft*** DDA that is still subject to staff and city Attorney review include:

- Sale of the City of North Bend owned property at 230 Main Avenue North at an agreed upon purchase price.
- Financial support from the City of North Bend:
  - Affordable Housing Sales & Use Tax funding for pre-development construction.
  - REET 2 Funds for infrastructure construction costs such as water, stormwater, sewer improvements.
  - Impact Fee Reduction or Elimination: Impact fees for schools, fire, transportation, stormwater, and parks are imposed on new residential development to mitigate for impacts to those services from the new development.
  - Permit Fee Waiver or Elimination: Reduction or elimination of permit fees that conform with Washington State law and upon city council approval of a Disposition and Development Agreement between Related NW and the City of North Bend.
- Requested code deviations to meet the project's affordability goals:
  - Private Open Space (NBMC 18.12): The proposal does not provide 100sf of open space per unit. The proposal is to provide a ~1,200sf courtyard and front and side yard setback space for storm planters totaling ~2,100sf. The proposal is within the Downtown Commercial zone, near existing trails and parks.
  - Frontage-Porch (NBMC 18.12): (3) 5'x10' porches are provided along the (3rd St) frontage without pathways. Providing 8' of depth would require loss of interior floor area and would be detrimental to the livability of these apartments. The ground floor is elevated approximately 4' above the sidewalk due to flood hazard requirements. Providing stairways and connecting pathways would require large areas to navigate the 4' vertical rise. The adjacent ground area will be a stormwater planter to infiltrate rainwater from the roofs.
  - Parking Deviation (NBMC 18.16.090): The proposal requests a reduction in parking from the required 1 space per unit and guest parking of 1 space per 5 units (48) to 20 on-site and 12-13 spaces adjacent on street. NBMC 18.16.100(G) allows for deed restricted affordable housing projects to use on-street parking. This allowance shall not count for more than 50 percent of the total amount of parking required, which is why this is added to the DDA request. The city's Form Based Code Table RP.1 Zoning District intent supports on-street public parking being utilized in the DC-Mixed Use Area. DS.1B also shows that surface or structural parking where feasible.
  - Yard Space/Balconies (NBMC 18.34.060.B.3): A courtyard of 1,200 SF is provided and will be designed for common use by residents and porches are provided for (3) of the ground floor units. Balconies are not provided at upper floor units due to limited site area along with cost, maintenance, and safety concerns.
  - Roof articulation (NBMC 18.34.060.B.4): Exempt the project from requiring the roofline to be broken every 50 feet to save cost.

Following DDA approval and through site plan review the project anticipates seeking administrative relief for landscaping requirements within the parking lot and adjacent to the alley to create two more additional spaces on-site, and additional height to maintain a steeper pitched roof as necessary within the floodplain.

The purpose of DDAs is clarified under 18.27.020, and in summary, allows for establishing standards and requirements for a specific project that may differ from portions of the city's development regulations, subject to approval by the City Council. A DDA enabling a specific user to gain relief from standard code regulations has an advantage over amending the city's zoning regulations to enable additional relief in the city in that it provides a more limited "trial basis" for considering each applicant individually and provides more control as well as the ability to impose requirements that go above and beyond what is otherwise required in the municipal code and state law.

There are benefits and potential impacts with any deviation from code, which are evaluated below. The project will achieve the following goals:

- Establish long-term housing affordability (55+years) up to 60% AMI for all units.
- Serve as a replicable model for innovative affordable housing.
- Demonstrate the city's commitment to meet its economic development and housing action plan goals of providing a variety of housing types and price ranges to make North Bend more livable.
- Support the North Bend Housing Action Plan to encourage affordable workforce housing for local businesses that provide critical amenities serving the needs of North Bend residents.
- Provide an affordable housing product that is consistent with the city's design standards and aesthetic of a mountain town community.
- Utilize creativity and innovation as well as a desire to work closely with the city to establish a long-term affordable housing project.

## **II. Planning Commission and Community and Economic Development (CED) Council Committee Review**

The Planning Commission will provide their review and recommendation for the city council on November 5, 2025, following their consideration of public comment at a public hearing, as required per NBMC 18.27.025. The Planning Commission introduction was on September 17, 2025.

The CED Council Committee will review the proposal for a Disposition and Development Agreement on November 18, 2025, following Planning Commission recommendation. The CED introduction was on September 16, 2025, and a presentation of the Disposition and Development Agreement was presented at a City Council Work Study on Oct. 28, 2025.

## **III. Consistency with North Bend Municipal Code (NBMC) Chapter 18.27, Development Agreements**

As stated in Chapter 18.27.020, the purposes for development agreements include creating certainty to applicants, consolidating numerous issues involved in complex development projects into a single controlling instrument, maximizing efficient use of resources at the least economic cost to the public,



and strengthening the public planning process. The proposed DDA, including this process for review and public hearing before the Planning Commission, achieves those purposes.

The Applicant has met the application requirements for a Disposition and Development Agreement detailed in NBMC 18.27.030. The only deviations from the code are those detailed in the DDA, primarily for site plan deviations from what is otherwise allowed by code to maintain a 40-unit count, keep costs down, and provide as much parking on-site as possible.

#### **IV. Consistency with the North Bend Comprehensive Plan**

Pursuant to NBMC 18.27.020(C), a Disposition and Development Agreement should further the objectives of the Comprehensive Plan. The North Bend Comprehensive Plan supports affordable housing overall as identified below in the Land Use, Housing and Economic Development Chapters. The land use is allowed within the Downtown Commercial-Mixed Use (DC-MU) district as established in the City's Form Based Code that governs the Downtown Commercial Zone.

Per the Comprehensive Plan the Downtown neighborhood will contain a mix of commercial and residential uses. The downtown neighborhood is designed to have housing, services and jobs are all in proximity.

The North Bend Municipal Code states that the Downtown Commercial zoning district is intended to provide residential, retail, service, business, etc. that enhance and support residential and other land uses within North Bend.

The Form Based Code standards provide additional planning and land use guidance to ensure a well-coordinated mix of uses and high-quality design, and to coordinate vehicular circulation and site design to minimize adverse impacts to adjacent residential areas and other commercial uses.

Specific relevant Comprehensive Policies include the following:

Within the Land Use Element: LU - *Policy LU – 1.4 Encourage infill residential development within the existing incorporated area in an effort to reduce sprawl and create more housing options. LU 1.6 Locate new residential land uses in environmentally unconstrained areas where public services are available or nearby to increase walkability and reduce greenhouse gas emissions.* The development is consistent with these policies.

The Economic Development Chapter Goal 5 was identified in the Economic Development Action Plan to increase housing opportunity which is addressed in the Housing Chapter.

The Housing Element includes several Goals and Policies in support of the project. [Housing-Element-2024](#) Some of these include:

- *H-Goal 1: Encourage a variety of housing types and densities compatibly located to meet the demands of a diverse population.*
- *Policy H-1.2 Encourage the provision of a diversity of housing types including income-restricted housing and sizes to meet the needs of a wide range of economic levels, age groups and household make-up.*
- *Policy H-1.3 Encourage a mix of housing types, models and densities, including but not limited to income levels outlined in the countywide policy.*

- *Policy H- 1.7 Reduce impact fees for residential developments that include affordable housing for those with low or very low-incomes.*
- *Policy H-4.2 Focus efforts to increase moderate and higher-density housing in or near Downtown and other commercial districts where jobs, supporting services and multi-modal transportation choices can be provided.*
- *Policy H-4.9 Support and allow the development of a variety of housing types including long-term income restricted housing that increases the availability of housing affordable to all economic segments of the city's population.*
- *H-Goal 6: Support and provide for the ability to age in place safely, independently and comfortably, regardless of age, income or ability level.*
- *Policy H-6.2 Enable older adults to age in their place of choice with appropriate services.*
- *Policy H-6.3 Prepare North Bend for an aging population.*

## **V. Impacts of Proposal**

NBMC 20.08.070 and .080 require that applications for municipal code amendments be evaluated for their environmental, economic, and cultural impacts, as well as impacts to surrounding properties. While a Disposition and Development Agreement is not a code amendment, the impacts of such a Disposition and Development Agreement should likewise be considered. These impacts are evaluated below.

- 1) Environmental Impacts.** No environmental impacts are anticipated from approving the proposed Disposition and Development Agreement. The proposal locates the housing on an existing mostly clear flat lot with no critical areas present. The project proposes typical site improvements associated with residential development including parking, landscaping, stormwater controls, etc., which will be reviewed for consistency with the City's development and design regulations.
- 2) Economic Impacts.** Positive economic benefits are anticipated to the city including sales of the property, job creation during construction and the 55-year minimum long term affordability component which will ensure housing stability. Residents falling within workforce housing range at 60% AMI will support the local business and economy. Local businesses who rely on employees that cannot otherwise afford to live within North Bend may benefit from the additional employment stability that local affordable housing options may provide. New residents at 230 Main are projected to provide approximately \$1.6 million annually in new spending resulting in \$22,000 in additional sales tax. In addition, the project is expected to provide \$17,000 in new property taxes and one-time construction sales tax of \$224,000.
- 3) Traffic Impacts.** The applicant will provide a traffic impact analysis as a part of their development application if their use exceeds 10 pm-peak hour trips, and mitigation measures would be imposed if warranted under the city's concurrency requirements. The TIA will include analysis for intersections that experience 10+ project peak hour trips. Through authorization of the DDA on street parking will be utilized by this project. The city plans to



stripe new parking on 2<sup>nd</sup> street and will continue to work with the applicant to reduce impacts and locate additional parking nearby.

**4) Impacts to Adjacent properties.**

Potential impacts from the use at this location focus on its location downtown, in proximity to nearby residential, commercial and transit options including Snoqualmie Valley Transit and the nearby park and ride on North Bend Way. This residential use has impacts such as noise, light, and traffic. However, this property is zoned Downtown Commercial, and this is an allowed use which would have similar impacts to other developments nearby.

The City's development regulations addressing landscaping, building design and lighting would minimize visual impacts from the proposed development.

The proposal would have a positive impact in terms of new supporting infrastructure required for the development (utilities, street trees, landscaping, etc.) improving the developed condition of the surrounding neighborhood. Potential impacts of traffic on local streets will be evaluated as a part of the traffic analysis required under the city's concurrency regulations. Following approval of this DDA the applicant will submit a complete application consistent with all other city codes and regulations in place at the time of submission. Public Works staff provided an initial memo regarding water availability and the ability to accommodate this project. Further analysis with the issuance of concurrency will be performed consistent with NBMC 20.12.

**5) Social/cultural concerns.**

Positive impacts include financial security for the residents, ability to age in place, socialization by living in a walkable downtown area, and access to healthcare appointments in town. Negative social/cultural impacts are not anticipated.

**VI. Planning Commission Review Findings:**

The Planning Commission reviewed the Disposition and Development Agreement on November 5, 2025 meeting and held a Public Hearing on the proposed matter. Any written public comment will be attached to the record (Exhibit 2).

**VII. Summary Findings:**

1. Pursuant to NBMC 18.27.025 A, a public hearing notice for the Public Hearing was published and mailed to properties within 300 feet, relevant agencies, and parties of record consistent with RCW 36.70B.200 and City Code Chapter 20.03.
2. The proposed DDA is consistent with the intent and purpose of Chapter 18.27, Development Agreements, and the North Bend Comprehensive Plan.
3. The proposed DDA is consistent with state law on development agreements per RCW 36.70B.170 through 36.70B.210 and has been approved in form by the City Attorney.

**VIII. Requested Planning Commission Analysis:**

The Planning Commission was asked to evaluate the draft DDA together with the information provided in this staff report against public comment received at the hearing and determine whether to recommend that the City Council approve the DDA. The Planning Commission should consider whether, on

balance, the DDA is in the best interest of the City of North Bend, resulting in a net benefit to the community.

**IX. Staff Recommendation:**

Approving a Disposition and Development Agreement to support the 230 Main Avenue North project will provide a benefit to the city by providing more housing choices for local residents, including the potential for those who work within North Bend who cannot otherwise afford to live here, and for seniors for which there is currently a long wait list and need for additional housing. The applicant's request for deviations can be mitigated through compliance with complimentary sections of those codes and adherence to all other code criteria.

**X. Planning Commission Recommendation**

Following consideration of the staff report, draft Disposition and Development Agreement, and public comment received at the public hearing, the Planning Commission recommends that the City Council *approve/deny* the Disposition and Development Agreement. A motion providing this recommendation was passed/failed \_\_\_\_ at the November 5, 2025 Planning Commission Meeting.

**Attachments:**

1. Draft Disposition and Development Agreement
2. Public Works memo regarding water availability
3. Written comments received and letters of support



October 28, 2025

**To: James Henderson**  
**From: Donald DeBerg, P.E.**  
**RE: City Water Availability for Development**

The availability of water is a key question when any development is proposed. The City of North Bend currently owns two water rights that are currently available to provide drinking water to its residents. The Mt Si Springs facility is operated under water rights certificate number S1-00620C, which allows instantaneous withdrawals of 2,250 gallons per minute (gpm), up to 336.0 acre-feet per year (ac-ft/yr), or 109.49 million gallons per year (MG/yr). The certificate also requires a minimum of 3.0 cubic feet per second (cfs) of water bypass the intake facilities to flow into the North Fork of the Snoqualmie River. This water right does not require mitigation for consumptive use.

The Centennial Well is operated under water rights permit number G1-26617(A)P, which allows instantaneous withdrawals of 2,646 gpm, up to a maximum of 3,094 ac-ft/yr or 1,008.18 MG/yr. This water right contains a water mitigation provision that requires adding water from approved sources back to the South and Middle Forks of the Snoqualmie River when certain conditions are met. The mitigation requirement acts as a secondary limitation of the amount of water that is allowed to be used from this source.

Between 2010 and 2024, average annual water production has ranged from 185.6 MG/yr to 208.4 MG/yr with an average of 198.7 MG/yr, far less than the total 1,117 MG/yr allowed by the City's water rights. This use is also trending slightly downward due to many conservation factors, including the use of more efficient appliances, building code changes, and the City's concerted efforts to reduce distribution system losses in this time period.

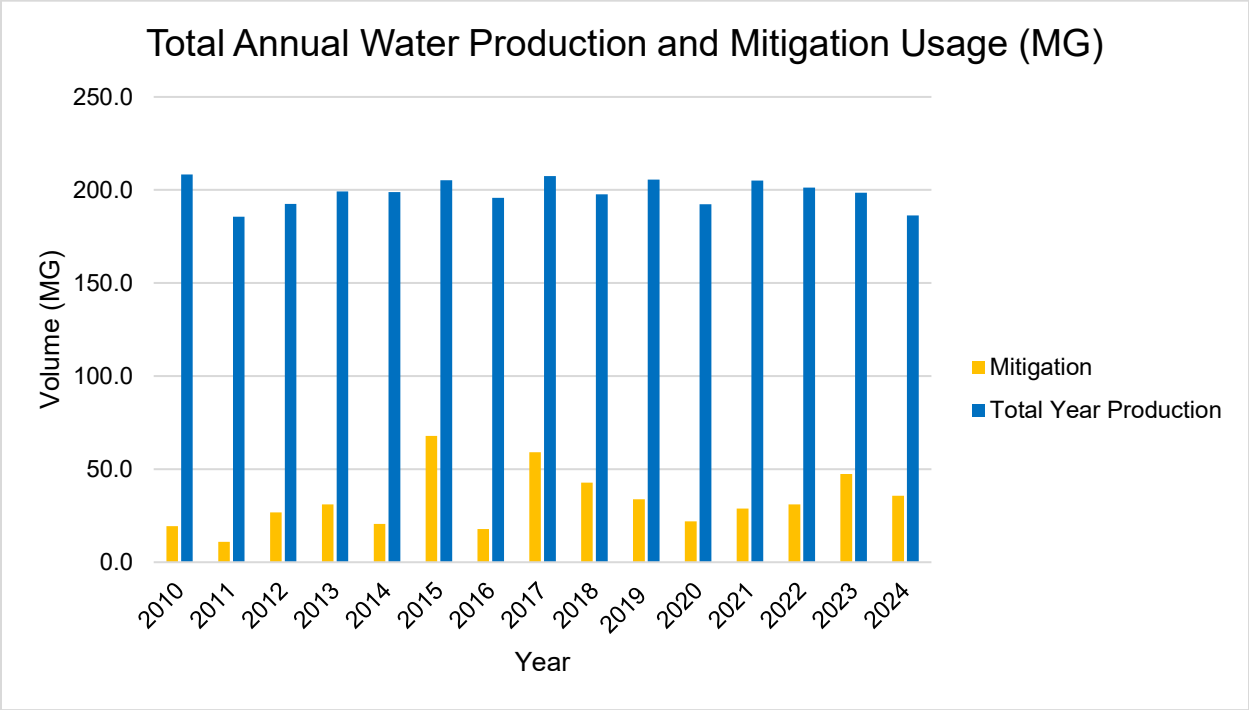
Mitigation usage in the same time period has ranged from 11.0 to 67.9 MG/yr, averaging 33.0 MG/yr, and is trending slightly upwards, likely due to the impact of climate change. Until 2025, water for mitigation was only supplied by Seattle Public Utilities (SPU) through Hobo Springs. In 2025, the City and Sallal Water Association completed a water mitigation intertie, allowing for the use of Sallal Wells 1 and 2 for mitigation use. The SPU contract allows for up to 1.1 MG/day of usage while the Sallal contract allows for up to 1,000 gallons per minute (gpm) of use with a maximum annual withdrawal of 100 ac-ft/yr (32.59 MG/yr). The addition of the Sallal Wells will bolster the ability to provide required mitigation water during the later part of the summer and early fall when Hobo Springs availability is limited due to natural variation in water supplies.

Water availability in the City is limited by the availability of mitigation water. While a firm analysis has not been completed, preliminary work suggests that the addition of the Sallal Wells will provide enough mitigation water to allow for at least 10 years' worth of growth in the City. The City is currently updating its Water System Plan and will study mitigation availability in more detail during that effort. The plan update is anticipated to be completed in early 2026.

Sincerely,

Don DeBerg, P.E.  
Deputy Public Works Director  
City of North Bend

Cc: Tom Mohr, P.E., Public Works Director





*Serving the Snoqualmie Valley Seniors and Their Families Since 1975*  
*A Community Partner Site of Sound Generations*  
**4610 Stephens Ave-P.O. Box 96-Carnation, WA 98014-(425) 333-4152**

Jamie Burrell, Senior Planner  
920 SE Cedar Falls Way  
North Bend, WA 98045

Dear Planning Commission Members,

On behalf of the Sno-Valley Senior Center and Carnation Senior Apartments, I write to express support for increasing affordable housing opportunities for seniors and veterans in our region, while also urging careful consideration of the impacts of this proposed development.

The need for affordable housing in the Snoqualmie Valley is undeniable. Many seniors and veterans live on fixed incomes, and the rising cost of housing too often forces them out of the communities they have called home for years. Long-term affordable housing options, such as those proposed here, are critical to helping older adults and veterans remain safe, stable, and connected to their community.

At the same time, we recognize and have experienced that developments of this scale can have broader impacts on city services and infrastructure. For this reason, we encourage the City of North Bend to be thoughtful and deliberate in evaluating this development agreement. We hope that the City considers not only the tremendous benefit of affordable housing, but also the infrastructure, service, and safety supports that must be in place to make the project successful for both residents and the broader community.

Thank you for your careful review of this proposal and for your commitment to balancing the housing needs of vulnerable populations with the long-term health and sustainability of the city.

Sincerely,

A handwritten signature in black ink, appearing to read "Kira Avery", is written over a light gray horizontal line.

Kira Avery  
Executive Director  
Sno-Valley Senior Center

**From:** [Sarah Green](#)  
**To:** [Jamie Burrell](#)  
**Subject:** 230 Main Ave Housing Project  
**Date:** Saturday, October 4, 2025 1:21:34 PM

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You don't often get email from [sweethoneyesty@gmail.com](mailto:sweethoneyesty@gmail.com). [Learn why this is important](#)

Dear City Council,

My name is Sarah Green, and I am the owner of Sweet Honey Esthetics and a lifelong resident of North Bend. I am an esthetician and provide skincare and spa services. My business and home is located on Main Ave N, just across the street from the new proposed housing project at 230. I'm emailing you today to voice my concerns and plead my case as to why this project is a bad idea. I also urge you to deeply consider the impact this will have on the surrounding neighborhood.

In terms of my business, my top concern for this project is parking access. Myself and my clients rely on street parking along Main Ave N as we do not have a driveway or alley parking spots. Living downtown has allowed me to observe the traffic and congestion that can form during peak seasons and events. The number of summer and seasonal events, as well as the ones hosted by Pearl and Stone eliminate parking for residents as it is. There are times when I have to park a block away from my house because of this. I can only imagine how much worse this would be with a construction project going on in the same area. Not to mention the added residents that would then need street parking as well.

North Bend has been lacking proper infrastructure for a long time. Parking has always been an issue with events and tourism. Housing projects such as this one are only supporting the idea that development is more important than proper support for the community. We need good restaurants and dining, public open spaces, parking, and stores that keep people in the valley. Many people choose to go to Snoqualmie for dinner because the restaurants in town are mediocre and too expensive. Too much focus on attracting tourism and expanding, not enough focus on the longtime residents that are being pushed out. The gentrification of North Bend is palpable. These are just some of the things that I feel would be more worth your time.

Trying to cram 40 units on 0.4 acres, making it a three story tall building is not only irresponsible but a disgusting show of greed and selfishness by the city. I believe affordable housing is necessary for millions of people, not just for our community. However, I find it hard to believe that there aren't better locations for this type of project that wouldn't impede on the daily life of so many neighbors. At three stories tall, my beautiful view of the mountain would be almost completely blocked. I'm sure any of the surrounding businesses and neighbors would face the same issue. North Bend has branded itself a "small mountain town," and yet we are constantly losing the very elements that made North Bend feel so quaint. Growing up here, being able to look out my window at Mt. Si and drive by the beautiful old growth woods is what made it feel like home.

Other concerns for your consideration:

- The value of my home could decrease with the obstruction of the view
- My clients will have to endure listening to construction noises while receiving spa services
- The intersections of Main Ave N and 3rd St and Ballarat and 3rd will become increasingly more dangerous with the high traffic and school zones that already exist. The



school buses go down 3rd st to access North Bend Elementary. With the food bank and local traffic, this particular stretch of street is already dangerous and congested. Pedestrians have been hit and near traffic accidents are a daily occurrence.

- Will the low income family that lives at 220 be displaced because of this project?
- The narrow gravel alley that goes between the houses is used for people's driveways and parking, and that would become the parking entrance to the units. So it would become congested and create more blind spots for those that are trying to enter and exit the alley.
- The intersection on Main Ave N and 3rd would also need to be revised to a 4 way stop to prevent further accidents

Affording housing is a bit of an oxymoron in this economy. With 60% of the total median income, this would still mean that tenants would have to make above average income for king county. Teachers and educators don't even make that much money. Given that every unit would also not be "affordable units," this is how you sell the project to the public. This is how you get your funding. The fixed income units by Tanner receive notices for eviction on a monthly basis, even though they communicate that they do not receive their paychecks in time for rent. Therefore, they notify the person in charge that they will be paying 3 days late. And still, they are practically urged to move out if they can't pay on time. The "affordable units" are a money grab and are not in place to actually help those that need it. It's a selling point for developers and the city.

Ask yourself: How does this benefit the ENTIRE community? Does this project support the needs of the community? Why this location? Does this project have more negative effects on the neighborhood than positive? How will this impact the small businesses in the area?

Best regards,

Sarah Green

October 6, 2025

**To: The City of North Bend and the North Bend City Council Members**

**Subject: Letter of Heartfelt Support for Affordable Housing – Investing in North Bend’s Future and Creative Heart**

I’m writing to wholeheartedly support the proposed development of new affordable workforce housing in North Bend, at 230 Main (and any others). This isn't just about fairness; it's about keeping our community whole and retaining the dedicated people who make our city run. When the cost of a two-bedroom rental requires an income of nearly **\$100,000 annually**, we know that many essential workers and creative professionals are forced to leave, and that chips away at North Bend's unique character.

Securing affordable housing is a powerful investment in our local culture, yielding huge benefits by supporting our artistic community:

- **Preventing Cultural Displacement:** Affordable homes protect our artists and makers from being priced out. These are the people who drive the local culture and create the "sense of place" that makes North Bend so appealing.
- **Fueling Local Business:** When creatives can afford to live and work here, they become active local consumers and entrepreneurs. They boost organizations like North Bend Art & Industry and are the heart of community spaces like the Snoqualmie Valley Center for Creativity, attracting more commerce and tourism to North Bend.
- **Enhancing Community Identity:** Housing our creative workforce ensures that our local talent continuously enriches public life—from art installations to community festivals—keeping North Bend's spirit authentic and vibrant.

Prioritizing these projects means providing immediate, tangible stability for our service workers and securing long-term cultural vibrancy for North Bend. We truly hope the North Bend City Council will move forward quickly and thoughtfully to implement housing strategies that safeguard the health and creative heart of our wonderful city.

Sincerely,

A handwritten signature in dark ink, appearing to read "Debra Landers", is positioned above the typed name.

Debra Landers  
Long-term Resident of North Bend &  
President of North Bend Art & Industry



October 10, 2025

Mayor Mary Miller and  
North Bend City Council  
920 SE Cedar Falls Way  
North Bend, WA 98045

Re: Letter in Support of Affordable Housing at 230 Main Ave N

Dear City Council Members:

Please accept this letter in strong support of the affordable housing project that is planned for the site located at 230 Main Ave S in downtown North Bend. As a significant property and business owner in North Bend, I believe one of our biggest challenges in our community is available housing for the labor force that serves our small businesses.

The current proposed project and funding mechanisms for the 230 Main project would be a great example for the community to see the City of North Bend's commitment to affordability.

We've come a long way in the past few years and our municipal leadership has done a great job of identifying opportunities for enhancing the revitalization of downtown North Bend. I believe the 230 Main project would be another great success story by our leadership and staff.

Thank you for all your efforts...

Best regards,

Craig Glazier  
Carbonite Properties  
e: [craig@cgh-nw.com](mailto:craig@cgh-nw.com)  
c: 425.365.3399

**From:** [Kevin Brewster](#)  
**To:** [Jamie Burrell](#)  
**Subject:** Fwd: Affordable housing  
**Date:** Tuesday, September 23, 2025 1:41:00 PM

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You don't often get email from kevin.brewster@gmail.com. [Learn why this is important](#)

Hello,  
Public Comment for the affordable housing item on this weeks Planning Commision. I am opposed to the development of large apartment buildings in town, we are already stretched thin on water resources and traffic. If these objections are not taken into account, I do want the commission to stick to standard parking and height restrictions, we should not make exceptions for affordable housing.

Thank you,  
Kevin Brewster  
428 orchard ave , ne north bend

**From:** [mary shroff](#)  
**To:** [James Henderson](#); [ashok shroff](#)  
**Subject:** Support for Affordable Housing in North Bend  
**Date:** Sunday, October 19, 2025 8:46:59 PM

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You don't often get email from shroffmary@hotmail.com. [Learn why this is important](#)

To, James Henderson,  
Economic Development Director for the City of North Bend and the North Bend City Council members.

Subject:

Strong support for Affordable Housing in North Bend to allow its unique community to remain and grow.

We strongly support the proposed development of new Affordable working community Housing in North Bend, at 230 Main and elsewhere. This would help retain many of the dedicated folk who contribute to this community's vibrant, creative character.

Many such essential workers are being priced out of living here.

Having Affordable housing here would be a powerful incentive in retaining and growing this community.

Having people live locally would also help local businesses and increase entrepreneurship. Organizations like North Bend Art and Industry and spaces like the Snoqualmie Valley Center for Creativity presently draw so many who can take part in various creative activities and nurture a sense of community for all age groups. The people who run these programs would benefit hugely from being able to live locally in Affordable Housing.

Such an investment would help grow and protect the unique soul of North Bend.

We therefore hope the North Bend City Council will move quickly to implement such Housing strategies.

Thank you,  
Sincerely,

Ashok Shroff, MD, and Mary Shroff, MD, residents of North Bend since 1995

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**From:** [Mitchell Carter](#)  
**To:** [Jamie Burrell](#)  
**Subject:** 230 main development  
**Date:** Monday, October 27, 2025 4:37:44 PM

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You don't often get email from mitchellc22@hotmail.com. [Learn why this is important](#)

To whom it may concern-

We are very much opposed to the proposed development at 230 Main Ave in North Bend. 40 units of mixed studio and one bedroom with 20 parking spots in that location will be absolutely detrimental to parking in the surrounding areas. It will negatively affect residents and businesses alike in a multiple block radius. As a resident in the vicinity, any regular Friday night with nothing special happening in town there is minimal parking at 230 Main. Just this last Friday 10/24 I counted 3 available parking spots on Friday evening around 6:30 surrounding 230 Main. If something IS happening in town, forget about any available parking "downtown". Given that likely the majority of the residents that would inhabit the proposed building at 230 Main would have at least one car, and more likely 2 per "household", this makes a potential for 60 or more additional cars needing parking in the immediate downtown corridor. The surrounding areas simply can't absorb that demand for parking. Period. This is bad planning at its worst. Instead of creating more strain in an already stressed parking situation downtown, the property at 230 Main should at the very least be considered as a dog park, or at the very most, additional parking as a parking lot for downtown businesses. As a parking lot, the city could install EV charging stations in a percentage of the spots and make money that way. Currently there is nowhere downtown for someone passing through with an EV to charge and patronize any downtown businesses as far as I'm aware. Also consider that the "parking lot" currently owned by the Glazier family behind Volition brewing could be sold at any time for development, the pending "park extension" between the Bar and grill and gas station eliminates even more parking downtown, and it all adds up to no parking for residents and businesses if the proposed 40 unit development at 230 Main were to come to fruition. Revamping the parking between the railway and businesses to the north can only go so far to mitigate the extraneous demand a development like proposed at 230 Main would put on already inadequate parking for what's already there. Nobody is against affordable housing, but 230 Main lacks the infrastructure to support the proposal.

Sincerely  
Mitchell Carter  
Alison Johnson  
& Hayden Johnson



**From:** [James Henderson](#)  
**To:** [Jamie Burrell](#)  
**Subject:** Fw: 230 Main development support  
**Date:** Wednesday, October 29, 2025 8:08:37 AM

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For the public comment folder. Thanks!

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**From:** Brendan Boyer <brendan.m.boyer@gmail.com>  
**Sent:** Wednesday, October 29, 2025 7:38:50 AM  
**To:** James Henderson <jhenderson@northbendwa.gov>  
**Subject:** 230 Main development support

You don't often get email from brendan.m.boyer@gmail.com. [Learn why this is important](#)

Hi James,

I'm a homeowner in Riverbend, so part of the community of North Bend but outside city limits. I'm writing a quick letter of support for the development of 230 Main.

North Bend is a great place to live, and putting additional units in the middle of downtown is exactly the right move. The overarching need of the community is more housing and more urban infill.

I think labeling new development affordable housing is a nice sentiment but bad economics; new development should always be market rate in my opinion. However, any new housing is good when the community has a problem with inflated housing prices.

I expect you'll hear from a lot of residents who don't want this project for a host of nice sounding reasons. A lot of people came to North Bend because they wanted to get away from living in the metro, but the Seattle Metro has grown all the way to the foothills.

North Bend can either adjust its identity to be a nice mountain town close to the city with abundant recreation activities, or it can try (and fail) to resist growth as the metro draws more people. I'd prefer growth - and to become a thriving community we need more than just upper middle class tech workers (like myself).

Brendan Boyer  
[brendan.m.boyer@gmail.com](mailto:brendan.m.boyer@gmail.com)

**DISPOSITION AND DEVELOPMENT AGREEMENT**  
**[230 Main Avenue North Affordable Housing Project]**

*Draft as of October 17, 2025*

**THIS DISPOSITION AND DEVELOPMENT AGREEMENT** (the “**Agreement**”) is dated as of \_\_\_\_\_ 2025 (the “**Effective Date**”) by and among the **CITY OF NORTH BEND**, a municipal corporation organized under the Washington State Optional Municipal Code (the “**City**”), **RELATED/NORTHWEST DEVELOPMENT, LLC**, a California limited liability company (the “**Developer**”), and \_\_\_\_\_ **HOUSING PARTNERS LIMITED PARTNERSHIP**, AN OREGON LIMITED PARTNERSHIP (“**Partnership**”), with reference to the following:

**RECITALS**

A. **WHEREAS**, the subject of this Agreement is the development of a site commonly known as the 230 Main Avenue North property and identified as tax parcel numbers 784670-0525 and legally described on Exhibit A attached hereto (the “**Property**”);

B. **WHEREAS**, the Parties intend for the City to convey the Property to the Partnership (as defined below) and for the Partnership to develop the Property into an affordable housing project that, based on existing zoning and preliminary plans, is expected to include at least one building containing approximately 40 dwelling units (the “**Project**”). The Project site plan is depicted in Exhibit B attached hereto;

C. **WHEREAS**, Developer and its affiliates are experienced owners, developers, and managers of affordable housing for low-income persons and families;

D. **WHEREAS**, Developer has formed the Partnership to construct, own and operate the Project, to attract capital from one or more investors, to borrow the money necessary to finance the development of the Project;

E. **WHEREAS**, the City finds that the fulfillment of this Agreement, and the intentions set forth herein are in the best interests of the City and the health, safety, and welfare of its residents, and are in accordance with the public purposes and provisions of the applicable state and federal laws and requirements under which the Property has been acquired; and

F. **WHEREAS**, Parties desire to set forth their roles and responsibilities with respect to the development of the Project.

**NOW, THEREFORE**, for and in consideration of the mutual promises, covenants, and conditions herein contained, the City and Developer hereto agree as follows:

## 1. DEFINITIONS AND INTERPRETATION

**1.1 Defined Terms.** As used in this Agreement (including in the Recitals above), capitalized terms are defined where first used or as set forth in this Section 1.1. Capitalized terms used in an exhibit attached hereto and not defined therein will also have the meanings set forth in this Section 1.1.

**“Building Permits”** means all permits issued by all requisite municipal and governmental agencies and authorities, including the City, and required for commencement of construction of the Improvements.

**“Certificate of Occupancy”** means a certificate of occupancy issued by the City to the Partnership evidencing that the Improvements are substantially complete and ready to be occupied and otherwise fully used for their intended use.

**“Closing”** means the closing of the sale of the Property from the City to the Partnership.

**“Closing Date”** or **“date of Closing”** means the date mutually agreed by the Parties on which the Conveyance shall occur and the Tax Credit Partner will be admitted to the Partnership.

**“Construction Plans and Specifications”** means the detailed plans for the Property submitted to the City to obtain all necessary permits for the construction of the Improvements.

**“Construction”** means construction of the Improvements pursuant to this Agreement.

**“Construction Lender”** means the lender for the Construction Loan.

**“Construction Loan”** means the construction loan for the Project advanced to the Partnership by the Construction Lender.

**“Council”** means the City Council for the City of North Bend, Washington.

**“Conveyance”** means the conveyance of the Property from the City to the Partnership.

**“Deed”** means the Quitclaim Deed conveying fee simple title of the Property to Partnership.

**“Development Review Plans”** mean the plans submitted to the City for the review of the Property’s development.

**“Escrow Agent”** means, Fidelity National Title Company, 900 SW Fifth Avenue Portland, OR 97204, also alternatively termed the **“Title Company.”**

**“Improvements”** means the improvements to be made to the Property in accordance with this Agreement, including, without limitation, in accordance with the Scope of Development and the Final Construction Documents.

**Monthly Development Meeting**” has the meaning set forth in Section 2.2.

**“Note”** has the meaning set forth in Section 8.3.

**“Notices”** has the meaning set forth in Section 12.

**“Outside Completion Date”** means December 31, 2030.

**“Party”** or **“Parties”** means Developer, Partnership, and the City, each individually and collectively.

**“Predevelopment Contracts”** has the meaning set forth in Section 8.3(b).

**“Predevelopment Loan”** has the meaning set forth in Section 8.3.

**“Predevelopment Documents”** means any and all plans, studies, drawings, models, reports, permits and land use applications and supporting documents for the Project.

**“Project”** has the meaning set forth in Recital B.

**“Project Budget”** has the meaning set forth in Section 3.2.

**“Project Financing”** has the meaning set forth in Section 3.1.

**“Property”** means that certain real property described in Exhibit A.

**“Tax Credits”** means the federal low-income housing tax credits governed by Section 42 of the Internal Revenue Code required to finance the Project in the manner contemplated in the Project Budget.

**“Tax Credit Partner”** means the investor in the Project.

**“Work Product”** has the meaning set forth in Section 8.3(b).

**1.2 Singular and Plural Terms.** Any defined term used in the plural in this Agreement will refer to all members of the relevant class and any defined term used in the singular will refer to any number of the members of the relevant class.

**1.3 References and Other Terms.** References herein to Articles, Sections and Exhibits will be construed as references to this Agreement unless a different document is named. References to subparagraphs will be construed as references to the same Section in which the reference appears. The terms “including” and “include” mean “including (include) without limitation”.

**1.4 Exhibits Incorporated.** All attachments to this Agreement, as now existing and as the same may from time to time be modified, are incorporated herein by this reference.

## **2. PRE-DEVELOPMENT ACTIVITIES**

**2.1 Operations Prior to Closing.** From the Effective Date through the date of Closing, the City agrees to: (i) comply with all legal requirements affecting the Property, (ii) comply with all easements and other covenants (if any) applicable to the Property, (iii) not enter into any written or oral contract or other agreement with respect to the Property without Developer's prior written consent, (iv) advise Developer promptly of any litigation, arbitration, or administrative hearing instituted after the Effective Date affecting the Property, (v) not lease, sell, assign, or convey, or enter into any option, contract or other to lease, sell, assign or convey, any right, title or interest whatsoever in or to all or any portion of the Property, or create any lien, encumbrance or charge thereon, except with Developer's prior written consent, and (vi) not construct any new buildings or structures on the Property or otherwise improve the Property except with Developer's prior written consent.

**2.2 Development Updates.** Developer will keep the City informed on a timely basis of all significant aspects and material decisions relating to the design, construction, and financing of the Project, including the site plan, the development and construction schedule and the plans and specifications for the Project. The City will be invited to attend owner, architect and contractor meetings. In addition, Developer will schedule with the City periodic meetings to discuss major issues related to the development and construction of the Project (each, a "**Monthly Development Meeting**").

**2.3 Land Use Approvals.** Developer will prepare and submit, to the applicable government agencies applications, naming the City as owner of the Property and Partnership as the applicant, for any and all land use entitlements necessary to allow the Partnership to develop the Project (the "**Development Review Plans**"), and will pursue approval of such applications for Development Review Plans. Developer will pay all of the costs and expenses connected with the applications and the processing thereof including, without limitation, the application fees charged by such governmental agencies. Developer agrees that it will be principally responsible for processing said applications for Development Review Plans through City. The City agrees to cooperate in good faith with Developer with respect to Developer's pursuit of development review provided, however, that nothing in this Agreement will be deemed to limit, waive, or otherwise impair the (i) authority and discretion of the City's planning department in connection with the review and approval of the proposed constructions plans for the Project, or any use, or proposed use, of the site, or (ii) City acting in its capacity as a governmental entity, regulatory authority and/or police power. The Development Review Plans shall include, and Developer shall seek approval of, the departures and deviations from applicable zoning, design, and development standards as set forth on Exhibit "D" (Summary of Requested Departures) attached hereto and incorporated herein by this reference. Closing and acquisition of the Property by the Partnership is contingent upon Developer's receipt of all development review approvals including the departures identified on Exhibit "D". Prior to Closing, Developer may terminate this

Agreement by giving thirty (30) days' notice to the City if, despite having made all commercially reasonable efforts, Developer is unable to secure approval of the Development Review Plans (including the departures listed on Exhibit "D" on or before December 31, 2028.

**2.4 Construction Plans and Specifications.** Developer shall prepare Construction Plans and Specifications conforming to the Development Review Plans, subject to revisions recommended or required by the applicable permitting authority and submit them to the City for approval and issuance of Building Permits within 32 weeks of Developer's receipt of approval of the Development Review Plans under Section 2.3 above. Prior to Closing, Developer may terminate this Agreement by giving five (5) days' notice to the City if, despite having made all commercially reasonable efforts, Developer, in its commercially reasonable estimation, will be unable to secure Building Permits prior to the Closing Date.

**2.5 Condemnation.** In the event of a taking or threatened taking by condemnation or similar proceedings or actions of all or a substantial portion of the Property prior to Closing, such that the remaining Property is of such size or configuration that development of the Project is no longer economically feasible, Developer may elect to terminate this Agreement.

**2.6 Due Diligence Materials.** Within fifteen (15) days of the Effective Date, the City will provide Developer with copies of all appraisals, reports (including all third-party reports related to environmental conditions, soils conditions, civil engineering and feasibility of the Project), permits, and materials related to the Property or the Project in the City's possession or reasonable control, and will either (a) assign to the Partnership at or before Closing such contracts pertaining to such appraisals and reports (to the extent work remains to be performed under such contracts) and cause third-party consultants to consent to any such assignments, or (b) will cause each third-party consultant to provide a reliance letter for the benefit of the Partnership and any other party (including, without limitation, a lender) upon written request therefor.

**2.7 Title Commitment.** Within ten (10) days of the Effective Date, the City will cause the Title Company to deliver to the Partnership a preliminary report for the Property (the "**Preliminary Report**"), the City will cause the Title Company to deliver such report to the Partnership for approval, together with a legible copy of all exceptions, including each document, map and survey referred to therein, and a plotting of all easements identified in the Preliminary Report. The Partnership's review of the Preliminary Report will be in accordance with the following procedure:

(a) **Permitted Exceptions.** The following exceptions shown on the Preliminary Report (the "**Permitted Exceptions**") are approved by Partnership:

(i) exceptions for a lien for local real estate taxes and assessments not yet due and payable;

(ii) any other exception shown on the Preliminary Report, other than exceptions for monetary liens, which Partnership does not object to by written notice



to the City within thirty (30) days after delivery of the Preliminary Report (the “**Partnership’s Title Notice**” and the “**Title Objections**”). If the Partnership fails to deliver the Partnership’s Title Notice within the time specified in this subdivision (y), the Partnership will be deemed to have approved the Preliminary Report and all of the exceptions therein.

(b) **Title Objections**. With respect to any Title Objection, the City will have ten (10) Business Days after receipt of the Partnership’s Title Notice to give notice to the Partnership (the “**City’s Title Notice**”) stating either (x) the manner in which it will remove or cure such Title Objection, or (y) that the City will not remove or cure such Title Objection. If the Partnership’s Title Notice states that the City’s failure to respond within ten (10) Business Days will be deemed the City’s election to cure each and every Title Objection, then such failure will be so deemed.

(c) **City’s Election Not to Cure**. If the City elects not to cure or remove a Title Objection, then the Partnership will have ten (10) Business Days after receipt of the City’s Title Notice to deliver a notice to the City (the “**Partnership’s Election Notice**”) of the Partnership’s election either to (x) proceed with the purchase of the Property, waive such Title Objection, and accept the exception shown in the Preliminary Report as a Permitted Exception, or (y) terminate this Agreement. If the Partnership fails to deliver the Partnership’s Election Notice within the time specified above, the Partnership will be deemed to have elected option (x).

**2.8 Physical Condition of Property**. Developer will have until 120 days after the date of execution of this Agreement (the “**Physical Inspection Date**”) to conduct such physical inspections of the Property as Developer may choose (“**Physical Inspection**”) to determine whether this condition is satisfied. On or before the Physical Inspection Date, Developer will deliver notice to the City accepting the Property or terminating this Agreement. If Developer fails to give such notice on or before the Physical Inspection Date, this condition will be deemed satisfied.

### **3. FINANCING FOR THE PROJECT**

**3.1 Financing Plan**. It is contemplated that Partnership will primarily finance the Project through (i) Partnership equity contributed by reputable investors as part of the financing with Tax Credits, (ii) the Construction Loan from a reputable institutional lender, (iii) other financing sources identified by Developer, (iv) an exemption from state and local property taxes, and (v) City financial assistance as set forth under Section 8 (collectively, the “**Project Financing**”).

**3.2 Project Budget**. Attached hereto as Exhibit C is the preliminary budget for the development and construction of the Project (the “**Project Budget**”). Until the Closing, Developer, if, as and when additional information becomes available, will revise the Project Budget to reflect the best information then available to Developer, and will provide any material revisions to Project Budget to the City at the next occurring Monthly Development Meeting.

**3.3 Developer Rights to Terminate.** Prior to the Closing, Developer may terminate this Agreement by giving thirty (30) days' notice to the City if, despite having made its best efforts, Developer has been unable to obtain Project Financing on terms and conditions acceptable to Developer in its sole discretion.

#### **4. TRANSFER OF PROPERTY; CLOSING**

**4.1 Purchase and Sale.** The City agrees to sell and convey to Developer, and Developer agrees to purchase from the City, the Property, subject to the terms, conditions, covenants, and restrictions set forth in this Agreement.

**4.2 Conveyance of the Property.** Upon satisfaction of the conditions set forth in Section 4.5, 4.6 and 4.7 below and upon payment to the City of the Purchase Price, the City will convey fee simple title in the Property to Developer subject to the Permitted Exceptions. Upon satisfaction of the conditions set forth in Section 4.5, 4.6 and 4.7 below and upon payment to the City of the Purchase Price, the City will convey fee simple title in the Property to Developer subject to the Permitted Exceptions once all land use entitlements and the processing of building permit applications have been completed.

**4.3 Purchase Price.** The Purchase Price for the Property will be One Hundred Dollars (\$100.00).

**4.4 Closing.** The conveyance of the Property by the City will occur in an escrow closing at the office of the Escrow Agent on the date of Closing. The City will deliver possession of the Property to the Partnership concurrently with the Conveyance, and the Partnership to accept such Conveyance and pay the Purchase Price to the City.

**4.5 Conditions Precedent for the Benefit of all Parties.** To the satisfaction of Developer, the Partnership and the City:

(a) The Parties shall have agreed to the substantially final form of the Regulatory Agreement which shall be recorded at Closing.

(b) The Parties shall have agreed to the final form of the Deed and any documents needed to Close the Conveyance.

(c) There shall be no pending claim, dispute, or litigation preventing any Party from performing its respective obligations under this Agreement.

**4.6 Conditions for Developer's and the Partnership's Benefit.** The Partnership's obligation to purchase the Property from the City and proceed with the Closing will be subject to satisfaction of the following conditions precedent:

(a) The Partnership shall have secured all final land use and development review approvals required by City for the Project on conditions satisfactory to Partnership in its reasonable business judgment.

(b) The Partnership shall have determined, in its reasonable business judgment, that the Project is financially feasible and shall have received financing commitments from all necessary public and private loan, equity and/or grant sources on terms satisfactory to the Partnership in its sole discretion.

(c) Title Company shall be prepared to issue its ALTA form owner's policy of title insurance, with liability in an amount acceptable to Developer, showing fee interest title to the Property vested in the Partnership, subject only to the lien of the Construction Loan Security Documents and such other exceptions as Developer has previously notified the City were acceptable to Developer. The Partnership, at its option and its sole expense, may elect to obtain an Owner's Policy of Title Insurance with extended coverage, issued by Title Company, in the amount of the Purchase Price or such other increased amount as may be required by the Tax Credit Investor, free and clear of encumbrances, except the Permitted Exceptions, and the City agrees to execute any affidavits or other documents required by the Title Company to enable the Partnership to obtain such coverage.

(d) The City has duly executed documents reasonably requested by Developer or the Title Company in connection with the conveyance of the fee interest in the Property and all such documents have been deposited into Escrow. The Partnership will pay the escrow fees charged by Escrow Agent and the costs for recording the Deed. All other costs of Closing, if any, will be allocated in accordance with the customary practice in King County. Developer and the Partnership acknowledge that the Property is currently exempt from property taxes. The Partnership shall be obligated to pay all real property taxes and assessments, if any, assessed and levied against the Property following the date of Closing.

**4.7 Conditions for City's Benefit.** The City's obligation to convey the Property and proceed with the Closing will be subject to satisfaction of the following conditions precedent:

(a) The Partnership and Developer shall each affirm at Closing that it is not in default under any material term or condition of this Agreement.

(b) The Deed for the Property shall be recorded at Closing.

(c) The Conveyance of the Property to Developer and this Agreement has been approved by the North Bend City Council.

**4.8 AS-IS Sale and Release.** Except as expressly set forth in this Agreement, including without limitation the City's obligations under Sections 4.8, Developer acknowledges and agrees that it is acquiring the Site in its "AS IS" condition, with all faults and defects, and Developer waives and releases any claims against the City based on the physical, environmental, or geotechnical condition of the Site arising solely from events or conditions occurring after the Close of Escrow. Notwithstanding the foregoing, Developer does not waive and expressly retains all rights and remedies with respect to any Hazardous Materials or environmental conditions existing on, in, or under the Site prior to the Close of Escrow, which remain the responsibility of the City and are subject to the City's indemnification obligations under this Agreement. . The City shall indemnify, defend (with

counsel reasonably acceptable to Developer), and hold harmless Developer and its affiliates, successors, and assigns, and their respective officers, directors, employees, and agents (collectively, the “**Developer Indemnitees**”), from and against any and all claims, liabilities, losses, damages, costs, and expenses (including reasonable attorneys’ fees) arising out of or relating to any Hazardous Materials or other environmental conditions that existed on, in, or under the Site prior to the Close of Escrow, except to the extent such conditions are caused or exacerbated by Developer or the Developer Indemnitees after the Close of Escrow.

#### **4.9 General Representations**

(a) **Developer’s Formation, Qualification and Compliance.**

Developer represents and warrants to the City that Developer (a) is validly existing under the laws of the State of California, (b) has all requisite authority to conduct its business in the State of Washington, and (c) has all requisite authority to execute and perform its obligations under this Agreement.

(b) **The Partnership’s Formation, Qualification and Compliance.**

The Partnership represents and warrants to the City that the Partnership (a) is validly existing under the laws of the State of Oregon, (b) has all requisite authority to conduct its business in the State of Oregon, and (c) has all requisite authority to execute and perform its obligations under this Agreement.

(c) **Litigation.** Developer represents and warrants to the City that there are no material actions, lawsuits or proceedings pending or, to the best of Developer’s knowledge, threatened against or affecting Developer, the adverse outcome of which could have a material adverse effect on Developer’s ability to perform its obligations under this Agreement. The Partnership represents and warrants to the City that there are no material actions, lawsuits or proceedings pending or, to the best of the Partnership’s knowledge, threatened against or affecting the Partnership, the adverse outcome of which could have a material adverse effect on the Partnership’s ability to perform its obligations under this Agreement.

(d) **City Action.** The City represents and warrants that at Closing this Agreement has been duly authorized and it has all necessary power and authority to perform its obligations under this Agreement in accordance with its terms.

### **5. DEVELOPMENT OF THE PROPERTY**

**5.1 Development/Use of the Property.** Within 60 days of Closing, Developer agrees to begin construction on the Project which will be at Developer’s sole cost and expense. Developer agrees to use commercially reasonable efforts to diligently complete all construction of the Improvements and will use best efforts to pursue development of the Property substantially in conformance the Construction Plans & Specification.

**5.2 Compliance with Law.** Developer acknowledges that any future DDA, if approved by City governing body, will require Developer (among other things) to carry out the development of the Project on the Site in conformity with all applicable laws, including all applicable building, planning and zoning laws, environmental laws, safety laws and federal and state labor and wage laws.

**5.3 Affordability.** All Project units on the Property will be subject to a Regulatory Agreement to be entered into by the Partnership in favor of the City and recorded on the Property at Closing (the “**Regulatory Agreement**”). The Regulatory Agreement will (a) have a term commencing on the date of Closing and ending fifty-five years following such date, (b) provide that all residential housing units on the Property (other than a manager’s unit, if applicable) will be leased to households earning at or below sixty (60%) of the median gross income for King County, Washington, calculated in a manner consistent with the determination of median gross income under Section 8 of the United States Housing Act of 1937, as amended (or, if such a program is terminated, under such program in effect immediately before such termination), and (c) contain such other terms and conditions as may be mutually agreed by Partnership, Developer and City.

**5.4 Representatives.** To facilitate communication, the Parties will designate a representative with responsibility for the routine administration of each Party’s obligations under this Agreement. The Parties initially appoint the following as representatives:

The City: James Henderson

Related: Stef Kondor (primary)  
Aisaya Corbray (secondary)

**5.5 Inspection and Property Access.**

(a) **Before Conveyance of Property.** The City hereby grants Developer authorization to go onto the Property and into any existing structures located thereon to conduct inspections and testing related to the development of the Project. In exercising such authority, Developer (i) will give the City reasonable advance notice of any inspection or testing that will involve the sampling of soils or the removal of building materials, (ii) will conduct all inspection and testing will be conducted in compliance with applicable law, and (iii) will keep the Property free of any liens or third-party claims resulting from any such inspections and testing. Developer shall restore the Property to substantially the same condition that the Property was in prior to entry to the Property. Developer shall indemnify, defend, and hold City and its officers, agents and employees harmless from and against any and all damages, claims, losses, liabilities and expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses which may be imposed on or incurred by City or its successors or assigns or asserted against City or its successors or assigns, by any other party or parties arising out of any activity of Developer, its agents, employees or contractors performed and/or conducted on or with respect to the Project pursuant to this Agreement; provided, however, in no event shall Developer be required to indemnify City with respect to: (i) any pre-existing conditions except to the extent such pre-existing conditions are negligently exacerbated by Developer, or (ii) to the extent of the negligence or willful misconduct of City or its agents, employees or consultants.

(b) **After Conveyance of Property.** After Conveyance of Property to the Partnership, during construction and until a Certificate of Occupancy is issued, said construction and other work on the Property by Developer or the Partnership shall be accessible at all reasonable times for inspection by representatives of the City (subject to compliance with all

construction safety rules) upon giving Developer not less than two (2) business days prior notice. The City's representatives, at the other Party's option, may be accompanied by a representative of the Partnership and/or Developer, and the City shall not interfere with the work occurring on the Property. By exercising any rights of access under this Section, no Party shall have any responsibility to enforce any labor or safety-related work rules or conditions arising from the other Party's work, and the City shall not exercise any control over Developer's construction of the Project.

**5.6 Certificate of Completion.** Upon receipt of a Certificate of Occupancy, the Project will be deemed to be complete and Developer and Partnership's obligations under this Agreement shall be deemed satisfied.

## **6. INSURANCE**

**6.1 No Limitation.** Developer's maintenance of insurance, its scope of coverage and limits as required herein shall not be construed to limit the liability of Developer to the coverage provided by such insurance or otherwise limit the City's recourse to any remedy available at law or in equity.

**6.2 Minimum Scope of Insurance.** Developer's required insurance shall be of the types and coverage as stated below:

(a) Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be at least as broad as Insurance Services Office (ISO) form CA 00 01.

(b) Commercial General Liability insurance shall be at least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit using ISO form CG 25 03 05 09 or an endorsement providing at least as broad coverage. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. The City shall be named as an additional insured under Developer's Commercial General Liability insurance policy with respect to the work performed for the City using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing at least as broad coverage.

(c) Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

**6.3 Minimum Amounts of Insurance.** Developer shall maintain the following insurance limits:

(a) Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.



(b) Commercial General Liability insurance shall be written with limits no less than \$2,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.

**6.4 City Full Availability of Contractor Limits.** Developer's Automobile Liability and Commercial General Liability insurance policies are to contain or be endorsed to contain that they shall be primary insurance as respect the City. Any insurance, self-insurance, or self-insured pool coverage maintained by the City shall be excess of Developer's insurance and shall not contribute with it.

**6.5 Acceptability of Insurers.** Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VII.

**6.6 Verification of Coverage.** Developer shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsements, evidencing the insurance requirements of Developer before commencement of the work. Upon request by the City, Developer shall furnish certified copies of all required insurance policies, including endorsements, required in this Contract and evidence of all subcontractors' coverage.

**6.7 Subcontractors' Insurance.** Developer shall cause each and every Subcontractor to provide insurance coverage that complies with all applicable requirements of Developer-provided insurance as set forth herein, except Developer shall have sole responsibility for determining the limits of coverage required to be obtained by Subcontractors. Developer shall ensure that the City is an additional insured on each and every Subcontractor's Commercial General liability insurance policy using an endorsement at least as broad as ISO CG 20 10 10 01 for ongoing operations and CG 20 37 10 01 for completed operations.

**6.8 Notice of Cancellation.** Developer shall provide the City with written notice of any policy cancellation within two business days of receipt of such notice.

## **7. ASSIGNMENT PROVISIONS**

### **7.1 No Assignment.**

(a) Because City is a municipal corporation with authority to acquire, possess and dispose of real property, City is benefited by completion and operation of the Project. Partnership is uniquely qualified to construct and operate the Project. Subject to Section 7.1(b), this Section 7.1(a) applies to a transfer that becomes effective prior to the issuance of a Certificate of Occupancy. Except as provided in Sections 7.2 and 7.3, Developer and the Partnership shall not partially or wholly dispose of, assign, or otherwise agree to dispose of or assign the Partnership's or Developer's interest in or obligations under this Agreement without the prior written approval of City, which approval shall not be unreasonably withheld, conditioned, or delayed. The City may require, as absolute conditions to such approval, that:

(i) The transfer or assignment is not in violation of other provisions of this Agreement and the transferee is dedicated to fostering affordable housing on the Property in accordance with this Agreement;

(ii) Any proposed transferee or assignee shall have qualifications and financial responsibility at least equal in all material respect to those of Developer as determined by City in its reasonable discretion. Any proposed transferee or assignee shall assume, without limitation, all obligations of Developer and Partnership set forth in this Agreement; and

(iii) The transfer or assignment will not cause a material delay in the Outside Completion Date and will not materially change the final Construction Plans and Specifications of the Project.

(b) This prohibition will not apply to sale of the Property at foreclosure (or a conveyance of the Property in lieu of foreclosure) pursuant to foreclosure thereof by a lender, including Construction Lender or the replacement of the general partner of the Partnership at the election of the Tax Credit Investor pursuant to the terms of the agreement of limited partnership of the Partnership in effect as of the Closing Date.

(c) The provisions of this Agreement (including, without limitation, this Section 7) will not prevent the granting of easements, licenses, or permits to facilitate the development of the Property or the granting of a security interest in the Property to mortgagees for financing of the Project consistent with the Project Budget.

(d) Developer and Partnership shall not be relieved of its obligations under this Agreement by reason of such permitted transfer unless expressly agreed to in writing by City; provided, that City shall agree to relieve Developer of its obligations where the transfer is to a proposed transferee or assignee that shall have qualifications and financial responsibility at least equal in all material respect to those of Developer as determined by City in its reasonable discretion.

**7.2 Approved Pre-Completion Transfers.** Notwithstanding Section 7.1 and provided that Developer provides City with copies of all agreements related to a proposed transfer at least five (5) business days prior to the effective date of the proposed transfer and provides to City any other information reasonably requested by City to determine that such proposed transfer complies with the requirements of this Agreement, as set forth above, City hereby consents to:

(a) Any Mortgage(s) which Developer may cause to attach to the Property for the purpose of securing loans of funds for development of the Property, construction of the Project, or any other expenditures necessary and appropriate to develop the Project.

(b) Developer and Partnership shall be relieved of their obligations under this Agreement by reason of any such permitted transfer unless expressly agreed to in writing by the City; provided, that the City shall agree to relieve Developer of its obligations where the transfer is to a proposed transferee or assignee that shall have qualifications and financial

responsibility at least equal in all material respect to those of Developer as determined by the City in its reasonable discretion.

**7.3 Transfers After Completion.** Following receipt of a Certificate of Occupancy, the Partnership may transfer its interest or portions of its interest in the Property without consent or approval by City.

## **8. CITY ASSISTANCE**

**8.1** City will assist Developer in obtaining approvals as expeditiously as possible from the City Community Development/Planning, Water, Fire, and Public Works Departments necessary to commence construction and complete the Property set forth in this Agreement. The Parties understand and agree that City cannot guarantee such approvals but the City shall use reasonable efforts necessary to promote the Project.

**8.2** City will provide the following forms of financial assistance to the project (collectively, the “**City Assistance**”):

(a) **Predevelopment Grant.** The City shall enter into a contractual grant agreement with the Developer (the “**Predevelopment Grant**”) to reimburse or directly fund eligible predevelopment costs incurred by the Developer and the Partnership, including but not limited to design, environmental, engineering, architectural, soils, permitting, and financing-application costs. All disbursements shall be made in accordance with Section 8.3 below.

(b) **Impact-Fee Waivers.** The City shall waive or eliminate, to the fullest extent permitted by law, all City-imposed impact fees and system development charges applicable to the Project, including but not limited to transportation, stormwater, parks, and bicycle/pedestrian mitigation fees. Any remaining impact fees not subject to waiver shall be paid or reimbursed by the City from available City housing funds concurrent with building-permit issuance.

(c) **REET 2 Funding.** Subject to City Council budget appropriation, the City shall allocate Real Estate Excise Tax (“**REET 2**”) funds to the Project as an additional source of City Assistance. Such REET 2 funding shall be disbursed at or prior to construction closing and used solely for eligible capital costs of the Project.

## **9. COMPLIANCE WITH AFFORDABLE HOUSING REQUIREMENTS**

**9.1 Regulatory Agreement.** Developer and the City shall enter into the Regulatory Agreement which shall be recorded upon Closing in the real property records of King County.

## **10. PERMITTED MORTGAGES**

**10.1 Mortgagee Protection Provisions.** Notwithstanding any provision(s) of this Agreement, except those that are covenants running with the Property, a Mortgagee or designee for purposes of acquiring title at foreclosure or deed in lieu thereof shall in no way be obligated by this Agreement to construct or complete the improvements

on the Property or guarantee such construction or completion; provided, however, that nothing in this Agreement shall be deemed or construed to permit or authorize any such Mortgagee or any owner of the Property, whose title thereto is acquired by foreclosure, trustee sale or otherwise to devote the Property to any uses or to construct any improvements thereon other than those uses or Project improvements provided or permitted in this Agreement.

**10.2 Copy of Notice of Default to Mortgagee.** If City delivers any notice or demand to Developer or the Partnership with respect to any breach of, or default by, Developer or the Partnership, respectively, of its obligations or covenants under this Agreement, City at the same time shall send a copy of such notice or demand to each Mortgagee, the Tax Credit Investor and the Partnership/Developer at the last address of such holder shown in the records of City.

**10.3 Mortgagee's and Tax Credit Investor's Options to Cure Defaults.** After any default in or breach of this Agreement by Developer or the Partnership where Developer or the Partnership fails to cure or remedy said default or breach, then each Mortgagee or the Tax Credit Investor, at its option, may cure or remedy such breach or default within sixty (60) days after passage of the latest date for Developer's or the Partnership's cure of the default and, if permitted by a Mortgagee's loan documents, add the cost thereof to the debt and the lien of its security instrument. If the breach or default is with respect to construction of the Property, nothing contained in this Agreement shall be deemed to prohibit such Mortgagee or the Tax Credit Investor either before or after foreclosure or action in lieu thereof, from undertaking or continuing the construction or completion of Project; provided, however, the Mortgagee or the Tax Credit Investor notifies City in writing of its intention to complete the Project according to the approved final Construction Plans and Specifications and, with respect to a Mortgagee or the Tax Credit Investor, expressly assumes Developer's development obligations to City by written agreement reasonably satisfactory to City and such Mortgagee. Notwithstanding anything herein to the contrary, in the event a Mortgagee or the Tax Credit Investor undertakes to commence completion of the Project, either prior to or following a foreclosure or action in lieu thereof, benchmark dates for construction of the Project, including, without limitation, any Outside Completion Date, shall be negotiated with the City to dates reasonably acceptable to such curing Mortgagee or the Tax Credit Investor and the City. The City agrees to consider necessary changes proposed by such curing Mortgagee or the Tax Credit Investor to the Construction Plans and Specifications, which approval shall not be unreasonably withheld, conditioned, or delayed.

**10.4 Failure of Mortgagee to Complete Improvements.** In any case where one hundred eighty (180) days after default by Developer in completion of construction of Project improvements under this Agreement and notice from the City to the applicable Mortgagee pursuant to subsection 11.2, the holder of any Mortgage has not exercised the option to construct afforded in subsection 11.3, or has exercised such option but failed to proceed diligently with construction, the City may purchase the Mortgage by making payment to the Mortgagee in the sum of all outstanding principal, interest, and other sums secured by the Mortgage. If the ownership of the Property has vested in the Mortgage holder, the City, if it wishes, will be entitled to a conveyance by statutory bargain and sale

deed from the Mortgage holder to the City upon payment to the Mortgage holder of an amount equal to the sum of the following: (a) the unpaid Mortgage debt at the time title became vested in the Mortgage holder (less all appropriate credits, including those resulting from collection, application of rentals and other income received during foreclosure proceedings); (b) all expenses with respect to foreclosure or deed in lieu of foreclosure; (c) the net expenses, if any (exclusive of general overhead), incurred by the Mortgage holder as a direct result of the subsequent management of the Property or part thereof; (d) the costs of any improvements made by such Mortgage holder; and (e) an amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the Mortgage debt and such debt had continued in existence to the date of payment by the City.

**10.5 Amendments to Agreement Requested by Mortgagee.** City shall execute amendments to this Agreement or separate agreements to the extent reasonably requested by a Mortgagee proposing to make a loan to or investment in Developer secured by a security interest in the Project; provided, however, that such proposed amendments or other agreements do not materially and adversely affect the rights of City hereunder.

## **11. DEFAULT; REMEDIES**

### **11.1 Default and Cure.**

#### **(a) Default by Developer.**

(i) A default occurs if Developer or Partnership breaches any material provision of this Agreement, whether by action or inaction and such breach continues and is not remedied within thirty (30) days after Developer or Partnership receives written notice from City specifying the breach. In the case of a breach which cannot be cured with due diligence within thirty (30) days, Developer or Partnership shall have such additional time may be reasonably necessary to cure of the breach provided Developer or Partnership commences to cure within thirty (30) days after Developer or Partnership receives written notice from City and thereafter diligently prosecutes to completion such cure.

(ii) A default shall occur if Developer or Partnership makes any assignment for the benefit of creditors or is adjudicated as bankrupt or has a receiver, trustee, or creditor's committee appointed over it.

(iii) Developer or the Partnership fails to obtain a Certificate of Occupancy for the Project on or prior to the Outside Completion Date. A default under Sections 1.1(a)(i) through (iii) are referred to in this Agreement as a "**Developer Default.**"

(b) **Default by the City.** A default occurs by the City (a "**City Default**") if City breaches any material provision of this Agreement, whether by action or inaction and such breach continues and is not remedied within thirty (30) days after City receives written notice from Developer or the Partnership specifying the breach. In the case of a breach which cannot be cured with due diligence within thirty (30) days, a default shall occur without further notice from Developer or the Partnership if City does not commence cure of the breach within thirty (30) days

after City receives written notice from Developer or the Partnership and thereafter diligently prosecutes to completion such cure.

**11.2 City's Pre-Conveyance Remedies.** Upon the occurrence and continuance of a Developer Default before the Property is conveyed to the Partnership, City, at its option, may terminate this Agreement by written notice to Developer and/or Partnership.

**11.3 City's Post-Conveyance Remedies.** Upon the occurrence and continuance of a Developer Default after the Closing Date, the City shall be entitled to all remedies permitted by law or at equity, including but not limited to specific performance. This provision shall survive Closing.

**11.4 Developer's Pre-Conveyance Remedies.** If Developer and/or the Partnership elects to terminate this Agreement prior to Closing as a result of a City Default, and there has been no Developer Default under this Agreement, Developer and/or the Partnership will also have the right to terminate this Agreement by written notice to the City without waiving any cause of action Developer and/or the Partnership may have against the City recover damages from the City in an amount not to exceed Developer's and the Partnership's actual, documented third-party costs and expenses arising prior to the date of City Default which will constitute Developer's sole and exclusive remedies in the event of a termination under this Section 11.4 arising from a City Default.

**11.5 No Consequential Damages.** Notwithstanding anything to the contrary contained in this Agreement, in no event will any Party be liable to the other for any punitive, speculative, or consequential damages.

**11.6 Impracticability.** The Parties acknowledge that, despite their good faith and diligent efforts, circumstances or events beyond their control may render development of the Project in accordance with this Agreement economically impractical (e.g., a condemnation event may render development of the Project economically unfeasible, volume cap may not be available to support the Project, etc.). In the event that the Parties determine, by mutual agreement, that circumstances have rendered the development of the Project impractical, this Agreement will be terminated and will have no further force or effect, except with respect to the obligations that by their terms expressly survive termination.

**11.7 No Waiver.** Except as otherwise expressly provided in this Agreement, any failure or delay by any Party in asserting any of its rights or remedies as to any default will not operate as a waiver of any default, or of any such rights or remedies, or deprive any such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

**11.8 Cumulative Rights.** Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by any Party of one or more of such rights or remedies will not preclude the exercise by it, at the



same time or different times, of any other rights or remedies for the same default or any other default by another Party.

### **11.9 Force Majeure.**

(a) Neither Developer, Partnership, nor City, nor their respective successors-in-interest (if any), shall be considered in breach of or in default with respect to any obligation created hereunder or progress in respect thereto if the delay in performance of such obligations (the “**Unavoidable Delay**”) arises from prevention or stoppage due to (a) acts or events beyond the reasonable control of either party, its general contractor or any subcontractors including, but not limited to, acts of God, earthquakes, strikes, lockouts, boycotts, fires, or other casualties, government moratoriums, governmental stop work orders or any weather conditions such as heavy rain or freezing temperatures that delay the performance of the obligations of the party; (b) discontinuance of any utility at the Property required for performance of either party’s work arising as a result of the occurrence of an event in preceding clause (a); (c) epidemics or pandemics resulting in a federal or state declared state of emergency; (d) the lack of availability or shortage of materials used in the construction of either party’s work, after reasonable effort to obtain such materials; or (e) any delays in the issuance of governmental permits or changes required by the fire department, building and/or planning department, building inspectors, or any other agency having jurisdiction over the Premises after the party claiming the delay has used all commercially reasonable efforts to obtain all required permits; provided, however, that the aforesaid causes were beyond that Party’s control and did not result from the fault or negligence of the Party; and provided further that the Party shall use commercially reasonable efforts to mitigate delays caused by an Unavoidable Delay.

(b) It is the purpose and intent of this provision that, in the event of the occurrence of any such Unavoidable Delay, the time or times for performance of the obligations of City or Developer, as the case may be, shall be extended for the period of the Unavoidable Delay; provided, however, that the Party seeking the benefit of this subsection 12.5, within ten (10) days after the Party becomes aware of the causes of any such Unavoidable Delay, shall notify the other Party in writing of the cause or causes of the Unavoidable Delay and the estimated time of correction.

**11.10 Dispute Resolution.** Should the Parties be unable to resolve any dispute between themselves, each will in good faith consider (without obligation) the appropriateness of mediation, arbitration, or other alternative dispute resolution mechanism, prior to invoking unilateral remedies (except as necessary to avoid imminent loss or harm to self or others) or seeking judicial resolution. However, while the foregoing provision reflects merely the intention of both Parties, in no event will such provision be enforceable nor will a breach of this provision be actionable.

## **12. NOTICES**

All notices, consents, demands, approvals and other communications (the “**Notices**”) that are given pursuant to this Agreement will be in writing to the appropriate Party and will be deemed to have been fully given when delivered, including delivery by commercial delivery service, or if

deposited in the United States mail, certified or registered, postage prepaid, when received or refused, or by electronic mail. All Notices will be addressed as follows:

If to Developer or Partnership: c/o Related/Northwest Development, LLC  
208 SW First Avenue, Suite 240  
Portland, OR 97204  
Attention: Stef Kondor  
Email: skondor@related.com

And a copy to: Related Companies of California  
44 Montgomery Street, Suite 1300  
San Francisco, CA 94104  
Attention: Ann Silverberg  
Email: asilverberg@related.com

With a copy to: Bocarsly Emden Cowan Esmail & Arndt,  
LLP  
633 W. Fifth Street, Suite 5880  
Los Angeles, California 90071  
Attn: Nicole Deddens, Esq.

With a copy to:  
If to the City: City of North Bend  
Attention: James Henderson  
Email: jhenderson@northbendwa.gov

Addresses for notice may be changed from time to time by notice to all other Parties. Notwithstanding that Notices will be deemed given when delivered, the nonreceipt of any Notice as the result of a change of address of which the sending Party was not notified will be deemed receipt of such Notice.

### **13. MISCELLANEOUS**

**13.1 Counterparts.** This Agreement may be executed in counterparts, all of which, taken together, will be deemed to be one and the same document.

**13.2 Prior Agreements; Amendments; Consents.** The Parties hereto acknowledge and agree that (a) this Agreement supersedes in full any and all prior negotiations, understandings and agreements by and between them as to all or any part of the Property, and (b) as of the date of this Agreement, any such prior agreement is null and void. No modification of this Agreement (including waivers of rights and conditions) will be effective unless in writing and signed by the Party against whom enforcement of such modification is sought, and then only in the specific instance and for the specific purpose given.

**13.3 Governing Law.** This Agreement will be governed by, and construed and enforced in accordance with, the laws of the State of Washington. Developer and the



City waive any objection regarding personal or in rem jurisdiction and agree that venue will be proper in the County of King, Washington.

**13.4 Severability of Provisions.** No provision of this Agreement that is held to be unenforceable or invalid will affect the remaining provisions, and to this end all provisions of this Agreement are hereby declared to be severable.

**13.5 Headings.** Article and section headings are included in this Agreement for convenience of reference only and will not be used in construing this Agreement

**13.6 Time of the Essence.** Time is of the essence of this Agreement.

**13.7 Conflict of Interest.** No member, official or employee of the City will have any direct or indirect interest in this Agreement, nor participate in any decision relating to this Agreement which is prohibited by law.

**13.8 Nonliability of the City Officials and Employees.** No member, official or employee of the City will be personally liable to Developer, Partnership, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to Partnership or successor, or on any obligation under the terms of this Agreement.

**13.9 Submission of Documents and Other Matters for Approval.** Whenever this Agreement requires either Party to submit plans, drawings, documents or other matters to the other Party for approval, and there is no time specified herein for such approval, the submitting Party may submit a letter requiring approval or rejection by the other Party of the documents or matter submitted within ten (10) days after submission, and unless rejected within the stated time such documents or matter will be deemed approved. Except where such approval is expressly reserved to the sole discretion of the approving Party, all approvals required hereunder by either Party will be reasonable and not unreasonably withheld or delayed. For the avoidance of doubt, this Section 13.19 applies only to consents and approvals required under this Agreement. Nothing in this Section or elsewhere in this Agreement shall be construed to govern or modify the City's independent regulatory, permitting, or discretionary review authority, or to alter statutory timelines established by state law or the North Bend Municipal Code for such actions.

**13.10 Nonmerger.** None of the provisions of this Agreement are intended to or shall be merged by reason of any Deed transferring title to the Property from City to Partnership, Developer, or any successor-in-interest, and any such Deed shall not be deemed to affect or impair the provisions and covenants of this Agreement but shall be deemed made pursuant to this Agreement.

**13.11 Interpretation of Agreement.** All Parties having had the opportunity to consult with an attorney regarding this Agreement, agree to waive the principle of contract interpretation that an ambiguity will be construed against the Party that drafted the ambiguous provision.

**13.12 Waivers.** No waiver made by either Party with respect to the performance, or manner or time thereof, of any obligation of the other Party or any condition inuring to its benefit under this Agreement shall be considered a waiver of any other rights of the Party making the waiver. No waiver by City or Developer of any provision of this Agreement or any breach thereof shall be of any force or effect unless in writing; and no such waiver shall be construed to be a continuing waiver.

**13.13 Calculation of Time.** All periods of time referred to herein shall include Saturdays, Sundays, and legal holidays in the State of Washington, except that if the last day of any period falls on any Saturday, Sunday, or legal holiday, the period shall be extended to include the next day which is not a Saturday, Sunday, or legal holiday.

**13.14 Successors and Assigns.** Subject to the provisions of Section 8, the benefits conferred by this Agreement, and the obligations assumed thereunder, shall inure to the benefit of and bind the successors and assigns of the Parties.

**13.15 No Partnership.** Nothing contained in this Agreement or any acts of the Parties hereby shall be deemed or construed by the Parties or by any third person to create the relationship of principal and agent, or of partnership, or of joint venture, or any association between the City and Developer or Partnership.

**13.16 No Construction Contract.** The City is neither the contractor nor the developer of the Project. This Agreement is not intended to be a contract that provides for the construction by the City either directly with a construction contractor or through Developer. The rights and duties of Developer, the general contractor and the subcontractors are or will be the subject of a separate contract or contracts to which the City is not a party.

**13.17 Nonwaiver of Government Rights.** By making this Agreement and the delivery of the Deed, the City is specifically not obligating itself or any other agency with respect to any discretionary action relating to development approvals or regulation of the operation of the improvements to be constructed on the Property, including, but not limited to, condemnation, rezoning, variances, environmental clearances or any other governmental approvals which are or may be required, except as otherwise expressly set forth herein.

**13.18 Approvals.** Except as set forth in this Agreement, whenever consent or approval by any Party is required under the terms of this Agreement, all such consents or approvals shall not be unreasonably conditioned, withheld or delayed.

**13.19 Time for Approvals.** Where this Agreement requires the approval of a Party, the Party will approve or disapprove within ten (10) business days after receipt of the material to be approved, except where a longer or shorter time period is specifically provided to the contrary. Failure by a Party to approve or disapprove within said period of time shall be deemed approval. Any disapproval shall state in writing the reasons for such disapproval. Except when specifically set forth as subject to City's "sole discretion," approvals will not be unreasonably conditioned, withheld or delayed.

**13.20 Public Records.** The Parties acknowledge that the City is subject to the Washington Public Records Act, Chapter 42.56 RCW. If the Developer or the Partnership submits information that it reasonably and in good faith considers confidential, proprietary, or exempt from disclosure, the Developer shall clearly mark each page of such material “CONFIDENTIAL.” If the City receives a request for disclosure of any such materials, the City shall (a) promptly notify the Developer in writing of the request, (b) allow the Developer a reasonable period (not less than ten (10) business days, unless otherwise required by law) to seek a protective order or injunction, and (c) determine, in its sole discretion but after conferring with the Developer, whether such materials are exempt from disclosure. If the City determines that release is required, it shall provide notice to the Developer prior to disclosure. The Developer acknowledges that the City’s ultimate determination and compliance with RCW 42.56 shall not constitute a breach of this Agreement.

**13.21 Compliance with Federal Laws.** The Parties agree to comply with the terms of Internal Revenue Code Section 1445 and the Interstate Land Sales Full Disclosure Act. City is not a “foreign person” as that term is used in Internal Revenue Code Section 1445, and City agrees to furnish Developer with any necessary documentation to that effect. Developer/Partnership agrees to furnish City, at its request, with any necessary documentation in order to exempt the sale of the Property from the provisions of the Interstate Land Sales Full Disclosure Act.

**13.22 Good Faith and Reasonableness.** The Parties intend that the obligations of good faith and fair dealing apply to this Agreement and that no negative inferences be drawn by the absence of an explicit obligation to be reasonable in any portion of this Agreement. The obligation to be reasonable shall only be negated if arbitrariness is clearly and explicitly permitted as to the specific item in question, such as in the case of a party being given “sole discretion” or being allowed to make a decision in its “sole judgment.”

**13.23 No Third-Party Beneficiaries.** No person not a party to this Agreement is an intended beneficiary of this Agreement, and no person not a party to this Agreement shall have any right to enforce any term of this Agreement.

**13.24 Discrimination.** Developer and Partnership covenants, for themselves, and successors and assigns that during the term of this Agreement and construction of the Project, they will not discriminate against any employee or applicant for employment on account of race, color, creed, religion, age, gender, sex, sexual orientation, marital status, national origin, ancestry or disability, and shall comply with the applicable requirements of 49 CFR Parts 26.7, 27.7, 27.9(b) and 37. Developer and Partnership further covenant, for themselves and successors and assigns, that it will not discriminate against or segregate any person or group of persons in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property on account of race, color, creed, religion, age, gender, sex, sexual orientation, marital status, national origin, ancestry or disability, nor will Developer, Partnership, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, or others in connection with the Property. The foregoing covenant will run with the land.

**13.25 Equal Employment Opportunity.** Developer must comply with all applicable provisions of Federal or state statutes and regulations and City ordinances concerning equal employment opportunities for persons engaged in the Project.

*[Signatures on the Following Page]*

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be executed on the dates hereinafter respectively set forth.

**DEVELOPER:**

**RELATED/NORTHWEST DEVELOPMENT, LLC**,  
a California limited liability company

By: \_\_\_\_\_  
Ann Silverberg, President

**PARTNERSHIP:**

\_\_\_\_\_ **HOUSING PARTNERS LIMITED PARTNERSHIP**,  
an Oregon limited partnership

By: Related/\_\_\_\_\_ Development Co., LLC,  
a California limited liability company, its general partner

By: \_\_\_\_\_  
Ann Silverberg, President

**CITY:**

**CITY OF NORTH BEND**,  
a municipal corporation organized under the Washington State Optional Municipal Code

By: \_\_\_\_\_  
Mary Miller, Mayor, City of North Bend

## LIST OF EXHIBITS

| <u>EXHIBIT</u> | <u>DESCRIPTION</u>                |
|----------------|-----------------------------------|
| A              | Legal Description of the Property |
| B              | Site Plan                         |
| C              | Project Budget                    |
| D              | Summary of Code Departures        |

**EXHIBIT “A”**

**LEGAL DESCRIPTION OF PROPERTY**

**LEGAL DESCRIPTION**

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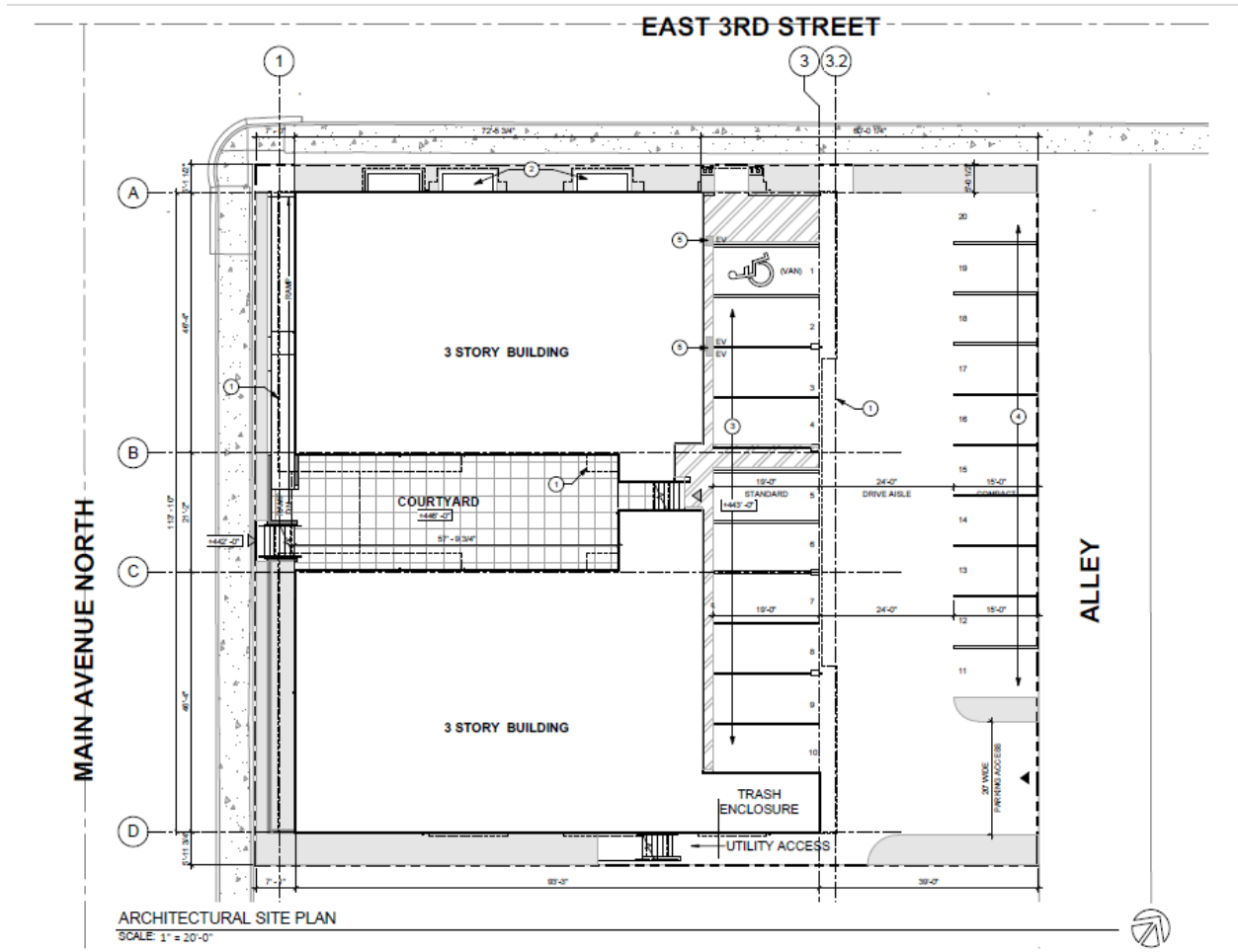
LOTS 20 THROUGH 24, BLOCK 6, PLAT OF SNOQUALMIE, PER PLAT  
RECORDED IN VOLUME 3 OF PLATS, PAGE 62, RECORDS OF KING COUNTY,  
WASHINGTON.

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

**EXHIBIT “B”**

## EXHIBIT "B"

### Project Site Plan



## EXHIBIT "B"



## EXHIBIT “C”

### Project Budget

| Source  | Amount       |
|---|--------------|
| City of North Bend (Affordable Housing Sales & Use Tax) | \$1,952,410  |
| City of North Bend (REET 2)                             | \$500,000    |
| WA State Grant (Connecting Housing to Infrastructure)   | \$1,000,000  |
| Washington State Housing Trust Fund                     | \$5,000,000  |
| 4% Low-Income Housing Tax Credit                        | \$5,977,329  |
| Permanent Debt  | \$3,738,333  |
| Deferred Fee  | \$1,329,369  |
| Total   | \$19,497,441 |

| Use                  | Amount       |
|----------------------|--------------|
| Professional Fees    | \$1,146,315  |
| Total Fees & Permits | \$800,000    |
| Construction Costs   | \$11,523,128 |
| Financing Costs      | \$1,375,853  |
| Other                | \$4,652,145  |
| Total                | \$16,127,273 |

## EXHIBIT “D”

### Summary of Requested Code Departures

1. Private Open Space (NBMC 18.12). The proposal does not provide 100sf of open space per unit. The proposal provides approximately 1,200sf courtyard and front and side yard setback space for storm planters totaling ~2,100sf. The proposal is within the Downtown Commercial zone, near existing trails and parks.
2. Frontage-Porch (NBMC 18.12). (3) 5’x10’ porches are provided along the (3rd St) frontage without pathways. Providing 8’ of depth would require loss of interior floor area and would be detrimental to the livability of these apartments. The ground floor is elevated approximately 4’ above the sidewalk due to flood hazard requirements. Providing stairways and connecting pathways would require large areas to navigate the 4’ vertical rise. The adjacent ground area will be a stormwater planter to infiltrate rainwater from the roofs.
3. Parking Deviation (NBMC 18.16.090). The proposal requests a reduction in parking from the required 1 space per unit and guest parking of 1 space per 5 units (48) to 20 on-site and 12-13 spaces adjacent on street. NBMC 18.16.100(G) allows for deed restricted affordable housing projects to use no more than 50% of the total amount for on-street parking. *The city’s Form Based Code Table RP.1 Zoning District intent supports on-street public parking being utilized in the DC-Mixed Use Area. DS.1B also shows surface or structural parking where feasible.*
4. Yard Space/Balconies (NBMC 18.34.060.B.3). A courtyard of 1,200 SF is provided and will be designed for common use by residents and porches are provided for (3) of the ground floor units. Balconies are not provided at upper floor units due to limited site area along with cost, maintenance, and safety concerns.
5. Roof articulation (NBMC 18.34.060.B.4). Partial deviation from requiring the roofline to be broken every 50 feet to save cost and maintain unit count.

# EXHIBIT 5.A

## MEMO

To: Planning Commission  
From: Planning Division  
Prepared By: Caitlin Hepworth  
Re: Revisions to Sign Code Definitions, Prohibitions, and Exemptions



Dear Planning Commission,

Included in your November 5, 2025 Agenda Packet are the revisions for the draft amendments to the Sign Code NBMC Chapter 18.20.040 regarding definitions, NBMC 18.20.030 regarding exemptions, and NBMC 18.20.070 regarding prohibitions. This memo is intended to document changes made to proposed regulations.

The November 5<sup>th</sup> meeting does not include a hearing and there is no Planning Commission action or decision requested at this time – this meeting is intended to gather final feedback on these sections and determine a confirmed direction on substantive amendments to design regulations.

### Recommended Changes to Sign Definitions (NBMC 18.20.040)

The following changes were made to proposed sign definitions based on staff and Planning Commission feedback:

- “Animated Sign” was amended to revise the appearance of the standard to include a shortlist of features.
- “Blade/Bracket Sign” was amended to correct a minor semantic error. Definition was also split up between terms.
- “Cabinet Sign” definition was added.
- “Drive-thru Sign” was amended to correct a minor semantic error.
- “Feather Sign” was amended to remove reference to an advertising flag which is prohibited.
- “Flag” was amended to include a definition, which was mistakenly not included in the last iteration presented to the Commission.
- “Follow Through Sign” was amended to adjust the wording of WSDOTs relationship with this sign type. This is a sign that is supplied and installed by WSDOT on state routes (which is under WSDOTs jurisdiction) and local streets (which is under the City’s jurisdiction).
- “Garage Sale Sign” was amended to correct two minor semantic errors.
- “Government Sale” was amended to correct a minor semantic error.
- “Indirect Illuminated Sign” was changed to “Indirectly Illuminated Sign”.
- “Informational Sign” was amended to correct a minor semantic error.
- “Innovative design” was amended to remove “located in the city of North Bend” at the end of the sentence due to it’s redundancy.
- “Memorial Sign” was amended to correct a minor semantic error.
- “Multiple-tenant site” was amended to correct a minor semantic error.

November 5, 2025

## EXHIBIT 5.A

- “Public entrance” was amended to specify the entrance is “generally located” in the front façade.
- “Public Nuisance Sign” was amended to align with draft language in the *Prohibitions* section. The city engineer shall determine whether a sign presents a traffic safety hazard. Examples were removed in alignment with the *Prohibitions* reference.
- “Readerboard Sign” was amended to replace “letters are readily replacement such that the copy can be changed from time to time at will” with “an interchangeable copy-reader message”.
- “Sign” received feedback from Commissioner Boevers on September 10th regarding adopting a more simplified term. Staff support removing the examples listed in the term but will evaluate if we can further simplify/shorten the definition with the legal team.

The following changes were suggested by the Planning Commission but have not yet been incorporated:

- “Monument Sign” received feedback from Commissioner Boevers on September 10th regarding the language around ground mounting in a solid appearing sign structure. Staff recommended maintaining the draft statement to provide clarification on what a monument sign is. There are other signs that are mounted to the ground that would not be considered a monument sign such as a pole sign or directional sign.
- “Public Nuisance Sign” received feedback from Commissioner Boevers on September 10th regarding including this as a defined term rather than an independent section within the sign code. This term is referenced in *Prohibitions* (NBMC 18.20.070) so staff have maintained the definition at this time. However, if the Planning Commission would prefer an independent subsection in the sign code for nuisance signs, staff are willing to accommodate this.

### Changes to Draft Sign Exemptions (NBMC 18.20.030)

The following changes were made to proposed sign exemptions based on staff and Planning Commission feedback:

- A.1 Historic District: A link was added to the historic district sign regulations.
- A.4 City-owned Recreation Fields: Recommended language by Planning Commission was added to describe what “subject to conditions” means.
- B.2 Flagpoles: Recommended language by Planning Commission was added to allow “non-advertising” flags. This would include any patriotic, political, or miscellaneous flags. Advertising flags would be regulated by the city.
- B.10 Seasonal Decorations: Staff requested seasonal decorations are removed from the sign code as staff do not want to impose strict decoration removal requirements and would not be a priority for code enforcement.

### Changes to Draft Sign Prohibitions (NBMC 18.20.070)

The following changes were made to proposed sign exemptions based on staff and Planning Commission feedback:

## EXHIBIT 5.A

- A.8 Flags: “Advertising” was added to the description. The prohibition is written to restrict the use of flags that advertise a business only.
- A.13 Obscene Signs: Added corresponding language with RCW 9.68 which prevents sexually explicit material.
  - o Under the *Roth v. United States* and *Miller v. California* Supreme Court cases – the court provided clarification regarding what is and is not protected under the First Amendment.
  - o Sexually oriented obscene speech is not protected under the First Amendment and can therefore be prohibited on signage. Examples of this would include signs that display or explicitly describe sexualized material or language.
  - o Sexually oriented non-obscene speech is considered “low level speech” and can be somewhat regulated. Examples of this would include “adult theater”, which can be regulated but not prohibited.
  - o Profane or indecent language is protected under the First Amendment and cannot be regulated. Examples of this could include signs that include non-sexual or words traditionally interpreted as inappropriate, such as the below image.



- A.14 Real Estate Signs: Amended to state “off-site real estate signs”.
- A.15 Painted Signs on Vehicles: Language has been revised to specify that this prohibition applies when a vehicle, trailer, or cart with painted or affixed signs is parked on public property for 24 hours or longer without a permit.
  - o It is challenging to find a mechanism to link individual cars for sale to a method of allowed sign regulation (sign type, design, location, or associated use) without crossing into content neutrality.
- A.17 Performance Posters: This section was removed due to issues with content neutrality. However, these signs can be regulated under “off site” or “temporary” signage standards to meaningfully address the need to remove signs that are out of date with a performance or event.
- A.18 Pole Signs: As discussed, this was removed and will be addressed in future design specific regulations.
- A.19 Readerboards: Minor adjustment to language to specify only “marquee signs” as an example and removed “movie theater signs” as an example due to content neutrality.
- A.24 Traffic Hazard Signs: Minor adjustment to language based on feedback from Planning Commission.
- A.25 Utility or Public Street Features: Minor adjustment to language to specify any commercial or residential signs are prohibited from being placed on these features.

## EXHIBIT 5.A

- B Sign Materials:
  - o B.1 was amended to state glass signs outside of the downtown historic sign district are prohibited.
  - o B.6 was amended to state “non durable or non-weather resistant materials” are prohibited for permanent signs.

### Sign Code Survey

City staff distributed an electronic survey to solicit feedback from the business community regarding proposed sign code amendments and business-specific concerns and needs. The survey was available September 17<sup>th</sup> through October 8<sup>th</sup> and was advertised by the City’s website and social media accounts, the Downtown Foundation, and the Snoqualmie Valley Reporter.

Unfortunately, only 17 responses were received. Under the direction of the Economic Development Commission, staff have been requested to re-open the survey for an additional two-to-three-week period. Staff are anticipating re-releasing the survey in early November and directly reaching out to known business contacts to encourage their participation in the survey.

### Next Steps by Staff

By the next Planning Commission meeting on December 3, 2025, staff intend to:

- Complete draft amendments to NBMC 18.20.090 regarding administration and enforcement.
- Circulate the draft definitions, prohibitions, and exemptions to the legal team for review. The next time Planning Commission reviews definitions, exemptions, and prohibitions, it should be for the public hearing and adoption process.
- Host a meeting (TBD) with the International Sign Association (ISA) regarding recommendations to amend the City’s sign code. The ISA provides guidance to municipalities and businesses regarding sign definitions, regulations, and other key tools.

### Request for Commissioners at Next Meeting

At the next Planning Commission meeting, staff will be asking for the following:

- Open feedback/questions on proposed sign administration and enforcement standards

## Proposed Amendments to NBMC 18.20

### NBMC 18.20.040 Definitions

For the purposes of this chapter, the words set out in this chapter shall have the following meanings:

“A-Frame sign” means a portable, two-faced sign capable of being moved easily and is not permanent affixed to the ground, a structure, or a building. An a-frame sign is often referred to as a “sandwich board” or “movable” sign.

“Abandoned sign” means any sign defined herein that is not currently being used to advertise a currently licensed business, lessor, service, owner, product, or activity for which the legal owner cannot be found. licensed by the city of North Bend to operate at the location of the sign for a period of one year or more, or is  
A sign is considered abandoned when left blank or unused for a period of one yearninety days or more, is in significant disrepair and presents a safety hazard, or any signis left out for display after the specified time limit on permit expires. For a special event sign, the sign is considered abandoned seven days after the subject event occurs.

“Address sign” means letters or numerals or a combination of both that provides building identification and contains no advertising (for example, an address or suite number).

“Alteration, Sign” means any sign face that is changed in color, shape, size, or illumination, or is replaced or relocated within the same property of original construction.

“Animated Sign” means any sign with at least one of the following features:

1. Scrolling copy, illustrations, flashing or blinking lights, moving features
2. The illusion of moving features; or
3. The physical movement of a sign that revolves, rotates, or turns.

“Area of a sign” means the entire face of a sign, including the advertising display surface and any framing, trim or molding, but not including the supporting structure. Area is computed by multiplying the height of the display area by the width of the display area. For free-form signs and signs using channel letters and other irregular signs, the area is the calculated area of the smallest geometric shape that will enclose the letters or pictorial matter. Where letters or pictorial matter are placed on a lighted background or panel, the entire area of the lighted background or panel shall be considered as the area of the sign.

“Automobile Fueling Station Sign” means a non-movable sign used to display price of fuel.

“Awning sign” means a sign placed upon, attached to, constructed on, or supported by an awning (a roof-like structure extending over or in front of a place) or canopy.

“Banner” means a sign, made of flexible, sturdy material and affixed to a building or other structure on a temporary basis. Banners do not include excluding-state or national flags, see the definition for “flag”.

## EXHIBIT 5.B

“Billboard” means outdoor advertising signs containing a message, commercial or otherwise, unrelated to any use or activity on the property on which the sign is located.

“Blade Sign” means a small pedestrian-oriented sign that hangs horizontally beneath the canopy or awning of a building façade intended for visibility to pedestrians on a sidewalk or walkway adjacent to the building.

“Bracket Sign” means a small pedestrian-oriented sign that projects perpendicular from the wall of a structure intended for visibility to pedestrians on a sidewalk or walkway adjacent to the building.

~~“Blade/Bracket Sign” means a small pedestrian-oriented sign that projects perpendicular from a structure (bracket sign) or horizontally beneath a structure (blade sign).~~

“Business entrance sign” means a wall or marquee sign mounted above or adjacent to the public entrance to a business, containing the name or logo of the business only.

“Business identification sign” means a sign that identifies the name or the logo of the business with the use of graphic or alphanumeric symbols that are readily identifiable as representing the business, including the business name, without any other advertising message.

“Cabinet sign” means a sign that has one or more plastic, acrylic, or similar material faces (panels) attached to a metal frame or cabinet, which may or may not be internally illuminated. Cabinet signs for the purpose of these regulations are only square or rectangular, without additional shape or articulation.

“Canopy” means a freestanding structure affording protection from the elements to persons or property thereunder.

“Canopy sign” means any sign erected upon or, ~~against or directly above~~ a canopy.

“Center entrance sign” means a commercial or industrial center identification sign ~~located at~~ identifying the vehicle entrance or pedestrian entrance to the center and the tenants within the center. Center entrance signs may be monument type or pole type, provided the sign meets the size and height allowances associated with the zoning district and does not obstruct traffic visibility at the entrance.

“Center identification sign” means a freestanding monument type sign identifying the name of a commercial or industrial center.

“Channel letter sign” means a sign made up of individual raised letters attached to a building, facade, or manufactured background. Either internally or externally lighted and either faced or unfaced (i.e., open letter style).

“Clearance of Sign” means the minimum vertical distance between the grade and the lowest point of a sign.

“Commercial center” means a parcel or parcels of commercial, business, or employment zoned property operating under single ownership or management group, and sharing common architecture, parking and landscaping. Also applies to contiguous properties that have been



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integrated through a binding site plan or conceptual site plan and related development agreements. means aA commercial center includes group of four or more individual tenants, on a single “integrated site,” under one ownership or multiple ownerships, containing at least two acres, and zoned for commercial or industrial uses as defined in Chapter 18.10 NBMC.

“Commercial Sign” means a sign containing language related to the economic interests of the advertiser and its audience, a sign that proposes a commercial transaction, or a sign that brings awareness to a particular business.

“Community Facility Sign” means a sign identifying a community facility, quasi-public facility, or public amenity that is operated by a public agency or non-profit entity.

“Construction, Contractor, or “Coming Soon” Sign” means a temporary sign for informational purposes that identifies organizations, individuals, or firms that are involved in the active construction or development of land or are future enterprises of a building or structure under construction.

“Directional Sign” means a small sign not exceeding six square feet that provides messages to assist with wayfinding for both motorized and nonmotorized modes of transportation, with the intent of guiding the public to a specific place. Examples include entrance, exit, one-way circulation, service area, and drive-thru window.

“Double-Faced Sign” means a sign constructed to display an identical display and message on a back-to-back face.

“Drive-thru Sign” means a sign that displays the available selection for ordering a good or service at a drive-thru window, such as a menu.

“External Illumination” means a sign that is illuminated by a light that is directed toward and shines on the face of a sign.

“Facade area” means the frontal plane of a building including the surface area bounded by the finished grade line, the cornice or roofline and the exterior side walls, excluding intermediate walls perpendicular to the frontal plane.

“Facade front” means the side of the building facing the street serving as the principal point of access or a center parking lot with an entrance open to the public, excluding the side of any building facing I-90 located on property adjoining I-90.

“Feather Sign” means a banner sign made of fabric, plastic, or a similar material that is attached to a flexible or rigid pole on one side and is movable.

“Flag” means a piece of cloth or bunting often attached to a staff or pole, with distinctive colors, patterns, or symbols.

“Follow Through Sign” means a sign that is supplied and installed within the City right-of-way by the Washington State Department of Transportation Motorist Information Sign Program and is designed to direct travelers to gas, food, lodging, camping, recreation, tourist activities, and 24-hour pharmacies.

## EXHIBIT 5.B

“Franchise” is the right or license granted to an individual or group to market a company’s goods or services in a particular territory.

“Freestanding Sign” means a pole, pylon, ground, or monument-mounted sign supported by the structure or supports that are placed on, or anchored in, the ground and are independent from a building or structure.

“Garage Sale Sign” means a residential temporary sign advertising the sale of personal property used to dispose of household possessions. Garage sale signs include but are not limited to yard sale, moving sale, or patio sale signs.

“Government Sign” means a sign installed by a City, County, State, contracted fire/police municipal service agency, Federal government agency, or other governmental agency for the purpose of protecting the public health, safety, and general welfare. This includes emergency or warning signs, traffic, and directional signs that are erected and maintained by the City.

“Halo-lit sign” means a lighting technique that allows for a subtle radiance of light to appear behind the sign letters, giving a halo effect.

~~“Height of sign for a freestanding sign”~~ means the vertical distance measured from the grade of the nearest street or native grade, whichever is greater, to the highest point of the sign or sign structure; for a wall sign “height of sign” means the vertical distance measured from the building finished grade line to the highest point of the sign or sign structure.

“Historic Sign” means a sign that is at least 40-years of age that has significant historic, cultural, aesthetic, or community value and must be located within of the Historic District, or attached to or associated with a designated landmark building.

“Home Business Sign” means a sign for a business that operates as a secondary use to a primarily residential property or use.

“Indirectly Illuminated Sign” means a sign that is lit by a source not directly seen.

“Inflatable Sign” means a sign and/or structure that is constructed of canvas, rubber, or other light material capable of sustaining an inflated state for any period of time for the purpose to aid an establishment in promoting the sale or advertising of products, goods, services, events, or a building.

“Informational Sign” means a non-commercial sign that provides incidental and necessary information for public safety or convenience, and that contains general information that has a purpose secondary to the use of the business or property on which it is located. Examples include restrooms, delivery areas, smoking prohibited, EV charging, or other similar signs.

“Innovative design” means the use of non-standard colors, shapes, lettering styles, image, or a modified message that would be unique to the franchise business located in the city of North Bend.

~~“Integrated site” means a parcel or parcels of property under single ownership or management, and sharing common architecture, parking and landscaping. Also applies to contiguous~~

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~~properties that have been integrated through a binding site plan or conceptual site plan and related development agreements.~~

“Internally Illuminated Sign” means a sign whose light source is contained within the interior of the sign.

“Interpretive Marker/Sign” means a sign that identifies or explains specific events, sites, structures, features, objects, or natural processes and features.

“Kiosk” means a small structure having one or more open air faces operating either on private property or public property (including the right-of-way) intended for the purpose of guiding drivers, pedestrians, or cyclists to businesses, activities, or points of interest. ~~with one or more sides that is used to advertise a business or services.~~

“Marquee sign” means a sign painted on, attached to, or consisting of an interchangeable copy-reader on a permanent overhanging shelter or architectural projection on the front facade and above the entrance to a building.

“Memorial Sign” means a sign, tablet, or plaque memorializing a person, event, structure, or site and include names and dates relevant to the subject.

“Monument sign” means a self-supporting sign not attached to any building, wall, fence, or other structure, but in a fixed location mounted to the ground in on a solid appearing sign structure, and limited to 10 feet in height.

“Multiple-tenant building” means a single structure on a site housing more than one retail, office, residential, or commercial venture, ~~but does not include residential apartment buildings, which share the same lot, access and/or parking facilities.~~

“Multiple-tenant site” means a commercial site containing two or more businesses uses on an integrated site property or commercial center.

~~“Mural” means a work of art applied to and made integral with a wall surface of a building that does not advertise goods or services currently available to the public.~~

“Neon Sign” means a sign with a light source supplied by a neon tube which is bent to form letters, symbols, or other shapes.

“Nonconforming sign” means a sign legally established or installed prior to the effective date of the current sign regulation that no longer meets the current version of the North Bend Municipal Code.

“Off-premises Site Sign” means a sign that advertises a business, activity, product, or service not available on the premises on which the sign is displayed.

“On-Site Sign” means a sign that advertises a business, activity, product, or service available on the same premise on which the sign is displayed.

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“Opaque color” means a color that reduces the light transmittance through the face of an internally lighted sign by at least 50 percent. Examples include, but are not limited to, muted colors such as green, blue, red, brown and black.

“Outdoor Vendor Sign” means a sign used for food trucks, fruit or vegetable or stands, tree or flower stands, pop-up uses, accessory vending stands, and similar activities.

“Panel Ssign” means a sign constructed with flat graphics applied to a flat sign surface.

“Pole sign” means a sign that is mounted on the top half of a freestanding pole or other support ~~so that the bottom edge of the sign face is at least 10 feet or more above grade.~~

“Political Sign” means a sign that exclusively and solely advertises a candidate, elective office, political party, or promotes a position on a public, social, or ballot issue.

“Primary Sign” means the primary sign that advertises a business, enterprise, public facility, commercial center, or building.

“Prohibited sign” means any sign that is not specifically allowed or permitted by this code.

“Projecting sign” means a sign, other than a wall sign, that is attached to and projects from a structure or building face. The sign must project at least 12-inches from the structure or building to be considered a projecting sign instead of a wall sign.

“Public Art” means any statue, painting, mural, culture, or other art form that is formally recognized by the City Council and does not include an advertising message or used for economic gain.

“Public entrance” means the entrance to the building that is generally located in the front facade and serves as the primary means of ingress and egress for customers or patrons. In the case of a business that is not enclosed in a building or is primarily oriented to outside display of merchandise, the public entrance shall be the pedestrian or vehicular means of ingress and egress for the outdoor sales area.

“Public Nuisance Sign” mean a sign that creates or establishes conditions for a public hazard, including but not limited to the following:

1. Signs with advertising copy which imitate official traffic signs, or signals;
2. Signs that may confuse motorists or detract from any legal traffic control device as determined by the city engineer; or
3. Signs on or within medians, roundabouts, traffic circles, the clear view sight distance triangle of intersections, and any sign placed in such a manner that it obscures the vision of a motorist and becomes a traffic safety risk as determined by the city engineer.

“Readerboard Sign” means a sign with an interchangeable copy-reader message or an electronically controlled version which a temporary message or graphic is displayed.

“Real Estate Sign” means a temporary on-site or off-site sign used to advertise a property for sale, lease, or rent. Real estate signs may be on-site or off-site and may be portable or affixed

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to the ground. Real estate signs may include directional signs, open house signs, residential unit estate signs, or other in-like-kind signs.

“Right-of-way” means all public streets, alleys and property granted, reserved for, or dedicated to public use for streets and alleys, together with all public property granted to, reserved for, or dedicated to public use including but not limited to walkways, sidewalks, trails, parking, shoulders, drainage facilities, bikeways, and horse trails, whether improved or unimproved, including the air rights, subsurface rights, and easements related thereto.

“Roof sign” means any sign erected upon, against or directly above a roof, or on top of or above the parapet of a building, including a sign affixed to any structure erected upon a roof, including a structure housing building equipment.

“Sandwich board sign” ~~See definition of “A-frame Sign”. means a portable two-faced, A-frame style sign that is readily moveable and has no permanent attachment to a building, structure, or the ground.~~

“Secondary Sign” means a smaller, supplementary sign advertising a business, enterprise, public facility, commercial center, or building. Any secondary sign shall be smaller than the primary sign, see the definition for “Primary Sign”.

“Sign” means any material, structure, or device, or part thereof, composed of letter or pictorial matter, or on which letter or pictorial matter is placed when used or located outside of or on the exterior of any building, for display of an advertisement, announcement, notice, directional matter, or name; ~~and includes sign frames, billboards, reader boards, sign boards, painted wall signs, hanging signs, illuminated signs, banners, pennants, fluttering devices, projecting signs or ground signs;~~ and also includes any announcement, notice, directional information, declaration, display, illustration, or insignia used to advertise or promote the interest of any person or business when the same is placed in view of the general public.

“Sign Face/Façade” means the area of a sign on which words and images are placed and includes all sides of a structure that may have the sign.

“Sign Structure” means any structure that supports any sign. A sign structure may be independent, such as a pole or monument sign, or may be affixed to a building or structure, such as a cabinet or blade/bracket sign.

“Site entrance sign” means a reduced size “center identification sign” located adjacent to the vehicle entrance to the center parking area. Site entrance signs may be monument style only, with limited size and height as set forth in Tables 18.20.060 and 18.20.060A.

“Stake/Wire Frame Sign” means a temporary sign posted in the ground by a stake or wire frame, or another similar supporting device.

“Temporary sign” means a sign permitted for erection or display for a limited period of time, either as specified on the permit, or within the code.

“Wall sign” means any sign attached to and supported by a wall of a building, or the wall of a structure, including a mansard roof, with the exposed face of the sign in a plane parallel to the

## EXHIBIT 5.B

plane of the wall. Any sign placed behind a window or visible within a building from the outside shall not be included in this definition.

“Wayfinding Sign” means a sign that uses techniques to assist drivers, pedestrians, or cyclists to find their way, using information provided along a travel pathway.

“Window sign” means any sign located on or affixed to the exterior of a window of a building, whether temporary or permanent, lighted or unlighted, which is intended for viewing from the exterior of the building. Window signs include any decals, emblems, paint, exposed neon, and banners that are affixed to a window with the obvious intent of capturing public interest and attracting customers.

# EXHIBIT 5.C

## Proposed Amendments to NBMC 18.20

### NBMC 18.20.030 Sign regulation exemptions.

A. The sign regulations in this chapter are superseded by unique regulations applicable to specific sub-areas of the city as listed below. Signs in these sub-areas shall comply with the specific regulations for the sub-area as listed below or subsequently amended.

1. ~~A.~~ The North Bend downtown historic district established July 27, 2000, by the King County landmarks and heritage commission (see Chapter 19.20 NBMC) is regulated by the North Bend historic commercial district sign design guidelines prepared by Makers Architecture and Urban Design in July 2002, and are herein adopted by reference.

~~2B.~~ The factory stores at North Bend are regulated by the “North Bend Factory Stores Tenant Signage Criteria” as prepared by Chelsea Property Group, October 2, 2007, and in response to the provision of city of North Bend Ordinance No. 692, subsections 9 F and 9 G, and are herein adopted by reference.

~~3C.~~ The Mountain Valley Shopping Center is regulated by the “Planned Sign Program for Mountain Valley Shopping Center March 7, 1996 Revision,” signage plan submitted pursuant to the master site plan application per city of North Bend Ordinance No. 953, subsection 7, and is herein adopted by reference.

~~4D.~~ All signs placed at the city-owned recreation fields require the permission of the city and may, in the discretion of the ~~Si View Parks community services director~~ Community and Economic Development Director, be subject to conditions as appropriate to address health, safety, and stipulations of the use of signage.

B. The following signs are additionally exempt from the requirements of this chapter:

1. Directional signs used to guide or direct pedestrian or vehicular traffic to parking entrances, exits, service areas, and specific business locations on the premises. Sign must be six square feet or less. These signs shall not include any commercial message or advertisement.
2. Flagpoles erected for the purpose of displaying a non-advertising flags.
3. Government signs installed by a government agency for the purpose of protecting the public health, safety, or general welfare. This includes emergency or warning signs, traffic and directional signs, wayfinding signs maintained by the City of North Bend, informational signs, and any other sign placed for the protection of the public health, safety, or general welfare.
4. Memorial Signs less than four square feet in area installed on private property.
5. Minor, non-electrical ~~commercial~~ informational signs. Small signs of a noncommercial nature without advertising intended primarily for the convenience of the public and having a maximum area of six square feet are exempt from the requirement of a sign



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permit. Included are signs designating restrooms, hours of operations, entrances and exits to buildings and parking lots, help wanted, public telephones, etc. Also included are property control and warning signs such as “no trespassing,” “no dumping,” etc., and plaques, tablets, or inscriptions which are an integral part of a building or are attached flat to the face of a building, walkway, or street.

6. Minor, non-electrical residential signs. This includes address signs, on-site or off-site garage sale signs, real estate signs, wire/stake signs that are located on-site, or other similar residential sign. Resident name identification signs are exempt and are considered incidental signage; provided, that they do not exceed six square feet and are placed entirely on the resident’s property;
7. Public Art that does not contain text or logos is generally not considered to be a sign and is not subject to the standards in this chapter, except when the art contains a logo, slogan, advertising message, company name, trademark, features or designs consistent with the associated use, or business contact information.
8. Signs required by local, State, or Federal Rule, regulation, or law.
9. Signs that are not visible by the public from any location designated or designed for public travel, use, or gathering. This includes signs that are placed internally for the intended visibility for people located inside the subject building. This does not include signs placed within three feet of a window facing a location designated or designed for public travel, use, or gathering.

# EXHIBIT 5.D

## Proposed Amendments to NBMC 18.20

### NBMC 18.20.070 Prohibited Signs

A. The following signs are prohibited in all zoning designations:

1. Abandoned signs;
2. Billboards;
3. Blinking or flashing lights such as any sign illuminated by or containing blinking, flashing, intermittent, or moving light(s), except the time and temperature portion of a sign;
- 3-4. Cabinet Signs;
- 4-5. Changeable image signs, such as electronically controlled or computer generated images that change shape, size, color, etc.;
6. Commercial signs or messages attached to wireless communication facilities or construction cranes; ~~Repealed by Ord. 1256;~~
7. Feather Signs;
8. Advertising Flags if either of the following is proposed:
  - i. Flags not consistent with the Federal Flag Code; or
  - ii. Flags exceeding 60 square feet.
- 5-9. Fuel Price Signs, Movable;
6. ~~Illuminated signs that allow unshielded light upon a street, highway, sidewalk, adjoining property, the night sky, or other nuisance-like conditions;~~
- 7-10. Interstate 90 facing signs including signs located on a building or property parallel and adjacent so that they are visible to the Interstate 90 right-of-way, including on-ramps and off-ramps, where the building elevation is considered secondary frontage or a secondary facade;
- 8-11. Inflatable objects used for commercial purposes, except with a maximum 10-day special events permit or as a holiday sign for a public display;
9. ~~Laser lights and search lights, except with a maximum 10-day special events permit;~~
10. ~~Monument signs exceeding 10 feet in height;~~
12. Natural features and street furniture: signs, balloons or devices affixed or painted on trees, rocks, other natural features, and street furniture including but not limited to benches, bus stops, waste receptacles, etc.;
13. Obscene signs, including signs that bear or contain statements, words, or pictures which are obscene under the RCW 9.68 and U.S. Supreme Court decisional law;
14. Off-site real estate signs that advertise properties not located within the City of North Bend.
- 14-15. Signs affixed to or painted on parked vehicles ~~Painted or affixed advertising signs on vehicles, trailers, or carts parked in the same location for 24-hours or longer on public property without a permit, used for commercial display.~~

**Commented [CH1]:** Planning Commission: Do we want to prohibit cabinet signs?

## EXHIBIT 5.D

- ~~42-16.~~ Off-premises signs in the right-of-way of Interstate 90 or SR-202 except those signs placed by the Washington State Department of Transportation (see RCW [47.42.030](#), [47.42.040](#) and WAC [468-30-100](#)). Signs pertaining to or associated with any business that are attached, painted, or otherwise affixed to parked vehicles or trailers with or without wheels and that are visible from a public right-of-way unless one or more of the following exceptions applies:
- Normal business identification information painted on or otherwise affixed (magnet sign) to the side of a conventional vehicle; or
  - The vehicle/trailer is temporarily being loaded or unloaded for delivery purposes or conducting business-related or personal functions; or
  - The vehicle/trailer is on the business property site, and within 100 feet of the business's building not exceeding 24 consecutive hours; or
  - The vehicle/trailer is an authorized government vehicle; or
  - The trailer or cart houses a business possessing a valid city business license; or
  - The vehicle is parked at the owner's place of residence;
- ~~43.~~ Posters not associated with movies, plays, theaters or similar public performances scheduled or playing at the time of display;
- ~~17.~~ Pole signs except in the IC and IMU zoning districts and NB zoning districts on major arterials where the speed limit is 50 miles per hour or above;
- ~~44-18.~~ Signs located within the ~~p~~Public right-of-way signage, subject to ~~with~~ exceptions as identified in this chapter. Signs located within a railroad right-of-way or land that was previously a railroad right-of-way and is not used for public purposes are prohibited, except for government/agency signage.
- ~~19.~~ Reader-boards, except for those allowed by code, such as ~~movie theater signs and~~ marquee signs;
- ~~45-20.~~ Revolving signs or signs with movable parts, except barber poles and numerical signs indicating elements such as time, temperature, humidity, or precipitation.
- ~~46-21.~~ Roof signs;
- ~~22.~~ Signs affixed to fences, with exception to "Construction, Contractor, or "Coming Soon" signage;
- ~~47-23.~~ Strings of pennants, ribbons, streamers, spinners, Mylar balloons, or other similar moving or fluttering devices of a carnival-like nature;
- ~~48-24.~~ Traffic hazard or public nuisances created by signs, including:
- Signs with advertising copy that imitate official traffic signs, or signals; ~~or use such words as "stop," "look," "danger," "caution," "warnings" or "go slow";~~
  - Signs that may confuse motorists or detract from any legal traffic-control devices as determined by the city engineer; and
  - Any sign placed in such a manner that it obscures the vision of a motorist ~~and becomes a traffic safety risk~~ as determined by the city engineer;
- ~~49-25.~~ Utility or public street feature: ~~any commercial or residential~~ signs, balloons, or devices affixed to or painted on utility poles, street sign poles, traffic signal equipment and poles, garbage receptacles, benches, bridges,

## EXHIBIT 5.D

railings, fences, and bus shelters, except for bus route maps, bus route information, and directory of sponsors, if applicable;  
~~20.26.~~ Unpermitted signs not explicitly exempt from the code.

B. The following outdoor sign materials are prohibited:

1. Glass outside of the downtown historic district
2. Aluminium Composite Material (ACM)
3. Unsealed Wood
4. Foamcore
5. Reflective Materials
6. Other non-durable or non-weather resistant materials that are not suitable for climate and permanent or long term outdoor placement.

C. The following methods of illumination are prohibited:

1. 1. Illuminated signs that allow unshielded light upon a street, highway, sidewalk, adjoining property, the night sky, or other nuisance-like conditions;
2. Laser lights and search lights, except with a maximum 10-day special events permit;
- ~~2-3.~~ Internally illuminated/backlit awning and canopy signs where light shines through the material.
- ~~3-4.~~ Lighting that exceeds permitted lighting levels and allowances described in NBMC 18.40.