

PRIVILEGED AND CONFIDENTIAL ATTORNEY/CLIENT COMMUNICATION DO NOT DISCLOSE

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

This agreement ("Agreement") is entered into by and between the cities of Bellevue, Issaquah, Kirkland, Redmond and Renton, municipal corporations of the State of Washington, for the purpose of promoting economic development in each of their jurisdictions.

WHEREAS, using such quantifiable metrics as new business formation, startup density and venture capital investment, it has been shown the cities of Bellevue, Issaquah, Kirkland, Redmond, and Renton ("Parties") consistently rank among the highest in startup activity within their boundaries nationwide; and

WHEREAS, in recognition of that fact, the Parties created an informal program known as Startup 425, whose operations and offerings are designed to support startups and early-stage companies within the jurisdictions of the Parties; and

WHEREAS, the Parties have determined that formalizing their relationship by this Agreement will further the goals of Startup 425 and enable them to provide financial support toward that end; and

WHEREAS, this joint undertaking is authorized pursuant to chapter 39.34 RCW, and has been authorized by the legislative body of each Party.

NOW, THEREFORE, the Parties agree as follows:

1. INCORPORATION OF RECITALS. The Recitals set forth above are an important and integral part of this Agreement and are hereby incorporated by reference.
2. PURPOSE. The purpose of this agreement is to acknowledge the parties' mutual interest to jointly participate in the administration, operation, and strategy setting for Startup 425.
3. ADMINISTRATION. No new or separate legal or administrative entity is created to administer the provisions of this agreement. Instead, the City of Kirkland will function as the administrator. If necessary to change the Administrator the parties may transfer this function to another party by agreement of the parties.
4. POWERS. As Administrator shall have the power to: (1) develop and recommend a budget; (2) adopt procedures to administer StartUp425; (3) make recommendations to the Parties for the concerning planning, policy, and funding for StartUp 425 projects; (4) establish policies for the expenditure of budgeted items;
5. SCOPE. This agreement shall allow the following activities:
 - A. Host, edit, and maintain the Startup 425 website.

- B. Coordinate provision of the Startup 425 Foundations free workshop series for early-stage entrepreneurs in partnership with a variety of outside partners. Actively participate in the Eastside startup and small business community to promote a vibrant ecosystem of entrepreneurs and small business owners.
 - C. Engage in a long-range planning effort by the parties in 2019 to chart a future course for Startup 425 that will ensure its growth and success, including convening a Business Advisory Committee to identify unmet needs, revenue generating activities and a sustainable operations model, to be followed by the implementation of strategies generated by the plan in 2020. The plan may result in a new organizational structure. Regardless, the Parties will review management of Startup 425 at the end of 2020, and shall determine to renew, change out, or amend the current management will be determined at that time.
 - D. Quarterly updates for all parties that cover customers served, services provided, budget, and other items as requested by the Parties.
 - E. Other related programs as proposed by Kirkland or the Parties.
6. TERM AND TERMINATION. This agreement shall become effective ("Effective Date") when signed by all Parties and shall remain in effect until December 31, 2019. The Agreement shall renew automatically unless any Party gives notice 30 days before the end of the then existing term that it is withdrawing from the program. The Agreement shall thereafter remain in effect as to the remaining Parties unless Kirkland at its sole discretion determines the program is no longer viable without the party withdrawing in which event it will give notice of the date that it is withdrawing from participation. No jointly-owned property will be obtained under this Agreement. Any real or personal property contributed by one Party for use in the program will be returned to that Party upon termination.
7. FINANCING. Bellevue, Issaquah, Redmond and Renton will each provide \$15,000 annually for 2019 and 2020 to fund Startup 425 management and day-to-day operations. The first payment will be due 30 days after the Effective Date. Subsequent payments will be due by January 31 of each successive term. A deferred account will be established at the City of Kirkland for funds received for Startup 425. The City of Kirkland will contribute up to \$40,000, to manage the program and its day-to-day operations, and provide accommodations including but not limited to office space, meeting space, and necessary equipment for its operation.
8. CONTACT PERSONS.

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

Bellevue:

Issaquah:

Kirkland:

Redmond:

Renton:

9. GENERAL MATTERS AND RECORDING.

- A. Entire Agreement. This Agreement is the complete expression of the terms hereof, and any representations or understandings, whether written or oral, not incorporated herein are excluded.
- B. This Agreement is only in effect upon signature by all parties.
- C. If one party opts out, the remaining Parties the option to modify or terminate the Agreement.
- D. Modification. This Agreement may only be modified in writing and must be signed by all Parties participating in Startup 425 at the time of the modification.
- E. No Assignment. No party shall have the right to transfer or assign its rights or obligations under this Agreement without the prior written consent of all other parties.
- F. Venue. Any action filed under or related to this Agreement must be brought in King County Superior Court.
- G. Recording. This Agreement shall be filed with King County Records by Kirkland or otherwise made public in accordance with the Interlocal Cooperation Act.
- H. Dispute Resolution. If any dispute arises among the Parties which is not resolved by routine meetings or communications, the disputing parties agree to seek resolution of such dispute in good faith by meeting, as soon as feasible. If the parties do not come to an agreement on the dispute, the parties may agree to pursue mediation through a process to be mutually agreed upon, with the parties to the dispute sharing equally the costs of mediation and assuming their own costs.
- I. No Third Party Beneficiaries. This Agreement is for the benefit of the Parties only, and no third party shall have any rights hereunder.
- J. Retained Responsibility and Authority. Except as expressly provided for herein, the Parties retain the responsibility and authority for managing and maintaining their own respective systems and programs related to economic development activities.
- K. Severability. The invalidity of any clause, sentence, paragraph, section, or portion thereof shall not affect the validity of the remaining provisions of the Agreement. In the event the provision invalidated is necessary for any Party to continue to receive the benefit it was receiving under the Agreement before the invalidation, the Parties agree to amend the Agreement to provide a substitute provision that enables it or them to continue to receive that benefit. If that cannot be done, the Agreement will be deemed terminated as of any date required by the invalidation.

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

Approved and executed this ____ day of _____, 2018

Jurisdiction: _____

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Approved as to form:

City Attorney

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