THIS AGREEMENT ("Agreement") is made and entered into this 3rd day of January 2020, by and between the City of Langley, a municipal corporation of the State of Washington ("the City"), and South Whidbey, LLC, a limited liability company organized under the laws of the State of Washington ("Developer").

WHEREAS, the City annexed the Property into the city limits in 2005 pursuant to an Annexation Agreement recorded under Island County Auditor recording number 4124982 on February 4, 2005. Developer owns the Property; and

WHEREAS, the Property is currently zoned RS15000, which would permit a gross density of 115 dwelling units; and

WHEREAS, in 2006, a preliminary plat for 24 single-family lots on the Property was approved. That preliminary plat approval expired, and Developer and the City agree the expired preliminary plat approval no longer meets the needs of the community; and

WHEREAS, Developer has conceptually proposed a new mixed-use development concept to be constructed on the Property that offers a variety of housing options for a range of incomes, ages and abilities within the City ("Project"); and

WHEREAS, the Langley Municipal Code does not include development regulations that would permit development of the Project on the Property; and

WHEREAS, the City and Developer desire to enter into this Agreement to establish a framework to prepare regulations necessary to permit development proposals like the Project to be considered. All such regulations will first require public input and consideration by the Planning Advisory Board and the City Council;

NOW, THEREFORE, in consideration of the promises, covenants, conditions and performances described in this Agreement, City and Developer agree as follows:

1. **Subject Property.** The Subject Property is approximately 40 acres located generally at 4999 Coles Road, south of the City’s waste water treatment plant, Tax Parcel No. R32904-194-4850, and legally described as:

   The Northeast Quarter of the Southeast Quarter of Section 4, Township 29 North, Range 3 East of W.M., Except County Road Known as Coles Road. Situate in Island County, State of Washington
2. **Project and Purpose.** The purpose of this Agreement is to outline the procedural steps necessary to prepare and submit for consideration by the Planning Advisory Board and City Council amendments to City Code and other regulations necessary to establish a process by which to develop proposals like the Project.

3. **Project is a Private Undertaking.** The Project is a private proposed development. The City has no interest in the Project or the Property, except as authorized in the exercise of its governmental functions.

4. **Developer’s Obligations.**
   a. Developer shall prepare for City review and consideration the initial draft of a new proposed ordinance to allow for a mixed-use, planned unit development ("PUD") within the City of Langley ("Proposed Ordinance"). Developer shall pay all costs incurred by the City (including fully loaded Staff time, and Legal and Consultant fees) in processing the Proposed Ordinance and any other related regulations or approvals (e.g., PUD application, new master plan, Comprehensive Plan amendment). Developer shall make such payment to the City within 45 days of receipt of the City’s invoice. If Developer fails to make any one or more timely payments, City shall have no further obligation to continue any work of any kind under this Agreement.
   b. If the City Council adopts a new PUD or other enabling development regulations, Developer may file complete applications to develop the Property under any such new development regulations.
   c. Developer shall hire and pay for a community development planner specializing in affordable housing developments, to assist in finding ways to incorporate high-quality homes, owner-occupancy, and permanent affordability within Developer’s mixed-use development.

5. **City’s Obligations.**
   a. City staff shall review the Proposed Ordinance. The City may retain one or more Consultants to assist with the review. Once staff has completed an initial review, staff will provide comments and a notice of any additional requirements to Developer (e.g., Comprehensive Plan amendment or additional ordinance). Staff and any Consultant will work cooperatively with Developer to prepare all necessary ordinances and other documents for presentation to the Planning Advisory Board and City Council for their respective consideration and possible action.

6. **Province of City Council.** Final action on any new proposed development regulation is the province of the City Council. Such final action, if any, will be undertaken pursuant to then-current City Code.

7. **Termination.** Either party may terminate this Agreement in writing. In the event of such termination, Developer shall pay the City pursuant to Section 4.a. of this Agreement for all City expenses incurred up to and including the date of termination.
8. **No Presumption Against Drafter.** Developer represents that it has been advised to seek legal advice and counsel from its attorney concerning the legal consequences of this Agreement, that it has carefully read the foregoing Agreement, and knows the contents thereof, and signs the same as its own free act, and that it fully understands and voluntarily accepts the terms and conditions of this Agreement. Both parties have had the opportunity to have this Agreement reviewed and revised by legal counsel, and the parties agree that no presumption or rule that ambiguity shall be construed against the drafting party shall apply to the interpretation or enforcement of this Agreement.

9. **Notices.** Notices, demands, or correspondence to the City and Developer shall be sufficiently given if sent by prepaid first-class mail to the following addresses:

**TO CITY:**
Brigid Reynolds  
City of Langley  
112 Second Street  
Langley, WA 98260

**TO DEVELOPER:**
Deborah C. Turk  
South Whidbey, LLC  
c/o Blossom Management Corp.  
112 Ohio Street  
Bellingham, WA 98225

10. **Assignment.** This Agreement shall be binding and inure to the benefit of the parties. Developer shall not assign its rights under this Agreement without the written consent of the City, which consent shall not unreasonably be withheld.

11. **Amendment to Agreement; Effect of Agreement on Future Actions.** This Agreement may only be amended by mutual consent of the parties. Nothing in this Agreement shall obligate the City Council to adopt any development or other regulations, nor prevent the City Council from amending the Comprehensive Plan, Zoning Code, Official Zoning Map, or any other development regulations or ordinances affecting the Property.

12. **Entire Agreement.** This Agreement contains the entire agreement between the parties hereto, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind any of the parties hereto.

**CITY OF LANGLEY**

By: [Signature]

Tim Callison, Mayor

Dated: Jan 3, 2020

**SOUTH WHIDBEEY, LLC**

Printed Name: Deborah C. Turk, as his attorney-in-fact

Title: [Title]

Dated: Jan 4, 2020