



University District Public Development Authority (UDPDA) Board of Directors' Meeting Agenda

Thursday, April 13, 2023, 9:30 AM – 9:50 AM

Via Zoom only

<https://us02web.zoom.us/j/84065349968?pwd=MVJaU3hsTmRibFFjZEdlQkx6VHY4UT09>

Meeting ID: 840 6534 9968; Passcode: 546636

One tap mobile +12532050468,,84065349968#,,,,*546636# US

+12532158782,,84065349968#,,,,*546636# US (Tacoma)

Dial by your location +1 253 205 0468 US; +1 253 215 8782 US (Tacoma)

Find your local number: <https://us02web.zoom.us/j/84065349968?pwd=MVJaU3hsTmRibFFjZEdlQkx6VHY4UT09>

9:30 Welcome, Call to Order – Dugger

400-Block Update – Sinisterra/Wood

- Agreement to Negotiate Exclusively (ANE) update and discussion
- **Proposed MOTION** regarding the final Agreement to Negotiate Exclusively (ANE) with Emerald Initiative and team

9:45 Public Comment – Dugger

9:50 Adjourn – Dugger

2023 UDPDA Meetings (3:30 PM start in 2023)

- May 3 - Avista
- June 7 – location TBD
- September 6 Annual Meeting - Providence
- November 1 UDDA Board Retreat – Gonzaga University
- December 13 – Bouten Construction

AGREEMENT TO NEGOTIATE EXCLUSIVELY

THIS AGREEMENT TO NEGOTIATE EXCLUSIVELY (this “Agreement”) is entered into by and between the University District Public Development Authority, a Washington quasi-municipal corporation (as the “Agency”) and Emerald Initiative LLC, a Washington limited liability company (as “Developer”), who are collectively referred to herein as the “Parties” and each individually as “Party.”

RECITALS

Agency is a quasi-municipal corporation organized pursuant to the laws of the State of Washington, RCW 35.21.730 through RCW 35.21.757, and established by the City of Spokane Ordinance C34933 in 2012; and

Developer is a limited liability company, in good standing and organized pursuant to the laws of the State of Washington; and

Agency maintains a right of first offer agreement, dated March 10, 2022 with AVISTA Development, Inc., a Washington Corporation (“AVISTA”). AVISTA is the owner of certain real property located at 415 E. Sprague Avenue, Spokane, WA 99202, 419 E. Sprague Avenue, Spokane, WA 99202, 425 E. Sprague Avenue, Spokane, WA 99202, and 420 E. Riverside Avenue, Spokane, WA 99202 (collectively the “AVISTA Parcels”) (aka Spokane County Parcel Numbers 35173.1211, 35173.1212, 35173.1213, 35173.1207, and 35173.1220); and

The AVISTA Parcels constitute the real property contemplated for development by the Agency and Developer, are described in **Exhibit A**, which Site may include additional adjacent properties identified during the Negotiation Period (upon final determination of the included properties, the “Site”); and

Agency seeks to revitalize the 400 Block Project (as defined below) through the redevelopment of the Site, which could also serve as a catalyst for redevelopment of other properties in the vicinity; and

On September 12, 2022, Agency released an invitation for proposals for a possible project located on property in the 400 Block of East Sprague Avenue in Spokane, WA (the “400 Block Project” or the “Project”); and

Agency received one proposal in response to its solicitation regarding the 400 Block Project from Developer; and

Agency seeks to enter into this Agreement with Developer for the purposes of (i) analyzing and assessing a forthcoming conceptual design to be developed by Developer for the Site and possibly adjacent properties, and (ii) possibly entering into a Disposition and Development Agreement (a “DDA”) with Developer concerning the development of the Site and possibly adjacent properties.

NOW, THEREFORE, Agency and Developer hereby agree as follows:

AGREEMENT

ARTICLE 1. DEFINITIONS

“**400 Block Project**” or “**Project**” has the meaning set forth in the Recitals.

“**Acceptance of Conceptual Design Notice**” has the meaning set forth in Section 2.2(e).

“**Agency**” shall be the University District Public Development Authority and includes both contracted Agency Staff of the University District Development Authority and the Agency Board.

“**Agency Staff**” shall be the staff of Agency, including those individuals contractually employed to work on the Agency’s behalf through the Agency, as opposed to the members of the Agency Board.

“**Agency Board**” shall be the members of the Agency’s Board of Directors, as duly and legally appointed.

“**Conceptual Design Period**” has the meaning set forth in Section 2.1(b).

“**Deposit**” has the meaning set forth in Section 2.4

“**Developer**” shall be the Emerald Initiative LLC, a Washington limited liability company.

“**Development Program**” means a written narrative of the proposed development project describing its intended uses, relative size for each such use, i.e. stall count, square footage, units, etc., overall cost estimate and the sources for funding the project.”

“**Development Team**” has the meaning set forth in Section 3.1.

“**Disclosing Party**” has the meaning set forth in Section 2.4.

“**Disposition and Development Agreement**” or “**DDA**” shall mean the agreement the Parties hope to negotiate that will set forth the definitive terms of Agency’s disposition of the Site to Developer.

“**Effective Date**” shall be the date this Agreement is signed by both Parties (last date signed).

“**Negotiation Period**” shall begin upon Developer’s receipt of Agency’s Acceptance of Design Notice and shall extend for a period of ninety (90) days therefrom, unless extended by Agency as provided herein.

“**Receiving Party**” has the meaning set forth in Section 2.4.

“**Representatives**” has the meaning set forth in Section 2.5.

“**Site**” shall have that meaning set forth in the Recitals.

“**Termination Date**” has the meaning set forth in Section 2.3(a)

ARTICLE 2. NEGOTIATIONS

Section 2.1 Good-Faith Exclusive Negotiations.

(a) The Parties agree the foregoing recitals are not mere recitations but are covenants of the Parties, binding upon them as may be appropriate and a portion of the consideration for the agreements contained herein.

(b) The Parties agree to enter into a two-step process whereby the Developer is given time to (i)(A) to determine the participation of the Agency, other related entities, and Developer for development of the Site and (B) complete a conceptual design for the Site acceptable to Agency (collectively, the “Conceptual Design Period”); and then, if said conceptual design is approved by the Agency and the agreed upon participation of the necessary parties is agreed to by Agency and Developer, provided, however, Developer may not develop a conceptual design until such participation is agreed to by the Parties, the Parties may (ii) enter into a Negotiation Period to further define the design concept and work together in good faith to prepare a Disposition and Development Agreement to be considered for execution between Agency and Developer, in the manner set forth herein, with respect to the proposed Project and related development.

(c) During both the Conceptual Design Period and the Negotiation Period Agency shall not directly or indirectly negotiate with any person or entity other than Developer with respect to the disposition or development of the Site.

Section 2.2 Conceptual Design Period.

(a) The Conceptual Design Period shall commence upon the Effective Date and shall terminate ninety (90) days thereafter. The Conceptual Design submitted by Developer to the Agency shall be reviewed by the Agency Board, who may in its sole and absolute discretion approve, disapprove, or ask Developer for further clarification or modifications of its design. This Conceptual Design Period may be extended by the Parties upon mutual written consent to do so, and upon terms and conditions acceptable to the Parties. The Conceptual Design Period shall automatically be extended, if necessary, to accommodate a situation where the Board of Directors are unable to meet and discuss the Conceptual Design due to scheduling conflicts for Board of Directors meetings.

(b) Within forty-five (45) days from the Effective Date, Developer, and a principal representative or representatives from Developer's architectural design firm and Agency Staff shall engage in a design refinement process to address design-related issues identified by the Parties, which will result in Developer submitting a Development Program (as that term is defined above) to Agency for its review. Pending written approval of the Development Program by Agency within ten (10) days of receipt thereof, and within the Conceptual Design Period, Developer shall submit the Conceptual Design to Agency Staff which shall at a minimum include:

- estimated square footage by type of uses
- estimated number of parking spaces
- conceptual floor plans
- conceptual site plan
- representative unit layout plans for each following type: studio, one bedroom and two bedroom units etc.

- conceptual construction costs
- conceptual financial proforma

The Conceptual Design shall also include a brief project summary and a critical path analysis identifying key milestones in the planning and construction stages for the Project and an updated estimated Project schedule.

(c) In the event at any time during the Concept Design Period either Party determines that it is not feasible to proceed with development of the Site, this Agreement shall be terminated upon ten (10) days' written notice to the other Party, In the event of such termination, neither Party shall have any further rights against or liability to the other under this Agreement. Developer acknowledges and consents that in the event this Agreement is terminated, Agency has the right and authority to enter into an exclusive right to negotiation agreement concerning the Site with any other interested developer.

(d) If the discussions of the Parties during the Conceptual Design Period do not result in acceptance of a design by the Agency prior to the expiration of the Conceptual Design Period, this Agreement shall terminate, and Developer shall not seek reimbursement for costs and expenses from Agency and Agency shall not seek reimbursement for costs and expenses from Developer.

(e) If the Parties determine to proceed with a Conceptual Design presented by Developer, the Agency shall send a written notice to Developer of its intentions to enter into the Negotiation Period (as defined below) (the "Acceptance of Conceptual Design Notice"). If no written notice is provided by Agency within the Conceptual Design Period the Conceptual Design as submitted by the Developer will be considered accepted and Parties will enter into the Negotiation Period.

Section 2.3 Negotiation Period.

(a) The Negotiation Period shall commence upon Developer's receipt of Agency's Acceptance of Conceptual Design Notice and shall terminate one hundred twenty (120) days thereafter (the "Termination Date"). Provided, Agency may extend the Negotiation Period for an additional thirty (30) days beyond the Termination Date, and no extension fee shall be necessary from Developer.

(b) If upon expiration of the Negotiation Period, Developer and the Agency have not executed a mutually approved DDA, then this Agreement shall terminate, unless extended in writing by both Parties. Once a DDA is signed by both Developer and Agency, then the terms of the DDA shall prevail and this Agreement shall automatically terminate.

(c) If the negotiations do not result in a mutually executed DDA, Developer shall submit to Agency a summary of its findings and determinations regarding the proposed development, excluding any confidential or privileged information. If this Agreement is terminated per this Section 2.3, Developer shall not seek reimbursement for costs and expenses from Agency, except as otherwise provided herein.

Section 2.4 Non-Disclosure.

Except as set forth in this Agreement or other agreement executed by the Parties, recorded by the Parties, or made part of the records of Agency, the Parties acknowledge that Developer's documents, records, plans, and information in any form related to the Project shall be confidential unless and until such documents are provided to Agency in writing and retained by Agency, and then Agency shall take such action as is permissible under applicable Washington and local law to protect the confidentiality of documents provided by Developer that have been clearly marked as confidential and are not are deemed, in Agency's sole discretion, to be subject to public disclosure.

Notwithstanding the foregoing, the Agency may: (a) limit disclosure of any confidential information to its directors, officers, employees, agents or representatives (collectively "**Representatives**") who have a need to know such confidential information in connection with the current or contemplated business relationship between the parties to which this Agreement relates, and only for that purpose; and (b) advise its Representatives of the proprietary nature of the confidential information and of the obligations set forth in this Agreement, and require such Representatives to be bound by written confidentiality restrictions no less stringent than those contained herein.

Moreover, the Agency may disclose confidential information pursuant to any governmental, judicial, or administrative order, subpoena, discovery request, regulatory request or similar method, provided that, to the extent legally permissible and reasonably practicable, the Agency gives the Developer written notice of such request or requirement so that the Developer may seek, at its sole cost and expense, an appropriate protective order or other remedy; and (ii) use commercially reasonable efforts to cooperate with the Developer so that the Developer, at its sole expense, may seek to make such disclosure subject to a protective order or other appropriate remedy to preserve the confidentiality of the confidential information. Notwithstanding the foregoing, the Agency shall be under no obligation whatsoever to join or otherwise participate in any proceeding relating to obtaining such protective order or other remedy.

Section 2.4 Deposit.

(a) Developer shall submit to Agency a non-refundable deposit (the "Deposit") in an amount of ONE THOUSAND DOLLARS AND ZERO CENTS (\$1,000.00) in the form of cash or cashier's check to ensure that Developer will proceed diligently and in good faith to negotiate and perform all of Developer's obligations under this Agreement.

(b) Submission of the Deposit must occur within fifteen (15) days of the Effective Date. If Developer fails to submit said Deposit within the fifteen (15) day period, Agency may terminate this Agreement, with neither Party having any further rights against nor liability to the other under this Agreement, unless as agreed to in writing by Agency.

(c) Agency shall be under no obligation to pay or earn interest on the Deposit, but if interest shall accrue or be payable thereon, such interest (when received by Agency) shall become part of the Deposit.

ARTICLE 3. DEVELOPER'S OBLIGATIONS

Section 3.1 Full Disclosure.

Developer shall make full disclosure to Agency of its officers, key managerial employees, and design professionals (collectively the “Development Team”) involved in this Project, and shall update this disclosure at the request of the Agency.

Section 3.2 Compliance with Applicable Laws.

Developer recognizes it will be required to comply with all applicable laws, including all applicable federal and state labor standards, antidiscrimination standards, affirmative action standards, and nondiscrimination and non-segregation standards, laws, and regulations in development, rental, sale, or lease of the Site.

**ARTICLE 4. EXECUTION OF THIS AGREEMENT NOT
A DISPOSITION OF PROPERTY**

By its execution of this Agreement, Agency is not committing itself to or agreeing to undertake: (a) disposition of any land to Developer; or (b) any other acts or activities requiring the subsequent independent exercise of discretion by Agency other than the obligations and conditions of this Agreement. Execution of this Agreement by Agency and Developer does not constitute a disposition of property by Agency. There is no requirement for Agency to sell the Property to Developer or to enter into any subsequent agreements regarding the substance of this Agreement.

ARTICLE 5. TERMINATION

Section 5.1 Termination by Mutual Agreement.

This Agreement may be terminated at any time by the written consent of the Parties. In the event of such termination, Deposit shall be refundable as set forth in Section 2.4 and neither Party shall have any further rights against or liability to the other under this Agreement.

Section 5.2 Termination Due to the Expiration of the Conceptual Design Period or the Negotiation Period.

Upon termination of this Agreement at the expiration of the Conceptual Design Period or the Negotiation Period, pursuant to the terms and conditions contained herein, neither Party shall have any further rights against nor liability to the other under this Agreement, except for those terms that explicitly survive termination. Developer shall not seek reimbursement for costs and expenses from Agency, and Agency shall not seek reimbursement for costs and expenses from Developer, except to retain all or a portion of the Deposit as provided in Section 2.4.

Section 5.3 Termination Otherwise Described in This Agreement.

Notwithstanding the foregoing, the Parties may terminate this Agreement pursuant to the terms and conditions of this Agreement, including, but not limited to, Section 2.2(c), Section 2.2(d), Section 2.3(b) and Section 2.4.

ARTICLE 6. GENERAL PROVISIONS

Section 6.1 Notices.

Formal notices, demands, and communications between Agency and Developer shall be sufficiently given if sent by registered or certified mail, postage prepaid and return receipt requested, to the principal offices of Agency and Developer as set forth below. Routine communication may be by first class mail, e-mail, facsimile, or telephone.

Agency

Juliet Sinisterra, CEO
University District Public Development Authority
120 N. Pine St., Ste 292
Spokane, Washington, 99202
Phone: 509-255-8038 (voice)
Jsinisterra@spokaneudistrict.org

With a copy to:
Witherspoon Brajcich McPhee, PLLC
Attn: Taud A. Hume
601 W. Main Ave., Suite 1400
Spokane, WA 99201
509-455-9077 (voice)
thume@workwith.com

Developer

Emerald Initiative LLC
Attn: Allie Teplicky
Emerald Initiative LLC
5005 3rd Ave South
Seattle, WA 98134
(206) 832-8113
alliet@emeraldinitiative.com

With a copy to:
J. Dean Papé
deChase Miksis Development LLC
1199 Shoreline Drive, #290
Boise, Idaho 83702
(208) 830-7071 (voice)
dean@dechase.com

Anne C. Kunkel
Varin Thomas LLC
242 North 8th Street, Suite 220
Boise, Idaho 83702
(208) 584-1266 (voice)
anne@varinthomas.com

Section 6.2 Remedies and Damages.

(a) Notwithstanding anything to the contrary contained in this Agreement, Developer's obligations hereunder are nonrecourse. Agency's only recourse and

security for Developer's obligations shall be retention of the Deposit. In the event of any legal proceeding described in this Section 6.2 between the Parties to this Agreement to enforce any provision of this Agreement or to protect or establish any right or remedy of either Party hereunder, the prevailing Party shall recover its reasonable attorney fees, at trial and upon appeal, in addition to all other third party costs and damages allowed, as determined by the Court.

(b) Furthermore, the Parties acknowledge and agree that the Confidential Information is of a special and unique character which gives it a peculiar value, and that any breach by either Party of its obligations under this Agreement cannot be adequately compensated by damages in an action at law and may cause the Disclosing Party and/or its representatives irreparable harm and injury. Accordingly, the Disclosing Party, without the necessity of posting bond, shall be entitled to the remedies of injunction, specific performance, and other equitable relief to redress any breach, or threatened breach of this Agreement.

Section 6.3 No Recordation.

In no event shall any Party record this Agreement or any memorandum hereof or otherwise encumber the Site by reason of this Agreement or the negotiations contemplated hereby.

Section 6.4 Successors and Assigns.

No Party may assign or delegate its obligations under this Agreement without the consent of each other Party hereto, which consent may not be unreasonably withheld, conditioned, or delayed. Except as otherwise set forth in this Agreement, the terms, covenants, conditions, and agreements contained herein shall be binding upon and inure to the benefit of the heirs, personal representatives, successors, and assigns of the Parties hereto.

Section 6.5 Counterparts.

This Agreement may be executed in counterparts, and each counterpart shall then be deemed for all purposes to be an original, executed agreement with respect to the Parties whose signatures appear thereon.

Section 6.6 Computation of Time.

In computing any period of time prescribed or allowed under this Agreement, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last calendar day of the period so computed shall be included, unless it is a Saturday, Sunday, or legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday, or legal holiday. As used herein, "legal holiday" means any holiday as defined by RCW 1.16.050.

Section 6.7 Governing Law.

This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Washington without regard to its conflicts of laws principles. The Parties' consent to the exclusive jurisdiction of and venue in, the federal or state courts seated

in Spokane County, Washington in connection with any action or proceeding arising out of this Agreement.

Section 6.8 Waiver of Lis Pendens.

It is expressly understood and agreed by the Parties that no lis pendens shall be filed against any portion of the Site owned by Agency with respect to this Agreement or any dispute or act arising from it.

Section 6.9 Costs and Expenses.

Each Party shall be responsible for its own costs and expenses in connection with any activities and negotiations undertaken in connection with this Agreement and the performance of each Party's obligations under this Agreement, except as otherwise agreed in writing by the Parties.

Section 6.10 Mutual Indemnity.

Developer shall indemnify, protect, defend and hold harmless the Agency, and its Board members, officials, officers, employees, representatives, members, and agents (collectively, "Indemnified Parties") from and against any and all challenges to this Agreement, and any and all losses, liabilities, damages, claims or costs (including attorneys' fees) arising from the negligent acts, errors, or omissions and willful misconduct with respect to the Site or the obligations of the Developer, its officers, employees, representatives, member and agents hereunder, excluding any such losses arising from the active negligence or willful misconduct of the Agency or any of the Indemnified Parties. This indemnity obligation in connection with events occurring as a result of implementation of this Agreement shall survive the termination of this Agreement.

Agency shall indemnify, protect, defend and hold harmless the Developer, and its Board members, officials, officers, employees, representatives, members, and agents (collectively, "Indemnified Parties") from and against any and all challenges to this Agreement, and any and all losses, liabilities, damages, claims or costs (including attorneys' fees) arising from the negligent acts, errors, or omissions and willful misconduct with respect to the Site or the obligations of the Agency, its officers, employees, representatives, member and agents hereunder, excluding any such losses arising from the active negligence or willful misconduct of the Developer or any of the Indemnified Parties. This indemnity obligation in connection with events occurring as a result of implementation of this Agreement shall survive the termination of this Agreement.

Section 6.11 Nonliability of Agency Officials and Employees.

No Agency Board members, officials, employees, representative, member agents or contractors of the Agency shall be personally liable to the Developer in the event of any default or breach by Agency or for any amount, which may become due to Developer or on any obligations under the terms of the Agreement.

Section 6.12 Entire Agreement.

This Agreement constitutes the entire agreement of the Parties regarding the subject

matter of this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, or written, are merged in this Agreement and shall be of no further force or effect.

Section 6.12 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either Party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply. The part and paragraph headings used in this Agreement are for purposes of convenience only, and shall not be construed to limit or extend the meaning of this Agreement.

Section 6.13 No Third-Party Beneficiaries.

This Agreement is made and entered into solely for the benefit of Agency and Developer and no other person shall have any right of action under or by reason of this Agreement.

Section 6.14 Developer Not an Agent.

Nothing in this Agreement shall be deemed to appoint either Party as an agent for or representative of the other Party, and neither Party is authorized to act on behalf of the other Party with respect to any matters except those specifically set forth in this Agreement. Neither Party shall have any liability or duty to any person, firm, corporation, or governmental body for any act of omission or commission, liability, or obligation of the other Party whether arising from actions under this Agreement or otherwise.

Section 6.15 Severability.

In the event any section or portion of this Agreement shall be held, found, or determined to be unenforceable or invalid for any reason whatsoever, the remaining provisions shall remain in effect, and the Parties shall take further actions as may be reasonably necessary and available to them to effectuate the intent of the Parties as to all provisions set forth in this Agreement.

Section 6.16 Time Is of the Essence.

Time is of the essence for each of the Parties' obligations under this Agreement.

Section 6.17 Mandatory Disclaimer.

The University District Public Development Authority is a public authority organized pursuant to the laws of the State of Washington, RCW 35.21.730-.755 and RCW 35.21.757-.759. RCW 35.21.750 provides as follows: All liabilities incurred by such public corporation, commission, or authority shall be satisfied exclusively from the assets and properties of such public corporations, commission, or authority and no creditor or other person shall have the right of action against the city, town, or county creating such corporation, commission or authority on account of any debts, obligations, or liabilities of such public corporation, commission, or authority.

Section 6.18 Social Equity Requirements/Non-Discrimination.

No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this Agreement because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation including gender expression or gender identity, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities. Developer agrees to comply with, and to require that all subcontractors comply with, federal, state and local nondiscrimination laws, including but not limited to the Civil Rights Act of 1964, the Rehabilitation Act of 1973, the Age Discrimination in Employment Act, and the American's With Disabilities Act, to the extent those laws are applicable.

Section 6.19 Real Estate Commissions.

Agency shall not be liable for any real estate commission or brokerage fees which may arise herefrom. Agency represents that it has engaged no broker, agency, or finder in connection with this transaction, and Developer agrees to hold Agency harmless from any claim by any broker, agent, or finder retained by Developer.

Section 6.20 Discrimination.

Developer shall not discriminate against any person related to the performance under this Agreement because of race, color, religious creed, national origin, physical disability, mental disability, medical condition, marital status, sexual orientation or sex.

[end of text]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates set forth below.

_____, 2023

AGENCY

UNIVERSITY DISTRICT PUBLIC AUTHORITY
a Washington quasi-municipal corporation

Juliet Sinisterra, CEO

_____, 2023

DEVELOPER

Emerald Initiative LLC,
a Washington limited liability company

By: _____

Name: _____

STATE OF WASHINGTON)

ss:

County of Spokane)

On this _____ day of _____, 2023, before me, a notary public in and for said state, personally appeared Juliet Sinisterra, Chief Executive Officer of the University District Public Development Authority, the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same on behalf of the University District Public Development Authority for the purposes described therein.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, the day and year in this certificate first above written.

NOTARY PUBLIC for Washington
Residing at: _____
Commission Expires: _____

STATE OF _____)

ss:

County of _____)

On this _____ day of _____, 2023, before me, a notary public in and for said state, personally appeared _____, the _____ of Emerald Initiative LLC, the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same on behalf of Emerald Initiative LLC for the purposes described therein.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, the day and year in this certificate first above written.

NOTARY PUBLIC for _____
Residing at: _____
Commission Expires: _____

Exhibit A

(Legal Description of the Site)

LOTS 18, 19, 20, 21, 22, 23, 34, 35, 36, 37, 38 AND 39, BLOCK 4, FIRST ADDITION TO THIRD ADDITION TO RAILROAD ADDITION, AS PER PLAT RECORDED IN VOLUME "C" OF PLATS, PAGE 23 AND 24, RECORDS OF SPOKANE COUNTY, STATE OF WASHINGTON.

TOGETHER WITH THE NORTH HALF OF THE VACATED ALLEY LYING SOUTH OF AND ADJACENT TO LOTS 18, 19, 20, 21, 22 AND 23;

AND TOGETHER WITH THE SOUTH HALF OF THE ALLEY LYING NORTH OF AND ADJACENT TO LOTS 34, 35, 36, 37, 38 AND 39.