

Cash Set Aside Agreement Performance

- Landscape
 Public Works Improvements

DATE POSTED: _____

RE: Bothell Subdivision/Plat/Permit No.: _____
Owner/Developer Contractor: _____
Project Address: _____

WHEREAS, _____, hereinafter referred to as "the Developer" has applied to the City of Bothell, hereinafter referred to as "the City", for _____ to construct the project known as _____ on a site located at _____, and

WHEREAS, the City approved the requested action on _____ 201____, and

WHEREAS, the approval granted by the City and the provisions of the Bothell Municipal Code and State law require that the Developer construct or install certain improvements in connection with the above project, which improvements are shown on the approved plans and as further defined by the conditions identified in City File No. _____, and

WHEREAS, _____ hereinafter referred to as "the Financial Institution" is a financial institution qualified to do business in the State of Washington, now, therefore,

IN CONSIDERATION of the mutual covenants contained herein, and to ensure the performance of the conditions required for the City approval of the Developer's project, it is hereby agreed as follows:



City of Bothell

1. **Escrow Account.**

Developer shall establish an escrow account with the Financial Institution in the amount of \$ _____, Account No. _____.

At no time shall any portion of the sums in said account be released without written authorization from the City. Such amount shall represent costs of the required improvements, as established by the City, plus 20% as reserve. If, after final review by the City Engineer, these cost estimates are deemed low, then Developer shall add funds to the account to make up the deficiency in an amount determined by the City Engineer. Said final review is estimated to be twenty (20) days from the date of this Agreement. In addition, in the event bids received for improvements and accepted by the Developer are in excess of previous estimates, the amount in escrow shall be increased by Developer in the amount of said excess.

2. **Funds to Secure Performance.** In the event the Developer shall not have (a) completed all improvements required by the above-referenced conditions, plans and file, (b) paid all sums owing to contractors, subcontractors, materialmen, suppliers or others as a result of such work for which a lien against any City property or property where the improvements are located has arisen or may arise, and (c) obtained acceptance by the City of the project, all on or before _____, 201__, or any extension of time granted by the City in writing, then the Institution shall, upon the demand of the City, remit to the City within two days of said demand, the amount of funds in the account, or such lesser amount as may be specified in the demand. The Institution agrees that it shall have no duty or right to evaluate the correctness or appropriateness of any such notice or determination by the City, and shall not interplead, or in any manner, delay payment of said funds to the City.

3. **Developer's Remedy of Default.** If the Developer decides to remedy the default, it shall within twenty (20) days of demand of the City: make a written commitment to the City that it will (a) remedy the default itself with reasonable diligence pursuant to a time schedule acceptable to the City; and (b) remedy the default.

4. **Financial Institutions Release of Funds.** In the event that the Developer fails to remedy the defect as provided above, then the Institution shall, upon the demand of the City, remit to the City within ten days of receipt of said demand, the amount of funds in the escrow account, or such lesser amount as may be specified in the City's demand.

5. **City's Completion of Work.** In the event the Developer fails to satisfactorily complete the improvements as requested by the City, the City's employees and agents are hereby authorized to enter onto said property and perform such work. Funds obtained by the City pursuant to paragraph 4 of this Agreement may be used by the City to restore said improvements and pay any and all sums owing to contractors, suppliers, laborers, materialmen, suppliers, subcontractors or others as a result of such work for which a lien against any City property or property where the improvements are located, has arisen or may arise. Further, said funds may be used to cover the cost of correcting any damage which may have occurred off-site due to disrepair of the project, including damage, if any, to public property. This provision shall not be construed as creating any obligation on the City, its employees, agents and representatives to perform such work.

6. **Inspection.** The Developer shall pay all additional costs of the City incurred in the administration of this Agreement. As long as payment for such services has been made, the Director of Public Works or his/her designee shall periodically inspect said improvements while under the two-year warranty period and inspect completed improvements insofar as possible within five (5) working days after receiving written notice that the repairs have been completed. Lack of inspection within said five (5) days, however, shall not signify the City's approval.

7. **Expiration.** This Agreement shall remain in full force and effect until the obligations secured hereby have been fully performed and a bond or other instrument of security guaranteeing maintenance of all improvements for a period of _____ year(s) from acceptance, has been submitted to the City in an amount and form suitable to the City, and until released in writing by the City upon expiration of the period mentioned in paragraph ___ above.

8. **Enforcement.** It is specifically agreed by and between the parties that in the event any legal action must be taken to enforce the provisions of this Agreement or to collect the funds in the escrow account, the prevailing party shall be entitled to collect its costs and reasonable attorneys fees as a part of the reasonable costs of securing the obligation hereunder. In the event of settlement or resolution of these issues prior to the filing of any suit, the actual costs incurred by the City, including reasonable attorneys fees, shall be considered a part of the obligation hereunder secured. Said costs and reasonable legal fees shall be recoverable by the prevailing party, not only from the funds set aside, but also over and above the funds in the account as a part of any recovery in any judicial proceeding.

The Institution hereby agrees that this Agreement shall be governed by the laws of the State of Washington and to be subject to the jurisdiction of the State of Washington. Venue of any litigation arising out of this Agreement shall be in King County Superior Court.

DATED this _____ day of _____, 201__.

FINANCIAL INSTITUTION

DEVELOPER/OWNER

By: _____
Its _____

By: _____
Its _____

Business Name

Business Name

Business Address

Business Address

City/State/Zip Code

City/State/Zip Code

Telephone Number

Telephone Number

CITY OF BOTHELL

By: _____
Its _____

City of Bothell
18415 101st Ave NE
Bothell, Washington 98011
(425) 806-6400

Bonding Agency Notary

STATE OF WASHINGTON
County of _____

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument and acknowledged it to be (his/her) free and voluntary act for uses and purposes mentioned in the instrument.

Dated: _____, 201__

Signature: _____

Name Printed: _____

Title: _____

My appointment expires: _____