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RECORD AND RETURN TO: City of Quincy P.O. Box 338 Quincy, WA 98848

CITY OF QUINCY, WASHINGTON

ORDINANCE NO. 23-606

AN ORDINANCE UNDER RCW 35A.14.120 AND 36.70B.170 PROVIDING FOR THE ANNEXATION OF CERTAIN REAL PROPERTY TO THE CITY OF QUINCY, WASHIGNTON; **COMMONLY** KNOWN AS THE "VANTAGE ANNEXATION"; PROVIDING FOR THE ASSUMPTION OF **EXISTING INDEBTEDNESS: ADOPTING** COMPREHENSIVE LAND USE PLAN AND ZONING DESIGNATION; AND AUTHORIZING THE EXECUTION OF **DEVELOPMENT AGREEMENT FUTURE FOR** DEVELOPMENT OF SAID REAL PROPERTY.

WHEREAS, the City of Quincy received an Annexation/Zoning Application (attached hereto as Exhibit A) to annex two parcels containing a total of approximately 111.5 acres within the City's Urban Growth Area (the "Vantage Annexation"), lying contiguous to the City's boundary on December 5, 2023, signed by Curtis Miller, representative for Vantage Data Centers WA2, LLC, which owns not less than 60 percent (60%) in assessed valuation of the property proposed for annexation to the City of Quincy; and

WHEREAS, the real property proposed to be annexed is more particularly described as:

Parcel 200807000:

Farm Unit 134, Irrigation Block 73, Columbia Basin Project, according to the Farm Unit Plat thereof filed November 29, 1951, records of Grant County, Washington.

Parcel 200809000:

Farm Unit 139, Irrigation Block 73, Columbia Basin Project, according to the Farm Unit Plat thereof filed November 29, 1951, records of Grant County, Washington.

as depicted in the attached Exhibit A; and

WHEREAS, the Vantage Annexation application included a request to designate the zoning of the annexed property as Light Industrial (L-I), consistent with the City Comprehensive Plan land use designation of Industrial, and consistent with the current Grant County zoning designation as Urban Light Industrial (ULI); and

WHEREAS, RCW 35A.14.120 authorizes the City Council to annex into the City unincorporated territory lying contiguous to the City's boundary; and

WHEREAS, the Vantage Annexation is contiguous to the City's boundary; and

WHEREAS, RCW 36.70B.170(1) authorizes the City to execute development agreements between local government and a person having ownership or control of real property within the City's jurisdiction or outside of the City's boundaries as part of a proposed annexation; and

WHEREAS, a development agreement must set forth the development standards and other provisions that shall apply to, govern and vest the development, use and mitigation of the development of the real property for the duration specified in the agreement (RCW 36.70B.170(1)); and

WHEREAS, a development agreement must be consistent with the applicable development regulations adopted by a local government planning under chapter 36.70A RCW (RCW 36.70B.170(1)); and

WHEREAS, the City Council approved by motion for the City staff to proceed with the Vantage Annexation on July 18, 2023; and

WHEREAS, the Planning Commission, after required public notice, held a public hearing on November 13, 2023 at 6:30pm in the Municipal Services Building at 115 SW B St and via ZOOM to receive public input on the proposed annexation; and

WHEREAS, the City Council, after required public notice, held a public hearing on December 5, 2023 at 7:00pm in the Council Chambers of Quincy City Hall to receive public input on the proposed annexation; and

WHEREAS, no public comment was received during the public hearings; and

WHEREAS, the City Council deems the annexation of the Vantage Annexation to the



City of Quincy and designation of said annexed property as Light Industrial (L-I) to be in the best interest of the City and its citizens; and

WHEREAS, the City Council deems it appropriate to execute a development agreement with the applicant which requires conforming to all development standards applicable to said property under the Light Industrial (L-I) Zone as well as particular development phasing of the subject property which shall be set forth in the Development Agreement attached hereto as **Exhibit B** and incorporated herein by reference;

NOW, THEREFORE, The City Council of the City of Quincy, Washington, do ordain as follows:

- Section 1: The foregoing recitals are incorporated into this Ordinance as if set forth in full.
- Section 2: That the real estate situated in Grant County, contiguous to the City of Quincy, as depicted in the map included in **Exhibit A** is hereby annexed to and incorporated in the City of Quincy:
- Section 3: All real property annexed shall hereinafter be assessed and taxed at the same rate and on the same basis as the other real property within the City to pay for any outstanding indebtedness of the City of Quincy including indebtedness contracted prior to or existing at the date of annexation. No real property herein annexed shall be released from any outstanding indebtedness levied against it prior to said annexation.
- Section 4: That a copy of this ordinance together with the map depicting the real property to be annexed in Exhibit A shall be recorded and filed with the Grant County Auditor, the Grant County board of commissioners per RCW 35.13.150, and other local and state offices in the manner required by law.
- <u>Section 5</u>: That the annexed real property is hereby made subject the City of Quincy's Comprehensive Plan and Zoning Code.
- <u>Section 6</u>: That the annexed real property is zoned Light Industrial (L-I) as set forth in the City's Zoning Code and subject to the provisions of the City's Zoning Code.
- Section 7: That the Mayor is authorized to execute the Development Agreement with the applicant attached hereto as **Exhibit B** and that the Development Agreement shall be recorded with the Grant County Auditor upon full execution of the same.
- **Section 8**: This Ordinance shall be published in the official newspaper of the City of Quincy after passage.
- Section 9: The provisions of this Ordinance are declared separate and severable. If any provision of this ordinance or its application to any person or circumstances is held invalid, the



remainder of this ordinance or application of the provision to other persons or circumstances shall be unaffected.

Section 10: This ordinance shall take effect and be in full force five (5) days after passage and publication, as provided by law.

PASSED by the City Council of the City of Quincy, Washington, this 19th day of December 2023.

PAUL WORLEY, MAYOR

ATTEST:

NANCY SCHANZE, CITY CLERK

Approved as to form:

OFFICE OF THE CITY ATTORNEY

DANIELLE MARCHANT, CITY ATTORNEY

FILED WITH THE CITY CLERK:

December 14, 2023

PASSED BY THE CITY COUNCIL:

December 19, 2023

PUBLISHED:

December 27, 2023

EFFECTIVE DATE:

January 1, 2024

ORDINANCE NO:

23-606

EXHIBIT A Legal Description & OFM Map

Parcel 200807000:

Farm Unit 134, Irrigation Block 73, Columbia Basin Project, according to the Farm Unit Plat thereof filed November 29, 1951, records of Grant County, Washington.

Parcel 200809000:

Farm Unit 139, Irrigation Block 73, Columbia Basin Project, according to the Farm Unit Plat thereof filed November 29, 1951, records of Grant County, Washington.

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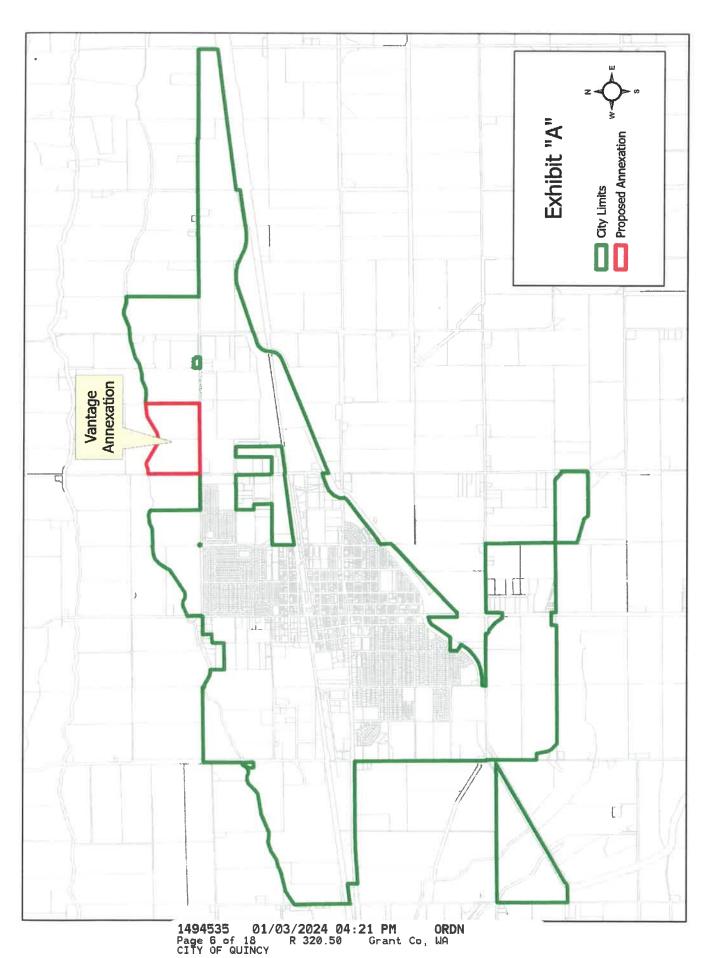


EXHIBIT B



DEVELOPMENT AGREEMENT
BY AND BETWEEN THE CITY OF QUINCY
AND VANTAGE DATA CENTERS WA2 LLC, FOR THE
ANNEXATION AND ZONING OF THE PROPERTY

THIS DEVELOPMENT AGREEMENT is made and entered into this 19th day of December, 2023, by and between the City of Quincy, a Washington municipality, hereinafter the "City," and Vantage Data Centers WA2, LLC, hereinafter the "Developer."

RECITALS

WHEREAS, the Washington State Legislature has authorized the execution of a development agreement between a local government and a person having ownership or control of real property within its jurisdiction (RCW 36.70B.170(1)); and

WHEREAS, local governments may also enter into a development agreement for real property outside its boundaries as part of a proposed annexation or service agreement (RCW 36.70B.170(1)); and

WHEREAS, a development agreement must set forth the development standards and other provisions that shall apply to, govern and vest the development, use and mitigation of the development of the real property for the duration specified in the agreement (RCW 36.70B.170(1)); and

WHEREAS, for the purposes of this development agreement, "development standards" includes, but is not limited to, all of the standards listed in RCW 36.70B.170(3); and

WHEREAS, a development agreement must be consistent with the applicable development regulations adopted by a local government planning under chapter 36.70A RCW (RCW 36.70B.170(1)); and

WHEREAS, this Development Agreement by and between the City of Quincy and the Developer (hereinafter the "Development Agreement"), relates to the development known as Vantage Property, which is located at: Grant County Parcel #200809000 and #200807000 (hereinafter the "Property"); and

WHEREAS, the following events have occurred in the processing of the Developer's application:

- a) By Ordinance/Resolution No. 23-606, the City approved annexation of the Property, and has designated the zoning of the Property as Light Industrial (L-I), consistent with the Property's prior Grant County zoning designation as Grant County Urban Light Industrial.
- b) After a public hearing, by Ordinance No. 23-606, the City Council authorized the Mayor to sign this Development Agreement with the Developer; and

Now, therefore, the parties hereto agree as follows:

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General Provisions

<u>Section 1.</u> *The Project*. The Project is the development and use of the Property, consisting of 111.65 acres in the City of Quincy. Permit #ANNEX 2023-010 describes the project as an annexation of two tax parcels within the City of Quincy Urban Growth Area (UGA).

<u>Section 2.</u> The Subject Property. The Project site is legally described in Exhibit A, attached hereto, and incorporated herein by this reference.

<u>Section 3.</u> Definitions. As used in this Development Agreement, the following terms, phrases, and words shall have the meanings and be interpreted as set forth in this Section.

- a) "Adopting Ordinance" means the Ordinance which approves this Development Agreement, as required by RCW 36.70B.200.
- b) "Certificate of occupancy" means either a certificate issued after inspections by the City authorizing a person(s) in possession of property to dwell or otherwise use a specified building or dwelling unit, or the final inspection if a formal certificate is not issued.
- c) "Council" means the duly elected legislative body governing the City of Quincy.
- d) "Director" means the City's Municipal Services Director.
- e) "Effective Date" means the effective date of the Adopting Ordinance.
- f) "Existing Land Use Regulations" means the ordinances adopted by the City Council of Quincy in effect on the Effective Date, including the adopting ordinances that govern the permitted uses of land, the density and intensity of use, and the design, improvement, construction standards and specifications applicable to the development of the Subject Property, including, but not limited to the Comprehensive Plan, the City's Official Zoning Map and development standards, the Design Manual, the Public Works Standards, SEPA, Concurrency Ordinance, and all other ordinances, codes, rules and regulations of the City establishing subdivision standards, park regulations, building standards. Existing Land Use Regulation does not include non-land use regulations, which includes taxes and impact fees.
- g) "Landowner" is the party who has acquired any portion of the Subject Property from the Developer who, unless otherwise released as provided in this Agreement, shall be subject to the applicable provisions of this Agreement. The "Developer" is identified in Section 5 of this Agreement.
- h) "Project" means the anticipated development of the Subject Property, as specified in Section 1 and as provided for in all associated permits/approvals, and all incorporated exhibits.

Section 4. *Exhibits.* Exhibits to this Agreement are as follows:

- a) Exhibit A Legal description of the Subject Properties.
- b) Exhibit B Maps
- c) Exhibit C Supplemental application materials and documentation.

Section 5. Parties to Development Agreement. The parties to this Agreement are:

- a) The "City" is the City of Quincy, 104 B Street S.W., PO Box 338, Quincy, WA 98848
- b) The "Developer" is the citizen or entity that legally owns the subject property and that may or may not plan to take development action on the subject property. The provisions in this Agreement will apply only when a development action for the property is planned. For the purpose of this agreement, "development action" means any of the following:

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- Use of Land. The use of any building, structure, land, or water. This includes new uses or accessory uses, expansions of existing uses or accessory uses, and material changes to the operational characteristics of existing uses or accessory uses.
- ii. Construction, Demolition, or Changes to Buildings or Structures. The demolition, construction, or modification of buildings or structures, except interior changes that do not increase floor area, increase residential density, or require a traffic study pursuant to the Quincy Municipal Code.
- iii. Clearing, Grading, Re-Grading, Cutting, Filling of Land, and Other Disturbance or Alteration. Land clearing in anticipation of construction of infrastructure, structures, or buildings for non-agricultural purposes and reconstruction or regrading of a previously approved site improvement, and any other disturbance of land, soil, vegetation, floodplains, or waterways, but not including agriculture, irrigation ditch or reservoir improvements or maintenance, gardening, or routine maintenance of landscape areas.
- iv. **Division, Subdivision, or Plat.** Any division, subdivision, or platting of land for construction of infrastructure, structures, or buildings, for sale, or for lease, whether by metes and bounds, platting, or other technique.
- c) The "Landowner" is a person or entity that legally owns the subject property. From time to time, as provided in this Agreement, the current Landowner may sell or otherwise lawfully dispose of a portion of the Subject Property to a new Landowner who, unless otherwise released, shall be subject to the applicable provisions of this Agreement related to such portion of the Subject Property.

<u>Section 6.</u> Project is a Private Undertaking. It is agreed among the parties that the Project is a private development, and that the City has no interest therein except as authorized in the exercise of its governmental functions.

<u>Section 7.</u> Term of Agreement. This Agreement shall commence upon the effective date of the Adopting Ordinance approving this Agreement and shall continue in force for a period of 7 years unless extended or terminated as provided herein. Following the expiration of the term or extension thereof, or if sooner terminated, this Agreement shall have no force and effect, subject however, to post-termination obligations of the Developer or Landowner.

<u>Section 8.</u> Vested Rights of Developer. During the term of this Agreement, unless sooner terminated in accordance with the terms hereof, in developing the Subject Property consistent with the Project described herein, Developer is assured, and the City agrees, that the development rights, obligations, terms and conditions specified in this Agreement, are fully vested in the Developer and may not be changed or modified by the City, except as may be expressly permitted by, and in accordance with, the terms and conditions of this Agreement, including the Exhibits hereto, or as expressly consented thereto by the Developer.

<u>Section 9.</u> Permitted Uses and Development Standards. The permitted uses, the density and intensity of use, the maximum height and size of proposed buildings, provisions for reservation and dedication of land or payment of fees in lieu of dedication for public purposes, the construction, installation and extension of public improvements, development guidelines and standards for development of the



Subject Property shall be those set forth in this Agreement, the permits and approvals identified herein, and all exhibits incorporated herein.

<u>Section 10</u>. Minor Modifications. Minor modifications from the approved permits or the exhibits attached hereto may be approved in accordance with the provisions of the City's code and shall not require an amendment to this Agreement.

Section 11. Further Discretionary Actions. Developer acknowledges that the Existing Land Use Regulations contemplate the exercise of further discretionary powers by the City. These powers include, but are not limited to, review of additional permit applications under SEPA. Nothing in this Agreement shall be construed to limit the authority or the obligation of the City to hold legally required public hearings, or to limit the discretion of the City and any of its officers or officials in complying with or applying Existing Land Use Regulations.

Section 12. Financing of Public Facilities.

- a) Developer acknowledges and agrees that it shall participate in the pro-rata share of the costs of public improvements which are incurred by the City related to this Agreement in accordance with the provisions of this Agreement.
- b) At the request of the Developer, the City shall pursue the use of a local improvement district and other similar project-related public financing mechanism for financing the construction, improvement or acquisition of public infrastructure, facilities, lands and improvements to serve the Subject Property, whether located within or outside the Subject Property. To the extent allowed by law, the City shall address any reimbursement mechanism to Developer for expenses incurred by Developer associated with the Development, subject to the City's ordinances and State law.

Section 13. Existing Land Use Fees and Impact Fees.

- a) Land use fees adopted by the City by ordinance as of the Effective Date of this Agreement may be increased by the City from time to time, and applicable to permits and approvals for the Subject Property, as long as such fees apply to similar applications and projects in the City.
- b) All impact fees shall be paid as set forth in the approved permit or approval, or as addressed in Quincy Municipal Code.

Section 14. Phasing of Development and Associated Improvements. The parties acknowledge that the most efficient and economic development of the Subject Property depends upon numerous factors, such as market orientation and demand, interest rates, competition, and similar factors, and that generally it will be most economically beneficial to the ultimate purchasers of the Subject Property to have the rate of development determined by the Developer. However, the parties also acknowledge that because the Development will be phased, certain amenities associated with the Project must be available to all phases of the Project to address health, safety and welfare of the residents. Therefore, the parties agree that the improvements associated with the Project shall be constructed according to the following schedule:

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a) Street Improvements.

- i. The developer shall provide half-street public improvements to M St NE and Rd P NW/Monument Hill Rd NW consistent with the current City of Quincy Design Standards at the date of development, for street width, curbing, sidewalk, non-motorized facilities, and utilities, or as specifically described within this Agreement. If installation of improvements at the time of development is determined by the City as not being the interest of the public, the developer will be responsible for submitting a fee-in-lieu based on the engineer's opinion of probable construction cost. Fees submitted or improvements installed shall be proportionate and relative to the development phasing within the property.
- ii. The developer shall provide an environmental checklist in accordance with the State Environmental Policy Act ("SEPA checklist") at the time of development that includes an estimate regarding the traffic impacts to M St NE, Rd P NW/Monument Hill Rd NW, and other nearby city streets. The SEPA checklist shall propose mitigation efforts such as center turn lanes on M St NE, pedestrian crosswalks, and traffic calming measures to ensure traffic impacts are properly mitigated. The developer shall be responsible for mitigating impacts to the public transportation facilities in addition to its responsibility for half-street improvements of M St NE and the Rd P NW/Monument Hill Rd NW frontages.
- iii. The City's engineering department will determine which utilities shall be included with the street improvement/construction projections per city standards.
- iv. At time of future development, the developer will address internal and external circulation plans in accordance with city codes and fire district requirements, including plans for freight traffic mitigation within City of Quincy city limits and coordination of drainage and flooding concerns with adjacent properties.

b) Land Use Compatibility

- i. The developer shall ensure future proposed uses of the subject property are compatible with adjacent land uses as outlined in the Quincy Comprehensive Plan.
- ii. The Quincy Comprehensive Plan's Future Land Use Map identifies Parcel 200809000 as in a Residential Transition Overlay Zone, which acts as a buffer between Industrial and Housing land uses. These areas must consider a greater degree of buffering to mitigate impacts of incompatible land uses being located adjacent to one another. These zones ultimately ensure proper distance and/or barriers between industrial and residential land uses. Therefore, the developer shall propose significant buffering on the west boundary of Parcel 200809000, which is adjacent, across Rd P NW/Monument Hill Rd NW, to a residential-designated area. Buffering of the subject property along the west boundary shall include landscape buffering meeting the requirements of Quincy Municipal Code 20.48.040(A) Type 1 Landscape Screening and a setback along the west property boundary of at least 200 feet. The applicant may incorporate the following in the 200-foot setback: public or private open space, stormwater

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management, and/or required utilities. Private open space must contain significant visual buffering (e.g. landscaping and trees) consistent with Type 1 landscaping in Quincy Municipal Code Chapter 20.48.040.

- iii. Noise: The applicant must comply with the City's Noise Control Code (QMC Chapter 9.11). Additionally, noise levels from any proposed development at the western boundary of Parcel 200809000 must not exceed 60 decibels. The City reserves the right to require further noise mitigation or issue a stop work order if noise levels continue to be a problem and/or if neighboring properties file official complaints with the City.
- c) Potable Water, Reclaimed Water, Stormwater, and Fire Flow Facilities.
 - i. The City has found that there is limited capacity for industrial uses of water and that alternate means of acquiring potable water and/or noncontact cooling water may be required. The developer may be required, at the City's discretion, to implement a water conservation plan and/or acquire new water rights to serve the needs of any proposed development.
 - ii. All water service connections water meters will be placed at the property line as to eliminate the need for City staff to enter private property to read meters monthly.
 - iii. The applicant shall dedicate any or all water rights associated with the property as of the date of annexation to the City of Quincy, including potable water rights. All easements or site planning relating to additional water rights needs identified by City of Quincy shall be considered at time of development.
 - iv. Any future construction storm water or runoff of any type from a construction site or developed property should not enter any of the Bureau of Reclamation's lands or facilities at any time and must be contained on site.
 - v. Landowners should be aware of existing Reclamation and Quincy-Columbia Basin Irrigation District (QCBID) rights to construct, reconstruct, operate, and maintain CBP facilities as necessary. Reclamation and QCBID must review and approve any work that would involve these facilities or the existing rights-of-way prior to commencing such work. Structures are prohibited from encroaching upon existing rights-of-way corridors without prior approval from Reclamation and QCBID.
 - vi. Wellhead protection zones cannot overlap Reclamation rights-of-way or interfere with CBP operations, since they would constrain the QCBID's ability to apply aquatic and terrestrial herbicides needed to maintain CBP facilities.
 - vii. Improvements required to accommodate the property's needs in excess of available capacity shall be done so at the developer's expense.
 - viii. Provide a purple pipe system for reclaimed water irrigation to alleviate pressure on existing potable water systems. The developer shall dedicate the purple pipe system within the M Street NE frontage improvements back to the City upon completion.
 - ix. All stormwater resulting from the site must be managed on site.
 - x. Fire systems on site shall follow all provisions of the International Fire Code (IFC).

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xi. If land continues to be farmed prior to development, applicant must propose mitigation efforts for tail water to avoid impacts to the public right-of-way.

d) Sewer Facilities.

- i. Improvements required to accommodate the property's needs in excess of available capacity shall be done so at the developer's expense.
- ii. Sanitary sewer main and associated infrastructure needs to be extended to connect to the existing city sewer system per city standards at the developer's expense.
- iii. At the City's discretion, at the time of development, a sanitary sewer lift station along the project's frontage may need to be designed, installed, and dedicated to the city.
- iv. Discharge of noncontact cooling water into the municipal system is restricted. Further discussion about discharge of noncontact cooling water into the city system may be required prior to approval of permits.
- v. Discharge of cleaning or equipment flushing fluids into domestic sanitary sewer system shall be restricted. Further discussion with the City may be required prior to approval of permits.

e) Other

i. Bureau of Reclamation easements within the property shall be maintained unless otherwise vacated by or with the approval of the Bureau of Reclamation.

<u>Section 15.</u> Dedication of Public Lands. Except as otherwise provided herein, the Developer shall dedicate all public lands required in the permits/approvals within ninety (90) days of the Effective Date of this Agreement. Dedication shall be considered by the City in the following schedule:

- a) <u>Rights-Of-Way</u>. Within fifteen (15) days of submission of an application for final plat to the City for any phase of the development, the Developer agrees to dedicate any or all road rights-of-way without expense to the City.
- b) <u>Dedication of Parks & Recreation</u>. The Developer agrees to dedicate land for open space, recreation, and trails as deemed appropriate by the City at the time of development to help mitigate the impacts of industrial development. If open space is provided on site, it must be open to the public during regular business hours. If no public open space will be available within the zoning transition landscape buffer, the applicant/developer must contribute a reasonable fee-in-lieu consistent with the cost of public open space/trail improvement within the zoning transition landscape buffer, for other parks/open space as determined by the City.

Section 16. Default.

Subject to extensions of time by mutual consent in writing, failure or delay by either party or Landowner not released from this Agreement, to perform any term or provision of this Agreement shall constitute a default. In the event of alleged default or breach of any terms or conditions of this Agreement, the party alleging such default or breach shall give the other party or Landowner not less than thirty (30) days notice in writing, specifying the nature of the alleged default and the manner in which said default may



be cured. During this thirty (30) day period, the party or Landowner charged shall not be considered in default for purposes of termination or institution of legal proceedings.

After notice and expiration of the thirty (30) day period, if such default has not been cured or is not being diligently cured in the manner set forth in the notice, the other party or Landowner to this Agreement may, at its option, institute legal proceedings pursuant to this Agreement. In addition, the City may decide to file an action to enforce the City's Codes, and to obtain penalties and costs as provided in the Quincy Municipal Code for violations of this Development Agreement and the Code.

<u>Section 17.</u> Annual Review. The City can review this agreement, at least every twelve (12) months during the term of this Agreement, review the extent of good faith substantial compliance by Developer and Landowner with this Agreement. The City may charge fees as necessary to cover the costs of conducting the annual review.

Section 18. Termination. This Agreement shall expire and/or terminate as provided below:

- a) This Agreement shall expire and be of no further force and effect if the development contemplated in this Agreement and all the permits and/or approvals issued by the City for such development are not substantially underway prior to expiration of such permits and/or approvals. Nothing in this Agreement shall extend the expiration date of any permit or approval issued by the City for any development.
- b) This Agreement shall expire and be of no further force and effect if the Developer does not construct the Project as contemplated by the permits and approvals identified in this Agreement and submits applications for development of the Property that are inconsistent with such permits and approvals.
- c) This Agreement shall terminate upon the expiration of the term identified in Section 7 or when the Subject Property has been fully developed, which ever first occurs, and all the Developer's obligations in connection therewith are satisfied as determined by the City. Upon termination of this Agreement, the City shall record a notice of such termination in a form satisfactory to the City Attorney that the Agreement has been terminated. This Agreement shall automatically terminate and be of no further force and effect as to any single-family residence, any other residential dwelling unit or any nonresidential building and the lot or parcel upon which such residence or building is located, when it has been approved by the City for occupancy.

Section 19. Effect upon Termination on Developer Obligations. Termination of this Agreement as to the Developer of the Subject Property or any portion thereof shall not affect any of the Developer's obligations to comply with the City Comprehensive Plan and the terms and conditions or any applicable zoning code(s) or subdivision map or other land use entitlements approved with respect to the Subject Property, any other conditions of any other development specified in the Agreement to continue after the termination of this Agreement or obligations to pay assessments, liens, fees, or taxes.

<u>Section 20.</u> Effects upon Termination on City. Upon any termination of this Agreement as to the Developer of the Subject Property, or any portion thereof, the entitlements, conditions of development, limitations on fees and all other terms and conditions of this Agreement shall no longer be vested hereby with respect to the property affected by such termination (provided that vesting of such entitlements,

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conditions or fees may then be established for such property pursuant to then existing planning and zoning laws).

<u>Section 21</u>. Assignment and Assumption. The Developer shall have the right to sell, assign or transfer this Agreement with all their rights, title, and interests therein to any person, firm or corporation at any time during the term of this Agreement. Developer shall provide the City with written notice of any intent to sell, assign, or transfer all or a portion of the Subject Property, at least 30 days in advance of such action.

Section 22. Covenants Running with the Land. The conditions and covenants set forth in this Agreement and incorporated herein by the Exhibits shall run with the land and the benefits and burdens shall bind and inure to the benefit of the parties. The Developer, Landowner, and every purchaser, assignee, or transferee of an interest in the Subject Property, or any portion thereof, shall be obligated and bound by the terms and conditions of this Agreement, and shall be the beneficiary thereof and a party thereto, but only with respect to the Subject Property, or such portion thereof, sold, assigned or transferred to it. Any such purchaser, assignee or transferee shall observe and fully perform all the duties and obligations of a Developer contained in this Agreement, as such duties and obligations pertain to the portion of the Subject Property sold, assigned or transferred to it.

Section 23. Amendment to Agreement; Effect of Agreement on Future Actions. This Agreement may be amended by mutual consent of all the parties, provided that any such amendment shall follow the process established by law for the adoption of a development agreement (see, RCW 36.70B.200). However, nothing in this Agreement shall prevent the City Council from making any amendment to its Comprehensive Plan, Zoning Code, Official Zoning Map or development regulations affecting the Subject Property during the next five years, as the City Council may deem necessary to the extent required by a serious threat to public health and safety. Nothing in this Development Agreement shall prevent the City Council from making any amendments of any type to the Comprehensive Plan, Zoning Code, Official Zoning Map or development regulations relating to the Subject Property five years from the anniversary date of the Effective Date of this Agreement.

<u>Section 24.</u> Releases. Developer, and any subsequent Landowner, may free itself from further obligations relating to the sold, assigned, or transferred property, provided that the buyer, assignee, or transferee expressly assumes the obligations under this Agreement as provided herein.

<u>Section 25.</u> Notices. Notices, demands, correspondence to the City and Developer shall be sufficiently given if dispatched by pre-paid first-class mail to the addresses of the parties as designated in Section 5. Notice to the City shall be to the attention of both the City Administrator and the City Attorney. Notices to subsequent Landowners shall be required to be given by the City only for those Landowners who have given the City written notice of their address for such notice. The parties hereto may, from time to time, advise the other of new addresses for such notices, demands or correspondence.

Section 26. Reimbursement for Agreement Expenses of the City. Developer agrees to reimburse the City for actual expenses incurred over and above fees paid by Developer as an applicant incurred by City directly relating to this Agreement, including recording fees, publishing fess and reasonable staff and consultant costs not otherwise included within application fees. This development agreement shall not take effect until the fees provided for in this section, as well as any processing fees owed to the City

for the Vantage Property project are paid to the City. Upon payment of all expenses, the Developer may request written acknowledgement of all fees. Such payment of all fees shall be paid, at the latest, within thirty (30) days from the City's presentation of a written statement of charges to the Developer.

<u>Section 27</u>. Applicable Law and Attorneys' Fees. This Agreement shall be construed and enforced in accordance with the laws of the State of Washington. If litigation is initiated to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs from the non-prevailing party. Venue for any action shall lie in Grant County Superior Court or the U.S. District Court for Central Washington.

Section 28. Third Party Legal Challenge. In the event any legal action or special proceeding is commenced by any person or entity other than a party or a Landowner to challenge this Agreement or any provision herein, the City may elect to tender the defense of such lawsuit or individual claims in the lawsuit to Developer and/or Landowner(s). In such event, Developer and/or such Landowners shall hold the City harmless from and defend the City from all costs and expenses incurred in the defense of such lawsuit or individual claims in the lawsuit, including but not limited to, attorneys' fees and expenses of litigation, and damages awarded to the prevailing party or parties in such litigation. The Developer and/or Landowner shall not settle any lawsuit without the consent of the City. The City shall act in good faith and shall not unreasonably withhold consent to settle.

<u>Section 29.</u> Specific Performance. The parties specifically agree that damages are not an adequate remedy for breach of this Agreement, and that the parties are entitled to compel specific performance of all material terms of this Development Agreement by any party in default hereof.

Section 30. Severability. If any phrase, provision or section of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, or if any provision of this Agreement is rendered invalid or unenforceable according to the terms of any statute of the State of Washington which became effective after the effective date of the ordinance adopting this Development Agreement, and either party in good faith determines that such provision or provisions are material to its entering into this Agreement, that party may elect to terminate this Agreement as to all of its obligations remaining unperformed.

IN WITNESS WHEREOF, the parties hereto have caused this Development Agreement to be executed as of the dates set forth below:

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LANDOWNER:

By Johnson

Jeffrey Tench, Vantage Data Centers WA2, LLC

CITY OF QUINCY

Ву

Paul Worley, Its Mayor

ATTEST:

By hang E. Schange

Nancy Schanze, City Clerk

APPROVED AS TO FORM:

By

Danielle R. Merchant, City Attorney

ACKNOWLEDGEMENT
State of Washington } Denver County }
On this day personally appeared before metal level to be known to be the individual described in and who executed the within foregoing instrument and acknowledge to me that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.
Dated this 13 day of December, 2023.
NOTARY PUBLIC in and for the State of Washington My Appointment Expires: 7/24/2027 Weronica Loya NOTARY PUBLIC - STATE OF COLORADO NOTARY ID 20234027952 MY COMMISSION EXPIRES JUL 24, 2027
State of Washington } Grant County }
On this day personally appeared before me Paul Worley to be known to be the individual described in and who executed the within foregoing instrument and acknowledge to me that signed the same as free and voluntary act and deed for the uses and purposes therein mentioned.
Dated this 2nd day of January, 2024. NOTARY PUBLIC in and for the State of Washington My Appointment Expires: December 1, 2026 No. 175340 WBLC. Washington Washington

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