

**2026-2027 FUNDING AGREEMENT
BETWEEN
THE CITY OF OLYMPIA AND VALEO VOCATION**

This Funding Agreement ("Agreement") is effective as of the date of the last authorizing signature (which is the "effective date"). This Agreement is between the City of Olympia, a Washington municipal corporation ("City"), and VALEO Vocation, a Washington nonprofit corporation ("VALEO"), jointly referred to as the "Parties," or singularly as a "Party."

RECITALS

On July 17, 2018, the City of Olympia declared a public health emergency related to homelessness. Since that date, the City has worked to find solutions that will assist in alleviating the homeless crisis in Olympia and to reduce human suffering.

VALEO has experience assisting those who are homeless by establishing tiny house villages as transitional housing and connecting residents with essential services to allow them the best chance of success in transitioning to permanent housing. Since January 1, 2024, VALEO has managed and operated the City Plum Street Village tiny house/shelter facility through a Funding Agreement with the City. VALEO is experienced in providing this type of tiny house sheltering and providing homeless people with essential services, including hygiene, trash collection, utilities, and security to allow for the best chance for success in transitioning to permanent housing.

The City wishes to continue to engage the services of VALEO to operate, manage, and maintain the tiny house/shelter facility on property commonly referred to as the Franz Anderson Village, for the purpose of providing temporary shelter and housing for homeless persons in tiny houses/shelters. VALEO will maintain on the site a community kitchen, meeting facility, and areas for sanitary shower, toilet, laundry facilities, solid waste collection, and for other related case management services for the temporary participants of the tiny house/shelter facility.

The Parties are entering into a separate Lease Agreement which governs VALEO's lease of the Franz Anderson Village property (as defined in that Lease) for purposes of carrying out the operation, management, and maintenance of the tiny house/shelter facility as provided in this Agreement.

The Parties acknowledge that they are authorized to execute this Agreement and any associated documents, and to correct scrivener's errors or other errors or omissions that would otherwise be in substantial conformance with this Agreement.

The Parties now enter into this Agreement to memorialize the terms and conditions under which the City will provide funding to VALEO for the purpose of operating, managing, and maintaining a tiny house/shelter facility for homeless persons to transition to permanent housing.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

TERMS AND CONDITIONS

1. Purpose. The purpose of this Agreement is to provide funding to VALEO to enable VALEO to establish, operate, and maintain a tiny house/shelter facility in Olympia, Washington, to be known as “Calyx@Franz Anderson.”

VALEO will work with residents of the tiny house/shelter facility to ensure they obtain the services necessary to enable each resident to transition to permanent housing within a reasonable period of time.

2. Term/Termination. The term of this Agreement commences on the effective date and continues until June 30, 2027, unless otherwise terminated as provided in this Agreement. Prior to the expiration of the Term, this Agreement for funding may be terminated by the City, with or without cause, upon 60 days’ written notice to VALEO. Once termination notice has been provided, the City will only be responsible for funding the work that is in progress as of the date of the termination notice and can be completed prior to the date of termination.

3. Location of the Site. VALEO shall staff a tiny house/shelter facility located upon City owned property that has been leased to VALEO, and is commonly located at 528 Franz Anderson Road, Olympia, Thurston County, Washington, the exact location of which is legally described on the attached **Exhibit A**, and called “Calyx@Franz Anderson” or “Village.” The site area is approximately 1.48 acres (64,448 square feet) more or less.

4. Structures on the Site. Any significant changes to the site must be approved by the City prior to commencement of any change or modification. The addition of buildings (residential and community buildings) are allowable upon mutual written agreement by VALEO and the City in accordance with the Emergency Housing Permit recommendations. Calyx@Franz Anderson may consist of:

- Tiny house/shelter for approximately 60 persons
 - Each tiny house/shelter is equipped with electrical power, windows, locking door
 - Furniture (bed)
 - Necessary fixtures (heat, lighting)
- On-site staff to monitor security 24/7
- 2 Resident Common Areas, which shall include:
 - Case Management Office
 - One community area
- 2 Hygiene Trailers, consisting of
 - 6 showers- 2 ADA
 - 8 toilets – 2 ADA

- Laundry facilities
- 1 Eating area:
 - Equipped with certain kitchen appliances, e.g., microwaves, refrigeration
- Fencing capable of locking the surrounding perimeter of two main areas
 - Six feet high chain link

5. Funding. VALEO shall operate the tiny house/shelter facility as outlined in the Scope of Operations in attached **Exhibit B**, in exchange for reimbursement funding not to exceed the total amount set forth in subparagraph 5.1 and the attached **Exhibit C**.

5.1 Total Funding. The City shall fund VALEO in an amount not to exceed ONE MILLION THREE HUNDRED FOURTEEN THOUSAND THREE HUNDRED AND EIGHTY EIGHT DOLLARS AND NO/100 CENTS (\$1,314,388.00) as provided in this Agreement.

5.2 Method of Funding. Funding by the City will be provided on a reimbursement basis only with proper receipts for items purchased or staff employed, accompanying a properly completed invoice, the requirements of which are outlined in the attached **Exhibit D**, Invoice Requirements. A spreadsheet to assist VALEO in tracking and submitting invoices is included as **Exhibit D-1, attached**. **In the event VALEO fails to submit an invoice that includes proper documentation to the City within 60 days from the end of the month in which the expense is incurred, VALEO forfeits any right to reimbursement for that expense.**

5.3 VALEO Responsible for Taxes. VALEO is solely responsible for the payment of, and shall pay, any taxes imposed by any lawful jurisdiction as a result of VALEO's activities under this Agreement.

6. Compliance with Laws. In using the funding authorized under this Agreement, VALEO shall comply with any and all applicable federal, state, and City laws including all City codes, ordinances, resolutions, standards and policies, as existing on the effective date or later adopted or amended.

7. Assurances. VALEO affirms that it has the requisite training, skill, and experience necessary to establish, manage, and operate Calyx@Franz Anderson for the purposes stated in this Agreement in a manner that will ensure the stability, safety, and health of residents and that will promote safety in the community. This includes necessary skill and training in accounting matters so that expenses are tracked, and invoicing is properly and timely provided to the City for reimbursement. VALEO further affirms that any employees, officers, officials, and volunteers are appropriately trained, accredited, and licensed by any and all applicable agencies and governmental entities, including being licensed to do business in the state of Washington and within the City of Olympia.

8. Independent Contractor/Conflict of Interest. It is the intent and understanding of the Parties that VALEO is operating independently from the City and the City is neither liable nor obligated to pay any VALEO employee any benefits provided to City employees, such as sick leave, vacation pay, or any other benefit of employment, nor to pay any social security or other

employment related tax. VALEO shall pay all income and other taxes due for VALEO employees. Industrial or any other insurance that is purchased for the benefit of the City, regardless of whether such may provide a secondary or incidental benefit to VALEO, may not be deemed to convert this Agreement to an employment contract. Even though funding for this Agreement may include reimbursement for certain VALEO staff and benefits, VALEO employees may not be considered employees of the City.

9. Equal Opportunity Employer.

9.1 In all VALEO services, programs, or activities, and all hiring and employment made possible by or resulting from this Agreement, VALEO and VALEO's employees, agents, subcontractors, and representatives shall not unlawfully discriminate against any person based on any legally protected class status, including sex, age (except minimum age and retirement provisions), race, color, religion, creed, national origin, marital status, veteran status, sexual orientation, gender identity, genetic information, or the presence of any disability, including sensory, mental or physical disabilities; provided, however, that the prohibition against discrimination in employment because of disability does not apply if the particular disability prevents the performance of the essential functions required of the position.

This requirement applies, but is not limited to, the following: employment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. VALEO shall not violate any of the terms of Chapter 49.60 RCW, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, Section 504 of the Rehabilitation Act of 1973 or any other applicable federal, state, or local law or regulation regarding nondiscrimination. Any material violation of this provision is grounds for termination of this Agreement by the City and, in the case of VALEO's breach, may result in ineligibility for further City agreements.

9.2 In the event of VALEO's noncompliance or refusal to comply with the above nondiscrimination requirement, this Agreement may be rescinded, canceled, or terminated in whole or in part, and VALEO may be declared ineligible for further agreements or contracts with the City. The City shall, however, give VALEO a reasonable time in which to correct this noncompliance.

9.3 To assist the City in determining compliance with the foregoing nondiscrimination requirements, VALEO must sign, and is bound by, the *Statement of Compliance with Nondiscrimination and Equal Benefits Declaration* attached as **Exhibit E**.

10. Responsibilities for Communication. VALEO shall operate Calyx@ Franz Anderson in a manner consistent with the accepted practices for other similar tiny house/shelter facilities, being particularly mindful of the surrounding neighborhood in which Calyx@Franz Anderson is sited and its proximity to schools and businesses. VALEO shall:

- Host ongoing community meetings to share information, hear concerns, and answer questions about Calyx@Franz Anderson, its development and operations.

- Organize meetings made up of neighborhood stakeholders, faith-based organizations, service providers, and businesses, which will provide ongoing advisory input to the Village that meets at least four times a year. VALEO shall invite the City's homeless response coordinator to attend all stakeholder meetings.
- Engage with interested parties through presentations and educational tools.
- Publicize telephone numbers, email addresses, and staff contacts for any community member seeking to contact the Village or VALEO staff, and VALEO shall respond promptly.
- Coordinate tours, as needed, in a manner that is respectful of resident privacy and dignity.
- Respond promptly to any request for documentation relating to the establishment or operations of Calyx@Franz Anderson or its communications.

11. Indemnification/Insurance.

11.1 Indemnification / Hold Harmless. VALEO shall defend, indemnify, and hold the City, its officers, officials, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits including attorneys' fees, arising out of or resulting from the acts, errors, or omissions of VALEO in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

The City shall defend, indemnify, and hold VALEO, its officers, officials, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits including attorneys' fees, arising out of or resulting from the acts, errors, or omissions of the City in performance of this Agreement, except for injuries and damages caused by the sole negligence of VALEO.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of VALEO and the City, its officers, officials, employees, and volunteers, VALEO's liability hereunder is only to the extent of VALEO's negligence. It is further specifically and expressly understood that the indemnification provided in this Agreement constitutes VALEO's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section survive the expiration or termination of this Agreement.

11.2 Insurance Term. VALEO shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work under this Agreement by VALEO, its agents, representatives, or employees.

11.3 No Limitation. VALEO's maintenance of insurance as required by the Agreement may not be construed to limit the liability of VALEO to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

11.4 Minimum Scope of Insurance. VALEO shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired, and leased vehicles. Coverage must be at least as broad as ISO occurrence form (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage.
2. Commercial General Liability insurance must be at least as broad as ISO occurrence form CG 00 01 and must cover liability arising from premises, operations, independent contractors, stop gap liability, personal injury, and advertising injury. The City must be named as an additional insured under VALEO's Commercial General Liability insurance policy with respect to the work performed as a part of this Agreement using an additional insured endorsement at least as broad as ISO CG 20 26.
3. Tenant Discrimination insurance coverage. The City shall be named as an additional insured under VALEO's Tenant Discrimination insurance policy/coverage with respect to the work performed as a part of this Agreement using an additional insured endorsement at least as broad as ISO CG 20 26, or as otherwise reasonably is similar.
4. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
5. Professional Liability insurance appropriate to VALEO's profession.

11.5 Minimum Amounts of Insurance. VALEO shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance must be written with limits no less than \$1,000,000 each occurrence, \$3,000,000 general aggregate, with excess or umbrella coverage in the sum of \$10,000,000.
3. Tenant Discrimination insurance must be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate, with excess or umbrella coverage in the sum of \$10,000,000.
4. Professional Liability insurance must be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

11.6 Other Insurance Provisions. VALEO's Automobile Liability, Commercial General Liability, and Tenant Discrimination insurance policies are to contain, or be endorsed to contain, that they are primary insurance with respect to the City. Any insurance, self-insurance,

or insurance pool coverage maintained by the City is excess of VALEO's insurance and does not contribute with it.

11.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

11.8 Verification of Coverage. VALEO shall furnish the City with original certificates and a copy of the amendatory endorsements, including the additional insured endorsement, evidencing the insurance requirements of VALEO before commencement of the work.

11.9 Notice of Cancellation. VALEO shall provide the City with written notice of any policy cancellation, within two business days of VALEO's receipt of such notice.

11.10 Failure to Maintain Insurance. Failure on the part of VALEO to maintain the insurance as required is a material breach of this Agreement, upon which the City may, after giving five business days' written notice to VALEO to correct the breach, immediately terminate the Agreement or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due VALEO from the City.

11.11 City's Full Access to VALEO's Limits. If VALEO maintains higher insurance limits than the minimums shown above, the City is insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by VALEO, irrespective of whether such limits maintained by VALEO are greater than those required by this Agreement, or any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by VALEO.

12. City Contributions to Preparation of the Site. The City will contribute to the preparation of the Site only as specifically outlined in the attached **Exhibit B**, which exhibit includes an overall site plan and layout of facilities and tiny houses/shelters.

13. Treatment of Assets.

13.1 Title to all nonexpendable personal property and buildings purchased by VALEO, the cost of which VALEO has been reimbursed as a direct item of cost under this Agreement, will pass to and vest in the City at the conclusion of this Agreement.

13.2 Nonexpendable personal property purchased by VALEO under this Agreement in which title will be vested in the City at the end of the Agreement may not be rented, loaned, or otherwise passed to any person, partnership, corporation/association, or organization without the prior express written approval of the City or its authorized representative, and such property will, unless otherwise provided in this Agreement or approved by the City or its authorized representative, be used only for the performance of this Agreement.

13.3 As a condition precedent to reimbursement for the purchase of nonexpendable personal property, title to which will vest in the City, VALEO shall execute such security

agreements and other documents as are necessary for the City to perfect its interest in such property in accordance with the "Uniform Commercial Code--Secured Transactions" as codified in Article 9 of Title 62A, the Revised Code of Washington.

13.4 VALEO is responsible for any loss or damage to the property of the City, including expenses entered thereunto which results from negligence, willful misconduct, or lack of good faith on the part of VALEO, or which results from the failure on the part of VALEO to maintain and administer in accordance with sound management practices that property, to ensure that the property will be returned to the City in like condition to that in which it was furnished or purchased, fair wear and tear excepted.

13.5 Upon the happening of loss or destruction of, or damage to, any City property, VALEO shall notify the City or its authorized representative and shall take all reasonable steps to protect that property from further damage.

13.6 VALEO shall surrender to the City all property of the City within 30 days after termination or completion of this Agreement unless otherwise mutually agreed upon by the parties.

14. Books and Records/Public Records. VALEO shall maintain books, records, and documents which sufficiently and properly reflect the funding provided by the City for the establishment and operation of Calyx@Franz Anderson, as well as direct and indirect costs, related to the performance of this Agreement. In addition, VALEO shall maintain such accounting procedures and practices as may be deemed necessary by the City to assure proper accounting of all funds paid pursuant to this Agreement. All VALEO records related in any way to this Agreement are subject, at all reasonable times, to inspection, review, copying, or audit by the City, its authorized representative, the State Auditor, or other governmental officials authorized by law to monitor this Agreement.

A record owned, used, or retained by the City is a "public record" pursuant to RCW 42.56.010, and is subject to disclosure upon request under Washington's Public Records Act, even if such record is in VALEO's sole possession. Should the City request, in writing, that VALEO provide the City with a record that the City, in its sole discretion, deems to be a public record, so that it may be produced in response to a public records request, and should VALEO fail to provide such record to the City within 10 days of the City's request for such record, VALEO shall indemnify, defend, and hold the City harmless for any public records judgment, including costs and reasonable attorney's fees, against the City involving such withheld record.

15. Non-Appropriation of Funds. If sufficient funds are not appropriated or allocated for payment under this Agreement for any future fiscal period, the City will not be obligated to continue the Agreement after the end of the current fiscal period, and this Agreement will automatically terminate upon the completion of all remaining operations for which funds are allocated. No penalty or expense accrues to the City in the event this provision applies.

16. Contract Manager. For routine issues of contract management, such as insurance, invoices, and issues related to this Agreement, please contact:

City Contract Manager: Kim Kondrat, Homeless Response Manager
City of Olympia
601 4th Avenue E
P.O. Box 1967
Olympia, WA 98507-1967
Office: (360)
Cell: (360) 742-6448
Email: kkondrat@ci.olympia.wa.us

With a copy to: Will Crites-Krumm, Homeless Program Specialist
City of Olympia
601 4th Ave E
P.O. Box 1967
Olympia WA 98507-1967
Email: writes@ci.olympia.wa.us

VALEO Contract Manager: Sherri Jensen
Chief Executive Officer
VALEO Vocation
603 S 13th Street
PO Box 5907
Tacoma WA 98415
Office: 253.301.2134
Cell: 253.691.2846
Email: sherri@VALEOvocation.org

17. General Provisions.

17.1 Entire Agreement. This Agreement contains all of the terms, conditions, and agreements of the Parties with respect to any matter covered or mentioned in this Agreement and no prior agreements is effective for any purpose. The Parties do not intend to confer any benefit under this Agreement to any person, firm, or corporation other than the immediate Parties.

17.2 Modification or amendment, waivers. No amendment, change, or modification of this Agreement is valid unless in writing and signed by all of the Parties. No waiver of any breach of any covenant or provision in this Agreement may be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision in this Agreement. No extension of time for performance of any obligation or act may be deemed an extension of the time for performance of any other obligation or act.

17.3 Full Force and Effect; Severability. Any provision of this Agreement that is declared invalid or illegal in no way affects or invalidates any other provision and such other provisions remains in full force and effect. Further, if it should appear that any provision of this Agreement is in conflict with any Washington state statute, the provision that appears to conflict therewith must be deemed inoperative and null and void, insofar as it may be in conflict therewith, and must be deemed modified to conform to such statutory provision.

17.4 Assignment. Neither VALEO nor the City may transfer or assign, in whole or in part, any or all of its obligations and rights under this Agreement without the prior written consent of the other Party.

1. If VALEO wants to assign this Agreement or subcontract any of its work under this Agreement, VALEO shall submit a written request to the City for approval not less than 30 days prior to the commencement date of any proposed assignment or subcontract.

2. VALEO shall ensure that any work or services assigned or subcontracted for under this Agreement is subject to each provision of this Agreement.

3. Any technical/professional service subcontract not listed in this Agreement, which is to be charged to this Agreement, must have prior written approval by the City.

4. The City may inspect any assignment or subcontract document.

17.5 Successors in Interest. Subject to Subsection 17.4, the rights and obligations of the Parties inure to the benefit of and are binding upon their respective successors in interest, heirs, legal representatives, and assigns, if applicable.

17.6 Attorneys' Fees. In the event either of the Parties defaults on the performance of any term of this Agreement or either Party places the enforcement of this Agreement in the hands of an attorney, or files a lawsuit, the prevailing party is entitled to its reasonable attorneys' fees, costs, and expenses to be paid by the other Party.

17.7 No Waiver. Failure or delay of the City to declare any breach or default immediately upon occurrence does not waive such breach or default. Failure of the City to declare one breach or default does not act as a waiver of the City's right to declare another breach or default.

17.8 Governing Law and Venue. This Agreement is made in Washington and is governed by and must be interpreted in accordance with the laws of the State of Washington. Any lawsuit related to or arising out of this Agreement may be brought and maintained only in Thurston County Superior Court of the State of Washington.

17.9 Authority. Each individual executing this Agreement on behalf of the City and VALEO represents and warrants that such individual is duly authorized to execute and deliver this Agreement on behalf of VALEO or the City, respectively.

17.10 Notices. Any notices required to be given by the Parties under this Agreement must be delivered at the addresses set forth in Paragraph 16 above. Any notices may be delivered personally to the addressee of the notice or may be deposited in the United States mail, postage prepaid, to the address set forth in Paragraph 16. Any notice so posted in the United States mail must be deemed received five days after the date of mailing. If such notice is delivered personally, it must be deemed given at the time of such delivery. If such Notice is delivered by Federal Express, UPS, USPS, or other overnight delivery service of recognized standing, such notice must be deemed given 48 hours after the deposit thereof with such delivery service.

17.11 Captions. The respective captions of the paragraphs and subsections of this Agreement are inserted for convenience of reference only and may not be deemed to modify or otherwise affect any of the provisions of this Agreement.

17.12 Performance. Time is of the essence in performance of this Agreement and each and all of its provisions in which performance is a factor. Adherence to completion dates set forth in the description of the establishment or operations is essential to VALEO's performance of this Agreement.

17.13 Remedies Cumulative. Any remedies provided for under this Agreement are not intended to be exclusive but are cumulative with all other remedies available to the City or VALEO at law, in equity, or by statute.

17.14 Counterparts. This Agreement may be executed in any number of counterparts, which counterparts collectively constitute the entire Agreement. Further, this Agreement may be executed by a facsimile signature or an electronically signed or digital signature where permitted by law and must be deemed to be an original signature for all purposes. All executed counterparts of this Agreement must be deemed to be originals, but such counterparts, when taken together, constitute one and the same Agreement.

17.15 Equal Opportunity to Draft. The Parties have participated and had an equal opportunity to participate in the drafting of this Agreement and the attached Exhibits. No ambiguity may be construed against any Party upon a claim that a Party drafted the ambiguous language, but this Agreement must be construed as if prepared by both Parties.

17.16 Ratification. Any work performed in 2025 prior to the effective date of this Agreement, and that falls within the scope of this Agreement and is consistent with its terms, is hereby ratified and confirmed.

17.17 Certification Regarding Debarment, Suspension, and Other Responsibility Matters.

1. By signing the agreement below, VALEO certifies to the best of its knowledge and belief, that it and its principals:

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;

b. Have not within a three-year period preceding the effective date been convicted of or had a civil judgment rendered against them for commission or fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

c. Are not as of the effective date indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph 1.b. of this certification; and

d. Have not within a three year period preceding this application/proposal had one or more public transactions (federal, state, or local) terminated for cause or default.

2. Where VALEO is unable to certify to any of the statements in this certification, VALEO shall attach an explanation to this Agreement.

17.18 Early Retirement from the State of Washington - Certification. By signing this form, VALEO certifies that no one being directly compensated for their services pursuant to this Agreement has retired from the Washington State Retirement System using the 2008 Early Retirement Factors with restrictions on returning to work.

17.19 Force majeure. Performance by VALEO or the City of its obligations under this Agreement will be extended by the period of delay caused by force majeure. Force majeure is war, natural catastrophe, strikes, walkouts or other labor industrial disturbance, order of any government, court or regulatory body having jurisdiction, shortages, blockade, embargo, riot, civil disorder, or any similar cause beyond the reasonable control of the Party who is obligated to render performance (but excluding financial inability to perform, however caused).

SIGNATURES ON FOLLOWING PAGE

CITY OF OLYMPIA,
a Washington municipal corporation

VALEO VOCATION
a Washington non-profit corporation

By: _____
Steven J. Burney, City Manager

By: Sherrri Jensen
Sherrri Jensen, Chief Executive Officer

Date: _____

Date: 06/17/2026

APPROVED AS TO FORM:

Michael M. Young
Senior Deputy City Attorney

Exhibit "A"
Property Legal Description

PARCEL A:

TRACT 10 AND THAT PORTION OF TRACT 11 OF COLLEGE CITY BERRY TRACTS, AS RECORDED IN VOLUME 9 OF PLATS, PAGE 7, LYING NORTHWESTERLY OF PRIMARY STATE HIGHWAY NO. 1, EXCEPTING THEREFROM THOSE PORTIONS CONVEYED TO THE STATE OF WASHINGTON BY DEEDS RECORDED JANUARY 15, 1957, UNDER AUDITOR'S FILE NO. 580057, JANUARY 24, 1957, UNDER AUDITOR'S FILE NO. 580325 AND JULY 3, 1985 UNDER AUDITOR'S FILE NO. 8507030084.

SITUATE IN THURSTON COUNTY, WASHINGTON.

SUBJECT TO EASEMENTS, RESERVATIONS, AND RESTRICTIONS OF RECORD.

Exhibit "B"
SCOPE OF WORK

I. Overview

Founded in Tacoma, WA in 2018, VALEO Vocation is a 501(c)3 workforce development organization that leverages a social enterprise business model to create impact in the community and change the lives of its most vulnerable citizens. VALEO provides dignified, paying transitional jobs, direct employer matches and integral support services that allow people experiencing significant employment barriers to build a better life and exit homelessness. VALEO has been lead operator and/or responsible for shelter staffing for twelve emergency shelters since 2020 and has coordinated with the City of Olympia on the Journey- to-Jobs program. VALEO managed and operated the Plum Street Village from January 1, 2024 to December 31, 2025, and has managed and operated the Franz Anderson Village since July 1, 2025. Their employment-focused program have been successful in both villages, providing income and purpose to the people staying at those shelters and setting the groundwork for fuller reintegration into the community.

II. Community Engagement

- Host at least four community meetings annually to share information, hear concerns, and answer questions about Calyx@Franz Anderson operations. VALEO shall invite the City's Homeless Response Coordinator to participate in each meeting.
- Engage with interested parties through presentations and educational tools.
- Publicize telephone numbers, email addresses, and staff contacts for any community member seeking to contact the village or VALEO staff, and VALEO shall respond promptly.
- Respond promptly to any citizen request for documentation relating to the rules, regulation or operations of Calyx@Franz Anderson or its communications.

III. Site Changes

- Changes to the site must be approved by the City of Olympia prior to commencement of any changes.

IV. Operations and Security Plan

VALEO shall:

- VALEO Staff Oversight and Support: Hire, onboard, and support staff with an onsite supervisor and oversight from VALEO.
- Security: Ensure a secure site with a closed perimeter, monitored entrance, and secure facilities. VALEO shall coordinate installation and maintenance of security cameras and will manage security camera footage.
- Site Management: Work with residents to ensure cleanliness and adherence to a Code

of Conduct/Community Agreements developed by VALEO, in partnership with the residents, that is consistent with community expectations and the expectations of the City of Olympia. VALEO shall conduct regular unit inspections to test smoke/carbon monoxide detectors and adherence to Code of Conduct/Community Agreements. VALEO shall develop staff processes for grievances and appeals for expulsions from the site. VALEO shall develop formal behavioral agreements that provide clarity regarding requirements for continuation or restoration of services. VALEO should ensure that a minimum of 6 ft clearance on all pathways at all times for emergency response personnel unless otherwise directed by Building Official and/or Olympia Fire Department.

- Village Resident Community: Work with residents to foster harmony and collaboration within the Village.
- Programming: Operate an employment program, which will be voluntary for residents to participate. Drug use is not allowed at the site. Urinalysis will take place under the voluntary work program.
- Pets: Valeo will allow residents staying at the site before July 2, 2025, to keep their pets, even though beyond the allowable maximum for new intakes.
- Maintenance: Maintain site facilities and address the required maintenance tasks as needed.
- 24/7 Communication: Ensure that VALEO staff are available around the clock to answer questions and communicate with emergency services.
- Intakes: Work effectively with the City and referring service providers on the intake of new residents to the program.
- Manage Donations: Manage donations and storage of donated supplies within the Village.
- Develop an emergency management plan addressing weather, fire, and security issues.
- Ensure engagement and compliance with Thurston County Housing Information Management System. Ensure clients are entered into the HMIS system and Coordinated Entry. Track intakes, exits, and progress with HMIS reporting procedures provided by Thurston County. Maintain records of individuals served, service provided, outreach activities conducted, surveys completed and other reporting as requested by City of Olympia and submit reports monthly with invoices to the City of Olympia.
- Monitor and comply with Thurston County Health guidelines and other health and safety protocols and practices.

Any use and placement of heaters, shared cooking or other propane or electric heating appliances must be approved by the Olympia Fire Department and is otherwise prohibited.

- Report any predatory or illegal behavior to law enforcement (drug dealing, sex trafficking, other illegal activities). VALEO staff are not expected to personally engage in attempting to stop such behavior.
- Document visitors, incidents, violations of site rules or Code of Conduct, emergency calls to Olympia Fire or Police Departments.

V. Case Management

- **Staff Oversight & Support:** Hire, onboard, and support case management staff with VALEO's experienced case management supervisory team.
- **Comprehensive Case Management:** Case Management includes Housing Case Management. Case Managers will help refer residents to transitional and permanent housing using vouchers, Section 8, Social Security, public assistance, earned income and income support. Case managers will work with any resident desiring to access case management services to develop a strengths-based, participant-led goal plan and to attain self-identified goals, including, but not limited to: available shelter and housing resources; completion of Coordinated Entry/HEAT and other housing/shelter assessments; obtaining phones and identification documents; obtaining identification, birth certificates, social security cards; obtaining basic survival and harm reduction supplies; transportation; behavioral health, medical, substance use and harm reduction services ; domestic violence support services ; vehicle repairs; obtaining income through ABD/SSI/SSDI/TANF/WIC/EBT and/or employment; legal support and advocacy; relocation and family reconnection;
- Assist residents in filling out necessary paperwork and help each resident through the process requirements to obtain any assistance applicable to the individual resident's situation, including a Coordinated Entry intake.
- **Education & Health Service Coordination:** Connect clients with agencies that improve health and education outcomes and help them through any process requirements to obtain necessary services.
- **Data Management:** Track intakes, exits, and progress with HMIS reporting procedures.
- **Intake Coordination:** Coordinate with referring agencies for successful program outcomes.

VI. Maintenance and Repairs of Site: Conduct assessments and perform required maintenance and repair tasks as needed. VALEO is responsible for ensuring compliance with all laws applicable to public works and maintenance. VALEO must verify all filing requirements with the Washington State Department of Labor & Industries (L&I) to ensure compliance.

- **Maintenance and Public Works:** VALEO will address routine maintenance tasks and repairs classified as a public work, ensuring all tasks meet L&I regulations. For public works, VALEO must follow

prevailing wage laws, public works laws, and obtain any required licenses before starting work. VALEO is responsible for verifying all necessary approvals from L&I. Subcontracting this work is allowed. VALEO is responsible for ensuring the contractor is not on the L&I debarred list. VALEO is also responsible for informing the subcontractor that the repairs are classified as a public work and ensuring that prevailing wages laws, public works laws, and all L&I regulations are followed by the subcontractor. Repairs must be approved by the City, except in cases of emergency repairs

- **Filing Requirements:** VALEO and its subcontractors must verify their obligation to submit certified payroll reports, Statements of Intent to Pay Prevailing Wages, and Affidavits of Wages Paid with L&I. These filings must be completed before work begins and upon completion of the project, as required by L&I.
- **Prevailing Wage Rates:** The applicable prevailing wage rates for this contract can be found at <https://secure.ini.wa.gov/wagelookup/rates/journey-level-rates>. Rates should be based on the publication date of January 1, 2026, and apply to Thurston County. VALEO must retain a copy of the prevailing wage rates, and the City will make a copy available for review upon request.

Invoices and Payment: Invoices submitted by VALEO must include the number of prevailing wage hours worked. No payments will be made by the City until all required filings have been submitted to and approved by L&I.

VII. Administrative

- **Insurance:** Maintain ample insurance coverage, as provided in the Funding Agreement, for the site and VALEO operations, naming the City of Olympia as an additional insured.
- **Accounting:** Document purchases, track finances, and bill accurately.
- **Hiring:** Manage all hiring and staffing needs.
 - VALEO will perform background screening, including national criminal history checks, on all hired staff and on volunteers and residents, per VALEO's insurance requirement, as deemed appropriate. No Convicted Arson charges or Registered Sex Offenders Levels 2 or 3 are allowed per VALEO's insurance requirement.

Exhibit "C"
2026-2027 BUDGET
Calyx@Franz Anderson

Personnel	743,172.00
Site Support	149,328.00
Program Support	290,449.20
Total	1,314,388.00

Additional Detail for Certain Types of Reimbursable Budget Items

Training: May include such trainings as CPR, First Aid, Bloodborne Pathogens, Food Handlers permitting/certification, use of NARCAN, overdose awareness and prevention, motivational interviewing, harm reduction and trauma-informed care, de-escalation and crisis response, domestic and sexual violence, suicide awareness and prevention, boundaries and vicarious trauma, compassion fatigue anti-discrimination, anti-racism/DEI, HMIS, Ragic, case management, general management, participant-led/strengths-based services, working with people who use drugs and people who recognize behavioral health challenges and other trainings relevant to homeless services and Evidenced-Based and Promising Practices. etc. Conferences and workshops may relate to homelessness or affordable housing. Training for villagers on self-governance, dispute resolution, domestic violence, financial literacy, anger management or any of the additional trainings listed above that may be relevant to building villagers' skills and abilities to meet their needs and improve their health, stability, safety, well-being and ability to positively engage and build relationships with the broader community.

Mileage: Staff trips include attending meetings and trainings, purchasing supplies, working with residents and getting them to appointments, etc.

Administration Fee: This covers items such as human resources, hiring and advertising, management, supervision, administration, program support, fundraising, volunteer coordination, etc.

NOTE: Payroll and other supporting documentation is required to accompany requests for administration reimbursement. There will be no reimbursement for items that do not have appropriate supporting documentation.

**EXHIBIT D
INVOICE REQUIREMENTS**

Each monthly invoice must be submitted by email by the 15th of next month and must include:

1. A primary contact for VALEO invoice questions who will respond to the City within 24 hours regarding any invoice question.
2. A spreadsheet furnished by the City of Olympia will be required to be filled out monthly that includes (See **Exhibit D-1**):
 - The billing period
 - Total invoice amount
 - A total for the invoice period
 - The remaining budget available for the contract term
3. Supplemental documentation (receipts that support staffing expenditures and other expenses).
4. Any cost not included in the contract budget, or beyond the monthly budget amount, must be pre-approved by email in order to ensure payment.
5. A monthly progress report that includes total number of guests, length of stay, exits for behavioral (or other) reasons, exits into permanent housing.
6. Invoices must be emailed to these City email addresses:

Kim Kondrat, Homeless Response
Manager
City of Olympia
601 4th Avenue E
P.O. Box 1967
Olympia WA 98507-1967
Office: 360.753.8235
Cell: 360.742.6448
Email: kkondrat@ci.olympia.wa.us

Will Crites-Krumm, Homeless Response
Program Specialist
City of Olympia
601 4th Avenue E
P.O. Box 1967
Olympia WA 98507-1967
Email: writes@ci.olympia.wa.us

City Responsibilities:

1. Payment will be made on a monthly basis, within 30 days after receipt of an invoice.
2. City Contract Manager will inform VALEO of any need for additional documentation or disputed costs in writing.

**Exhibit D-1
Monthly Invoice**

Invoice No.		Bill Period:		
BILL FROM VENDOR OR CLAIMANT		BILL TO AGENCY		
VALEO Vocation		City of Olympia		
605 S. 13th Street		PO Box 1967		
Tacoma, WA 98415		Olympia, WA 98507-1967		
REIMBURSEMENT REQUEST				
Budget Line Items	Budget	Prior Period Expenses to Date	Report Period Request	Line Item Balance
Personnel	\$743,172.00		\$ -	
Site Support	\$149,328.00		\$ -	
Program Support	\$290,449.20		\$ -	
Administration	\$131,438.80		\$ -	
Totals:	\$1,314,388.00		#REF!	
New Contract Balance for Current Fiscal Year		\$ 1,314,388.00	Reimbursement Requested	#REF!
Contract Description:	Calyx @ Franz Anderson			
Contract Period:	7/1/2026-6/30/2027			
VENDOR CERTIFICATION		CITY CERTIFICATION		
<p>The individual signing this voucher below warrants they have the authority to do so as authorized on behalf of the entity identified in the Vendor/Claimant section. The individual signing below certifies under penalty of perjury that the terms and totals listed herein are proper charges for materials, merchandise, or services furnished per the City contract referenced above, and that all good furnished and/or services rendered have been provided without discrimination on the basis of age, sex, marital status, race, creed, color, national origin, handicap, religion, or Vietnam era or disabled veterans status.</p>		<p>I, the undersigned, do hereby certify under penalty of perjury, that the material furnished, the services rendered, or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the Claim is a just, due, and unpaid obligation against the City of Olympia, and that I am authorized and certify said Claim.</p>		
Signed by:		Signed by:		
Printed Name	Title	Date Signed	Printed Name	Title
INSTRUCTIONS TO VENDOR OR CLAIMANT:				
Submit this form to claim payment for materials, merchandise, and services. Invoice must be completely filled out, signed and emailed to: Kim Kondrat kkondrat@ci.olympia.wa.us 360-742-6448				
Joshua Chaney jchaney@ci.olympia.wa.us 360-233-6509				
Attach supporting documentation to this invoice as outlined in the contract.				
Invoices must be submitted monthly and are due within 60 days from the end of the month in which expenses are incurred.				
Failure to submit timely invoices will result in forfeiture of the rights to reimbursement for late expenses.				

