

JB:pdk  
9/25/86  
7:ORD2.

ORDINANCE

113093

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3  
4 AN ORDINANCE relating to annexation, land use and zoning;  
5 annexing to The City of Seattle portions of Section 32,  
6 Township ~~26~~<sup>24</sup> North, Range 4 East, W.M., and Sections 5 and  
7 6, Township 23 North, Range 4 East, W.M., in King County;  
8 adding new Plats 302 E and 303 W to the Official Land Use  
9 Map and amending Plat 78 W, Page 183 thereof to zone the  
10 annexed property in the Commercial 2 Zone (C2/65'), and  
11 accepting a Property Use and Development Agreement in  
12 connection therewith.

13  
14 WHEREAS, a petition has been filed for annexation to the  
15 city of certain contiguous property hereinafter described  
16 (Comptroller's File No. 290891) which petition complies in all  
17 respects to the requirements of Chapter 35.13.125-160 RCW; and

18  
19 WHEREAS, said petition proposes establishment of the  
20 Commercial 2 Zone (C2/65') for the real property hereinafter  
21 described; and

22  
23 WHEREAS, two public hearings have been held upon said  
24 petition after due notice and posting as required by Chapter  
25 35.13.140 RCW; and

26  
27 WHEREAS, the City Council has determined to grant said  
28 petition, to annex said property and to establish the initial  
zoning; Now, Therefore,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. That the following described property be and  
the same is hereby annexed to the City as of the effective  
date of this ordinance, and on and after said date the same  
shall be and become a part of the City of Seattle and be  
embraced within the boundaries thereof under the provisions of  
Chapter 35.13 RCW:

1  
2 A portion of the southwest quarter of Section 32,  
3 Township 24 North, Range 4 East, W.M., in King  
4 County, Washington. Also a portion of the northeast  
5 quarter of the northeast quarter of Section 6, and  
6 the northwest quarter of Section 5, Township 23  
7 North, Range 4 East, W.M., in King County  
8 Washington.

9 Beginning at the corner common to said Sections 31,  
10 32, 6 and 5; thence west along the north line of  
11 said Section 6, for 654.11 feet; thence south  
12 05°28'00" west for 30.07 feet to a point being the  
13 northeasterly corner of the land conveyed to the  
14 Housing Authority of the County of King, recorded  
15 under Auditor's File No. 4413217; thence south  
16 along the east line of said tract of land for 1174  
17 feet; more or less to the north margin of S.W.  
18 100th Street; thence east along said north margin  
19 for 686.29 feet to the east line of said Section 6;  
20 thence north along said east line for 186.07 feet;  
21 thence south 88°38'48" east for 95 feet; thence  
22 north 88°33'05" east for 94.68 feet to the west  
23 margin of Occidental Avenue S.; thence north along  
24 said margin, for 87.52 feet to the southerly line  
25 of Parcel "B", conveyed under Auditor's File No.  
26 8002200456; thence southeast, along said southerly  
27 line, for 37.12 feet; thence northeast along said  
28 southerly line for 537.72 feet; thence north  
23°10'47" east, for 6.66 feet to the westerly  
Margin of Myers Way South; thence easterly to the  
intersection of the easterly margin of Myers Way  
south and the southerly margin of the City of  
Seattle transmission right of way; thence south  
along said easterly margin to the north margin of  
South 100th Street; thence east along said north  
margin to the westerly margin of SR-509 as  
condemned in King County Cause No. 670900; thence  
northwesterly, northeasterly, and northwesterly  
along said westerly margin to the north line of  
Section 5; thence west along said north line to the  
westerly margin of Myers Way South; thence  
northwesterly along said west margin 880 feet more  
or less to the north line of Parcel "C", conveyed  
under Auditor's File No. 8002200456; thence north  
88°38'49" west, for 168.73 feet along said north-  
erly line to a point on the west line of said  
Section 32; thence south along said section line  
846.47 feet to the point of beginning.

23 Section 2. That new Plats 302 E and 303 W are added to  
24 the Official Land Use Map adopted by Ordinance 110669, and  
25 that Plat 78 W, Page 183 thereof is amended, to zone the  
26 aforesaid property to Commercial 2 (C2/65') zone as shown on  
27 Exhibit "A", and the City Clerk is directed to place a copy of  
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said Exhibit "A" in a volume entitled "Zoning Map Amendments", all as contemplated in C.F. No. 290891.

Section 3. That the Property Use and Development Agreement which was submitted to the City by the owners of the property described in Section 1 hereof, recorded in the records of the Director of Records and Elections of King County and filed in C.F. 290891 by which said owners agree to certain restrictions and conditions upon the use and development of said property, is hereby accepted, and the City Clerk is hereby authorized and directed to deliver copies of the same to the Director of Construction and Land Use and the Community Development Director.

(To be used for all Ordinances except Emergency.)

Section 4..... This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 29<sup>th</sup> day of September, 1986, and signed by me in open session in authentication of its passage this 29<sup>th</sup> day of September, 1986.

*[Signature]*  
President..... of the City Council.

Approved by me this 6<sup>th</sup> day of October, 1986.

*[Signature]*  
Mayor.

Filed by me this 6<sup>th</sup> day of October, 1986.

Attest: *[Signature]*  
City Comptroller and City Clerk.

(SEAL)

Published.....

By *[Signature]*  
Deputy Clerk.

PUBLISH  DO NOT PUBLISH  
CITY ATTORNEY \_\_\_\_\_

ORD. 113093

THE CITY OF SEATTLE

LAW DEPARTMENT

MUNICIPAL BUILDING . SEATTLE, WASHINGTON 98104

AREA CODE 206 TELEPHONE 625-2402

DOUGLAS N. JEWETT, CITY ATTORNEY

January 23, 1987

FILED  
CITY OF SEATTLE  
JAN 26 AM 10:04  
CLERK

King County Council  
King County Courthouse  
Seattle, WA 98104

Re: Ordinances 113093 and 113271  
Annexation of Duwamish Heights

Honorable Members:

In accordance with RCW 35.13.150 we transmit herewith certified copies of Ordinances 113093 and 113271 annexing to Seattle certain property in Section 32, Township 24 North, Range 4 East, W. M. and Sections 5 and 6, Township 23 North, Range 4 East, W. M., in King County, Washington. The legal description in the earlier Ordinance (113093) was erroneous, and the later Ordinance (113271) corrects the description to conform to the proposal considered and approved by the Seattle City Council and the Boundary Review Board.

The Washington State Boundary Review Board for King County approved the proposal on November 25, 1986 by declining to invoke jurisdiction over the annexation. A copy of this letter of that date is enclosed.

Very truly yours,

DOUGLAS N. JEWETT  
City Attorney

By: *Gordon F. Crandall*  
GORDON F. CRANDALL  
Assistant City Attorney

King County Council  
402 King County Courthouse  
Seattle, WA 98104

*Received 1-26-87*  
*Helene Maciulski*  
*Annexation Clerk*  
GFC:jrs

Enclosure

cc: Seattle City Clerk  
cc: Duwamish Heights  
Joint Venture  
c/o Val Rupicks

King County Council  
402 King County Courthouse  
Seattle, WA 98104

JB:pdk  
9/25/86  
7:ORD

86/11/25  
RECD F  
CRSHSL

#0659 E  
8.00  
\*\*\*\*8.00

BY THE CLERK OF  
RECORDS &  
KING COUNTY

LATE FILE

w/ Ord

113093 3

8611250659

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AN ORDINANCE relating to annexation, land use and zoning; annexing to The City of Seattle portions of Section 32, Township ~~26~~<sup>24</sup> North, Range 4 East, W.M., and Sections 5 and 6, Township 23 North, Range 4 East, W.M., in King County; adding new Plats 302 E and 303 W to the Official Land Use Map and amending Plat 78 W, Page 183 thereof to zone the annexed property in the Commercial 2 Zone (C2/65'), and accepting a Property Use and Development Agreement in connection therewith.

WHEREAS, a petition has been filed for annexation to the city of certain contiguous property hereinafter described (Comptroller's File No. 290891) which petition complies in all respects to the requirements of Chapter 35.13.125-160 RCW; and

WHEREAS, said petition proposes establishment of the Commercial 2 Zone (C2/65') for the real property hereinafter described; and

WHEREAS, two public hearings have been held upon said petition after due notice and posting as required by Chapter 35.13.140 RCW; and

WHEREAS, the City Council has determined to grant said petition, to annex said property and to establish the initial zoning; Now, Therefore,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. That the following described property be and the same is hereby annexed to the City as of the effective date of this ordinance, and on and after said date the same shall be and become a part of the City of Seattle and be embraced within the boundaries thereof under the provisions of Chapter 35.13 RCW:

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A portion of the southwest quarter of Section 32, Township 24 North, Range 4 East, W.M., in King County, Washington. Also a portion of the northeast quarter of the northeast quarter of Section 6, and the northwest quarter of Section 5, Township 23 North, Range 4 East, W.M., in King County Washington.

Beginning at the corner common to said Sections 31, 32, 6 and 5; thence west along the north line of said Section 6, for 654.11 feet; thence south 05°28'00" west for 30.07 feet to a point being the northeasterly corner of the land conveyed to the Housing Authority of the County of King, recorded under Auditor's File No. 4413217; thence south along the east line of said tract of land for 1174 feet; more or less to the north margin of S.W. 100th Street; thence east along said north margin for 686.29 feet to the east line of said Section 6; thence north along said east line for 186.07 feet; thence south 88°38'48" east for 95 feet; thence north 88°33'05" east for 94.68 feet to the west margin of Occidental Avenue S.; thence north along said margin, for 87.52 feet to the southerly line of Parcel "B", conveyed under Auditor's File No. 8002200456; thence southeast, along said southerly line, for 37.12 feet; thence northeast along said southerly line for 537.72 feet; thence north 23°10'47" east, for 6.66 feet to the westerly Margin of Myers Way South; thence easterly to the intersection of the easterly margin of Myers Way south and the southerly margin of the City of Seattle transmission right of way; thence south along said easterly margin to the north margin of South 100th Street; thence east along said north margin to the westerly margin of SR-509 as condemned in King County Cause No. 670900; thence northwesterly, northeasterly, and northwesterly along said westerly margin to the north line of Section 5; thence west along said north line to the westerly margin of Myers Way South; thence northwesterly along said west margin 880 feet more or less to the north line of Parcel "C", conveyed under Auditor's File No. 8002200456; thence north 88°38'49" west, for 168.73 feet along said northerly line to a point on the west line of said Section 32; thence south along said section line 846.47 feet to the point of beginning.

Section 2. That new Plats 302 E and 303 W are added to the Official Land Use Map adopted by Ordinance 110669, and that Plat 78 W, Page 183 thereof is amended, to zone the aforesaid property to Commercial 2 (C2/65') zone as shown on Exhibit "A", and the City Clerk is directed to place a copy of

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said Exhibit "A" in a volume entitled "Zoning Map Amendments", all as contemplated in C.F. No. 290891.

Section 3. That the Property Use and Development Agreement which was submitted to the City by the owners of the property described in Section 1 hereof, recorded in the records of the Director of Records and Elections of King County and filed in C.F. 290891 by which said owners agree to certain restrictions and conditions upon the use and development of said property, is hereby accepted, and the City Clerk is hereby authorized and directed to deliver copies of the same to the Director of Construction and Land Use and the Community Development Director.



(To be used for all Ordinances except Emergency.)

8611250659

STATE OF WASHINGTON )  
COUNTY OF KING ) SS  
CITY OF SEATTLE )

I, NORWARD J. BROOKS, Comptroller and City Clerk of the City of Seattle, do hereby certify that the within and foregoing is a true and correct copy of the original instrument as the same appears on file, and of record in this department.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of The City of Seattle, this 19<sup>th</sup> day of November 1986

NORWARD J. BROOKS  
Comptroller and City Clerk

By: Margaret Carter  
Deputy Clerk

Return to:

NORWARD J. BROOKS CITY COMPTROLLER  
101 SEATTLE MUNICIPAL BUILDING  
SEATTLE, WA 98104

Section 4..... This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 29<sup>th</sup> day of September, 1986,  
and signed by me in open session in authentication of its passage this 29<sup>th</sup> day of September, 1986.  
[Signature]  
President..... of the City Council.

Approved by me this 6<sup>th</sup> day of October, 1986.  
[Signature]  
Mayor.

Filed by me this 6<sup>th</sup> day of October, 1986.

Attest: Norward J. Brooks  
City Comptroller and City Clerk.

By: Margaret Carter  
Deputy Clerk.

(SEAL)

Published.....

PUBLISH  DO NOT PUBLISH  
CITY ATTORNEY \_\_\_\_\_

*Action: Application  
of Brooks*

NORWARD J. BROOKS Seattle City Comptroller RECEIVED						
NOV 12 1986						
	ADM	ADCT	CLK	SYS	AUD	FIN
ACT			<input checked="" type="checkbox"/>			
INFO	<input checked="" type="checkbox"/>					

THE CITY OF SEATTLE

LAW DEPARTMENT  
MUNICIPAL BUILDING . SEATTLE, WASHINGTON 98104  
AREA CODE 206 TELEPHONE 625-2402  
DOUGLAS N. JEWETT, CITY ATTORNEY

**ORD.# 113093**

November 10, 1986

Honorable Norward Brooks  
City Comptroller & Clerk  
The City of Seattle

Re: Ordinance 113093

Dear Mr. Brooks:

Ordinance 113093 was passed by the City Council and approved by the Mayor on October 6, 1986. The ordinance related to annexation of certain property at the South City limits, in "portions of Section 32, Township 24 North, Range 4 East, W.M. and Sections 5 and 6, Township 23 North, Range 4 East, W.M., in King County."

The title to the ordinance incorrectly states that some of the property to be annexed is in Township 26 North rather than Township 24 North. The body of the ordinance correctly identifies the property as in Township 24 North.

To correct any misapprehension that may have been conveyed by this typographical error, we recommend that the error be corrected on the ordinance and in your indices, and that the ordinance as corrected be republished with a brief explanation of the error. We do not think its necessary for the City Council to re-adopt the ordinance under the circumstances here. 5 McQuillin, Municipal Corporations (3rd Ed. Rev.) § 14.10.

Very truly yours,

DOUGLAS N. JEWETT  
City Attorney

By *Gordon F. Crandall*  
GORDON F. CRANDALL  
Senior Assistant

GFC:rlh  
cc: City Council  
Val Rupieks, Duwamish Heights  
Joint Venture  
King County Boundary Review Board  
John Braden, DCD

CORRECTION NOTICE

City of Seattle Ordinance No. 113093 submitted to Daily Journal of Commerce on October 8, 1986, and published on Friday, October 10, 1986, incorrectly states in the title that some of the property to be annexed is in Township 26 North rather than Township 24 North. The correct title should read as shown below.

ORDINANCE

113093

AN ORDINANCE relating to annexation, land use and zoning; annexing to The City of Seattle portions of Section 32, Township ~~26~~<sup>24</sup> North, Range 4 East, W.M., and Sections 5 and 6, Township 23 North, Range 4 East, W.M., in King County; adding new Plats 302 E and 303 W to the Official Land Use Map and amending Plat 78 W, Page 183 thereof to zone the annexed property in the Commercial 2 Zone (C2/65'), and accepting a Property Use and Development Agreement in connection therewith.

11/14/86  
Margaret Carter, Deputy Clerk

11/11/86

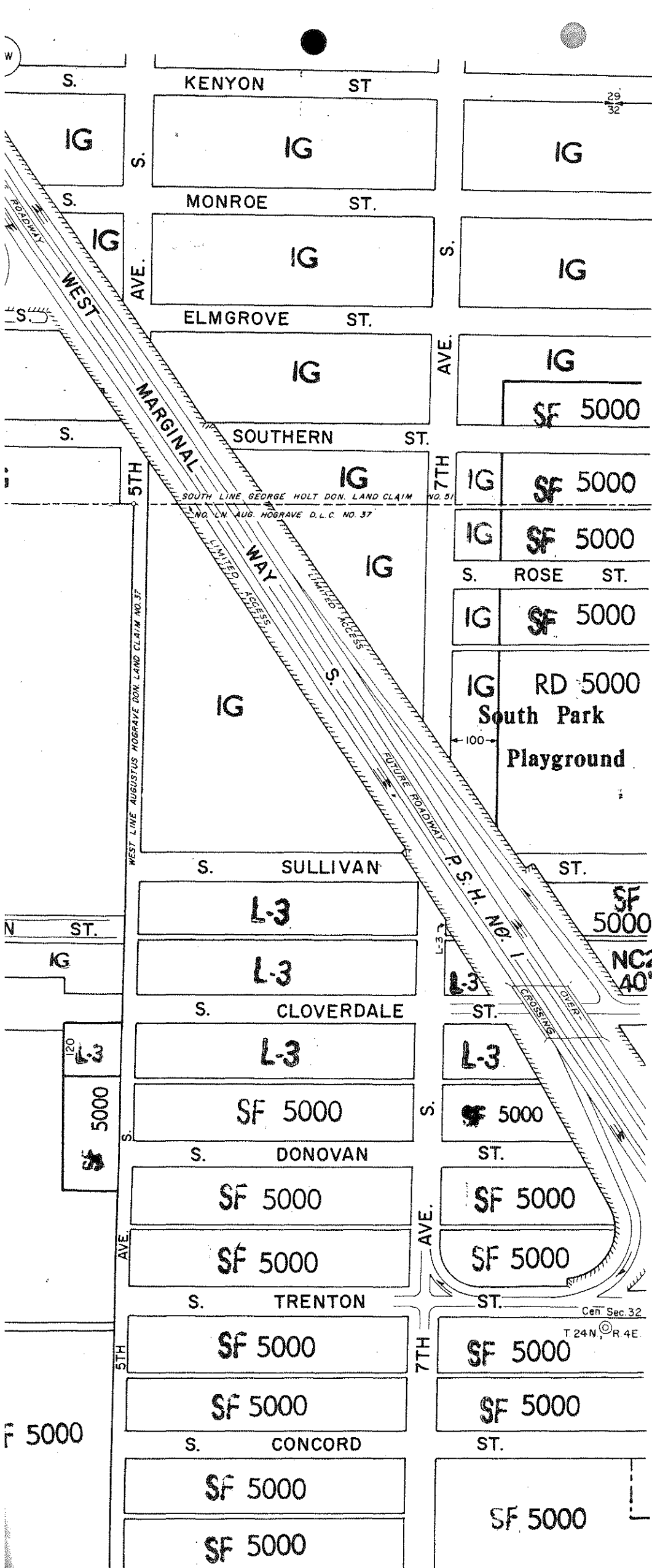
CONTRACT

Ken Mar, Construction and  
Land-use did not submit  
Maps until November 19, 1986.

K2781

me





KENYON ST

MONROE ST.

ELMGROVE ST.

SOUTHERN ST.

S. SULLIVAN ST.

S. CLOVERDALE ST.

S. DONOVAN ST.

S. TRENTON ST.

S. CONCORD ST.

WEST MARGINAL AVE.

5TH

7TH

WEST LINE AUGUSTUS HOGRAVE DON. LAND CLAIM NO. 37

SOUTH LINE GEORGE HOLT DON. LAND CLAIM NO. 51

NO. LN. AUG. HOGRAVE D.L.C. NO. 37

LIMITED ACCESS

LIMITED ACCESS

FUTURE ROADWAY

L-3

L-3

L-3

L-3

L-3

L-3

L-3

L-3

SF 5000  
NC2  
40'

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

RD 5000

South Park  
Playground

SF 5000

NC2  
40'

L-3

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

Cen Sec. 32  
T 24 N, R 4 E

29  
32

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120  
L-3  
SF 5000

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77E

31732

S. 1ST AVE.

31732  
645

OCCEIDENT ST AVE. S.

S. TRENTON ST.

SF 5000

SF 5000

SF 5000

SF 5000

S. AVE.

S. AVE.

HENDERSON ST.

SF 5000

SF 5000

SF 5000

S. S. S. S.

AMH

2ND

3RD

BARTON ST.

S. AVE.

S. 5TH

S.

SF 50

SF 50

S.

SF 50

SF 50

S.

SF 50

SF 50

S. LN. AVE. HOORAVE D.L.C.

SF 5000

SEATTLE CORPORATE LIMIT

4TH

MEYERS WAY

C2

65'

CONTRACT  
C.F. 290891

C.F. 290891

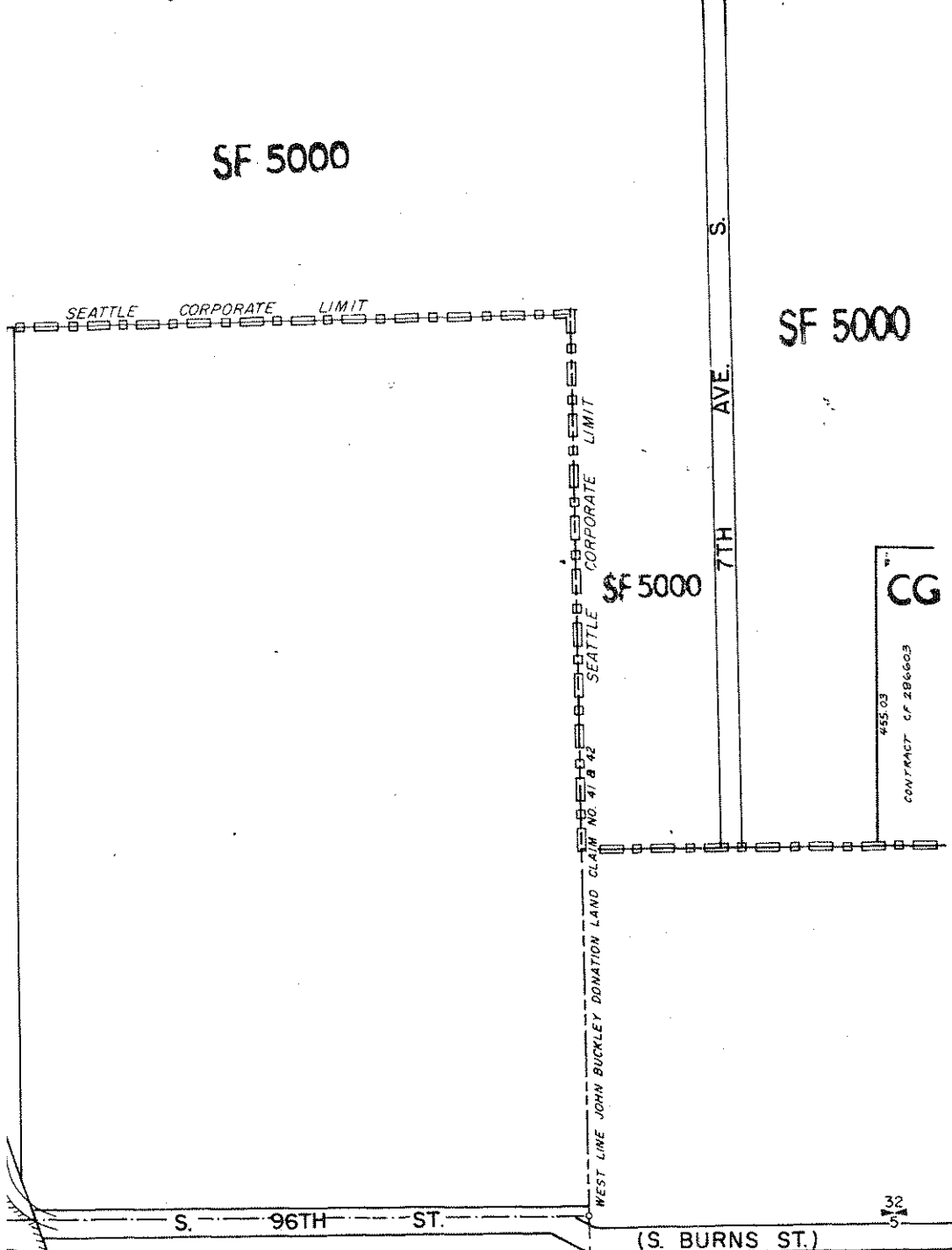
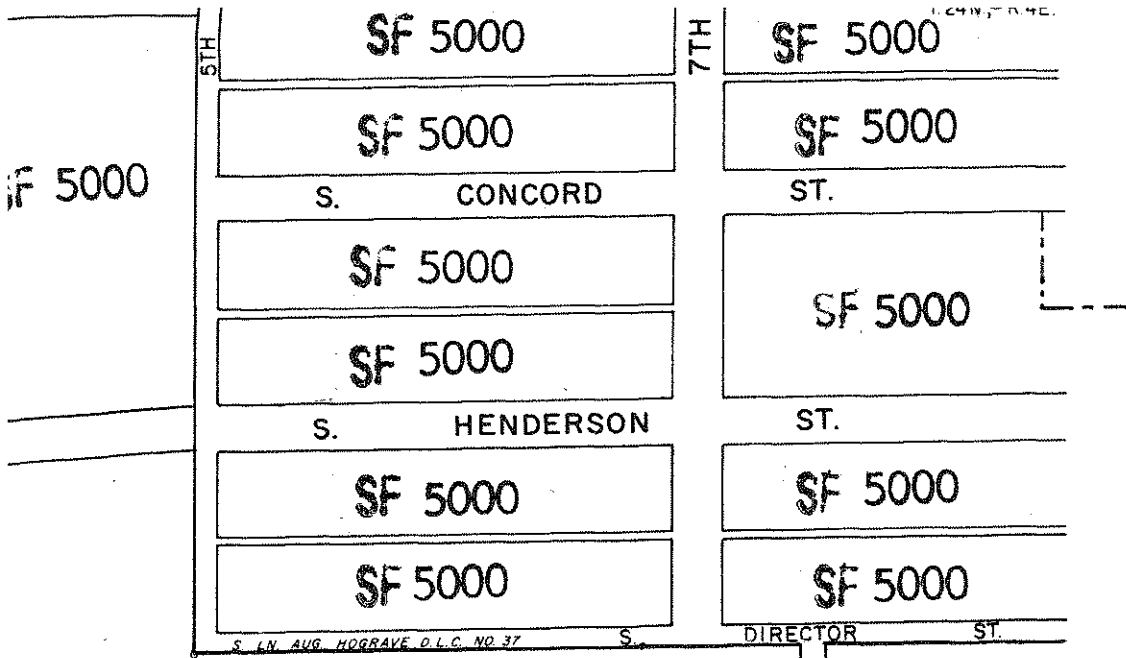
SCALE: 1 INCH = 200 FEET

303W

ORD. 113093

183 Eff. date

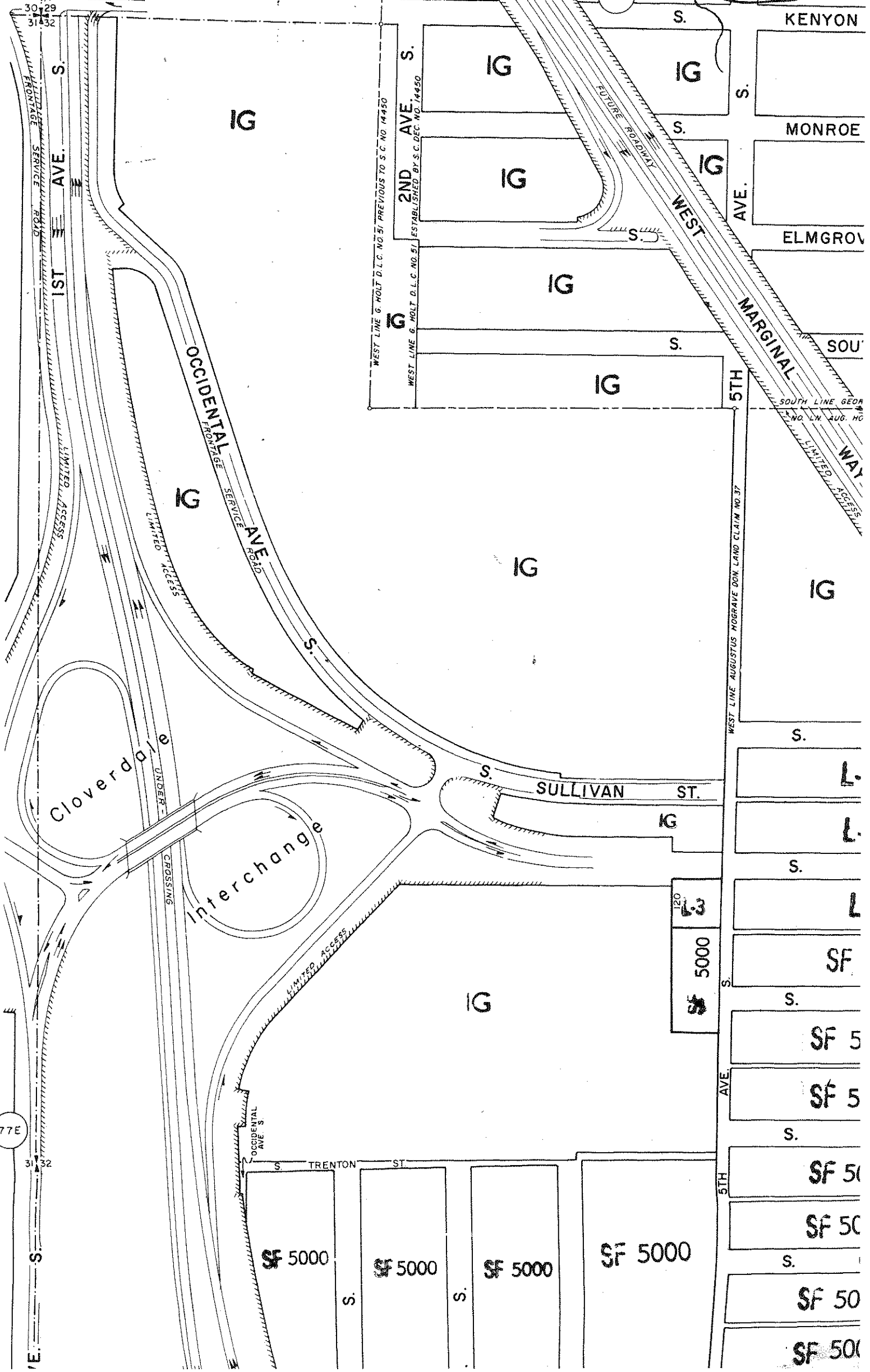
S. 96TH

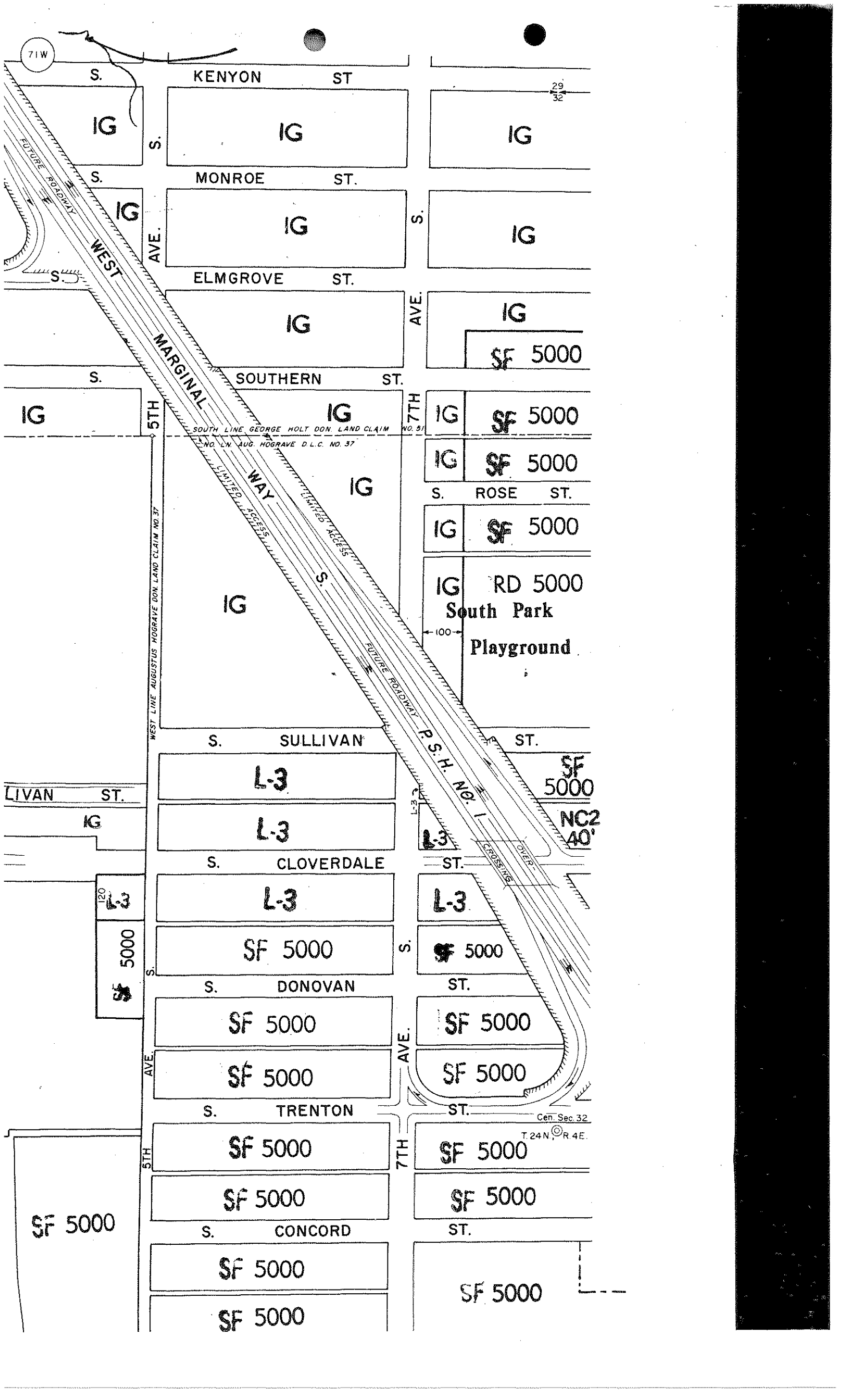


3W ORD. 113093 CONTRACT  
 83 Eff. date 11/5/86



78W W 1/2 32-24-4





71W

S. KENYON ST

IG

IG

IG

S. MONROE ST.

IG

IG

IG

ELMGROVE ST.

IG

IG

SF 5000

S. SOUTHERN ST.

IG

IG

IG

SF 5000

SOUTH LINE GEORGE HOLT DON. LAND CLAIM NO. 51  
NO. LN. AUG. HOORAVE D.L.C. NO. 37

IG

SF 5000

S. ROSE ST.

IG

SF 5000

IG RD 5000

South Park  
Playground

S. SULLIVAN ST.

L-3

SF 5000

S. SULLIVAN ST.

IG

L-3

L-3

NC2  
40'

S. CLOVERDALE ST.

L-3

L-3

L-3

S. DONOVAN ST.

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

S. TRENTON ST.

SF 5000

SF 5000

Gen. Sec. 32

T. 24N., R. 4E.

S. CONCORD ST.

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

77E

1ST AVE. S.

TRENTON ST.

SF 5000

SF 5000

SF 5000

SF 5000

S. AVE.

S. AVE.

HENDERSON ST.

SF 5000

2ND

SF 5000

3RD

SF 5000

S. AVE.

BARTON ST.

SEATTLE CORPORATE LIMIT

NO. 1 K-1 HWY.

4TH

MEYERS WAY

C2

65'

CONTRACT C.F. 290891

31 32  
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S.	SF 5000
S.	SF 5000
S.	SF 5000
S.	SF 5000
S.	SF 5000
S.	SF 5000

SF 5000

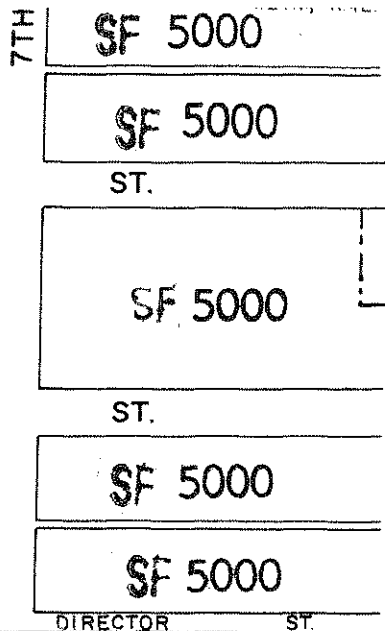
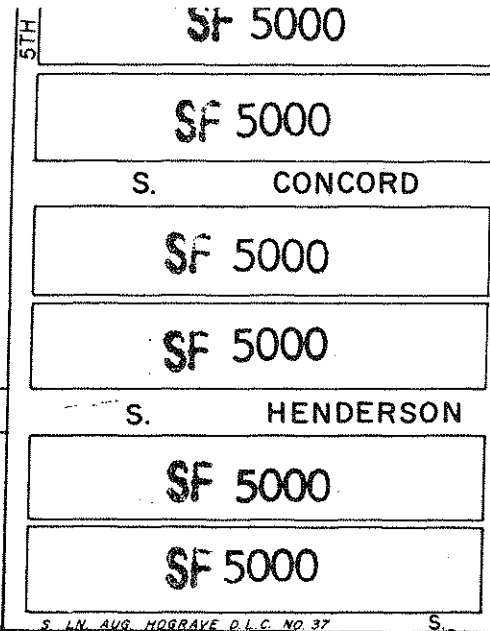
303W

SCALE: 1 INCH = 200 FEET

C.F. 290891

1203  
183 ORD. 113093 C  
Eff. date

SF 5000



SF 5000

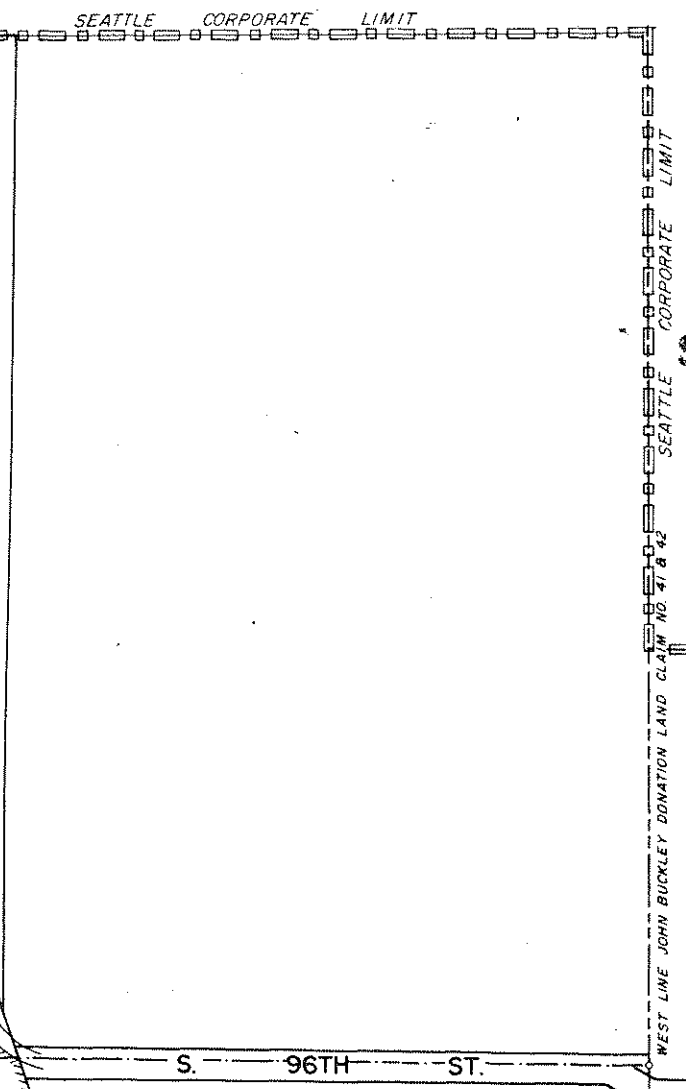
SF 5000

SF 5000

CG

CONTRACT OF 286603

RECEIVED  
 JUN 19 AM 9 56  
 CITY OF SEATTLE



7TH AVE.

S. 96TH ST.

(S. BURNS ST.)

33 ORD. 11203  
 113093 CONTRACT  
 Eff. date 11/5/86

303W

W 1/2 5-23-4

78W

31 32  
6 5

S 96TH

C2  
65'

CONTRACT  
C.F. 290891

C2  
65'

CONTRACT  
C.F. 290891

C2  
65'

CONTRACT  
C.F. 290891

C2  
65'

CONTRACT  
C.F. 290891

CITY OF SEATTLE TRANSMISSION LINE

RIGHT OF WAY

SEATTLE

CORB MYERS

BURIEN

FREEMWAY

LIMITED ACCESS

OCCIDENTAL AVE. S.

2ND AVE. S.

3RD AVE. S.

S 99TH ST.

LIMIT

LIMITED ACCESS

S 100TH ST

2ND AVE. S.

AVE. S.

WAY

PIPE LINE

S 102ND ST

S 102ND ST.

OCCIDENTAL

3RD AVE. S.

4TH AVE. S.

STAIR

302E

6 5

S

104TH ST

ST

(RYAN ST)

AVE. S.

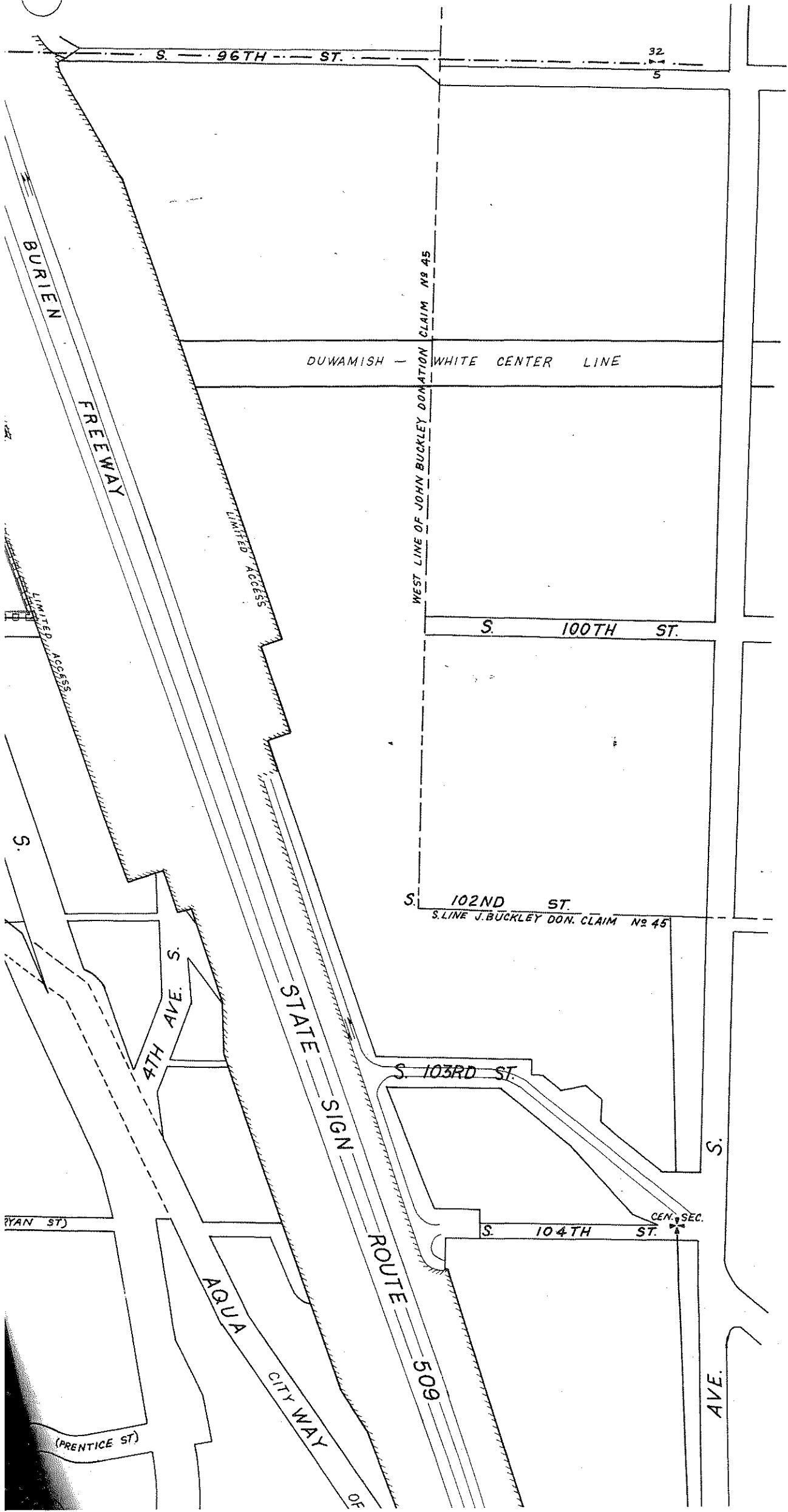
AVE. S.

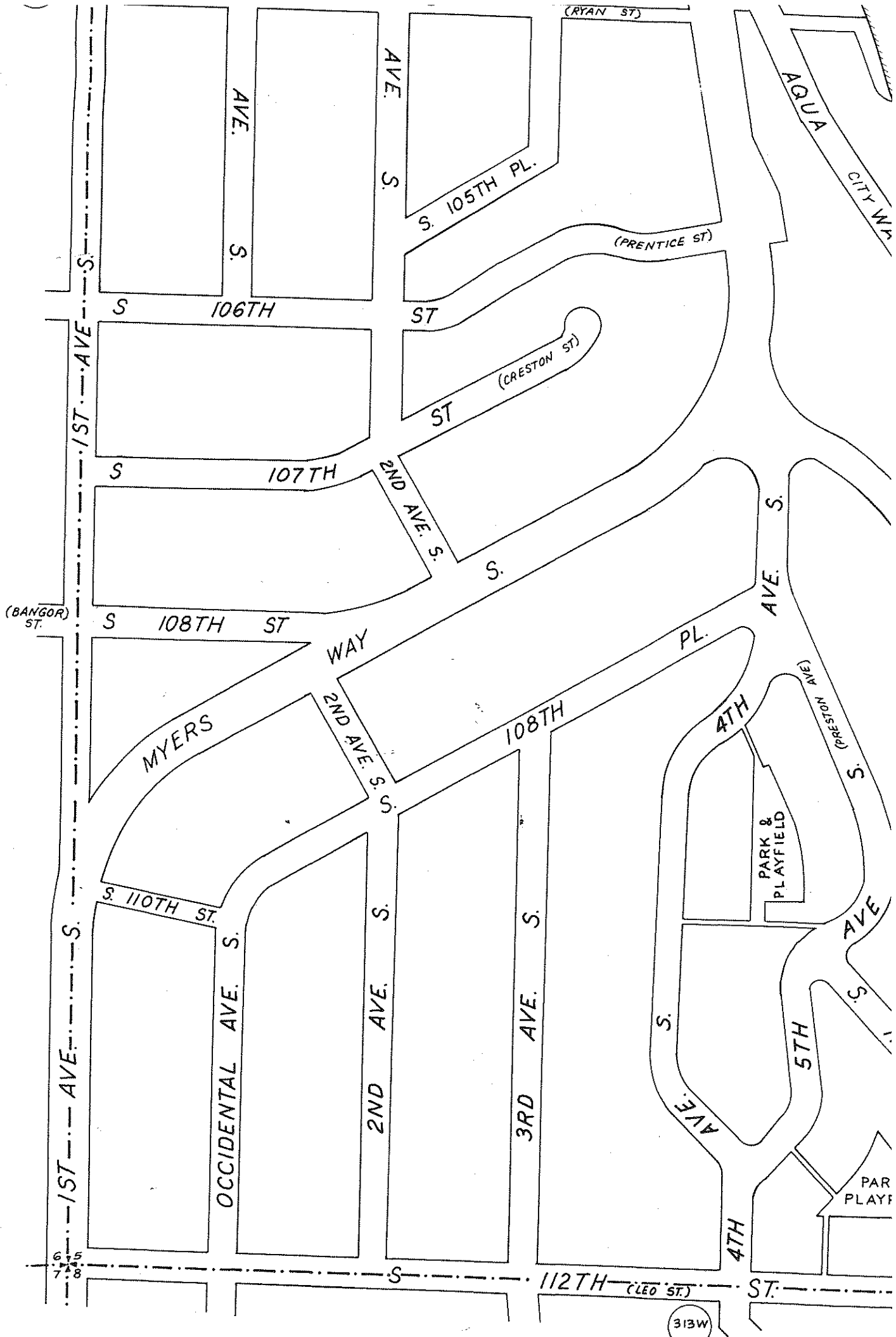
S 105TH PL.

(PRENTICE ST)

AQUA

CITY WA.



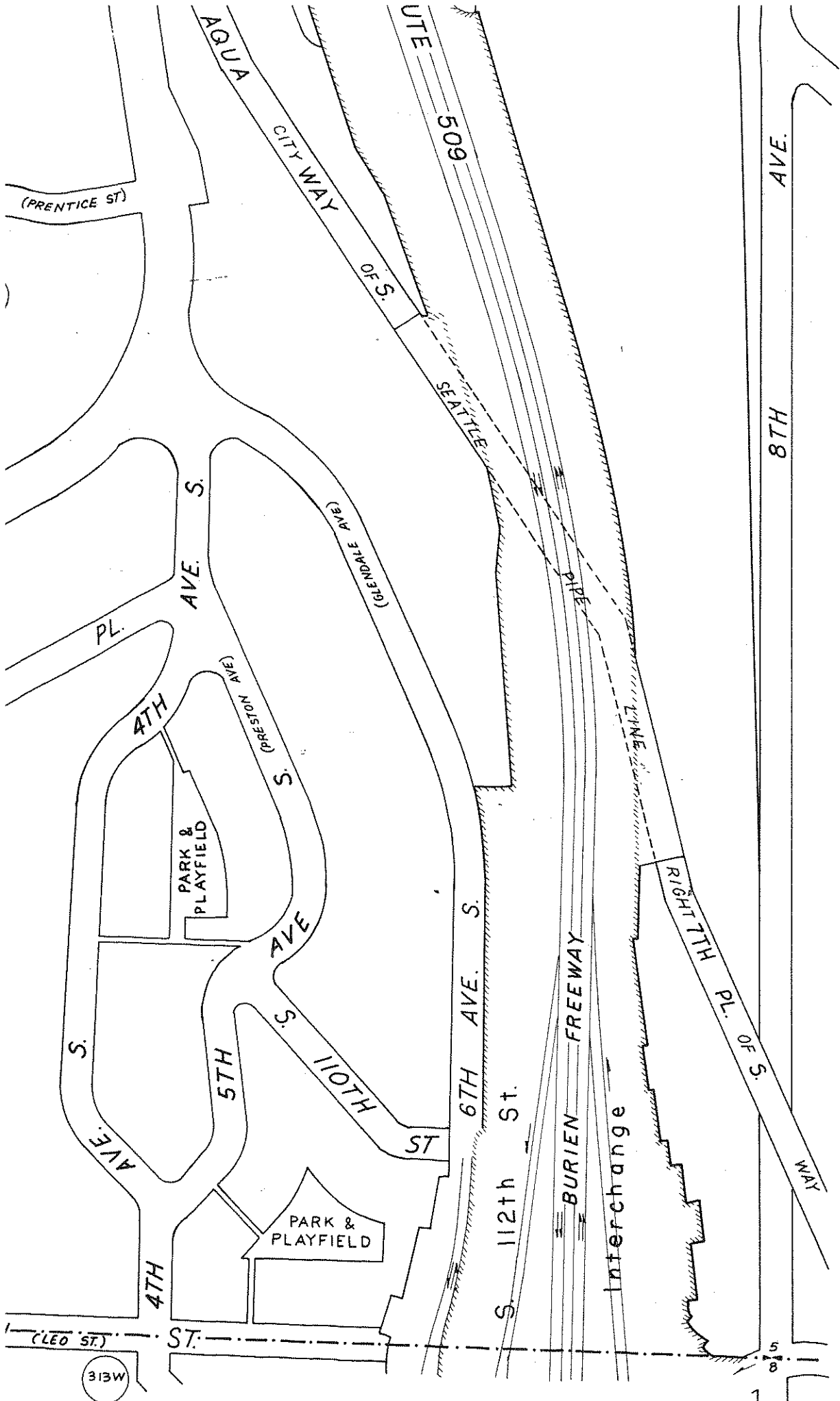


C.F. 290891

ORD. 113091

206 Eff. da

SCALE: 1 INCH = 200 FEET



ORD. 113093

206 Eff. date

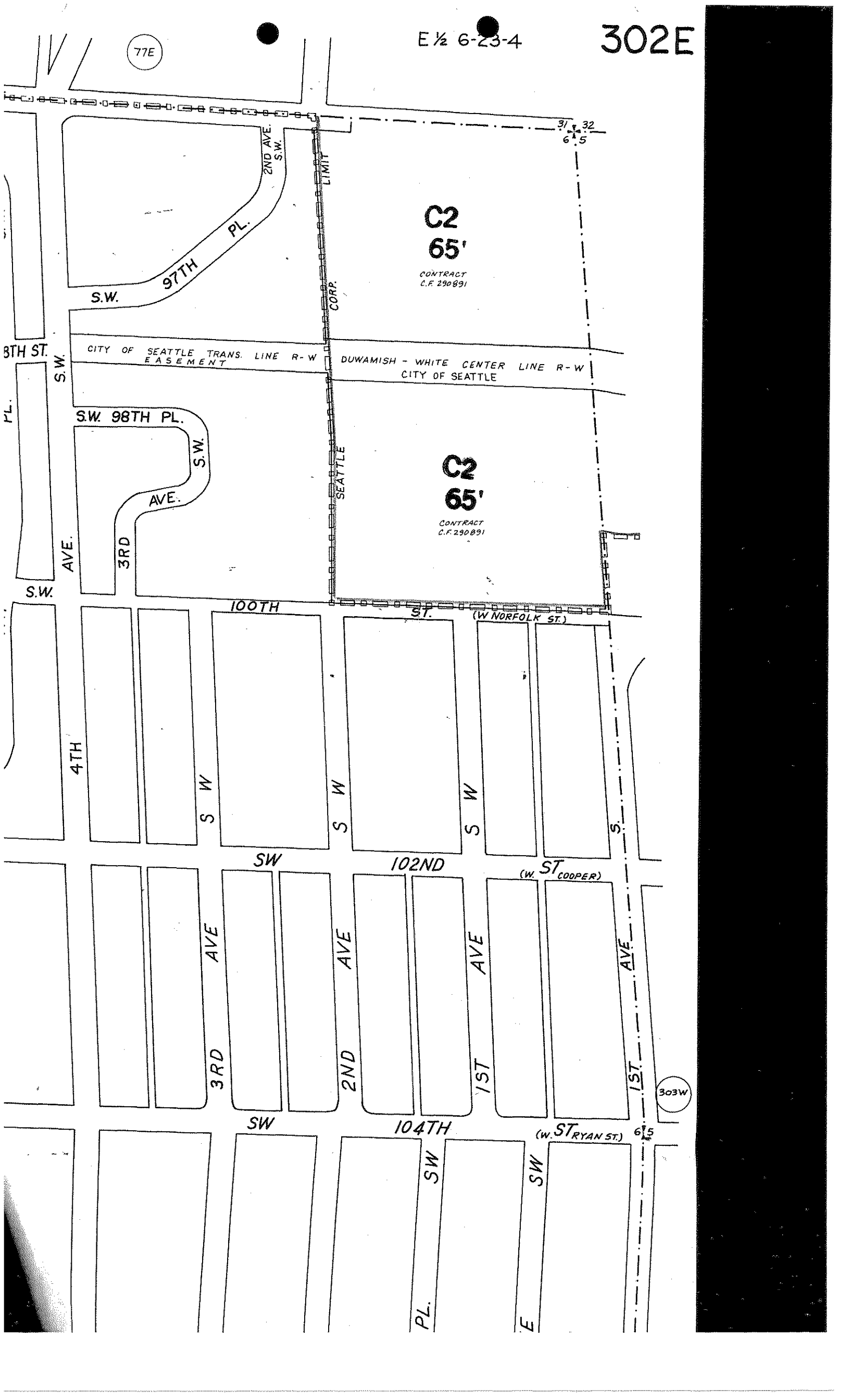
CONTRACT

11/5/86





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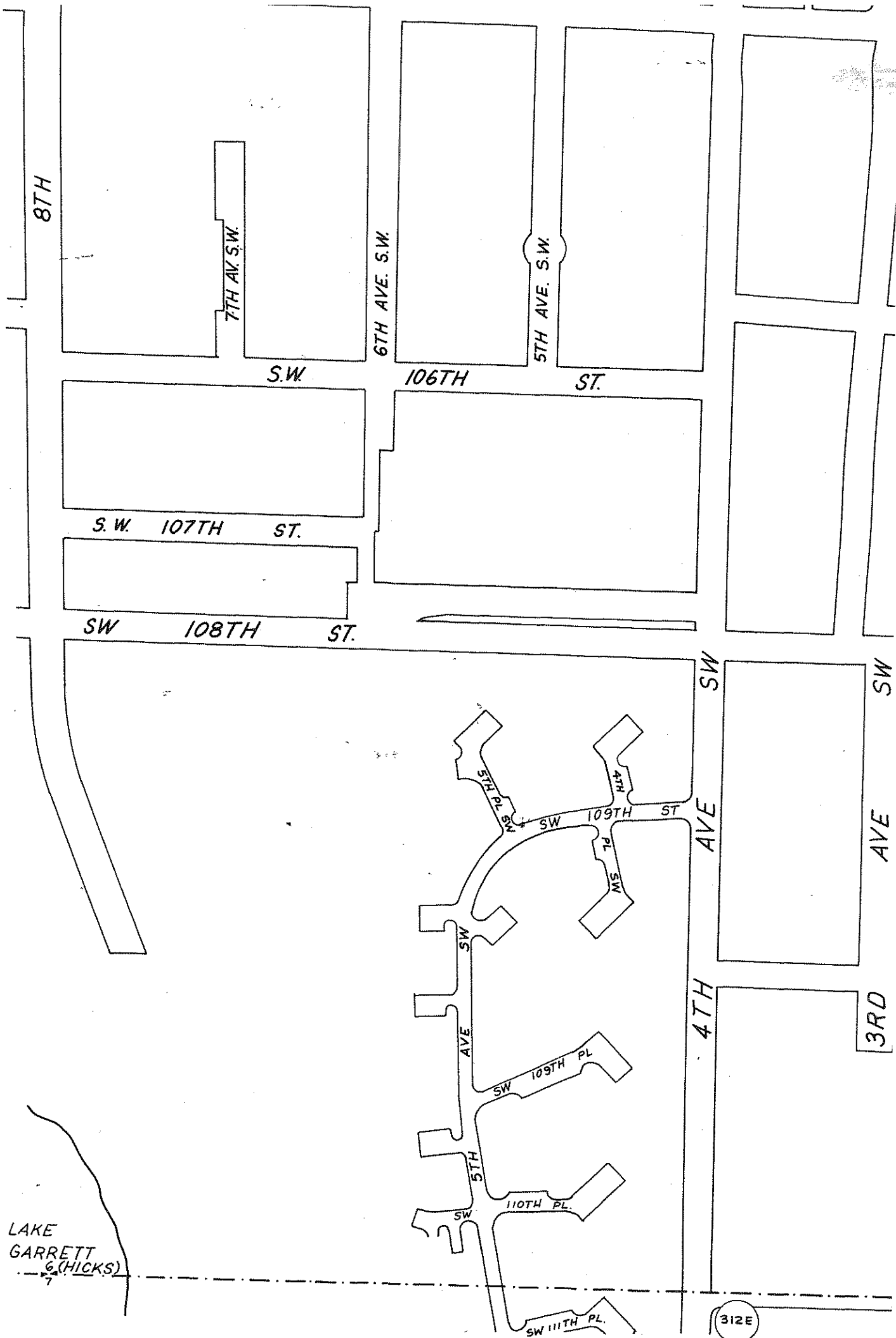
C2  
65'

CONTRACT  
C.F. 290891

C2  
65'

CONTRACT  
C.F. 290891

303W



C.F. 290891

205 ORD. 112093  
 Eff. dat.



ORD # 1130 93

C-571

**Affidavit of Publication**

**STATE OF WASHINGTON  
KING COUNTY—SS.**

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a  
.....  
Correction Notice  
.....  
Ordinance No. 113093  
.....  
was published on ..... November 17, 1986

**City of Seattle**

**CORRECTION NOTICE**

City of Seattle Ordinance No. 113093 submitted to Daily Journal of Commerce on October 8, 1986, and published on Friday, October 10, 1986, incorrectly states in the title that some of the property to be annexed is in Township 26 North rather than Township 24 North. The correct title should read as shown below.

ORDINANCE 113093

AN ORDINANCE relating to annexation, land use and zoning; annexing to The City of Seattle portions of Section 32, Township 24 North, Range 4 East, W.M., and Sections 5 and 6, Township 23 North, Range 4 East, W.M., in King County; adding new Plats 302 E and 303 W to the Official Land Use Map and amending Plat 78 W, Page 183 thereof to zone the annexed property in the Commercial 2 Zone (C2/65'), and accepting a Property Use and Development Agreement in connection therewith.

Publication ordered by NORWARD J. BROOKS, Comptroller and City Clerk.  
Date of official publication in Daily Journal of Commerce, Seattle, November 17, 1986.  
(C-571-X)

*V. Rain*

Subscribed and sworn to before me on  
November 17, 1986

*Richard C. Jones*  
Notary Public for the State of Washington,  
residing in Seattle.

City of Seattle

ORDINANCE 113093

ORDINANCE relating to annexation, land use and zoning; annexing to The City of Seattle portions of Section 32, Township 26 North, Range 4 East, W.M., and Sections 5 and 6, Township 23 North, Range 4 East, W.M., in King County; adding new Plats 302 E and 303 W to the Official Land Use Map and amending Plat 78 W, Page 183 thereof to zone the annexed property in the Commercial 2 Zone (C2/65'), and accepting a Property Use and Development Agreement in connection therewith.

WHEREAS, a petition has been filed for annexation to the City of certain contiguous property hereinafter described (Comptroller's File No. 290891) which petition complies in all respects to the requirements of Chapter 35.13.125-160 RCW; and

WHEREAS, said petition proposes establishment of the Commercial 2 Zone (C2/65') for the real property hereinafter described; and

WHEREAS, two public hearings have been held upon said petition after due notice and posting as required by Chapter 35.13.140 RCW; and

WHEREAS, the City Council has determined to grant said petition, to annex said property and to establish the initial zoning; Now, Therefore,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. That the following described property be and the same is hereby annexed to the City as of the effective date of this ordinance, and on and after said date the same shall be and become a part of the City of Seattle and be embraced within the boundaries thereof under the provisions of Chapter 35.13 RCW:

A portion of the southwest quarter of Section 32, Township 24 North, Range 4 East, W.M., in King County, Washington. Also a portion of the northeast quarter of the northeast quarter of Section 6, and the northwest quarter of Section 5, Township 23 North, Range 4 East, W.M., in King County Washington.

Beginning at the corner common to said Sections 31, 32, 6 and 5; thence west along the north line of said Section 6, for 654.11 feet; thence south 05°28'00" west for 30.07 feet to a point being the northeasterly corner of the land conveyed to the Housing Authority of the County of King, recorded under Auditor's File No. 4413217; thence south along the east line of said tract of land for 1174 feet; more or less to the north margin of S.W. 100th Street; thence east along said north margin for 686.29 feet to the east line of said Section 6; thence north along said east line for 186.07 feet; thence south 88°38'48" east for 95 feet; thence north 88°33'05" east for 94.68 feet to the west margin of Occidental Avenue S.; thence north along said margin, for 87.52 feet to the southerly line of Parcel "E", conveyed under Auditor's File No. 8002200456; thence southeast, along said southerly line, for 37.12 feet; thence northeast along said southerly line for 537.72 feet; thence north 23°10'47" east, for 6.66 feet to the westerly margin of Myers Way South; thence easterly to the intersection of the easterly margin of Myers Way South and the southerly margin of the City of Seattle transmission right of way; thence south along said easterly margin to the north margin of South 100th Street; thence east along said north margin to the westerly margin of SR-509 as condemned in King County Cause No. 670900; thence northwesterly, northeasterly, and northwesterly along said westerly margin to the north line of Section 5; thence west along said north line to the westerly margin of Myers Way South; thence northwesterly along said west margin 880 feet more or less to the north line of Parcel "C", conveyed under Auditor's File No. 8002200456; thence north 88°38'49" west, for 168.73 feet along said northwesterly line to a point on the west line of said Section 32; thence south along said section line 116.47 feet to the point of beginning.

Section 2. That new Plats 302 E and 303 W are added to the Official Land Use Map adopted by Ordinance 110669, and that Plat 78 W, Page 183 thereof is amended, to zone the aforesaid property to Commercial 2 (C2/65') zone as shown on Exhibit "A", and the City Clerk is directed to place a copy of said Exhibit "A" in a volume entitled "Zoning Map Amendments", all as contemplated in C.P. No. 290891.

Section 3. That the Property Use and Development Agreement which was submitted to the City by the owners of the property described in Section 1 hereof, recorded in the records of the Director of Records and Elections of King County and filed in C.P. 290891 by which said owners agree to

by the appropriation and transfer, hereby made of the following sums, or so much thereof as may from the named funds to the appropriate expenditure the Engineering Operating Fund: Cumulative Reserve Hundred Thirty-Four Thousand Dollars (\$334,000) Three Hundred Thirty-Three Thousand Dollars (\$ Sewer Fund: Three Hundred Thirty-Three Tho (\$533,000). The appropriations from the latter for utility purposes, not contemplated in the pre 1986 Budget. The City Comptroller is authorized t City Treasurer to pay the necessary warrants and sary transfers.

Section 2. Any act consistent with the auth to the effective date of this ordinance is heret confirmed.

Section 3. This ordinance shall take effect and be in force thirty days from approval, if approved by the Mayor; otherwise it shall take effect at the time it the provisions of the city charter.

Passed by the City Council the 29th day of September, 1986, and signed authentication of its passage this 29th day of September, 1986.

SAM SMITH, President of the City Council.

Approved by me this 6th day of October, 1986.

CHARLES ROYER, Mayor.

Filed by me this 6th day of October, 1986.

Attest: NORWARD J. BROOKS, City Comptroller and City Clerk.

(Seal) By MARGARET CARTER, Deputy Clerk.

Publication ordered by NORWARD J. BROOKS, Comptroller and City Clerk Date of official publication in Daily Journal of Commerce, Seattle, October

City of Seattle

ORDINANCE 113097

AN ORDINANCE relating to the Engineering Department reconstruction activities for the North Station Corridor Transportation Plan; hiring of a consultant; and making appropriate Engineering Department Operating and Emergency

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. As requested by the Director of recommended by the Mayor in the attachments her of Engineering is authorized to begin preconstruction for the North Kingdome/Union Station Corridor Plan and to hire expert or consultant services. For such purposes, the expenditure allowance budget of the Engineering Department is increased

Table with 2 columns: Program Category, Object of Expenditure. Row 1: 3400 - Office for Planning, 53000 - Other Services Charges

and the sum of Sixty Thousand Dollars (\$60,000) thereof as may be necessary, is hereby appropriated from the Engineering Department Operating Fund. The Emergency Fund shall be reimbursed by the transfer hereby made and authorized of a like amount from the Emergency Fund. The City Comptroller is authorized the City Treasurer to pay the necessary warrants and necessary transfers.

Section 2. Any act consistent with the authorization to the effective date of this ordinance is hereby confirmed.

Section 3. WHEREAS, the appropriation of funds to meet actual necessary expenditures of the Engineering Department has been made due to causes reasonably have been foreseen at the time of the 1986 Budget; Now, Therefore, in accordance with the reason of the facts stated above and the emergency declared to exist, this ordinance shall be immediately upon the approval or signing of the Mayor or passage over his veto, as provided in the City Charter.

Passed by the three-fourths vote of all the members of the City Council 1986, and signed by me in open session in authentication of its passage this

SAM SMITH, President of the City Council.

Approved by me this 6th day of October, 1986.

CHARLES ROYER, Mayor.

AN ORDINANCE relating to zoning; annexing to The City of Seattle portions of Section 32, Township 26 North, Range 4 East, W.M., and Sections 5 and 6, Township 23 North, Range 4 East, W.M., in King County; adding new Plats 302 E and 303 W to the Official Land Use Map and amending Plat 78 W, Page 183 thereof to zone the annexed property in the Commercial 2 Zone (C2/65'), and accepting a Property Use and Development Agreement in connection therewith.

WHEREAS, a petition has been filed for annexation to the city of certain contiguous property hereinafter described (Comptroller's File No. 290891) which petition complies in all respects to the requirements of Chapter 35.13.125-160 RCW; and

WHEREAS, said petition proposes establishment of the Commercial 2 Zone (C2/65') for the real property hereinafter described; and

WHEREAS, two public hearings have been held upon said petition after due notice and posting as required by Chapter 35.13.140 RCW; and

WHEREAS, the City Council has determined to grant said petition, to annex said property and to establish the initial zoning; Now, Therefore,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. That the following described property be and the same is hereby annexed to the City as of the effective date of this ordinance, and on and after said date the same shall be and become a part of the City of Seattle and be embraced within the boundaries thereof under the provisions of Chapter 35.13 RCW:

A portion of the southwest quarter of Section 32, Township 24 North, Range 4 East, W.M., in King County, Washington. Also a portion of the northeast quarter of the northeast quarter of Section 6, and the northwest quarter of Section 5, Township 23 North, Range 4 East, W.M., in King County Washington.

Beginning at the corner common to said Sections 31, 32, 6 and 5; thence west along the north line of said Section 6, for 654.11 feet; thence south 05°28'00" west for 30.07 feet to a point being the northeasterly corner of the land conveyed to the Housing Authority of the County of King, recorded under Auditor's File No. 4413217; thence south along the east line of said tract of land for 1174 feet; more or less to the north margin of S.W. 100th Street; thence east along said north margin for 686.29 feet to the east line of said Section 6; thence north along said east line for 186.07 feet; thence south 88°38'48" east for 95 feet; thence north 88°33'05" east for 94.68 feet to the west margin of Occidental Avenue S.; thence north along said margin, for 87.52 feet to the southerly line of Parcel "B", conveyed under Auditor's File No. 8002200456; thence southeast, along said southerly line, for 37.12 feet; thence northeast along said southerly line for 537.72 feet; thence north 23°10'47" east, for 6.66 feet to the westerly Margin of Myers Way South; thence easterly to the intersection of the easterly margin of Myers Way south and the southerly margin of the City of Seattle transmission right of way; thence south along said easterly margin to the north margin of South 100th Street; thence east along said north margin to the westerly margin of SR-509 as

condemned in King County Cause No. 670900; thence northwesterly, northeasterly, and northwesterly along said westerly margin to the north line of Section 5; thence west along said north line to the westerly margin of Myers Way South; thence northwesterly along said west margin 880 feet more or less to the north line of Parcel "C", conveyed under Auditor's File No. 8002200456; thence north 88°38'49" west, for 168.73 feet along said northerly line to a point on the west line of said Section 32; thence south along said section line 846.47 feet to the point of beginning.

Section 2. That new Plats 302 E and 303 W are added to the Official Land Use Map adopted by Ordinance 110669, and that Plat 78 W, Page 183 thereof is amended, to zone the aforesaid property to Commercial 2 (C2/65') zone as shown on Exhibit "A", and the City Clerk is directed to place a copy of said Exhibit "A" in a volume entitled "Zoning Map Amendments", all as contemplated in C.F. No. 290891.

Section 3. That the Property Use and Development Agreement which was submitted to the City by the owners of the property described in Section 1 hereof, recorded in the records of the Director of Records and Elections of King County and filed in C.F. 290891 by which said owners agree to certain restrictions and conditions upon the use and development of said property, is hereby accepted, and the City Clerk is hereby authorized and directed to deliver copies of the same to the Director of Construction and Land Use and the Community Development Director.

Section 4. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 29th day of September, 1986, and signed by me in open session in authentication of its passage this 29th day of September, 1986.

SAM SMITH,  
President of the City Council.

Approved by me this 6th day of October, 1986.

CHARLES ROYER,  
Mayor.

Filed by me this 6th day of October, 1986.

Attest: NORWARD J. BROOKS,  
City Comptroller and City Clerk.

(Seal) By MARGARET CARTER,  
Deputy Clerk.

Publication ordered by NORWARD J. BROOKS, Comptroller and City Clerk.

Date of official publication in Daily Journal of Commerce, Seattle, October 10, 1986. (C-510-X)

# Affidavit of Publication

C-510X

City of Seattle

STATE OF WASHINGTON  
KING COUNTY—SS.

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a .....  
Ordinance 113093

was published on October 10, 1986

*B. Blair*  
Subscribed and sworn to before me on

October 10, 1986

*Robert C. Jones*  
Notary Public for the State of Washington,  
residing in Seattle.



JB:pdk  
9/9/86  
7:AGRL.  
9-19-86

**COPY**

PROPERTY USE AND DEVELOPMENT AGREEMENT

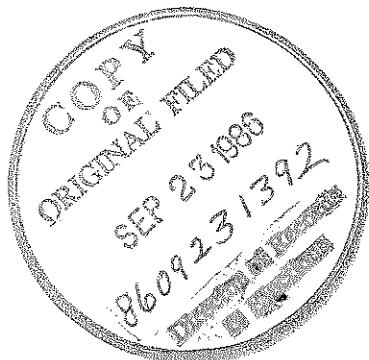
THIS INSTRUMENT, executed this date in favor of The City of Seattle, a municipal corporation (herein called "City"), by the undersigned owners of the within described property (herein called "Owners").

W I T N E S S E T H:

WHEREAS, Owners are persons owning a fee simple or having a substantial beneficial interest in the following described real property (herein called the "Property"):

A portion of the Southeast Quarter of the Southeast Quarter of Section 31 and the southwest Quarter of Section 32, Township 24 North, Range 4 East, W.M., in King County, Washington. Also a portion of the Northeast quarter of the Northeast Quarter of Section 6, and the Northwest Quarter of the Northwest Quarter of Section 5, Township 23 North, Range 4 East, W.M., in King County, Washington.

Beginning at the corner common to said Sections 31, 32, 6 and 5; thence North  $88^{\circ}23'50''$  West, along the north line of said Section 6, for 654.11 feet; thence South  $05^{\circ}28'00''$  West for 30.07 feet to a point being the northeasterly corner of the land conveyed to the Housing Authority of the County of King, recorded under Auditor's File No. 4413217; thence South  $05^{\circ}44'05''$  East, along said east line for 794.75 feet; thence South  $01^{\circ}30'25''$  East, along said east line for 378.91 feet to the north line of S.W. 100th Street; thence South  $89^{\circ}44'08''$  East, along said north line for 686.29 feet to the east line of said Section 6; thence North  $05^{\circ}44'05''$  West, along said east line for 186.07 feet; thence South  $88^{\circ}38'48''$  East for 95 feet; thence North  $89^{\circ}33'05''$  East for 94.68 feet; thence North  $05^{\circ}44'05''$  West, for 87.52 feet to the southerly line of Parcel "B", conveyed under Auditor's File No. 8002200456; thence South  $64^{\circ}57'53''$  East, along said southerly line, for 37.12 feet; thence North  $75^{\circ}47'11''$  East along said southerly line for 537.72 feet; thence North  $23^{\circ}10'47''$  East, for 6.66 feet to the westerly Margin of Myers Way South; thence North  $34^{\circ}26'27''$  West, for 47.54 feet along said westerly margin, to the beginning of a curve to the right, having a radius of 1,000.37 feet; thence



northerly along said 1,000.37 foot radius curve through a central angle  $18^{\circ}56'12''$ , an arc distance of 330.63 feet along said westerly margin to a point 43.83 feet distant southwesterly when measured at right angles from the R-line survey of secondary State Highway No. I-K (Myers Way South), as condemned for state highway under proceedings had in King County Superior Court Cause No. 670900, at Highway Engineers Station R 0+50; thence South  $71^{\circ}42'58''$  West for 1.17 feet to a point 45.00 feet distant southwesterly when measured at right angles from the aforementioned Highway Engineers Station 0+50; thence North  $47^{\circ}05'41''$  West, for 114.13 feet, along the westerly margin of said secondary highway No. I-K, to a point 100.00 feet distant southwesterly when measured at right angles from said R-line at Highway Engineers Station R 1+50; thence North  $18^{\circ}17'02''$  West 1,284.34 feet to the north line of Parcel "C", conveyed under Auditor's File No. 8002200456; thence North  $88^{\circ}38'49''$  West, for 168.73 feet along said northerly line to a point on the west line of said Section 32; thence South  $01^{\circ}06'49''$  West for 209.46 feet, along said west line to the southeast corner of that property conveyed to the Municipality of Metropolitan Seattle by deed recorded under King County Recording No. 7611010750; thence North  $88^{\circ}23'50''$  West, for 590.63 feet along the south line of said deed to METRO, to the easterly margin of Second Avenue S.W., said point lying on a curve, concave to the southeast, having a radius of 300.00 feet, the radial bearing at said point is North  $61^{\circ}20'49''$  West; thence southerly along said 300.00 foot radius curve, through a central angle of  $27^{\circ}35'54''$ , an arc distance of 144.50 feet to a point of tangency with the east margin of said Second Avenue S.W.; thence South  $01^{\circ}03'17''$  West for 468.58 feet, along said east margin, to the north margin of S.W. Roxbury Street; thence South  $88^{\circ}23'50''$  East, for 624.14 feet, along said north margin, to the east line of Section 31; thence South  $01^{\circ}06'49''$  West for 30.00 feet, along said east line, to the Point of Beginning.

EXCEPT that portion condemned by the City of Seattle for Transmission Line Right-of-Way under proceedings had in King County Superior Court Cause No. 553110;

TOGETHER WITH Parcel "B" of Short Subdivision No. 78-212 of the City of Seattle recorded under King County Recording No. 7901020608; and revision recorded under Auditor's File No. 8107020401;

BEING a portion of the Southeast Quarter of the Southeast Quarter of Section 31, Township 24 North, Range 4 East, W.M., in King County, Washington;

TOGETHER WITH those portions of Government Lot 5 of said Section 5, lying westerly of the westerly margin of S.R. 509, as condemned under proceedings had in King County Superior Court Cause No. 670900 and lying easterly of Myers Way South, and lying northerly of S.W. 100th Street;

EXCEPT that portion condemned by the City of Seattle for Transmission Line Right-of-Way under proceedings had in King County Superior Court Cause No. 553110; and

WHEREAS, a petition (C.F. No. 290891) was filed with the City to annex a portion of the Property to the City and to zone it to Commercial 2 zone (C2/65') pursuant to the provisions of the Land Use Code, subject to the execution and recordation of an agreement with the City pertaining to such uses and development of the Property in order to minimize any adverse environmental impact following the future use and development of the annexed Property and to ensure further improvement of the local traffic situation as provided by the City; and

WHEREAS, after a public hearing the Urban Redevelopment Committee voted to accept the petition and recommended to the City Council, that the Property be annexed and zoned, subject to the execution and recording of the aforesaid agreement with the City;

Now, Therefore, Owners hereby covenant, bargain and agree on behalf of themselves and their heirs, successors and assigns:

1. That they will comply with the following conditions if the property is annexed and zoned as requested in

C.F. No. 290891:

(a) Owners understand and agree they may be required to provide or pay the cost of traffic mitigation measures made necessary by improvement of the Property as part of the Master Use Permit process.

These measures may include:

1. Curbs, gutters, sidewalks and drainage improvements along the frontage of the Property on Myers Way South.
  2. A two lane left-turn facility from Myers Way South to the Property, including necessary signals.
  3. A free right-turn lane to the Property from Myers Way South.
  4. An analysis of the queuing capacity of First Avenue South as it enters Cloverdale Street, and a fair share of improvements to First Avenue South if storage is found to be inadequate.
  5. Improvements at the Myers Way South/Olsen Place Southwest intersection to facilitate southbound right turns to Olsen Place Southwest.
  6. Owners agree not to protest creation of an improvement district for the First Avenue South Bridge but reserve the right to contest the amount of the assessment to the Property.
- (b) Owners agree to be responsible for the development and maintenance of sufficient utility systems (including sewer, storm drains, watermain, street lighting etc.) within the Property. Specific requirements will be determined during the master use permit process.
- (c) Owners understand and agree that additional environmental documentation may be required for a master use permit which proposes development in excess of that proposed in the environmental impact statement for the annexation.

2. This agreement shall be recorded in the records of King County and the covenants hereof shall be deemed to attach to and run with the Property and shall apply to after acquired title of the Owners of the Property. The primary responsibility for performing the conditions of this agreement shall be vested in Owners, but any subsequent owner shall also be bound thereby if Owners do not perform said conditions.

3. This Agreement may be amended or modified by agreement between the Owners and the City, provided such amended agreement shall be approved by the legislative authority of the City by ordinance.

4. It is further expressly agreed that in the event any condition or restriction hereinabove contained or any portion thereof is invalid or void, such invalidity or voidness shall in no way affect any other covenant, condition or restriction hereinabove contained.

DATED this 20 day of September, 1986.

OWNERS

Harrriot R Appel  
HARRIOT R. APPEL

William N. Appel  
WILLIAM N. APPEL

Carol J. Jardine  
CAROL J. JARDINE

Gary N. Jardine  
GARY N. JARDINE

Noreen Rupeiks  
NOREEN RUPEIKS

Valentins Rupeiks  
VALENTINS RUPEIKS

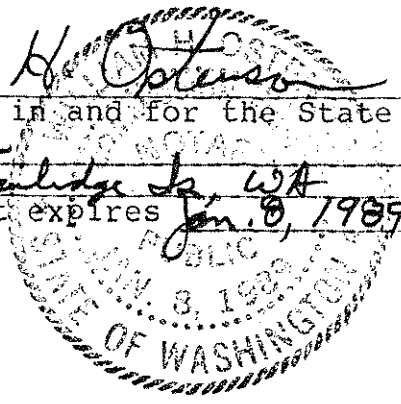
Gary Cromwell  
GARY CROMWELL

STATE OF WASHINGTON )  
 )ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that HARRIOT R. APPEL and WILLIAM N. APPEL signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: Sept. 19, 1986

William H. Oster  
NOTARY PUBLIC in and for the State of  
Washington  
residing at Bellevue, WA  
My appointment expires Jan. 8, 1989 :



STATE OF Washington )  
 )ss.  
COUNTY OF King )

I certify that I know or have satisfactory evidence that CAROL J. JARDINE and GARY N. JARDINE signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: 9/19/86

Galard Cole  
NOTARY PUBLIC in and for the State of  
Washington  
residing at Seattle  
My appointment expires 1/8/89 :

STATE OF Washington  
COUNTY OF Whatcom) ss. ✓

I certify that I know or have satisfactory evidence that NOREEN RUPEIKS and VALENTINS RUPEIKS signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: 9/20/86

Lanna Kay Beech  
NOTARY PUBLIC in and for the State of  
Washington  
residing at Maple Falls  
My appointment expires 9/25/89

STATE OF Washington  
COUNTY OF Whatcom) ss.

I certify that I know or have satisfactory evidence that GARY CROMWELL signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: 9/20/86

Lanna Kay Beech  
NOTARY PUBLIC in and for the State of  
Washington  
residing at Maple Falls  
My appointment expires 9/25/89

1 JB:pdk  
2 9/9/86  
3 7:ORDI.

4  
5 ORDINANCE \_\_\_\_\_

6 AN ORDINANCE relating to annexation, land use and zoning;  
7 annexing to The City of Seattle portions of Section 32,  
8 Township 26 North, Range 4 East, W.M., and Sections 5 and  
9 6, Township 23 North, Range 4 East, W.M., in King County;  
10 adding new Plats 302 E and 303 W to the Official Land Use  
11 Map and amending Plat 78 W, Page 183 thereof to zone the  
12 annexed property in the Commercial 2 Zone (C2/65'), and  
13 accepting a Property Use and Development Agreement in  
14 connection therewith.

15 WHEREAS, a petition has been filed for annexation to the  
16 city of certain contiguous property hereinafter described  
17 (Comptroller's File No. 290891) which petition complies in all  
18 respects to the requirements of Chapter 35.13.125-160 RCW; and

19 WHEREAS, said petition proposes establishment of the  
20 Commercial 2 Zone (C2/65') for the real property hereinafter  
21 described; and

22 WHEREAS, two public hearings have been held upon said  
23 petition after due notice and posting as required by Chapter  
24 35.13.140 RCW; and

25 WHEREAS, the City Council has determined to grant said  
26 petition, to annex said property and to establish the initial  
27 zoning; Now, Therefore,

28 BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. That the following described property be and  
the same is hereby annexed to the City as of \_\_\_\_\_ and on  
and after said date the same shall be and become a part of the  
City of Seattle and be embraced within the boundaries thereof  
under the provisions of Chapter 35.13 RCW:

1 A portion of the Southwest quarter of Section  
2 32, in Township 24 North, Range 4 East, W.M., also  
3 a portion of the Northeast quarter of the Northeast  
4 quarter of Section 6, in Township 23 North, Range 4  
5 East, W.M., and also a portion of the Northwest  
6 Quarter of the Northwest Quarter and a portion of  
7 the Northeast Quarter of the Northwest Quarter of  
8 Section 5, Township 23 North, Range 4 East, W.M.,  
9 with reference to that certain document recorded in  
10 Auditor's File Number 8103319002 under Recorded  
11 Surveys, Volume 27, Pages 63 and 63-A, all situate  
12 in the County of King, State of Washington, more  
13 particularly described as follows:

8 Beginning at the corner common to said  
9 Sections 31, 32, 6 and 5; thence west along the  
10 north line of said Section 6, for 654.11 feet;  
11 thence south  $05^{\circ}28'00''$  West for 30.07 feet to a  
12 point being the northeasterly corner of the land  
13 conveyed to the Housing Authority of the County of  
14 King, recorded under Auditor's File Number 4413217;  
15 thence south  $05^{\circ}44'05''$  east, along the east line of  
16 the Housing Authority of King County, for 794.75  
17 feet; thence south  $01^{\circ}30'25''$  east along said east  
18 line, for 378.91 feet to the north line of SW 100th  
19 Street; thence south  $89^{\circ}44'08''$  east, along said  
20 north line, for 686.29 feet to the east line of  
21 said Section 6; thence north  $05^{\circ}44'05''$  west, along  
22 said east line for 186.07 feet; thence south  
23  $88^{\circ}38'48''$  east, for 95 feet; thence north  $89^{\circ}33'05''$   
24 east for 94.68 feet; thence north  $05^{\circ}44'05''$  west  
25 for 87.52 feet to the southerly line of Parcel "B",  
26 conveyed under Auditor's File No. 8002200456;  
27 thence south  $64^{\circ}57'53''$  east, along said northerly  
28 line, for 37.12 feet; thence north  $75^{\circ}47'11''$  east,  
along said northerly line for 537.72 feet; thence  
north  $23^{\circ}10'47''$  east, for 6.66 feet to the westerly  
margin of Myers Way South; thence north  $83^{\circ}40'32''$   
east, on a line that bisects the right-of-way of  
said Myers Way South to the easterly margin of said  
right-of-way, a distance of 102.40 feet; thence  
south  $34^{\circ}26'27''$  east along said easterly margin,  
143.58 feet to the beginning of a concave curve to  
the right, having a radius of 762.60 feet; thence  
southerly along said 762.60 foot radius curve  
consuming a central angle of  $16^{\circ}02'00''$ , an arc  
distance of 213.40 feet, to a point of tangency  
along said easterly margin; thence south  $18^{\circ}24'27''$   
east 167.88 feet to a point common to said easterly  
margin of Myers Way South and the north margin of  
South 100th Street; thence south  $88^{\circ}30'48''$  east  
along said north margin 159.75 feet to a point on  
the west margin of State Road Number 1 K as  
constructed per Engineers Plans, Sheets 7 through 9  
inclusive, approved December 17, 1957, and for  
purposes of this description hereafter referred to  
as S.R. 509; thence continuing south  $88^{\circ}30'48''$  east  
along a line bisecting the right-of-way of said  
S.R. 509, coming to a point on the easterly



1 right-of-way line of S.R. 509, said point lying 200  
2 feet distant northeasterly when measured at right  
3 angles from the east lane of said S.R. 509 at  
4 Highway Engineers' Station 305+59.52; thence  
5 northwesterly along said east margin of said S.R.  
6 509 to a point on the north line of the Northwest  
7 Quarter of the Northwest Quarter, Section 5,  
8 Township 23 North, Range 4 East, W.M., lying 97.46  
9 feet distant northeasterly when measured at right  
10 angles from said east lane, said S.R. 509, at  
11 Highway Engineers' Station 318+77.06, said point  
12 further referenced as a point lying on the south  
13 line of the Southwest Quarter of the Southwest  
14 Quarter, Section 32, Township 24 North, Range 4  
15 east, W.M.; thence continuing northwesterly along  
16 said easterly margin, said S.R. 509, to a point  
17 195.00 feet distant northeasterly when measured at  
18 right angles from said east lane, said S.R. 509, at  
19 Highway Engineers' Station 333+06.28; said point  
20 lying on the north line of the Southwest Quarter of  
21 the Southwest Quarter of said Section 32,  
22 representing the present southerly boundary line of  
23 the corporate limit of the Municipality of  
24 Metropolitan Seattle; thence south 88° 24' 39" west  
25 along said north line of the Southwest Quarter of  
26 the Southwest Quarter, said Section 32, 961.97 feet  
27 to the northwest corner of said Southwest Quarter,  
28 said Section 32; thence south 01° 06' 49" west  
along the west line of said Southwest Quarter, said  
Section 32, a distance of 1,333.01 feet to the TRUE  
POINT OF BEGINNING.

Section 2. That new Plats 302 E and 303 W are added to  
the Official Land Use Map adopted by Ordinance 110669, and  
that Plat 78 W, Page 183 thereof is amended, to zone the  
aforesaid property to Commercial 2 (C2/65') zone as shown on  
Exhibit "A", and the City Clerk is directed to place a copy of  
said Exhibit "A" in a volume entitled "Zoning Map Amendments",  
all as contemplated in C.F. No. 290891.

Section 3. That the Property Use and Development  
Agreement which was submitted to the City by the owners of the  
property described in Section 1 hereof, recorded in the  
records of the Director of Records and Elections of King  
County and filed in C.F. 290891 by which said owners agree to  
certain restrictions and conditions upon the use and develop-  
ment of said property, is hereby accepted, and the City Clerk

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is hereby authorized and directed to deliver copies of the same to the Director of Construction and Land Use and the Community Development Director.

(To be used for all Ordinances except Emergency.)

Section <sup>4</sup>..... This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the..... day of....., 19 .....,  
and signed by me in open session in authentication of its passage this..... day of  
....., 19 .....

President..... of the City Council.

Approved by me this..... day of....., 19 .....

Mayor.

Filed by me this..... day of....., 19 .....

Attest:.....  
City Comptroller and City Clerk.

(SEAL)

Published.....

By.....  
Deputy Clerk.

Your  
Seattle  
Community Development



David Moseley, Director  
Charles Royer, Mayor

August 4, 1986

The Honorable Sam Smith  
President  
Seattle City Council  
City of Seattle

Via: Office of Management and Budget  
Attention: Sarah Welch

Dear Council President Smith:

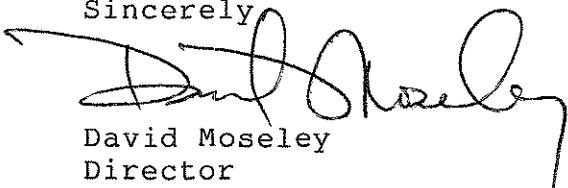
Subject: Central Heights Annexation (C.F. 290891)

The Department of Community Development has completed its review of the proposed Central Heights annexation. The attached report presents the Mayor's Recommendation regarding the annexation. We are prepared to present a summary of our recommendation to the Urban Redevelopment Committee at the public hearing scheduled for August 8, 1986, at 9:00 A.M.

In summary, we recommend that the City proceed with the proposed annexation, and that the City Council authorize the Executive to prepare a Notice of Intent for submittal to the King County Boundary Review Board. We have determined that the benefits to the City from the proposed annexation in terms of tax revenues and job creation will be substantial. All of the direct costs of providing services to the site will be borne by the proponents, and the City has the capacity to serve the site. We have also determined that a zoning designation of C-2 would be consistent with the City's commercial area policies and have recommended the zoning for the site be so designated.

As you are aware, the Central Heights annexation proposal was significantly delayed pending the resolution of the previous South Park/Duwamish annexation. We feel strongly that the City would benefit from the annexation, and we strongly urge you to act favorably on this proposal. If you have any questions regarding this issue, please contact John Braden at 625-5738.

Sincerely

  
David Moseley  
Director

An equal employment opportunity - affirmative action employer.

DM:jbm

Yesler Bldg., 400 Yesler Way, Seattle, Washington 98104-2696 (206) 625-4537

Attachment

Mayor's Recommendation for  
Central Heights Annexation  
(C.F. 290891)

Proposed Action

The property owners have submitted a petition for annexation of the site into the City of Seattle. The City has completed an Environmental Impact Statement for the proposed action, which evaluated alternative zoning designations for the site. The action proposed is City acceptance of the petition and direction to prepare a Notice of Intent for submittal to the King County Boundary Review Board (BRB). If the BRB approves the annexation, the area would be incorporated into the City of Seattle.

The approximate 91 acre annexation site is located on the southern border of Seattle, one mile east of White Center at Olsen Place Southwest and Myers Way South. To the immediate east is SR 509 which in the vicinity extends from the First Avenue Bridge to Burien, Washington. The property is located in Sections 31 and 32 of Township 24 North, Range 4 East of W.M., in King County; and Sections 5 and 6 of Township 23 North, Range 4 East of W.M. in King County. A complete and lengthy legal description of all boundaries can be found on page 182 of the FEIS for the Central Heights Business Park. This DCD document was completed in April of 1986.

The site can now be characterized as a nearly depleted borrow pit surrounded by cut slopes which contribute to its present instability and underutilization. Potentially, the site as a sand pit has five years of productive life. There are steep natural slopes on the western and southern edges of the property. To the immediate north is a Metro Park and Ride lot.

The entire annexation petition includes four adjoining properties. They include the following:

	<u>No. of Acres</u>
Central Heights Property	41.00
Gary Cromwell Property	.71
Myers Way South Right-of-Way	5.61
State Route 509 Right-of-Way	43.30
	<u>90.62 Acres</u>

The overall Central Heights property totals 51.91 acres with 10.91 acres already within the City. The remaining acreage (41 acres) is currently under King County jurisdiction and is a major portion of this proposed annexation.

A focal point for the property and key to the future development of the overall site is the location of a central knoll area which contains 1.3 million cubic yards of sand. This area constitutes approximately 20% of the overall site. Because of the topography of the area, the entire site is actually topographically isolated and distinct from adjacent neighborhoods.

Under existing conditions, the annexation site straddles the City-County line and with the exception of one residence (to the south), the area is vacant and undeveloped.

### Zoning

The County's portion (in the immediate annexation area and south) is currently zoned RS 7200 and could be used for residential purposes. To the west, the dominant zone is RM 2400, which includes an 86 acre King County Housing Authority project. North of the annexation area, in the vicinity of the West Seattle reservoir, the City of Seattle has zoned land parcels single family 7200 (specifically west of Olson Place Southwest). Land east of SR 509 is generally used for industrial uses.

A substantial portion of surrounding land area is currently used for public purposes. This would include the 130 acre West Seattle reservoir, the 86 acre King County Housing Authority (HACK) project, the 562 space Metro Park and Ride lot, and the commercial Shurgard storage complex. The Metro Park and Ride lot is currently zoned RS 7200 and is operating under a conditional use permit.

The City of Seattle has been active in zoning concerns for a portion of the overall site since 1981. At that time, the City's Land Use and Transportation Project recommended the 10.91 acre portion of the subject site be designated "Mixed Use" as an interim zone to accommodate a mix of commercial and residential use. As of March 1986, this parcel is zoned C-2 with a height limitation of 65 feet.

Findings of a 1985 noise study by Errol Nelson indicate that portions of the overall site are inappropriate for housing because of noise levels brought about by arterial traffic, jet aircraft from the north-south flight patterns from Seattle-Tacoma Airport, and private aircraft in an east-west approach to Boeing Field.

Based on existing noise levels (tested from seven different locations both on and adjacent to the site), it was determined that noise levels get louder moving in a west to east direction on the property. Three of the seven stations reported high noise levels according to E.P.A. standards. The study was completed in July of 1985.

In 1984, the City of Seattle established (in the Land Use Policies for Neighborhood Commercial Areas), there were five site conditions essential for designation as a C-2 commercial district. They include: (1) good access from a principal arterial, (2) proximity to manufacturing or industrial zones, (3) presence of edges which buffer adjacent residential areas, (4) large lots which can accommodate heavy commercial/light industrial uses, and (5) limited pedestrian access. The properties of the area meet these conditions.

#### Utilities

A constraint to development is the Seattle City Light 100-foot-wide Duwamish/Delridge transmission line right-of-way. Located in the southern portion of the overall site, the right-of-way involves a four-acre area and allows only lease options for nonstructural uses. In similar cases, parking is a popular alternative.

Several utility and service improvements to the overall site and business park development will be needed. To provide adequate fire flows, a substantial number of 8- and 12-inch water mains would be installed. A permanent storm drainage system for this site will be required. A proposal has been presented to King County for storm water management on the site in conjunction with an application for a grading permit. This proposal is for an interim drainage system to serve until work is begun on the ultimate development of the site for a business park. The plan, as presented, will return the drainage from 135 acres west of the site in King County back to the historical watercourse and into a King County storm drain in South 196th Street. This will alleviate a problem that has existed due to diversion of this watercourse to the north and into the City's drainage system in the past. All costs for the storm drainage system will be paid by the developer.

The proposed business park development will require a sanitary sewer system and would be connected to the available sewer mains on Myers Way South (currently owned by Rainier Vista Sewer District). Solid waste pickup will also be required and could be serviced by either Seattle Disposal Company or Bayside Disposal.

#### Traffic Issues

Additional truck and automobile traffic generated by the proposed development will require street and site related improvements to mitigate the transportation impacts. Mitigating measures addressing the following issues are needed to insure the compatibility of the project with the area as a whole.

## First Avenue South Bridge

Future construction of a four-lane bascule bridge potentially includes developer funding as one source of revenue. The applicant-owner of the Central Heights Annexation needs to agree to not contest future First Avenue South Bridge improvement assessments.

## Ridesharing

Because of significant traffic projected by the development (11,000 trips a day for 700,000 GFA Business Park), ridesharing strategies should be developed and implemented by the applicant-owner. This will reduce traffic volumes and impacts to the street system.

## Internal and External Site Access

Adequate internal access and access to key arterial streets need to be located, designed, and constructed for safety and emergency access. Future access and street design plans will require Engineering Department approval. Considerations include street design criteria, separation of parking and loading areas, adequate truck loading space including loading berths, maneuvering allowances, and truck staging area on site. The applicant-owner will be responsible for funding all needed improvements to the street system on or adjacent to the site. A related issue that must be resolved at the time a use permit for future development is reviewed, is whether the streets and utility system within the development will be publicly or privately owned. Public ownership of these streets would have financial implications related to maintenance of the street and sidewalk surfaces and of utilities such as sewers, storm drains, watermains, and street lighting.

## Traffic Control

The significant traffic generated by the proposal will likely require additional traffic control. This includes traffic signing and possible signal installation improvements. The specific traffic control requirements will be determined during the master use permit process. The applicant and owner will be financially responsible for any additional traffic control that is needed.

## Revenue Projections and Impacts of the Proposed Annexation

As outlined in the FEIS, on pages IX and X, there are seven development options for the Central Heights property. Alternative A, the preferred option, would create \$1,333,600 in tax revenue from a 44 acre business park when completed. On a continuing year after year basis, this business park would generate \$259,660 in property tax. The proposal would also create 50 temporary construction positions during the buildout period and an estimated minimum permanent employment of 1300. The selected alternative offers the highest number of permanent job opportunities.



In addition to real property tax, the project will generate on an annualized basis \$414,000 in B&O Tax and an estimate Seattle share of \$170,000 from State Sales Tax. The above estimate is based on 1 million square foot of floor space assumed to be a practical limit for the subject site.

The associated costs with the overall site development would be borne by the developer.

#### Mayor's Recommendation

##### Recommendation 1: Zoning

The site is suitable for a business park development which requires C-2 zoning designation. Given the physical layout of the site, adjoining uses, five conditions established by LUTP for C-2 zoning designation, and the availability of utility and transportation facilities, the site is eminently suitable for the proposed development.

The C-2 zoning denotes an auto-oriented, primarily non-retail commercial area which provides a wide range of commercial activities serving a city-wide function. The proposed business park development (as stated in the FEIS) is 55.86 acres in size and includes The City Light right-of-way. The height limitation for the proposed development is 65 feet, which is well below the highest surrounding terrain line of the property to the west. As indicated in the FEIS, C-2 zoning would normally allow 100% coverage of the site. Because of topographical limitations and other constraints, it is proposed to retain about one-half of the site in open space. A practical limit of one million square feet including 700,000 square feet of floor space is a reasonable absorption of the site. A supplemental EIS would be required for any additional development proposed beyond the 700,000 square feet (GFA) addressed in the EIS.

##### Recommendation 2: Development Requirements

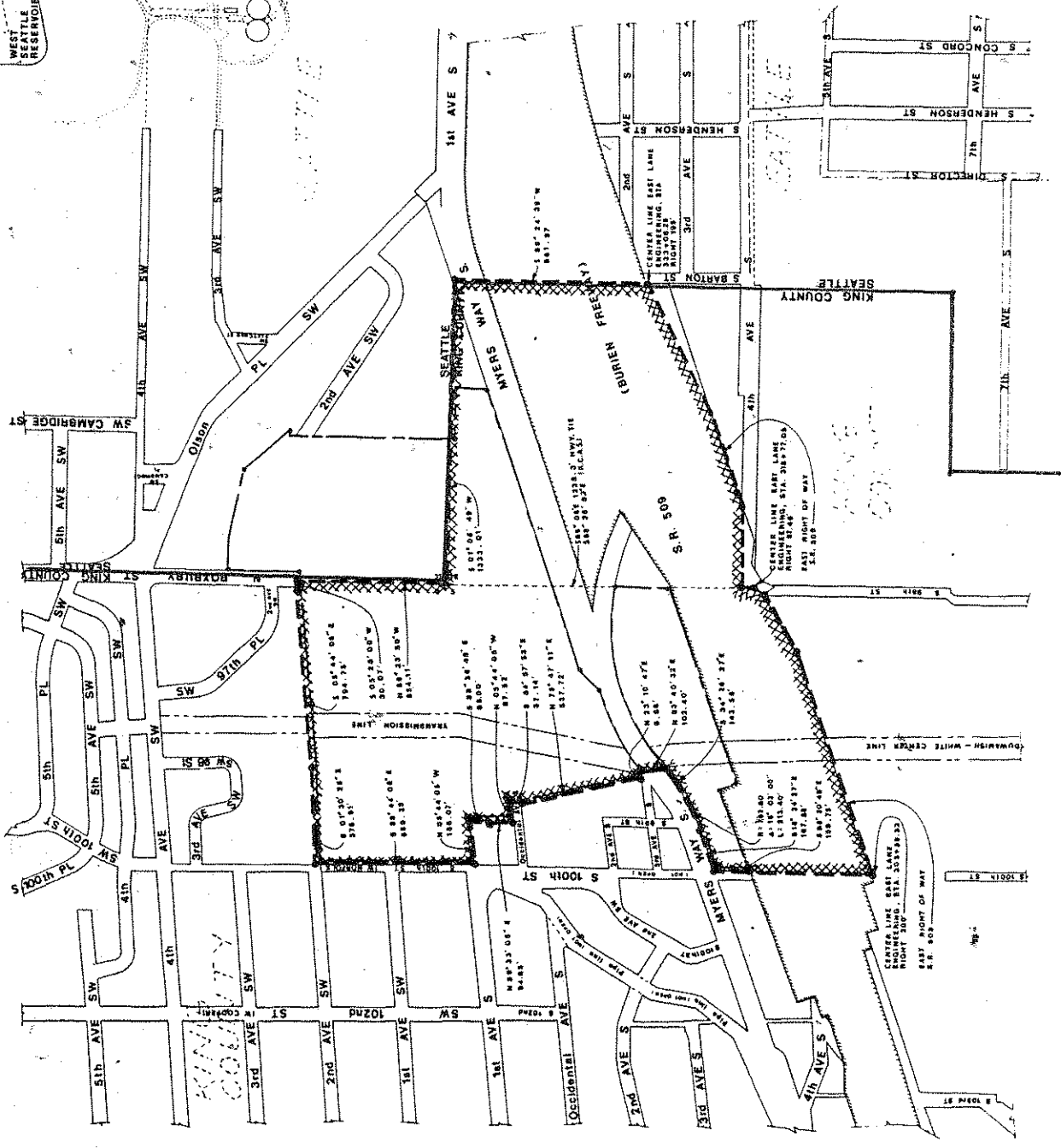
The developer is responsible for all costs associated with the development of the site. These possible costs include the previously mentioned areas of internal and external site access, traffic control, and transportation impact mitigation.

#### Conclusion


The Central Heights Annexation and rezone proposal is an excellent opportunity for the City to support the proposed business development in the City. The creation of permanent jobs and an increased tax base will contribute to the economic prosperity of Seattle. It is a longstanding project which has undergone due consideration and merits the City's support.

F&ED  
46.11

WEST SEATTLE RESERVOIR



LEGEND:  
PROPOSED  
BOUNDARY  
PROPERTY LINE FOR  
CENTRAL HEIGHTS  
SEATTLE-KING COUNTY  
DIVISION LINE  
SEATTLE

Scale: 1" = 200'  
North:   
Drawn: S.L.E.  
Approved: B.S.P.  
Project: 474  
Date: 2-15-1993



CENTRAL HEIGHTS  
BUSINESS PARK  
CENTRAL HEIGHTS ANNEXATION  
SEATTLE, WA.

# Affidavit of Publication

## STATE OF WASHINGTON KING COUNTY—SS.

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

Notice of Public Hearings

was published on July 24, 1986

*R. Spicuzza*

Subscribed and sworn to before me on

July 24, 1986

*Barbara A. Arnold*

Notary Public for the State of Washington,  
residing in Seattle.

# City of Seattle

## Public Hearings

Friday, August 4, at 9 a. m., and Friday, September 12, 1986, at 9 a. m., before the City Council.

The Seattle City Council will hold public hearings on the annexation and establishment of zoning for the following real property situated one mile east of White Center at Olson Place S. W. and Myers Way South at the southern city limits in King County, Washington:

A portion of the Southwest quarter of Section 32, in Township 24 North, Range 4 East, W. M., also a portion of the Northeast quarter of the Northeast quarter of Section 6, in Township 23 North, Range 4 East, W. M., and also a portion of the Northwest quarter of the Northwest quarter and a portion of the Northwest quarter of the Northwest quarter of Section 5, Township 23 North, Range 4 East, W. M., with reference to that certain document recorded in Auditor's File Number 8103319002 under Recorded Surveys, Volume 27, Pages 63 and 63-A, all situate in the County of King, State of Washington, more particularly described as follows:

Beginning at the corner common to said Sections 31, 32, 6 and 5; thence west along the north line of said Section 6, for 654.11 feet; thence south  $05^{\circ} 28' 00''$  West for 30.07 feet to a point being the northeasterly corner of the land conveyed to the Housing Authority of the County of King, recorded under Auditor's File Number 4413217; thence south  $05^{\circ} 44' 05''$  East, along the east line of the Housing Authority of King County, for 794.75 feet; thence south  $01^{\circ} 30' 25''$  East along said east line, for 378.91 feet to the north line of SW 100th Street; thence south  $89^{\circ} 44' 08''$  East, along said north line, for 686.29 feet to the east line of said Section 6; thence north  $05^{\circ} 44' 05''$  West, along said east line for 186.07 feet; thence south  $88^{\circ} 38' 48''$  East, for 95 feet; thence north  $89^{\circ} 33' 05''$  East for 94.68 feet; thence north  $05^{\circ} 44' 05''$  West for 87.52 feet to the southerly line of Parcel "B," conveyed under Auditor's File No. 8002200456; thence south  $64^{\circ} 57' 53''$  East, along said northerly line, for 37.12 feet; thence north  $75^{\circ} 47' 11''$  East, along said northerly line for 537.72 feet; thence north  $23^{\circ} 10' 47''$  East, for 6.66 feet to the westerly margin of Myers Way South; thence north  $83^{\circ} 40' 32''$  East, on a line that bisects the right-of-way of said Myers Way South to the easterly margin of said right-of-way, a distance of 102.40 feet; thence south  $34^{\circ} 26' 27''$  East along said easterly margin, 143.58 feet to the beginning of a concave curve to the right, having a radius of 762.60 feet; thence southerly along said 762.60 foot radius curve consuming a central angle of  $16^{\circ} 02' 00''$ , an arc distance of 213.40 feet, to a point of tangency along said easterly margin; thence south  $18^{\circ} 24' 27''$  East 167.88 feet to a point common to said easterly margin of Myers Way South and the north margin of South 100th Street; thence south  $88^{\circ} 30' 48''$  East along said north margin 159.75 feet

to a point on the west margin of State Road Number 1 K, as constructed per Engineers Plans, Sheets 7 through 9 inclusive, approved December 17, 1957, and for purposes of this description hereafter referred to as S. R. 509; thence continuing south  $88^{\circ} 30' 48''$  East along a line bisecting the right-of-way line of said S. R. 509, coming to a point on the easterly right-of-way line of S. R. 509, said point lying 200 feet distant northeasterly when measured at right angles from the east lane of said S. R. 509 at Highway Engineers' Station 305+59.52; thence northwesterly along said east margin of said S. R. 509 to a point on the north line of the Northwest quarter of the Northwest quarter, Section 5, Township 23 North, Range 4 East, W. M., lying 97.46 feet distant northeasterly when measured at right angles from said east lane, said S. R. 509, at Highway Engineers' Station 318+77.06, said point further referenced as a point lying on the south line of the Southwest quarter of the Southwest quarter, Section 32, Township 24 North, Range 4 East, W. M., thence continuing northwesterly along said easterly margin, said S. R. 509, to a point 195.00 feet distant northeasterly when measured at right angles from said east lane, said S. R. 509, at Highway Engineers' Station 333+06.28; said point lying on the north line of the Southwest quarter of the Southwest quarter of said Section 32, representing the present southerly boundary line of the corporate limit of the Municipality of Metropolitan Seattle; thence south  $88^{\circ} 24' 39''$  West along said north line of the Southwest quarter of the Southwest quarter, said Section 32, 961.97 feet to the northwest corner of said Southwest quarter, said Section 32; thence south  $01^{\circ} 06' 49''$  West along the west line of said Southwest quarter, said Section 32, a distance of 1,333.01 feet to the TRUE POINT OF BEGINNING.

The annexation and zoning proposal was submitted to the City by "Central Heights Joint Tenancy Venture," Val Rupeiks, project manager. Interested persons are invited to appear and voice approval or disapproval of the annexation and zoning.

The hearings will be in the City Council Chambers, 11th Floor, Seattle Municipal Building. A signup sheet for witnesses will be available at the door beginning at 8:45 a.m.

For further information concerning the proposed annexation and zoning, please contact Stewart Jones, 625-5783.

Date of publication, July 24, 1986.

(C-849)

ORDINANCE No. 113271

*C.B. 105452*

AN ORDINANCE relating to annexation, land use and zoning; confirming the annexation to the city of portions of Section 32, Township 24 North, Range 4 East, W.M. and Sections 5 and 6, Township 23 North, Range 4 East, W.M., in King County, Washington following decision of the Washington State Boundary Review Board for King County not to invoke jurisdiction; correcting the written legal description contained in Ordinance 113093 to conform to map descriptions and public notice of said annexation and initial zoning, and directing the City Clerk to file a certified copy of this ordinance with the Clerk of the King County Council.

*1/7/87 - URCmtc*

CONTROLLED PENDING

Introduced: <i>Dec. 29, 1986</i>	By:
Referred: <i>Dec. 29, 1986</i>	To: <i>Urban Redevel.</i>
Referred:	To:
Referred:	To:
Reported: <i>JAN 10 1987</i>	Second Reading: <i>JAN 13 1987</i>
Third Reading: <i>JAN 13 1987</i>	Signed: <i>JAN 13 1987</i>
Presented to Mayor: <i>JAN 13 1987</i>	Approved: <i>JAN 20 1987</i>
Returned to City Clerk: <i>JAN 22 1987</i>	Published:
Vetoes by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

*Legal Department*

# The City of Seattle--Leg

## REPORT OF CO

Honorable President:

Your Committee on

*Urban Redevel.*

to which was referred the within Council Bill No. \_\_\_\_\_ report that we have considered the same and respectfully

**DO PASS**



Committee



GFC:ctb  
12/11/86  
7:ORD11.

ORDINANCE 113271

1  
2  
3  
4 AN ORDINANCE relating to annexation, land use and zoning;  
5 confirming the annexation to the city of portions of  
6 Section 32, Township 24 North, Range 4 East, W.M and  
7 Sections 5 and 6, Township 23 North, Range 4 East, W.M.,  
8 in King County, Washington following decision of the  
9 Washington State Boundary Review Board for King County not  
10 to invoke jurisdiction; correcting the written legal  
11 description contained in Ordinance 113093 to conform to  
12 map descriptions and public notice of said annexation and  
13 initial zoning, and directing the City Clerk to file a  
14 certified copy of this ordinance with the Clerk of the  
15 King County Council.

16  
17 WHEREAS, the City of Seattle held hearings on August 8, 1986  
18 and September 12, 1986 on a proposal to annex certain  
19 property to the City and establish initial zoning for said  
20 property (C.F. 290891) pursuant to notice published in the  
21 City Official Newspaper on July 24, 1986; and

22  
23 WHEREAS, following the public hearings on said proposal, the  
24 City Council passed and the Mayor approved Ordinance  
25 113093 annexing the property as proposed in C.F. 290891  
26 and establishing the initial zoning; and

27  
28 WHEREAS, the proposed annexation was filed with the Washington  
State Boundary Review Board for King County on September 29,  
1986, and approved without review on November 5, 1986; and

WHEREAS, the written legal description in Ordinance 113093 did  
not conform to the property description in C.F. 290891 or  
in the notice of hearing, and should be corrected to  
accurately reflect the property intended to be annexed and  
zoned; Now, Therefore

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. That the annexation to the City of Seattle and  
initial zoning of portions of Section 32, Township 24 North,  
Range 4 West, W.M. and Sections 5 and 6 Township 23 North,  
Range 4 East, W.M., in King County, Washington, as proposed to  
the City in C.F. 290891 and approved by the Washington State  
Boundary Review Board on November 25, 1986 is hereby confirmed.

Section 2. That Section 1 of Ordinance 113093 is amended  
to conform the written legal description of the property to be  
annexed and zoned to the map description in CF 290891, and  
public notices, to read as follows:

1           Section 1. That the following described property be and  
2 the same is hereby annexed to the City as of the effective  
3 date of this ordinance, and on and after said date the same  
4 shall be and become a part of the City of Seattle and be  
5 embraced within the boundaries thereof under the provisions  
6 of Chapter 35.13, RCW:

7           A portion of the Southwest quarter of Section 32,  
8 in Township 24 North, Range 4 East, W.M., also a  
9 portion of the Northeast quarter of the Northeast  
10 quarter of Section 6, in Township 23 North, Range 4  
11 East, W.M., and also a portion of the Northwest  
Quarter of Section 5, Township 23 North, Range 4  
East, W.M., with reference to that certain document  
recorded in Auditor's File Number 8103319002 under  
Recorded Surveys, Volume 27, Pages 63 and 63-A, all  
situate in the County of King, State of Washington,  
more particularly described as follows:

12           Beginning at the corner common to said Sections 31,  
13 32, 6 and 5; thence west along the north line of said  
14 Section 6, for 654.11 feet; thence south 05°28'00"  
west for 30.07 feet to a point being the northeasterly  
15 corner of the land conveyed to the Housing Authority  
16 of the County of King, recorded under Auditor's File  
Number 4413217; thence south along the east line of  
17 said tract of land 1,174 feet, more or less, to the  
north margin of SW 100th Street; thence east, along  
18 said north margin 686.29 feet to the east line of said  
Section 6; thence north along said east line for 186.07  
19 feet; thence south 88°38'48" east, for 95 feet; thence  
20 north 89°33'05" east for 94.68 feet to the west margin  
of Occidental Avenue South; thence north along said  
21 west margin for 87.52 feet; thence south 64°57'53"  
east to the northerly line of the unrecorded plat of  
22 Highlands Half Acre Tracts as noted on the above  
referenced recorded survey; thence north 75°47'11"  
23 east, along said northerly line for 537.72 feet;  
thence north 23°10'47" east, for 6.66 feet to the  
24 westerly margin of Myers Way South; thence easterly  
to the intersection of the easterly margin of Myers  
25 Way South and the southerly margin of the City of  
Seattle transmission line right of way; thence  
26 southerly along said easterly margin to the north  
margin of South 100th Street; thence east along said  
27 north margin and margin extended to the easterly  
margin of State Road Number 1-K as constructed per  
28 Engineer's Plans, Sheets 7 through 9 inclusive,  
approved December 17, 1957, and revised September 14,  
1984, as now established and hereafter referred to  
as S.R. 509; thence northerly along the easterly  
margin of said S.R. 509 to the north line of the  
Southwest Quarter of the Southwest Quarter of said  
Section 32, representing the present southerly  
boundary line of the corporate limits of The City  
of Seattle; thence west along said north line of  
said Southwest Quarter of the Southwest Quarter to  
the west line of said Section 32; thence south along  
said west line to the point of beginning.



1 as contemplated in C.F. 290891 and shown on Plats 78W,  
2 302E and 303W of the Official Land Use Map attached  
3 hereto as Exhibit A.

4 Section 3. The City Clerk is hereby directed to file a  
5 certified copy of this ordinance and Ordinance 113093 with the  
6 Clerk of the King County Council as contemplated in RCW  
7 35.13.150.

8 Section 4. Any action pursuant to this ordinance and  
9 prior to the effective date hereof is hereby ratified and  
10 confirmed.

11 ~~///~~

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(To be used for all Ordinances except Emergency.)

Section <sup>5</sup>..... This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 12<sup>th</sup> day of January, 1987,  
and signed by me in open session in authentication of its passage this 12<sup>th</sup> day of  
January, 1987.

President of the City Council.

Approved by me this 22<sup>nd</sup> day of January, 1987.

Acting Mayor.

Filed by me this 22<sup>nd</sup> day of January, 1987.

Attest: Howard J. Brooks  
City Comptroller and City Clerk.

(SEAL)

Published.....  
By Theresa Dunbar  
Deputy Clerk.





SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

SF 5000

CG

ERRONEOUS LINE ESTABLISHED BY  
ORD. 113093  
ANNEXATION AREA  
NEW ZONING ESTABLISHED

C2  
65'

C2  
65'

CONTRACT  
C.F. 290891

C2  
65'

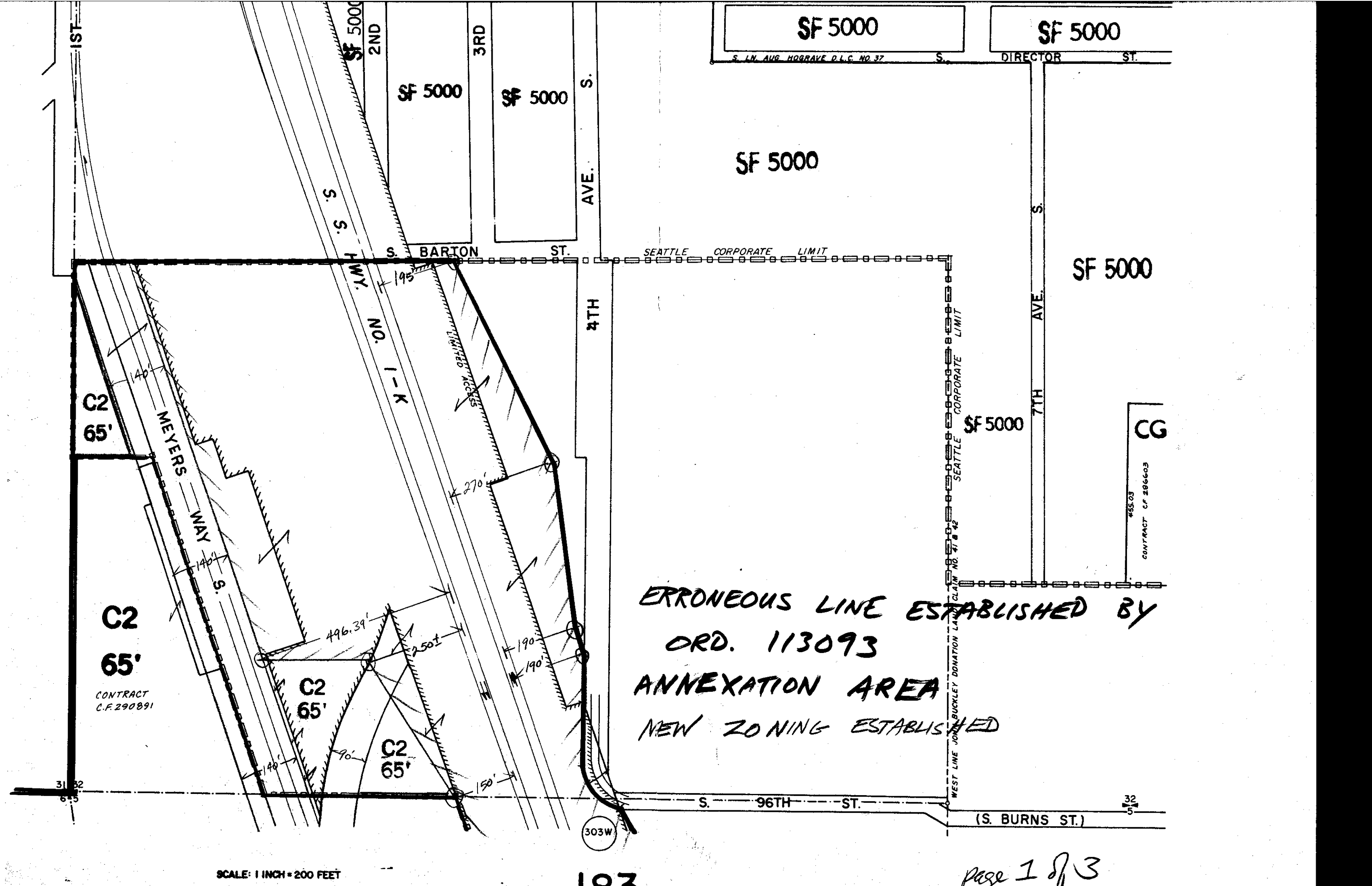
C2  
65'

303W

SCALE: 1 INCH = 200 FEET

Page 1 of 3

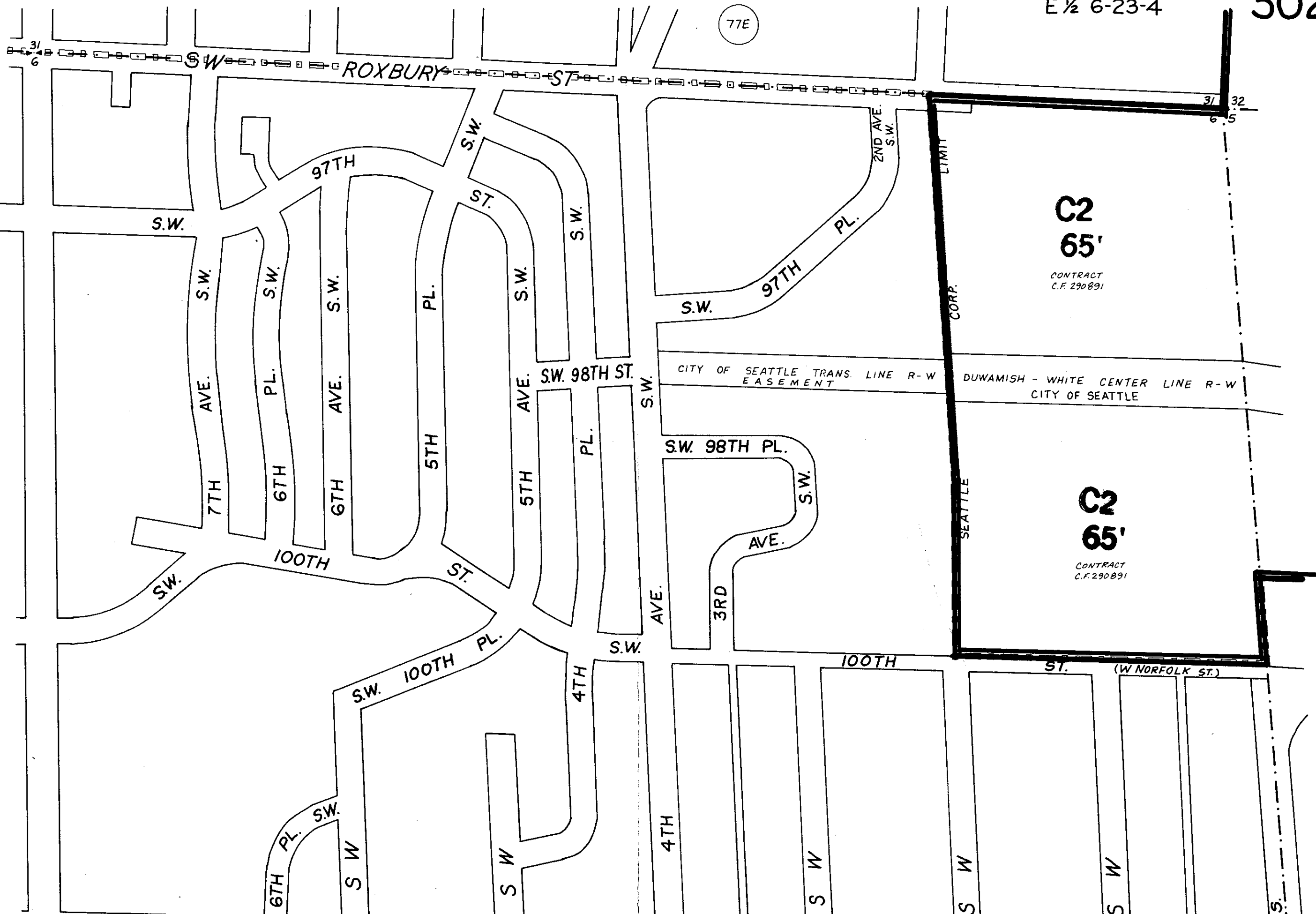
103



E 1/2 6-23-4

302E

77E



C2  
65'

CONTRACT  
C.F. 290891

C2  
65'

CONTRACT  
C.F. 290891

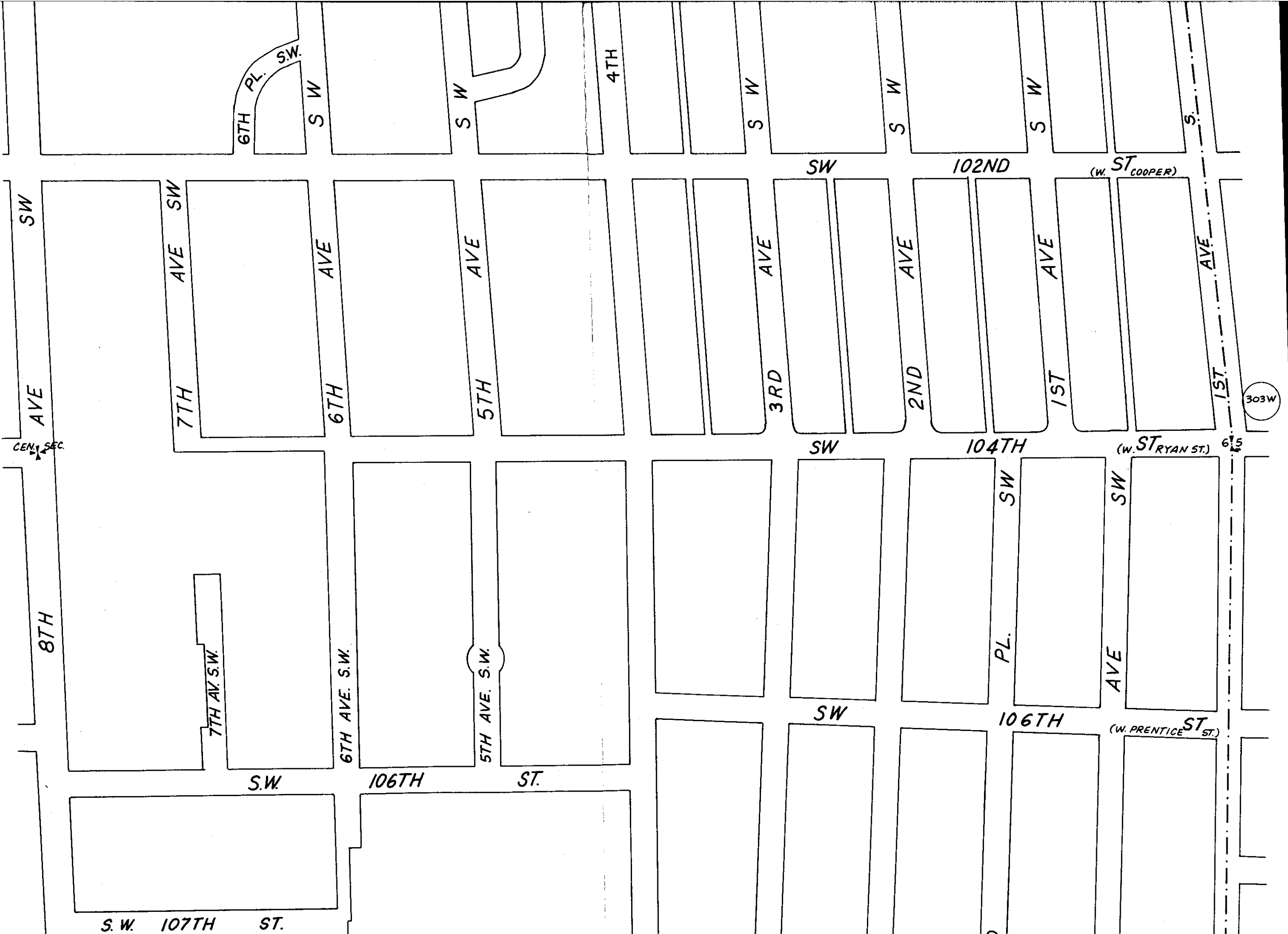
CITY OF SEATTLE TRANS. LINE R-W  
EASEMENT

DUWAMISH - WHITE CENTER LINE R-W  
CITY OF SEATTLE

LIMIT  
CORP.

SEATTLE

ST. (W NORFOLK ST.)



8TH AVE SW

7TH AVE SW

6TH AVE

5TH AVE

3RD AVE

2ND AVE

1ST AVE

1ST AVE

S.W. 107TH ST.

106TH ST.

106TH

(W. PRENTICE ST.)

104TH

(W. ST. RYAN ST.)

102ND

(W. ST. COOPER)

CEN. SEC.

303W

6TH PL. SW.

S W

S W

4TH

S W

S W

S W

S

SW

SW

SW

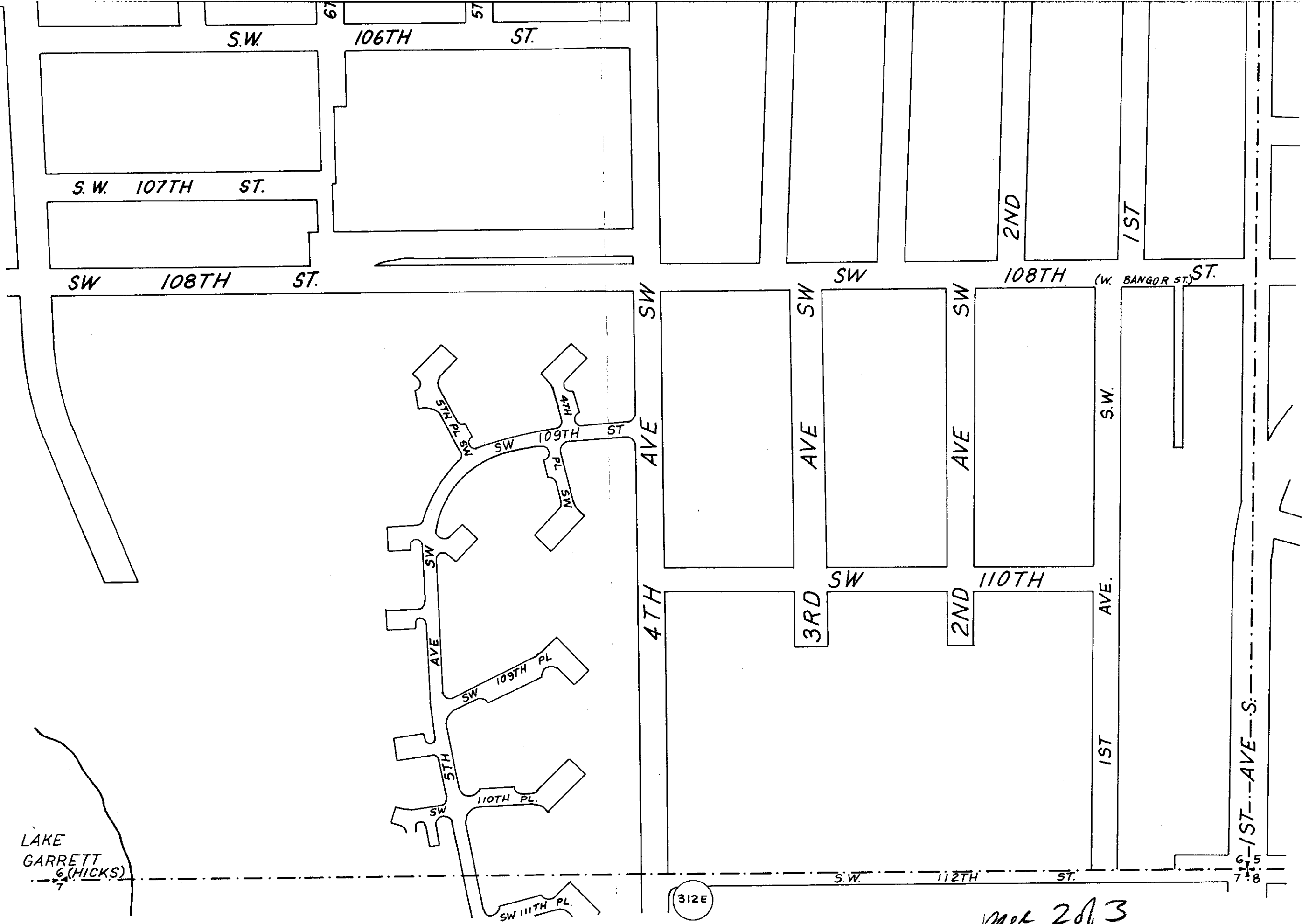
SW

SW

PL.

AVE

6'5"



LAKE  
GARRETT  
(HICKS)

312E

6  
5  
7  
8

205

page 2 of 3

SCALE: 1 INCH = 200 FEET



303W

W 1/2 5-23-4

78W

32

31 32  
6 5

5

C2  
65'

CONTRACT  
C.F. 290891

C2  
65'

CONTRACT  
C.F. 290891

C2  
65'

CONTRACT  
C.F. 290891

C2  
65'

CONTRACT  
C.F. 290891

CITY OF SEATTLE TRANSMISSION LINE

RIGHT OF WAY

DUWAMISH - WHITE CENTER LINE

OCCIDENTAL AVE. S.

2ND AVE. S.

S. 99TH ST.

3RD AVE. S.

S. 100TH ST

CITY OF SEATTLE

SEATTLE

2ND AVE. S.

S.

PIPE LINE

S. 102ND ST

S. 102ND ST.

BURIEN  
FREEMWAY

WEST LINE OF JOHN BUCKLEY DONATION CLAIM No 45

S. 100TH ST.

S. 102ND ST.

S. LINE J. BUCKLEY DON. CLAIM No 45

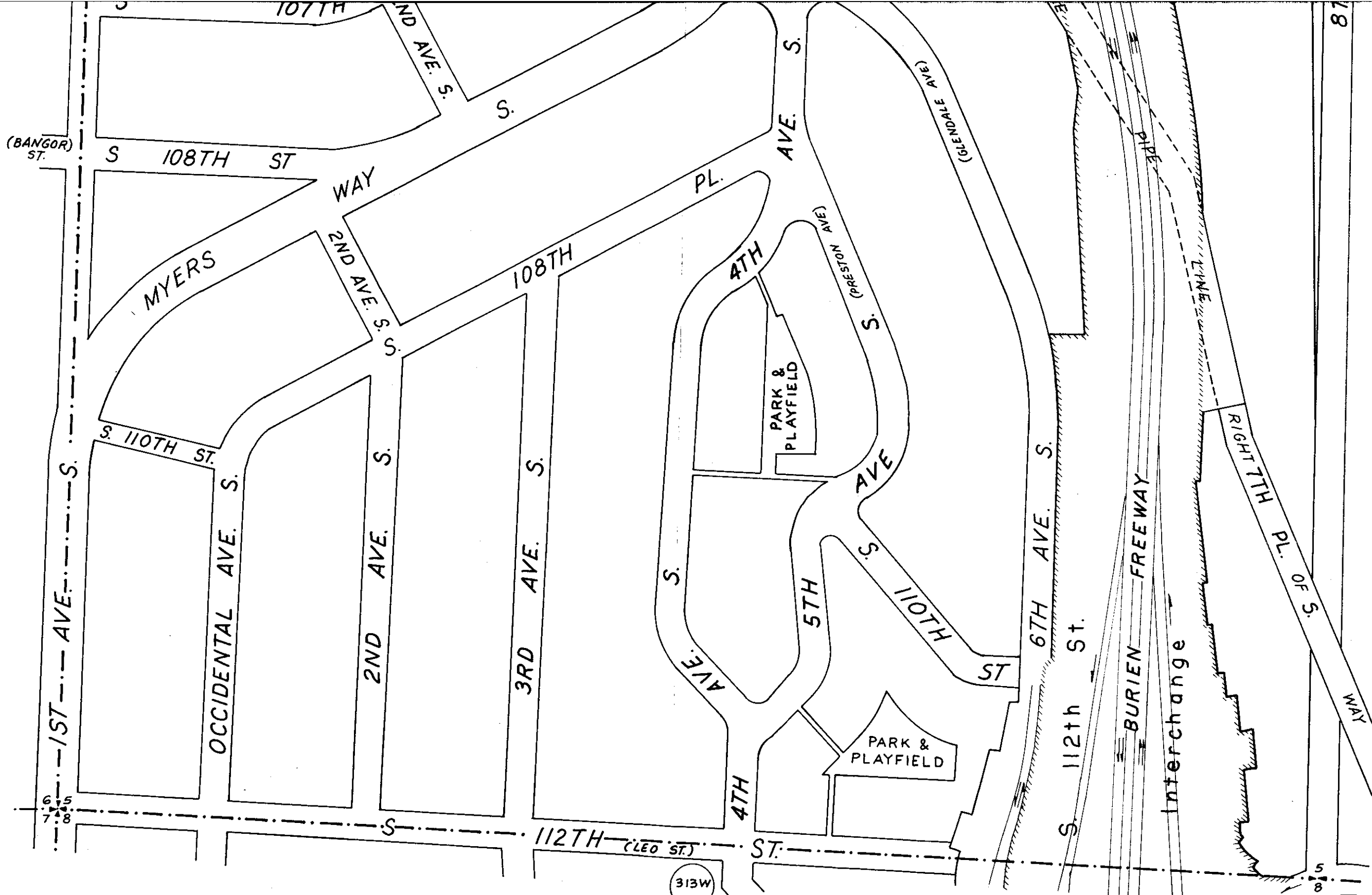
LIMITED ACCESS

LIMITED ACCESS

WAY

S.





SCALE: 1 INCH = 200 FEET

**ERRONEOUS LINE ESTABLISHED BY**  
**206 ORD. 113093**  
**ANNEXATION AREA**


*page 3 of 3*




1 Use and Development Agreement recorded pursuant to Ordinance 113093 and Ordinance  
2 113271.

3 Section 2. This ordinance shall take effect and be in force thirty (30) days from and after  
4 its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days  
5 after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.  
6


7  
8 Passed by the City Council the 11<sup>th</sup> day of December, 2006, and signed by me in open  
9 session in authentication of its passage this 11<sup>th</sup> day of December, 2006.  
10

11   
12 \_\_\_\_\_  
13 President \_\_\_\_\_ of the City Council

14 Approved by me this 21<sup>st</sup> day of December, 2006.

15   
16 \_\_\_\_\_  
17 Gregory J. Nickels, Mayor

18 Filed by me this 21<sup>st</sup> day of December, 2006.

19   
20 \_\_\_\_\_  
21 City Clerk

22 (Seal)

23  
24 Attachment A: Amended Property Use and  
25 Development Agreement  
26  
27  
28

After Filing Return To:  
Brenda Bauer  
City of Seattle  
Fleets and Facilities Department  
Seattle Municipal Tower, Suite 5200  
700 5<sup>th</sup> Avenue  
P.O. Box 94689  
Seattle, Washington 98124-4689

## AMENDED PROPERTY USE AND DEVELOPMENT AGREEMENT

**Grantor(s):**

1. City of Seattle, a municipal corporation

**Grantee(s):**

1. City of Seattle, a municipal corporation

**Abbreviated Legal Description** (lot, block and plat name, or section-township-range):

A portion of the Southeast Quarter of the Southeast Quarter of Section 31 and the Southwest Quarter of Section 32 Township 24 North, Range 4 East, W.M. in King County Washington. Also a portion of the Northeast Quarter of the Northeast Quarter of Section 6 and the Northwest Quarter of the Northwest Quarter of Section 5, Township 23 North, Range 4 East, W.M., in King County, Washington.

Additional legal description is on page 1-2 of document

**Assessor's Property Tax Parcel Account Number(s):**

052304 9256	052304 9026
052304 9259	062304 9053
312404 9024	645330 0110
062304 9001	052304 9013
052304 9012	322404 9082
052304 9257	052304 9258
052304 9052	052304 9024

**Reference Numbers of Documents Assigned or Released (if applicable):**

Supersedes and replaces document recorded under King County No. 8609231392.



Attachment A

**AMENDED PROPERTY USE AND DEVELOPMENT AGREEMENT**

This instrument, executed this date in favor of City of Seattle, a municipal corporation (herein "City"), by the undersigned owner of the within described property (herein "Owner").

**WITNESSETH:**

WHEREAS, in 1986, the City Council passed Ordinance No. 113093, revised by Ordinance No. 113271, approving an annexation and rezone for the following described real property in Seattle, King County, Washington (herein "the Property"), subject to the execution and recordation of a Property Use and Development Agreement (PUDA):

A portion of the Southeast Quarter of the Southeast Quarter of Section 31 and the southwest Quarter of Section 32 Township 24 North, Range 4 East, W.M., in King County Washington. Also a portion of the Northeast quarter of the Northeast Quarter of Section 6, and the Northwest Quarter of the Northwest Quarter of Section 5, Township 23 North, Range 4 East, W.M., in King County, Washington.

Beginning at the corner common to said Sections 31, 32, 6 and 5; thence North 88° 23' 50" West, along the north line of said Section 6 for 654.11 feet; thence South 05° 28' 00" West for 30.07 feet to a point being the northeasterly corner of the land conveyed to the Housing Authority of the County of King, recorded under Auditor's File No. 4413217; thence South 05° 44' 05" East, along said east line for 794.75 feet; thence South 01° 30' 25" East, along said east line for 378.91 feet to the north line of S.W. 100<sup>th</sup> Street; thence South 89° 44' 08" East, along said north line for 686.29 feet to the east line of said Section 6; thence North 05° 44' 05" West, along said east line for 186.07 feet; thence South 88° 38' 48" East for 95 feet; thence North 89° 33' 05" East for 94.68 feet; thence North 05° 44' 05" West, for 87.52 feet to the southerly line of Parcel "B", conveyed under Auditor's File No. 8002200456; thence South 64° 57' 53" East, along said southerly line, for 37.12 feet; thence North 75° 47' 11" East along said southerly line for 537.72 feet; thence North 23° 10' 47" East, for 6.66 feet to the westerly Margin of Myers Way South; thence North 34° 26' 27" West, for 47.54 feet along said westerly margin, to the beginning of a curve to the right, having a radius of 1,000.37 feet; thence northerly along said 1,000.37 foot radius curve through a central angle 18° 56' 12", an arc distance of 330.63 feet along said westerly margin to a point 43.83 feet distant southwesterly when measured at right angles from the R-line survey of secondary State Highway No. I-K (Myers Way South), as condemned for state highway under proceedings had in King County Superior Court Cause No. 670900, at Highway Engineers Station R 0+50; thence South 71° 42' 58" West for 1.17 feet to a point 45.00 feet distant southwesterly when measured at right angles from the aforementioned Highway Engineers Station 0+50; thence North 47° 05' 41" West for 114.13 feet, along the westerly margin of said secondary highway No. I-K, to a point 100.00 feet distant southwesterly when measured at right angles from said R-line at Highway Engineers Station R 1+50; thence North 18° 17' 02" West 1,284.34 feet to the north line of Parcel "C", conveyed under Auditor's File No. 8002200456; thence North 88° 38' 49" West, for 168.73 feet along



said northerly line to a point on the west line of said Section 32; thence South 01° 06' 49" West for 209.46 feet, along said west line to the southeast corner of that property conveyed to the Municipality of Metropolitan Seattle by deed recorded under King County Recording No. 7611010750; thence North 88°23' 50" West, for 590.63 feet along the south line of said deed to METRO, to the easterly margin of Second Avenue S.W., said point lying on a curve, concave to the southeast, having a radius of 300.00 feet, the radial bearing at said point is North 61° 20' 49" West; thence southerly along said 300.00 foot radius curve, through a central angle of 27° 35' 54", an arc distance of 144.50 feet to a point of tangency with the east margin of said Second Avenue S.W.; thence South 01° 03' 17" West for 468.58 feet, along said east margin, to the north margin of S.W. Roxbury Street; thence South 88° 23' 50" East, for 624.14 feet, along said north margin, to the east line of Section 31; thence South 01° 06' 49" West for 30.00 feet, along said east line to the Point of Beginning.

EXCEPT that portion condemned by the City of Seattle for Transmission Line Right-of-Way under proceedings had in King County Superior Court Cause No. 553110;

TOGETHER WITH Parcel "B" of Short Subdivision No. 78-212 of the City of Seattle recorded under King County Recording No. 7901020608; and revision recorded under Auditor's File NO. 8107020401;

BEING a portion of the Southeast Quarter of the Southeast Quarter of Section 31, Township 24 North, Range 4 East, W.M., in King County Washington;

TOGETHER WITH those portions of Government Lot 5 of said Section 5, lying westerly of the westerly margin of S.R. 509, as condemned under proceedings had in King County Superior Court Cause No. 670900 and lying easterly of Myers Way South, and lying northerly of S.W. 100<sup>th</sup> Street;

EXCEPT that portion condemned by the City of Seattle for Transmission Line Right-of-Way under proceedings had in King County Superior Court Cause No. 553110; and

WHEREAS, as part of the annexation and rezone approved by Ordinance No. 113093, the City also accepted a Property Use and Development Agreement (herein "PUDA") executed by the then owners of the Property imposing certain conditions, specifically, proposed traffic mitigation measures that related to the plans for the business park that was proposed at the time but which has never been built; and

WHEREAS, the City Council, on December \_\_\_\_, 2006, in Ordinance \_\_\_\_\_, granted the request to amend the PUDA to delete the now inapplicable conditions;

NOW THEREFORE, Owner hereby covenants, bargains and agrees on behalf of itself, its successors and assigns, as follows:

1. That Owner will comply with the following conditions:





a) Owner understands and agrees that it may be required to provide or pay the cost of traffic mitigation measures made necessary by improvement of the Property as part of the Master Use Permit process.

b) Owner agrees to be responsible for the development and maintenance of sufficient utility systems (including sewer, storm drains, water mains, street lighting etc.) within the Property; Specific requirements will be determined during the Master Use Permit process.

c) Owner understands and agrees that additional environmental documentation may be required for a Master Use Permit that proposes development in excess of that proposed in the environmental impact statement for the annexation.

2. This Agreement shall be recorded in the records of King County, and the covenants hereof shall be deemed to be attached to and run with the Property, and shall be binding upon the Owner, its heirs, successors and assigns, and shall apply to after-acquired title of the Owner of the Property. The primary responsibility for performing the conditions of this agreement shall be vested in Owner, but any subsequent owner shall also be bound thereby if Owner does not perform said conditions.

3. This Agreement may be amended or modified by agreement between the Owner and the City, provided, such amended agreement shall be approved by the legislative authority of the City by ordinance.

4. This Agreement shall be made for the benefit of the City and the public, and the City may institute and prosecute any proceeding in law or in equity to enforce this Agreement.

5. In the event that any covenant or restriction hereinabove contained or any portion thereof is invalid or void, such invalidity or voidness shall in no way affect any other covenant, condition or restriction hereinabove contained.

6. This Amended PUDA shall supersede and replace the PUDA dated September 20, 1986, that was recorded under King County Recording No. 8609231392.

The City of Seattle  
a Washington municipal corporation

By \_\_\_\_\_  
Brenda Bauer  
Director of the Department of Fleets and  
Facilities





## 2007 BUDGET LEGISLATION FISCAL NOTE

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Fleets and Facilities	Joan Rosenstock/4-8541	Dwight Dively/4-0503

Legislation Title: AN ORDINANCE authorizing amendment of the Property Use and Development Agreement executed and recorded pursuant to Ordinance 113093, regarding property located on Myers Way South.

- Summary of the Legislation: In 1986, the City annexed a property on Myers Way S., zoned it C2-65' and approved a Property Use and Development Agreement (PUDA) for the site. This ordinance authorizes an amendment of the PUDA that was accepted by Ordinance 113093.
- Background: In 1986, as a result of a petition from a property owner that intended to build a business park, the City annexed the property in the 9400 block of Myers Way S., zoned it C2-65' and approved a Property Use and Development Agreement (PUDA) for the site. The business park was never built, and the landowner sold the property to Nintendo. Nintendo never developed the property, and sold it to the City in 2003 for the City's new Joint Training Facility. Ordinarily, rezone ordinances have a provision that is repeated in the PUDA that would have terminated the rezone and the PUDA automatically after three years if the property development did not occur. However, Ordinance 113093 did not contain such a provision, although it does contain the ordinary provision authorizing amendment of the PUDA by ordinance approved by Council.

The Joint Training Facility only uses the northern 13 acres of the property, so the remaining area is excess to the City's needs. Therefore, the City put the property on the market in 2003, and eventually entered into a Purchase and Sale Agreement with a purchaser that plans on developing a Lowe's store that is expected to generate approximately \$500,000 annually in sales tax for the City, and four smaller pad sites along Myers Way. But some of the conditions of the PUDA that applies to the property arguably could be read to require proposed traffic mitigation improvements designed solely to mitigate impacts of the business park that was never built. To avoid that interpretation, the City is requesting that the PUDA be amended to delete the proposed traffic mitigation conditions in paragraph 1(a) of the PUDA.

- *Please check one of the following:*

X This legislation does not have any financial implications.



**From:** Mary Pearson  
**To:** MacColl, Scott  
**Date:** 11/29/2006 11:45:11 AM  
**Subject:** Draft Substitute Legislation - Myers Way S PUDA Amendment

Scott, attached are the legislative documents related to the alternative approach to addressing the PUDA, amending it to remove specific conditions. The draft ordinance, amended PUDA and fiscal note have all been reviewed by Sandy Watson. Sandy is out ill today but can confirm for you that she has reviewed and approved.

I got your message about the timing and the 14 day notice.

If you have any questions, let me know, though I will be out of the office Dec 1 and 4.

**CC:** East, Emelie; Rosenstock, Joan; Watson, Sandy

---

**STATE OF WASHINGTON – KING COUNTY**

--SS.

---

205815  
CITY OF SEATTLE, CLERKS OFFICE

No.

**Affidavit of Publication**

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12<sup>th</sup> day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

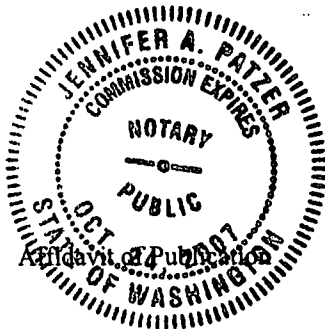
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:ORDINANCE 122319

was published on

12/28/06

The amount of the fee charged for the foregoing publication is the sum of \$ 117.30, which amount has been paid in full.



*Samela Oglesky*  
\_\_\_\_\_  
Subscribed and sworn to before me on  
12/28/06  
*[Signature]*  
\_\_\_\_\_

Notary public for the State of Washington,  
residing in Seattle

# State of Washington, King County

## City of Seattle

### ORDINANCE 122319

AN ORDINANCE authorizing amendment of the Property Use and Development Agreement executed and recorded pursuant to Ordinance 113093, regarding property located on Myers Way South.

WHEREAS, in 1986, the City Council passed Ordinance No. 113093, revised by Ordinance No. 113271, approving an annexation and rezone to C 2/66, for portions of Section 32, Township 24 North, Range 4 East, W.M., and of Sections 5 and 6, Township 23 North, Range 4 East, W.M., in King County; on Myers Way South in Seattle, King County, Washington (herein "the Property"); subject to the execution and recordation of a Property Use and Development Agreement (PUDA); and

WHEREAS, as part of the annexation and rezone approved by Ordinance No. 113093, the City also accepted a Property Use and Development Agreement (herein "PUDA") executed by the then owners of the Property and recorded in the King County Recorder's Office, Recording No. 8609231392, imposing certain conditions that related solely to the plans proposed for a business park that was never built; and

WHEREAS, the City of Seattle purchased the Property in 2003 for the location of a Joint Training Facility (JTF) for the Fire Department, Seattle Public Utilities, and the Department of Transportation; and

WHEREAS, approximately 31 acres of the Property are excess to the City's needs for the development of the JTF, and the Fleets and Facilities Department intends to sell the excess portion of the Property; and

WHEREAS, the conditions imposed in the PUDA executed by the then owners of the Property are not applicable to other proposed development, and the City desires to modify the PUDA to delete the inapplicable PUDA conditions; NOW, THEREFORE,

### BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Director of Fleets and Facilities is authorized to execute and record an Amended Property Use and Development Agreement for the Property described in Section 1 of Ordinance 113271, substantially in the form attached as Attachment A, that deletes the conditions currently contained in paragraphs 1-6 of subsection (a) of paragraph 1 of the Property Use and Development Agreement recorded pursuant to Ordinance 113093 and Ordinance 113271.

Section 2. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 11th day of December, 2006, and signed by me in open session in authentication of its passage this 11th day of December, 2006.

NICK LICATA,

President of the City Council.

Approved by me this 21st day of December 2006.

GREGORY J. NICKELS,

Mayor.

Filed by me this 21st day of December, 2006.

(Seal) JUDITH E. PIPPIN,

City Clerk.

Attachment A: Amended Property Use and Development Agreement

Publication ordered by JUDITH PIPPIN, City Clerk.

Date of publication in the Seattle Daily Journal of Commerce, December 28, 2006.

12/28/200615

(b)(7)(C). The following institutional uses:

1. Water-dependent or water-related research and education facilities of colleges and universities.



## City of Seattle Legislative Information Service

Information retrieved on July 20, 2012 2:32 PM

**Council Bill Number: 114256**

**Ordinance Number: 120882**

AN ORDINANCE relating to a Combined Training Facility; approving the acquisition of certain real property located on the 9400 block of Myers Way SW; authorizing the Promissory Note; approving the Deed of Trust; and accepting the Statutory Warranty Deed.

**Status:** Passed

**Date passed by Full Council:** August 12, 2002

**Vote:** 8-0 (Excused: Compton)

**Date filed with the City Clerk:** August 20, 2002

**Date of Mayor's signature:** August 19, 2002

[\(about the signature date\)](#)

**Date introduced/referred to committee:** July 29, 2002

**Committee:** Finance, Budget, Business and Labor

**Sponsor:** DRAGO

**Index Terms:** LAND-ACQUISITION, FACILITIES, SEATTLE-PUBLIC-UTILITIES, FIRE-DEPARTMENT, SOUTH-PARK, HIGHLAND-PARK, JOB-TRAINING

**References/Related Documents:** Related: Ord 120787

**Fiscal Note:** [Fiscal Note to Council Bill 114256](#)

### Text

ORDINANCE \_\_\_\_\_

AN ORDINANCE relating to a Combined Training Facility; approving the acquisition of certain real property located on the 9400 block of Myers Way SW; authorizing the Promissory Note; approving the Deed of Trust; and accepting the Statutory Warranty Deed.

WHEREAS, the Combined Training Facility project was established through the 2001 Budget adopted through Ordinance 120165; and

WHEREAS, Ordinance 120787 authorized the condemnation of land and other property rights on the Nintendo of America, Inc. site on the 9400 block of Myers Way SW for development and operation of a Combined Training Campus; and

WHEREAS, the City and Nintendo of America, Inc. have negotiated a voluntary purchase agreement for the 51 acre site for \$14.9 million dollars; and

WHEREAS, the City intends to resell a significant portion of the property for private development to offset total project costs and to



spur economic development in the Highpoint neighborhood; NOW,  
THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The purchase of certain real property located in the 9400 block of Myers Way SW is approved in accordance with the terms of the Purchase and Sale Agreement and related documents, attached as Exhibit 1.

Section 2. The Director of the Fleets and Facilities Department ("Director") is hereby authorized, for and on behalf of the City, to execute a Promissory Note, in the form attached as Exhibit B.

Section 3. The Director is authorized, for and on behalf of the City, to execute a Deed of Trust, in the form attached as Exhibit C.

Section 4. The Director is hereby authorized, for and on behalf of the City, to accept a Statutory Warranty Deed for the above described real property, which property, when received, shall be placed under the jurisdiction of the Fleets and Facilities Department.

Section 5. Any acts made consistent with the authority and prior to the effective date of this ordinance are hereby ratified and confirmed.

Section 6. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2002, and signed by me in open session in authentication of its passage this \_\_\_\_ day of \_\_\_\_\_, 2002.

\_\_\_\_\_

President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2002.

\_\_\_\_\_

Gregory J. Nickels, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2002.

\_\_\_\_\_

City Clerk

(Seal)

Attachment:

Exhibit 1 - Real Estate Purchase and Sale Agreement

Exhibit B - Promissory Note

Exhibit C - Deed of Trust

Joan Rosenstock/hjh

Combined Training Facilities.doc

7/10/02

version #3

EXHIBIT 1

#### REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is dated for reference purposes July 1, 2002, between NINTENDO OF AMERICA INC., a Washington corporation ("Seller"), having its principal offices at 4820 150th Avenue NE, Redmond, WA 98052, and THE CITY OF SEATTLE, a first class city of the State of Washington ("Purchaser"), having an address at The City of Seattle, Fleets and Facilities Department, Real Estate Services Division, 618 Second Avenue, 14th Floor, Seattle, WA 98104 (individually "Party" and collectively "Parties" to this Agreement).

#### RECITALS:

A. Seller owns approximately 51 acres of real property located on the 9400 block of Myers Way S., Seattle, WA, which is legally described in the attached Exhibit A (the "Property"). The Property is composed of 15 individual tax lots.

B. The Purchaser desires to acquire the Property, having determined that it meets the Purchaser's criteria for the location of a Combined Training Campus for the Seattle Fire Department and Seattle Public Utilities.

C. Seller is selling the Property to Purchaser under threat of the imminent exercise of eminent domain by Purchaser, and in lieu of such exercise of Purchaser's power of eminent domain. As such, the Parties intend that the transaction qualify for the exemption from the real estate excise tax as set forth in WAC 458-61-420(c).

NOW, THEREFORE, in consideration of the undertakings contained in this Agreement, the Parties agree as follows:

1. SALE OF PROPERTY. Pursuant to the terms of this Agreement, Purchaser shall purchase from Seller the Property described in Exhibit A, subject to:

a. All taxes, assessments apportioned between the Parties to the date of Closing, restrictions, easements, licenses, permits, agreements and other matters affecting the Property;

b. All applicable zoning rules, restrictions, regulations, resolutions and ordinances and building restrictions and governmental regulations now or hereafter in effect;

c. The right of the public in any street or highway forming a boundary of the Property; and

d. Any claims of adverse possession, encroachment and/or prescriptive easement, whether or not known to or disclosed by Seller. Seller represents that the personnel in its real estate department do not have actual knowledge of any claims of adverse possession, encroachment and/or prescriptive easement affecting the Property. Buyer acknowledges that the Property is unimproved, and that Seller has not investigated boundary line issues, has limited experience with the Property and is under no obligation to Buyer to make any inquiry or investigation of any sort into boundary line issues.

2. PAYMENT OF PURCHASE PRICE. The purchase price for the Property is FOURTEEN MILLION NINE HUNDRED THOUSAND AND NO/100 DOLLARS (\$14,900,000.00), and shall be paid as follows:

a. Earnest Money. Within ten (10) days of execution hereof by John Franklin on behalf of Purchaser and W. Bruce Meyer on behalf of Seller, Purchaser shall deliver to Escrow Agent the sum of TWO MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$2,500,000.00) (the "Earnest Money Deposit"), to be held in an interest bearing account for the benefit of Purchaser, together with a copy of this Agreement. The Earnest Money Deposit shall become non-refundable upon the latter of the removal or expiration of all contingencies which would entitle a Party to avoid its obligation to close this transaction; provided, however that in the event that the transaction fails to close through fault of Seller the Earnest Money Deposit shall at Purchaser's option be refundable to Purchaser. Escrow Agent shall deliver the Earnest Money Deposit to Seller upon Closing, as defined in this Agreement

b. Balance. At Closing, Purchaser shall deliver to Escrow Agent a fully executed and enforceable Promissory Note in the sum of TWELVE MILLION FOUR HUNDRED THOUSAND AND NO/100 DOLLARS (\$12,400,000.00) in the form attached hereto as Exhibit B, and shall execute and deliver to Seller a Deed of Trust, in the form attached hereto as Exhibit C, securing the payment of the balance of the purchase price.

3. VESTING OF TITLE.

a. Deed. At Closing, Seller shall deliver to Escrow Agent a fully

executed and enforceable Statutory Warranty Deed (the "Deed"). The Deed shall not be subject to any exceptions other than (a) the Permitted Exceptions and (b) any claims of adverse possession, encroachment and/or prescriptive easement, whether or not known to or disclosed by Seller. The Deed shall state that the transfer of title from Seller to Purchaser is made under threat of the exercise of eminent domain.

b. No Restrictions on Development or Resale. Nothing contained in this Agreement shall be interpreted to restrict Purchaser's right to apply for lot boundary adjustments, subdivision or other development permits or making any other application deemed reasonably necessary to that end by Purchaser, or to enter into agreements to sell, lease or convey any portion of the Property; provided the same are prospective in nature and are not concluded until the balance of the purchase price is paid by Purchaser, and prior to closing Seller agrees to reasonably cooperate and give its written consent to Purchaser's application for such adjustments or permits, provided the same is done without cost or prejudice to Seller.

c. Permits At Closing, Seller shall also deliver to Purchaser, duly endorsed for transfer, every permit of every type in Seller's possession or under its control, affecting any right or entitlement on or in the Property, including but not limited to any surface mining permit, to the extent such permit(s) are transferable according to their terms, and provided, however, that upon failure of Purchaser to make any payment required under the terms of the Promissory Note, said permits shall be returned to Seller duly endorsed for transfer, and further provided that after Closing but prior to payment of the balance of the Purchase Price, Purchaser shall give Seller written notice of any intent to utilize any such permit. Purchaser's obligations set forth in this Paragraph 3.c. shall survive Closing.

#### 4. TITLE; INVESTIGATION, STUDY AND SURVEY; REPAIR & INDEMNIFICATION OBLIGATION.

a. "Marketable Title" to be Provided by Seller. Seller shall furnish Purchaser with marketable title to the Property. "Marketable title" shall mean title insurable by Pacific Northwest Title Company of Washington, Inc. (the "Title Company") at its standard rates, without exception except as approved or deemed approved by Purchaser in accordance with this Paragraph. Upon execution of this Agreement, Purchaser shall order a title insurance commitment for the issuance of a standard coverage Owner's Policy of Title Insurance covering the Property (the "Title Commitment"). Seller shall pay the title insurance expense.

b. Purchaser's Right to Except Title Conditions. Upon receipt of the Title Commitment, Purchaser shall deliver a copy to Seller, and Purchaser shall have fourteen (14) days from the date of receipt by Purchaser to notify Seller in writing of Purchaser's objection to any exception in the Title Commitment, other than monetary liens and encumbrances, which shall be paid in full out of Seller's funds or removed by Seller at or before Closing whether or not objected to by Purchaser. Any exception disclosed in the Title Commitment to which Purchaser does not, within that fourteen (14) day time period, assert a written objection shall be deemed to be a "Permitted Exception." Seller shall thereafter have fourteen (14) days after receipt of Purchaser's written notice of objection to remove any exceptions to which Purchaser has given written objection or to obtain Purchaser's written agreement to waive Purchaser's objection. If Seller does not within that fourteen (14) day time period, correct or otherwise

address title exceptions to which Purchaser has objected Purchaser may notify Seller in writing that it elects to (i) waive such uncured objections and accept title to the Property subject such uncured objections (each of which shall then be deemed a Permitted Exception) without an adjustment to the Purchase Price; or (ii) terminate this Agreement by written notice to Seller and Escrow Agent, in which event this Agreement shall terminate, the Earnest Money Deposit and all interest earned thereon shall be refunded to Purchaser, and neither Party shall have any further rights, duties or obligations under this Agreement. If Purchaser does not waive uncured objections or terminate this Agreement within ten (10) days of Seller's fourteen (14) day period following initial notice from Purchaser, then Purchaser's right to object to said exceptions shall terminate and all such exceptions shall be deemed to be Permitted Exceptions.

c. License Granted for Entry onto Property for Inspection, Study and Survey Purposes. Seller grants to Purchaser a license to enter the Property for the purpose of completing an inspection, environmental, soil and drainage study and to conduct a land survey of the Property at Purchaser's expense. The license granted in this Paragraph 4.c. shall automatically terminate on the date of Closing or the date this Agreement is terminated, whichever is earlier.

d. Survey. Seller has in its possession a copy of a boundary survey prepared at Seller's request by a licensed surveyor. Within seven (7) days of the execution of this Agreement, Seller shall deliver a copy of said boundary survey to Purchaser. Purchaser shall have fourteen (14) days from the receipt of said survey to object to any condition disclosed in said survey, which objection will be treated in the same manner as set forth in Paragraph 4.b. of this Agreement. Escrow Agent is instructed and authorized by the Parties to correct or substitute the legal description derived from that boundary survey for the one contained on Exhibit A to this Agreement.

e. Purchaser's Property Repair and Indemnification Obligation. If Purchaser does not purchase the Property, Purchaser covenants and agrees to repair any damage to the Property or any condition created on the Property by the activities of Purchaser, its contractors or agents. Purchaser agrees to indemnify and hold harmless Seller for any costs, loss, damage or expense (including the expense of legal counsel incurred without or without litigation or on appeal) incurred in any way related to Purchaser's entry on the Property prior to the date of Closing, including but not limited to any mechanic's or materialman's liens placed on the Property related to Purchaser's inspection, study, survey of, or other work on the Property. This repair and indemnification obligation shall survive the termination of this Agreement.

5. REPRESENTATIONS AND WARRANTIES OF PURCHASER. Purchaser hereby represents and warrants to and agrees with Seller as follows:

a. Purchaser is a municipal corporation duly organized, validly existing and in good standing under the laws of the State of Washington and has the legal power, right and authority to enter into this Agreement and the instruments and documents that are to be executed by the Purchaser and are referenced herein, and to consummate the transaction contemplated hereby;

b. This Agreement has been duly authorized, executed and delivered by Purchaser; constitutes the legal, valid and binding obligation of

Purchaser, and is enforceable against Purchaser in accordance with its terms;

c. Purchaser has threatened to exercise its power of eminent domain to obtain the Property from Seller, and this Agreement and the transaction contemplated herein is entered into under the threat of, and in lieu of, exercise of eminent domain by Purchaser;

d. The person or persons signatory to this Agreement and any document executed pursuant hereto on behalf of the Purchaser has full power and authority to bind Purchaser; and

e. Purchaser shall not interfere with the physical condition or potential use of the Property prior to Date of Closing except as set forth herein.

6. REPRESENTATIONS AND WARRANTIES OF SELLER. Seller hereby represents and warrants to and agrees with Purchaser as follows:

a. Seller has the full right and authority to enter into this Agreement and to consummate the sale, transfer, and assignments contemplated herein;

b. The person or persons signatory to this Agreement and any document executed pursuant hereto on behalf of the Seller has full power and authority to bind Seller;

c. Seller is a duly organized and existing Washington Corporation;

d. Seller is not a foreign corporation, foreign partnership, foreign trust or foreign estate or individual, and Purchaser is not required to withhold tax pursuant to 1445 of the Internal Revenue Code;

e. This Agreement has been duly authorized, executed and delivered by Seller, constitutes the legal, valid and binding obligation of Seller and is enforceable against Seller in accordance with its terms;

f. Except for such matters as are shown in the Title Commitment, Seller is the sole owner of the Property and no other person, corporation or entity has any right, title or interest to the Property;

g. Seller has obtained all consents, approvals, authorizations, and orders as are required to permit Seller to execute and deliver this Agreement, and to consummate the transaction contemplated hereby;

h. Seller has not created, or permitted the creation of, any mortgage, lease, rental agreement, option, easement, right, encumbrance, covenant, condition, restriction, security interest, or lien of any kind or nature, recorded or unrecorded, including but not limited to any architect's, engineer's, landscape architect's, mechanic's or materialman's lien, affecting or against the Property or any part thereof, that is not shown on the Title Commitment, disclosed in writing to Purchaser prior to Closing, and which will not be satisfied, discharged or terminated prior to Closing; and

i. Seller has not, as of the date of Closing, received any notice of any pending litigation, bankruptcy or other proceeding affecting the Property, in whole or in part, other than the notice(s) disclosed to Purchaser, in writing, by Seller.

7. CONDITIONS PRECEDENT TO PERFORMANCE OF AGREEMENT BY PURCHASER.  
Purchaser shall be obligated to complete this transaction only upon satisfaction or waiver of each of the following conditions:

a. Seller is able to convey marketable title to the Property subject only to Permitted Exceptions as required by Paragraph 4.b. of this Agreement, and the Title Company is able to issue the Purchaser a Policy of title insurance in an amount equal to the Purchase Price with only the Permitted Exceptions as special exceptions thereto;

b. The representations and warranties made by Seller in this Agreement are true on and as of the date of Closing with the same effect as though such representations and warranties had been made on and as of the date of Closing;

c. Seller shall, at Purchaser's expense, reasonably cooperate and promptly execute documents reasonably necessary for Purchaser to secure lot line adjustments, short plats, subdivision, street vacation, variances, permits or orders. Purchaser shall indemnify and hold Seller harmless from any costs, expenses or liability resulting from preparation of and recordation of such documents;

d. Within fourteen (14) days of the date of this Agreement, Seller shall provide Purchaser with a copy of every report in its possession or control relating to environmental condition(s) on the Property. Except as otherwise limited by applicable law, Purchaser shall keep strictly confidential any environmental information relating to the Property. Purchaser shall disclose such information only to (1) those of its agents or contractors who require the information for business purposes relating to the investigation, analysis or development of the Property, provided that those agents or contractors (a) shall be informed of the confidential nature of the information, and (b) shall agree in advance in writing to be bound by the confidentiality requirements set forth herein; and (2) those persons requesting pursuant to RCW Ch. 42.17 information that is not exempt from public disclosure;

e. Within fourteen (14) days of the date of this Agreement, Seller shall have provided to Purchaser a complete copy of each of the following to the extent they are in Seller's possession, custody or control: soils reports; structural reports; surveys; information relating to any proposal or commitment by Seller to alter existing improvements or structures or construct additional improvements or structures, or to dedicate any portion of the Property to any governmental entity; and every drawing of the Property showing any easement, encumbrance or encroachment by any other person or entity for the benefit of the Seller's adjacent property any other property. Notwithstanding the foregoing, Seller need not provide any copies of Seller's internal memoranda or valuations;

f. On or before the Closing Date, Purchaser shall have authorized this purchase by ordinance and such ordinance shall have become effective; and

g. Seller shall reasonably cooperate with the Purchaser during the Purchaser's investigation and survey of the Property, and shall provide such information about the Property as the Purchaser shall reasonably require.

8. SATISFACTION OF CONDITIONS. Purchaser shall use its best efforts to obtain satisfaction of the conditions set forth in Paragraph 7 prior to the deadline described below.

a. Termination of Agreement. If the conditions set forth in Paragraph 7 have not been either satisfied or waived by Purchaser by the required date, then either Purchaser or Seller may terminate this Agreement by written notice to the other Party within five (5) days after the period provided for satisfaction of the condition or October 1, 2002, whichever is earlier, whereupon this Agreement shall terminate and neither Party shall have any further liability to the other or rights under this Agreement. If such termination notice is not given within such five (5)-day period, the Parties shall be conclusively deemed to have elected to have waived said conditions precedent.

b. Earnest Money. Upon Purchaser having waived or Seller having cured any defect in title or survey as set forth under Paragraph 4 of this Agreement, and upon the ordinance approving this purchase having taken effect as set forth in Paragraph 7.f. of this Agreement, and Seller having otherwise performed all of its obligations under this Agreement (except for Seller's continuing obligations set forth in Paragraphs 7.c. and 7.g.), the Earnest Money Deposit described in Paragraph 2 shall become non-refundable, and if Purchaser thereafter terminates this Agreement or fails to perform Purchaser's closing obligations by the Closing Date, Escrow Agent shall pay the Earnest Money Deposit to Seller and this Agreement shall terminate; provided, however, that if the transaction fails to close by the Closing Date through the fault of Seller, the Earnest Money Deposit shall be returned to Purchaser and this Agreement shall terminate.

9. CONDITIONS PRECEDENT TO PERFORMANCE OF AGREEMENT BY SELLER. Seller shall be obligated to complete the transaction only upon the satisfaction or waiver of each of the following conditions:

a. Purchaser shall have complied with all of the terms and conditions of this Agreement, including, without limitation, payment to the Escrow Agent of the Purchase Price, in the form and as adjusted as provided in this Agreement;

b. Purchaser shall have executed and delivered a Real Estate Excise Tax Affidavit to Escrow Agent claiming an exemption from the real estate excise tax based on WAC 458-61-420(c) based on Purchaser's threat of the exercise of Purchaser's power of eminent domain.

c. The representations and warranties made by Purchaser in this Agreement are true on and as of the date of Closing with the same effect as though such representations and warranties had been made on and as of the date of Closing; and

d. Purchaser shall order and deliver to Seller a title insurance commitment for the issuance of an ALTA extended coverage Lender's Policy of Title Insurance covering the Deed of Trust, and the Title



Insurance Company shall issue such policy to Seller at Closing. Purchaser shall pay the cost of such policy, except that Seller shall pay any additional cost for an extended coverage lender's policy in excess of the cost of a standard coverage lender's policy;

e. Seller's Board of Directors and Seller's parent company's Board of Directors shall have authorized the sale of the Property by resolution and such resolution shall have become effective; and in the event either of said Boards of Directors does not authorize the sale of the Property prior to the Closing Date this Agreement shall terminate and the Earnest Money shall be refunded to Buyer.

10. LIABILITY OF SELLER. Any and all claims arising out of or in connection with this Agreement shall be enforceable as against Seller, only against the Property or the proceeds of the sale thereof. No partner, officer, director, shareholder, trustee, employee, investment manager, advisor or agent of Seller (and no officer, director, shareholder, trustee, employee, investment manager, advisor or agent of such person) shall have any personal liability arising out of or in connection with this Agreement.

11. ESTABLISHMENT OF ESCROW AND CLOSING.

a. Establishment of Escrow. Purchaser shall open an escrow account with Pacific Northwest Title Company of Washington, Inc. (the "Escrow Agent") by delivering a copy of this Agreement together with the Earnest Money as set forth in Paragraph 2.

b. Escrow Instructions. The provisions of this Agreement shall constitute the joint instructions of the Parties to the Escrow Agent; provided, however, that the Parties shall execute such additional instructions as requested by the Escrow Agent not inconsistent with the provisions of this Agreement.

c. Date of Closing. The closing of the sale and purchase of the Property (the "Closing") shall occur on September 30, 2002 or October 1, 2002 at Seller's option, or earlier if mutually agreed in writing by the Parties (the "date of Closing" or the "Closing Date").

d. Purchaser's Closing Obligations and Instruments. At Closing, Purchaser shall deliver all of the funds and documents required of Purchaser under the terms of this Agreement.

e. Seller's Closing Obligations and Instruments. At Closing, Seller shall deliver all of the funds and documents required of Seller under the terms of this Agreement and a fully executed Certificate of Non-Foreign Status.

f. Escrow Agent's Obligations. At Closing, following receipt of sufficient funds and documents necessary to close this transaction from the Parties, the Escrow Agent shall pay the closing costs and all recording fees from the appropriate fund source, and shall record the Deed, then the Deed of Trust, and after recording, shall deliver to Seller the Purchaser's Promissory Note.

g. Proration and Expenses. Real property taxes, assessments, Surface Water Management charges, Conservation Service Charges, and utility

charges constituting liens against the Property, all for the year of Closing, shall be prorated as of the date of Closing. Seller shall pay any documentary transfer tax, real estate excise tax, or other similar tax lien in accordance with the requirements of lawful authority. Purchaser shall pay the cost of recording the Deed. Seller shall pay the premium for the issuance of the Title Commitment and the standard coverage title policy to be issued to Purchaser at Closing. All other recording and closing costs (including the escrow fee but excluding attorneys' and brokers' fees, costs and expenses associated therewith) shall be shared equally by the Parties. Each Party shall pay the attorneys' fees, costs, and expenses incurred by such Party with respect to the negotiation of this Agreement and the consummation of the transactions contemplated herein.

12. POSSESSION. The Purchaser shall be entitled to exclusive possession of the Property upon recording of the Deed and delivery of Seller's proceeds to Seller.

13. DEFAULT. If either Party to this Agreement shall fail or refuse to perform or satisfy a material obligation under this Agreement, that Party shall be in default and the non-defaulting Party may elect from the following remedies.

a. Purchaser's Remedies. In the event the Seller defaults in any material obligations under this Agreement, the Purchaser, at the Purchaser's option, may (1) specifically enforce this Agreement; or (2) recover damages from Seller and rescind this Agreement.

b. Seller's Remedies. In the event the Purchaser defaults in any of its material obligations under this Agreement, Seller, at its option, and as its sole remedy, retain the Earnest Money Deposit as liquidated damages.

14. CONDITION OF PROPERTY. The Property shall be delivered to Purchaser at Closing in substantially the same physical condition as of the date hereof, excepting ordinary wear and tear.

15. LIMITATION OF WARRANTIES. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT OR ANY INVESTIGATION OF THE PROPERTY, PURCHASER ACKNOWLEDGES AND AGREES THAT IT IS PURCHASING THE PROPERTY IN ITS "AS IS", "WHERE IS" AND "WITH ALL FAULTS" CONDITION AS OF THE CLOSING DATE AND THAT NEITHER SELLER NOR ANY OF ITS EMPLOYEES OR AGENTS HAS MADE ANY EXPRESS WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER REGARDING THE CONDITION OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO ENVIRONMENTAL ISSUES AND/OR HAZARDOUS WASTE ON THE PROPERTY, OR ITS SUITABILITY FOR THE INTENDED USE AND NONE SHALL BE IMPLIED BY LAW. THE PARTIES INTEND THAT, AFTER WAIVER OF PURCHASER'S CONTINGENCY SET FORTH IN PARAGRAPH 7.d., THE RISK OF AND LIABILITY FOR UNKNOWN ENVIRONMENTAL ISSUES OR HAZARDOUS WASTE ON THE PROPERTY IS ALLOCATED TO PURCHASER. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE LIMITATION OF WARRANTIES AND DISCLAIMERS SET FORTH HEREIN HAVE BEEN SPECIFICALLY NEGOTIATED BY THE PARTIES WITH THE ADVICE OF COUNSEL.

16. RISK OF LOSS. Risk of loss or damage to the Property by fire or other casualty, from the date of this Agreement through the date of Closing, shall be on the Seller, and thereafter shall be on the Purchaser.

17. CONDEMNATION. If, prior to the date of Closing, all or any part

of the Property is taken by condemnation by a superior governmental authority, the Purchaser may elect to cancel this Agreement by giving Seller notice to that effect, whereupon the Escrow Agent shall return the Earnest Money Deposit and all interest earned thereon to the Purchaser and both Parties shall be relieved and released from any liability hereunder to the other. Alternatively, the Purchaser may elect to take title to the Property in accordance with the terms and conditions of this Agreement without reduction of the Purchase Price and shall be entitled to receive from the condemning authority any condemnation award or benefit. If Purchaser purchases the Property and complies with all of the terms of this Agreement, Seller assigns to Purchaser all of its right, title and interest in and to any condemnation award or benefit, if any, that may be owing to the owner of the Property as a result of the condemnation or taking of, or damage or change to the Property. The foregoing notwithstanding, Seller does not assign to Purchaser the proceeds from any insurance policy maintained by Seller with regard to the Property and retains any and all such proceeds.

18. **BROKERS; INDEMNIFICATION BY PURCHASER.** Purchaser and Seller represent and warrant to and agree with each other that no person or entity is entitled to be paid a fee or commission in connection with the transfer of the Property by Seller to Purchaser. If any individual or entity shall assert a claim to a finder's fee or commission as a broker or a finder for the transfer of the Property, then the Party that is alleged to have retained such individual or entity shall defend, indemnify and hold the other Party harmless from and against any such claim and all costs, expenses, liabilities and damages incurred in connection with such claim or any action or proceeding brought thereon. This indemnification obligation shall survive the Closing and the termination of this Agreement.

19. **ASSIGNMENT; BINDING EFFECT.** No consent shall be required for an assignment of the Seller's interests in this Agreement to a parent, subsidiary, affiliate or corporate successor of Seller by merger, consolidation, reorganization or transfer of all or substantially all of the assets of such Party. Subject to the foregoing, this Agreement shall be binding upon each Party and its assigns and successors.

20. **NOTICES.** All notices, requests, demands and other communications under this Agreement shall be in writing and shall either be delivered in person or sent by private overnight carrier or by registered or certified mail through the U.S. Postal Service with postage prepaid as follows:

(a) If to Seller, to: W. Bruce Meyer

Nintendo of America Inc.

4820 150th Avenue NE

Redmond, WA 98052

(b) If to Purchaser, to: Attn: Joan Rosenstock

The City of Seattle, Fleets and Facilities Dept.

Real Estate Services Division

14th Floor, Alaska Building

618 Second Avenue

Seattle, WA 98104

with copy to: William McGillin, Assistant City Attorney

The City of Seattle, Law Department

10th Floor, Municipal Building

600 Fourth Avenue

Seattle, WA 98104

or to such other address as shall be furnished in writing with ten (10) days prior written notice by either Party to the other. Notices shall be deemed to have been given upon the earlier of actual receipt, as evidenced by the deliverer's affidavit, the recipient's acknowledgment of receipt, or the private overnight carrier's receipt, and in the event of attempted delivery during normal business hours at the proper address by an agent of a Party or by private overnight carrier or the U.S. Postal Service but refused acceptance, shall be deemed to have been given upon attempted delivery, as evidenced by an affidavit of inability to deliver stating the time, date, place and manner in which such delivery was attempted and the manner in which such delivery was refused.

21. GOVERNING LAW. The law of the State of Washington shall govern this Agreement.

22. TIME OF THE ESSENCE; CALCULATION OF TIME PERIODS.

a. Time is of the Essence. Time is of the essence of this Agreement and of all acts required to be done and performed by either and both of the Parties hereto, including but not limited to the proper delivery of all documents, and the tender of all amounts of money, required by the terms hereof to be delivered or paid, respectively. Any extension of time granted for performance of any obligation to this Agreement shall not be considered an extension of time for the performance of any other obligation under this Agreement.

b. Time Periods. Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5:00 p.m., Pacific time.

23. SURVIVAL. Paragraph 13 and the representations and warranties of the Parties contained in this Agreement shall survive indefinitely the Closing, will not be merged into the Deed and other documents delivered at Closing, and shall continue in full force and effect through and after the Closing Date.

24. COUNTERPARTS. This Agreement may be executed in counterparts and, if so, only when counterparts are delivered to the Escrow Agent, with the signatures of each and every one of the Parties constituting the Purchaser and Seller, shall it be deemed a binding Agreement. It is understood, agreed and acknowledged that if both Purchaser and Seller have not executed a counterpart of this Agreement and deposited signed copies, accompanied by the Earnest Money Deposit with the Escrow Agent as provided for in Paragraphs 2 and 9, this Agreement shall be of no force and effect.

25. WAIVER. Any waiver under this Agreement must be in writing. A waiver of any right or remedy in the event of a default shall not constitute a waiver of such right or remedy in the event of any subsequent default. No writing other than a document signed by the Purchaser's Fleets and Facilities Department Director, specifically so stating that it is a waiver shall constitute a waiver by Purchaser of any particular breach or default by Seller, nor shall such a writing waive Seller's failure to fully comply with any other term or condition of this Agreement, irrespective of any knowledge that any officer or employee of Purchaser may have of such breach, default, or noncompliance.

26. ENTIRE AGREEMENT. This Agreement, including Exhibits A, B and C attached hereto (which by this reference are incorporated herein), represents the entire agreement of the Parties with respect to the Property and any and all agreements, oral or written, entered into prior to the date hereof are revoked and superceded by this Agreement.

27. MODIFICATIONS. This Agreement may not be changed, modified or rescinded except in writing signed by both Parties and any attempt at oral modification of this Agreement shall be of no effect.

28. NEGOTIATED UNDERSTANDING. The Parties to this Agreement acknowledge that it is a negotiated agreement, that they have had the opportunity to have this Agreement reviewed by their respective legal counsel, and that the terms and conditions of this Agreement are not to be construed against any Party on the basis of such Party's draftsmanship thereof.

29. FURTHER INSTRUMENTS AND ACTION. Each Party hereto shall, promptly upon the request of the other or Escrow Agent, have executed, acknowledged and delivered to the other, any and all further instruments and shall take all such further action as is reasonably requested or appropriate to evidence or give effect to the provisions of this Agreement or to satisfy Escrow Agent's requirements.

IN WITNESS WHEREOF, Seller and Purchaser have caused this Agreement to be executed by officers thereunto duly authorized as of the day and year first above written, which shall be the date that the last of Seller and Purchaser shall have executed this Agreement.

NINTENDO OF AMERICA INC. THE CITY OF SEATTLE

("Seller") ("Purchaser")

By: By:

W. Bruce Meyer John Franklin, Director

Director of Real Estate & Facilities Fleets and Facilities
Department

Date: Date:

STATE OF WASHINGTON )

) ss. (Acknowledgment for The City of Seattle)

COUNTY OF KING )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2002, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared John Franklin, to me known to be the Director of the Fleets and Facilities Department of The City of Seattle, who executed the foregoing agreement, and acknowledged the same to be the free and voluntary act and deed of The City of Seattle for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said agreement.

GIVEN under my hand and official seal the day and year written above in this certificate.

(Signature) (Printed or typed name of Notary Public)

Notary Public in and for the State of Washington, residing at \_\_\_\_\_ My appointment expires \_\_\_\_\_.

STATE OF WASHINGTON )

) ss. (Acknowledgment by Nintendo of America Inc.)

COUNTY OF KING )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2002, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared W. Bruce Meyer, to me known to be the Director of Real Estate & Facilities of Nintendo of America Inc., who executed the foregoing document, and acknowledged the same to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute such document for and on behalf of said corporation.

GIVEN under my hand and official seal the day and year written above in this certificate.

(Signature) (Printed or typed name of Notary Public)

Notary Public in and for the State of Washington, residing at \_\_\_\_\_ My appointment expires \_\_\_\_\_.

EXHIBIT A

Fifteen real property tax parcels situate 940 block Myers Way S., Seattle, King County, Washington:

- 052304-9012-01            062304-9250-01
- 052304-9013-00            312404-9024-04
- 062304-9053-00            322404-9082-02
- 062304-9054-09            052304-9024-07
- 062304-9147-08            052304-9052-02
- 062304-9148-07            062304-9001-03
- 062304-9246-08            322404-9083-01
- 645330-0110-00

Metes and Bounds Description:

A portion of the southeast quarter of the of the southeast quarter of Section 31 and the southwest quarter of Section 32, Township 24 North, Range 4 East, W.M., in King County, Washington;

ALSO,

A portion of the northeast quarter of the northeast quarter of Section 6, and the northwest quarter of the northwest quarter of Section 5, Township 23 North, Range 4 East, W.M., in King County, Washington;

Beginning at the corner common to said Sections 31, 32, 6, and 5; thence north 88( 23' 50" west, along the north line of said Section 6, for 654.11 feet;

Thence south 05( 28' 00" west for 30.07 feet to a point being the northeasterly corner of the land conveyed to the Housing Authority of the County of King, recorded under recording number 4413217;

Thence south 05 degrees 44' 05" east, along said east line for 794.75 feet;

Thence south 01 degrees 30' 25" east, along said east line for 378.91 feet to the north line of SW 100th Street;

Thence south 89 degrees 44' 08" east, along said north line for 686.29 feet to the east line of said Section 6;

Thence north 05 degrees 44' 05" west, along the east line for 186.07 feet;

Thence south 88 degrees 38' 48" east for 95.00 feet;

Thence north 89 degrees 33' 05" east for 94.68 feet;

Thence north 05 degrees 44' 05" west for 87.52 feet to the southerly line of Parcel "B" conveyed under Recording Number 8002200456;

Thence south 64 degrees 57' 53" east along said southerly line for 37.12 feet;

Thence north 75 degrees 47' 11" east along said southerly line for 537.72 feet;

Thence north 23 degrees 10' 47" east, for 6.66 feet to the westerly margin of Myers Way S.;

Thence north 34 degrees 26' 27" west, for 47.54 feet along said westerly margin, to the beginning of a curve to the right, having a radius of 1,000.37 feet;

Thence northerly along said 1,000.37 foot radius curve through a central angle of 18 degrees 56' 12", an arc distance of 330.63 feet along said westerly margin to a point 43.83 feet distant southwesterly when measured at right angles from the R-line survey of secondary State Highway Number 1-K (Myers Way S.), as condemned for state highway under proceedings had in King County Superior Court Cause Number 670900, at Highway Engineers Station R 0+50;

Thence south 71 degrees 42' 58" west for 1.17 feet to a point 45.00 feet distant southwesterly when measured at right angles from the aforementioned Highway Engineers Station 0+50;

Thence north 47 degrees 05' 41" west, for 114.13 feet, along the westerly margin of said Secondary Highway Number 1-K, to a point 100.00 feet distant southwesterly when measured at right angles from the R-line at Highway Engineers Station R 1+50;

Thence north 18 degrees 17' 02" west 1,284.34 feet to the north line of Parcel "C", conveyed under Recording Number 8002200456;

Thence north 88 degrees 38' 49" west, for 168.73 feet along said northerly line to a point on the west line of said Section 32;



Thence south 01 degrees 06' 49" west for 209.46 feet, along said west line to the southeast corner of that property conveyed to the Municipality of Metropolitan Seattle by deed recorded under King County Recording Number 7611010750;

Thence north 88 degrees 23' 50" west, for 590.63 feet along the south line of said deed to Metro, to the easterly margin of Second Avenue SW, said point lying on a curve, concave to the southeast, having a radius of 300.00 feet, the radial bearing at said point is north 61 degrees 20' 49" west;

Thence southerly along said 300.00 foot radius curve, through a central angle of 27 degrees 35' 54", an arc distance of 144.50 feet to a point of tangency with the east margin of said Second Avenue SW;

Thence south 01 degrees 03' 17" west for 468.58 feet, along said east margin, to the north margin of Southwest Roxbury Street;

Thence south 88 degrees 23' 50" east, for 624.14 feet, along said north margin, to the east line of Section 31;

Thence south 01 degrees 06' 49" west for 30.00 feet, along said east line, to the point of beginning;

EXCEPT that portion condemned by the City of Seattle for Transmission Line Right-of-Way under proceedings had under King County Superior Court Cause Number 553110;

Together with Parcel "B" of Short Subdivision Number 78-212 of the City of Seattle recorded under King County Recording Number 7901020608: and revision recorded under Recording Number 8107020401;

Being a portion of the southeast quarter of the southeast quarter of Section 31, Township 24 North, Range 4 East, W.M., in King County, Washington;

TOGETHER WITH those portions of Government Lot 5 of said Section 5, lying westerly of the westerly margin of S.R. 509, as condemned under proceedings had in King County Superior Court Cause Number 670900 and lying easterly of Myers Way S., and lying northerly of SW 100th Street;

EXCEPT that portion condemned by the City of Seattle for Transmission Line Right-of-Way under proceedings had in King County Superior Court Cause Number 553110;

AND EXCEPT that portion thereof lying within City of Seattle Short Plat No. 9302695 as recorded under Recording Number 9312300858;

All situate in the City of Seattle, King County, Washington.

EXHIBIT B

## Promissory Note

## PROMISSORY NOTE

-----  
\$12,400,000.00 \_\_\_\_\_, 2002

Seattle, Washington

1. PROMISE TO PAY. For value received, The City of Seattle, a first class city of the State of Washington ("Borrower"), promises to pay in lawful money of the United States to Nintendo of America Inc., a Washington corporation ("Lender"), or order, at 4820 - 150th Avenue NE, Redmond, Washington 98052, or at such other place as the holder hereof from time to time may designate in writing, the principal sum of TWELVE MILLION FOUR HUNDRED THOUSAND AND NO/100 DOLLARS (\$12,400,000.00), without interest.

2. PAYMENT. The entire unpaid principal balance shall be due and payable on the earlier of (a) June 30, 2003 or (b) Borrower's transfer or sale of any interest in the real property located on the 9400 block of Myers Way S., Seattle, Washington, legally described in the Deed of Trust of even date herewith (the "Deed of Trust"), unless Borrower has obtained Lender's prior written consent to such transfer or sale.

3. BORROWER'S RIGHT TO PREPAY. Borrower has the right to make payments of principal at any time before it is due, without paying any prepayment charge. A partial prepayment shall not change the date on which final payment is due.

4. REPRESENTATIONS AND WARRANTIES OF BORROWER. Borrower hereby represents and warrants to Lender as follows:

4.1 Borrower is a municipal corporation duly organized, validly existing and in good standing under the laws of the State of Washington and has the legal power, right and authority to enter into this Note and the Deed of Trust;

4.2 The debt obligation set forth in this Note is an authorized exercise of Borrower's borrowing power and Borrower has adopted all necessary ordinances and resolutions, including but not limited to Seattle City Ordinance No. \_\_\_\_\_, and performed all acts necessary to approve and authorize execution of this Note and the assumption of the debt obligation represented hereby;

4.3 This Note and the Deed of Trust has been duly executed and delivered by Borrower;

4.4 This Note and the Deed of Trust constitute the legal, valid and binding obligation of Borrower and is enforceable against Borrower in accordance with its terms; and

4.5 The person or persons signatory to this Note and the Deed of Trust executed concurrently herewith on behalf of the Borrower has full power and authority to bind Borrower.

#### 5. BORROWER'S DEFAULT.

5.1 Representations and Warranties. Borrower shall be in default if any of the representations or warranties of Borrower set forth in Section 4 are not true and accurate as of the date of execution hereof or become untrue or inaccurate at any time hereafter. If Borrower defaults on the representations and warranties, Lender may send Borrower a written notice demanding that Borrower pay immediately the full amount of the unpaid principal balance within thirty (30) days of the notice.

5.2 Overdue Payment; Late Charge. If Borrower does not pay the full amount of the principal due hereunder within fifteen (15) calendar days of the date it is due, Borrower is in default. Further, if Lender has not received the full amount of the principal due hereunder within fifteen (15) calendar days after it is due, Borrower shall pay a late charge equal to five percent (5.00%) of the overdue payment. Payments shall be applied first to late charges, then to accrued interest, and the remainder to principal.

5.3 Default Interest. As long as this Note is in default, then, without prior notice, this Note shall bear interest at the rate of twelve percent (12.00%) per annum.

5.4 Advances for Taxes and Insurance. If Lender advances any amounts for taxes and insurance pursuant to the terms of the Deed of Trust, and if Borrower does not reimburse Lender for those amounts within ten (10) days of written notice of the advance, then those advances shall be added to the principal owing under the Note and shall bear interest at the default rate.

5.5 No Waiver. Should the Borrower be in default, and Lender chooses not to demand immediate payment, that choice does not waive Lender's right to pursue any legal or equitable remedy available to it by law or under the terms of the Deed of Trust executed concurrently herewith should the Borrower be in default at another time.

6. NOTICES. All notices required by this Note shall be personally delivered or mailed by first class mail to Borrower at the address given below, or to a different address if Lender is notified in writing, or to Lender at the address for payments set forth above, Attention: W. Bruce Meyer.

7. WAIVERS. Borrower hereby waives the right of presentment and notice of dishonor.

8. SECURITY. This Note is given for a loan in the above amounts referred to and is secured by a Deed of Trust dated as of the same date and executed concurrently herewith on property described therein. Lender retains the right to proceed against Borrower to collect this Note, foreclose the Deed of Trust, to seek a deficiency judgment against Borrower, and to take any other actions allowed under equity or law.

IN WITNESS WHEREOF, the Borrower has executed this Note on the day and year first above written.

BORROWER:

THE CITY OF SEATTLE

By:

Its:

Address:

The City of Seattle, Fleets and Facilities Dept.

Real Estate Services Division

Attn: Joan Rosenstock

14th Floor, Alaska Building

618 Second Avenue

Seattle, WA 98104

with copy to:

William McGillin, Assistant City Attorney

The City of Seattle, Law Department

10th Floor, Municipal Building

600 Fourth Avenue

Seattle, WA 98104

EXHIBIT C

Deed of Trust

After recording return to:

W. Bruce Meyer

Nintendo of America Inc.

4820 - 150th Avenue NE

Redmond, Washington 98052

DOCUMENT TITLE

Deed Of Trust

REFERENCE NO. OF DOCUMENTS ASSIGNED/ RELEASED

N/A

GRANTOR

City of Seattle

GRANTEE

Nintendo of America, Inc.

LEGAL DESCRIPTION (Additional legal description on Exhibit A)

Portion of the southeast quarter of the of the southeast quarter of Section 31 and the southwest quarter of Section 32, Township 24 North, Range 4 East, W.M.; and a portion of the northeast quarter of the northeast quarter of Section 6, and the northwest quarter of the northwest quarter of Section 5, Township 23 North, Range 4 East, W.M., in King County, Washington

ASSESSOR'S PARCEL NOS.

052304-9012-01; 062304-9250-01; 052304-9013-00; 312404-9024-04;  
062304-9053-00; 322404-9082-02; 062304-9054-09; 052304-9024-07;  
062304-9147-08; 052304-9052-02; 062304-9148-07; 062304-9001-03;  
062304-9246-08; 322404-9083-01; 645330-0110-00

DEED OF TRUST

THIS DEED OF TRUST, made this \_\_\_\_ day of \_\_\_\_\_, 2002, between the City of Seattle, a first class city of the State of Washington, as GRANTOR, whose address is Fleets and Facilities Department, Real Estate Services Division, 14th Floor, Alaska Building, 618 Second Avenue, Seattle, Washington 98104, with a copy to City of Seattle Law Department, 10th Floor, Municipal Building, 600 Fourth Avenue, Seattle, Washington 98104; and First American Title Insurance Company as TRUSTEE, whose address is 2101 Fourth Avenue, Seattle, Washington 98121; and Nintendo of America Inc., a Washington corporation, as BENEFICIARY, whose address is 4820 - 150th Avenue NE, Redmond, Washington 98052 Attn: W. Bruce Meyers, Director of Real Estate and Facilities.

WITNESSETH:

Grantor hereby bargains, sells, and conveys to Trustee in Trust, with power of sale, the following described real property in King County, Washington:

See Exhibit A attached hereto and incorporated by reference herein.

which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues and profits thereof.

This Deed is for the purpose of securing performance of each agreement of Grantor herein contained, and payment of the sum of Twelve Million Four Hundred Thousand and 00/100 Dollars (\$12,400,000.00), without interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantor, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

To protect the security of this Deed of Trust, Grantor covenants and agrees:

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure or improvement being built, or about to be built thereon; to restore promptly any building, structure or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property.
2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

5. To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.

6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

3. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

4. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto.

5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which Grantor had or had the power to convey at the time of his execution of this Deed of Trust, and such as he may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.

6. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

7. In the event of the death, incapacity, disability, or resignation of Trustee, Beneficiary may appoint, in writing, a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Trustee, or Beneficiary shall be a party, unless such action or proceeding is brought by the Trustee.

8. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors, and assigns. The term "Beneficiary" shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

9. If all or any part of the property or any interest in it is sold or transferred (or a beneficial or equity interest in Grantor is sold or transferred and Grantor is not a natural person) without Beneficiary's prior written consent, Beneficiary may, at Beneficiary's sole option, require immediate payment in full of all sums secured by this Deed of Trust. If Beneficiary exercises this option, Beneficiary shall give Grantor notice of acceleration. This notice shall provide a period of not less than thirty days from the date the notice is delivered or mailed within which Grantor must pay all sums secured by this Deed of Trust. If Grantor fails to pay these sums prior to expiration of the thirty-day period, Beneficiary may invoke any remedies permitted by this Deed of Trust without further notice or demand on Grantor. The thirty-day notice of acceleration may be given concurrently with or as part of a Notice of Default.

GRANTOR:

THE CITY OF SEATTLE, a first class city of the State of Washington

By

Its

REQUEST FOR FULL RECONVEYANCE

Do not record. To be used only when note has been paid.

---

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above-mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and



to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated \_\_\_\_\_.

Page 4 of 27

07/24/02

Real Estate Purchase

and Sale Agreement

Page 17 of 17

07/24/02

Real Estate Purchase

and Sale Agreement

EXHIBIT A

Page 21 of 21

07/24/02

Real Estate Purchase

and Sale Agreement

EXHIBIT B

Page 27 of 27

07/24/02

Real Estate Purchase

and Sale Agreement

EXHIBIT C





ORDINANCE No. 122308

COUNCIL BILL No. 115781

*Law Department*

*Nick Larson*

The City of Seattle--Legislative Department

AN ORDINANCE authorizing the sale of real property consisting of a portion of the Southeast quarter of Section 31 and the Southwest quarter of Section 32, Township 24 North, Range 4 East, W.M., King County, Washington, located at 9400 Myers Way South, under the jurisdiction of the Fleets and Facilities Department; declaring the property to be surplus to the City's needs; and designating the disposition of sale proceeds.

Date Reported and Adopted

REPORT OF COMMITTEE

Honorable President:

Your Committee on \_\_\_\_\_

to which was referred the within Council Bill No. \_\_\_\_\_ report that we have considered the same and respectfully recommend that the same:

COMPROLLER FILE No. \_\_\_\_\_

Introduced: 11-13-06	By:
Referred: 11-13-06	To: Full Council
Referred:	To:
Referred:	To:
Reported: 12-4-06	Second Reading:
Third Reading: 12-4-06	Signed: 12-4-06
Presented to Mayor: 12-5-06	Approved: 12-13-06
Returned to City Clerk: 12-14-06	Published: 5 Full Text
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

12-4-06 Passed 6-0 (Excused: Drago, Godden, Molner)

Committee Chair

122308

ORDINANCE 122308

AN ORDINANCE authorizing the sale of real property consisting of a portion of the Southeast quarter of Section 31 and the Southwest quarter of Section 32, Township 24 North, Range 4 East, W.M., King County, Washington, located at 9400 Myers Way South, under the jurisdiction of the Fleets and Facilities Department; declaring the property to be surplus to the City's needs; and designating the disposition of sale proceeds.

WHEREAS, Ordinance 120882 authorized the acquisition of the subject property at 9400 Myers Way South to provide a location for the Joint Training Facility; and

WHEREAS, there are 31 acres of excess land not needed by the Joint Training Facility; and

WHEREAS, Ordinance 121179 authorized an interfund loan from the Consolidated Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount related to the acquisition of this site, and Ordinance 121363 extended the repayment deadline for the \$10.48 million loan to December 31, 2005; and

WHEREAS, the Cumulative Reserve Subfund, Unrestricted Subaccount should be reimbursed by net sale proceeds from the subject excess property; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The below described real property located at 9400 Myers Way South, is hereby declared to be surplus to the needs of the City:

A PORTION OF THE SOUTHEAST QUARTER OF SECTION 31 AND THE SOUTHWEST QUARTER OF SECTION 32, TOWNSHIP 24 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 31;

THENCE N01°06'49"E, ALONG THE EAST LINE OF SAID SECTION 31, FOR 30.00 FEET TO THE NORTHERLY MARGIN OF SOUTHWEST ROXBURY STREET;

THENCE N88°23'50"W, ALONG SAID NORTHERLY MARGIN, FOR 624.14 FEET TO THE EASTERLY MARGIN OF SECOND AVENUE SOUTHWEST;



1 THENCE N01°03'17"E, ALONG SAID EASTERLY MARGIN, FOR 177.87 FEET;  
2 THENCE S88°23'50"E FOR 1019.17 FEET TO THE WESTERLY MARGIN OF MYERS WAY SOUTH ALSO  
3 KNOW AS STATE HIGHWAY NO. 1-K;  
4 THENCE S18°17'02"E, ALONG SAID WESTERLY MARGIN, FOR 218.88 FEET TO THE SOUTH LINE OF  
5 SAID SECTION 32;  
6 THENCE N88°38'49"W, ALONG SAID SOUTH LINE, FOR 467.53 FEET TO THE POINT OF BEGINNING

7 Together with:

8 A PORTION OF THE NORTHEAST QUARTER OF SECTION 6, TOWNSHIP 23 NORTH, RANGE 4 EAST,  
9 W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

10  
11 BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 6;  
12 THENCE N88°23'50"W, ALONG THE NORTH LINE OF SAID SECTION 6, FOR 654.11 FEET;  
13 THENCE S05°28'00"W FOR 30.07 FEET TO A POINT BEING THE NORTHEASTERLY CORNER OF THE  
14 LAND CONVEYED TO THE HOUSING AUTHORITY OF KING COUNTY, RECORDED UNDER  
15 RECORDING NUMBER 4413217;  
16 THENCE S05°44'05"E, ALONG THE EAST LINE THEREOF, FOR 548.19 FEET TO THE NORTHERLY LINE  
17 OF A TRACT OF LAND CONDEMNED BY THE CITY OF SEATTLE FOR TRANSMISSION LINE RIGHT-OF-  
18 WAY THROUGH PROCEEDINGS, HAD UNDER KING COUNTY SUPERIOR COURT CAUSE NUMBER  
19 553110;  
20 THENCE S 89°46'53" E, ALONG SAID NORTHERLY LINE, FOR 658.14 FEET TO THE EAST LINE OF SAID  
21 SECTION 6;  
22 THENCE N05°44'05"W, ALONG SAID EAST LINE, FOR 562.41 FEET TO THE POINT OF BEGINNING.

23 Together with:

24 A PORTION OF THE NORTHWEST QUARTER OF SECTION 5, TOWNSHIP 23 NORTH, RANGE 4 EAST,  
25 W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:  
26  
27  
28



1 BEGINNING AT THE NORTHWEST CORNER OF SAID SECTION 5;  
2 THENCE S05°44'05"E, ALONG THE WEST LINE OF SAID SECTION 5, FOR 560.66 FEET TO THE  
3 NORTHERLY LINE OF A TRACT OF LAND CONDEMNED BY THE CITY OF SEATTLE FOR  
4 TRANSMISSION LINE RIGHT-OF-WAY THROUGH PROCEEDINGS HAD UNDER KING COUNTY  
5 SUPERIOR COURT CAUSE NUMBER 553110;  
6 THENCE S79°44'06"E ALONG SAID NORTHERLY LINE FOR 725.38 FEET;  
7 THENCE CONTINUING ALONG SAID NORTHERLY LINE AT N83°49'59"E FOR 0.98 FEET TO THE  
8 WESTERLY MARGIN OF MYERS WAY SOUTH BEING A POINT ON A CURVE HAVING A RADIUS OF  
9 1000.37 FEET FROM WHICH A RADIAL LINE OF SAID CURVE BEARS N59°57'35"E;  
10 THENCE NORTHERLY ALONG SAID CURVE AND WESTERLY MARGIN THROUGH A CENTRAL ANGLE  
11 OF 14°32'10" FOR AN ARC LENGTH DISTANCE OF 253.79 FEET TO A POINT 43.83 FEET DISTANT  
12 SOUTHWESTERLY WHEN MEASURED AT RIGHT ANGLES TO THE R LINE SURVEY OF SECONDARY  
13 STATE HIGHWAY NO. 1-K (MYERS WAY SOUTH), AS CONDEMNED FOR STATE HIGHWAY UNDER  
14 PROCEEDINGS HAD IN KING COUNTY SUPERIOR COURT CAUSE NO. 670900, AT HIGHWAY  
15 ENGINEER'S STATION R 0+50;  
16 THENCE S71°42'58"W FOR 1.17 FEET TO A POINT 45.00 FEET DISTANT SOUTHWESTERLY WHEN  
17 MEASURED AT RIGHT ANGLES FROM THE AFOREMENTIONED HIGHWAY ENGINEER'S STATION R  
18 0+50;  
19 THENCE N47°05'41"W ALONG THE WESTERLY MARGIN OF SAID STATE HIGHWAY NO. 1-K FOR  
20 114.13 FEET TO A POINT 100.00 FEET DISTANT SOUTHWESTERLY WHEN MEASURED AT RIGHT  
21 ANGLES TO SAID R LINE SURVEY AT HIGHWAY ENGINEER'S STATION R 1+50;  
22 THENCE N18°17'02"W ALONG THE WESTERLY MARGIN OF SAID STATE HIGHWAY NO. 1-K FOR  
23 384.69 FEET TO THE NORTH LINE OF SAID SECTION 5;  
24 THENCE N88°38'49"W ALONG SAID NORTH LINE FOR 467.82 FEET TO THE POINT OF BEGINNING;

25 \_\_\_\_\_  
26 END OF LEGAL DESCRIPTION  
27  
28



1 Section 2. The Director of the Fleets and Facilities Department is authorized to sell the  
2 above described property to Lowe's HIW, LLC, for the gross sales price of NINE MILLION  
3 SEVEN HUNDRED THIRTEEN THOUSAND DOLLARS (\$9,713,000), all in cash, paid at  
4 closing.

5  
6 Section 3. The Director of the Fleets and Facilities Department is authorized, for and on  
7 behalf of the City, to execute the Purchase and Sale Agreement and its Amendments between the  
8 City of Seattle and Lowe's HIW, LLC which are attached hereto. In addition, the Director of the  
9 Fleets and Facilities Department is authorized to amend said Purchase and Sale Agreement,  
10 before or after execution, prior to the closing of the sale, as agreed with the buyer; to modify time  
11 deadlines and to make other modifications to the agreement, so long as the City's rights with  
12 respect to the gross sale price are not reduced and the City's financial liability is not increased;  
13 and to execute such other documents as are reasonably determined to be necessary to effectuate  
14 the sale of the property consistent with the remainder of this ordinance.  
15

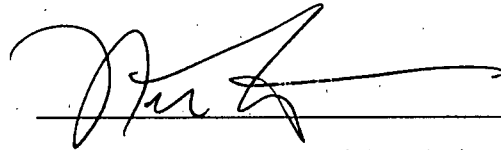
16  
17 Section 4. Proceeds from the sale authorized herein shall be deposited in the Unrestricted  
18 Subaccount of the Cumulative Reserve Subfund (00164). An amount up to TWO HUNDRED  
19 THOUSAND DOLLARS (\$200,000) shall be expended directly or transferred from the  
20 Unrestricted Subaccount of the Cumulative Reserve Subfund to pay directly or reimburse the  
21 Fleets and Facilities Fund (50300) for the actual costs incurred by Fund 50300 for appraisal,  
22 survey, environmental consulting, and costs of sale including closing costs.  
23

24 Section 5. Any acts pursuant to the authority and prior to the effective date of this  
25 ordinance are hereby ratified and confirmed.  
26  
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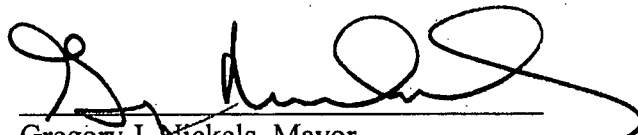


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2 Section 6. This ordinance shall take effect and be in force thirty (30) days from and  
3 after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10)  
4 days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.  
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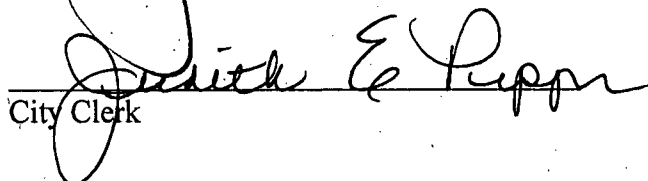
7 Passed by the City Council the 4<sup>th</sup> day of December, 2006, and signed by me in open  
8 session in authentication of its passage this 4<sup>th</sup> day of December, 2006.  
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12 \_\_\_\_\_  
13 President \_\_\_\_\_ of the City Council

14 Approved by me this 13<sup>th</sup> day of December, 2006.

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18 Gregory J. Nickels, Mayor

19 Filed by me this 14<sup>th</sup> day of December, 2006.

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21 \_\_\_\_\_  
22 City Clerk

23 (Seal)  
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- 1 Agreement to Sell and Purchase Real Estate
- 2 First Amendment to Agreement to Sell and Purchase Real Estate - March 23, 2005
- 3 Second Amendment to Agreement to Sell and Purchase Real Estate - April 22, 2005
- 4 Third Amendment to Agreement to Sell and Purchase Real Estate - May 23, 2005
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signed by Brenda Bauer on behalf of the City of Seattle
- 5a Fourth Amendment To Agreement to Sell and Purchase Real Estate June 22, 2005  
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- 6 Fifth Amendment to Agreement to Sell and Purchase Real Estate - Not Executed
- 7 Sixth Amendment to Agreement to Sell and Purchase Real Estate - September 2, 2005
- 8 Seventh Amendment to Sell and Purchase Real Estate - November 4, 2005
- 9 Eighth Amendment to Sell and Purchase Real Estate - January 21, 2005



ORDINANCE 122308

AN ORDINANCE authorizing the sale of real property consisting of a portion of the Southeast quarter of Section 31 and the Southwest quarter of Section 32, Township 24 North, Range 4 East, W.M., King County, Washington, located at 9400 Myers Way South, under the jurisdiction of the Fleets and Facilities Department; declaring the property to be surplus to the City's needs; and designating the disposition of sale proceeds.

WHEREAS, Ordinance 120882 authorized the acquisition of the subject property at 9400 Myers Way South to provide a location for the Joint Training Facility; and

WHEREAS, there are 31 acres of excess land not needed by the Joint Training Facility; and

WHEREAS, Ordinance 121179 authorized an interfund loan from the Consolidated Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount related to the acquisition of this site, and Ordinance 121363 extended the repayment deadline for the \$10.48 million loan to December 31, 2005; and

WHEREAS, the Cumulative Reserve Subfund, Unrestricted Subaccount should be reimbursed by net sale proceeds from the subject excess property; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The below described real property located at 9400 Myers Way South, is hereby declared to be surplus to the needs of the City:

A PORTION OF THE SOUTHEAST QUARTER OF SECTION 31 AND THE SOUTHWEST QUARTER OF SECTION 32, TOWNSHIP 24 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 31;

THENCE N01°06'49"E, ALONG THE EAST LINE OF SAID SECTION 31, FOR 30.00 FEET TO THE NORTHERLY MARGIN OF SOUTHWEST ROXBURY STREET:

THENCE N88°23'50"W, ALONG SAID NORTHERLY MARGIN, FOR 624.14 FEET TO THE EASTERLY MARGIN OF SECOND AVENUE SOUTHWEST;



1           THENCE N01°03'17"E, ALONG SAID EASTERLY MARGIN, FOR 177.87 FEET;  
2           THENCE S88°23'50"E FOR 1019.17 FEET TO THE WESTERLY MARGIN OF MYERS WAY SOUTH ALSO  
3           KNOW AS STATE HIGHWAY NO. 1-K;  
4           THENCE S18°17'02"E, ALONG SAID WESTERLY MARGIN, FOR 218.88 FEET TO THE SOUTH LINE OF  
5           SAID SECTION 32;  
6           THENCE N88°38'49"W, ALONG SAID SOUTH LINE, FOR 467.53 FEET TO THE POINT OF BEGINNING

7           **Together with:**

8           A PORTION OF THE NORTHEAST QUARTER OF SECTION 6, TOWNSHIP 23 NORTH, RANGE 4 EAST,  
9           W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

10  
11           BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 6;  
12           THENCE N88°23'50"W, ALONG THE NORTH LINE OF SAID SECTION 6, FOR 654.11 FEET;  
13           THENCE S05°28'00"W FOR 30.07 FEET TO A POINT BEING THE NORTHEASTERLY CORNER OF THE  
14           LAND CONVEYED TO THE HOUSING AUTHORITY OF KING COUNTY, RECORDED UNDER  
15           RECORDING NUMBER 4413217;  
16           THENCE S05°44'05"E, ALONG THE EAST LINE THEREOF, FOR 548.19 FEET TO THE NORTHERLY LINE  
17           OF A TRACT OF LAND CONDEMNED BY THE CITY OF SEATTLE FOR TRANSMISSION LINE RIGHT-OF-  
18           WAY THROUGH PROCEEDINGS HAD UNDER KING COUNTY SUPERIOR COURT CAUSE NUMBER  
19           553110;  
20           THENCE S 89°46'53" E, ALONG SAID NORTHERLY LINE, FOR 658.14 FEET TO THE EAST LINE OF SAID  
21           SECTION 6;  
22           THENCE N05°44'05"W, ALONG SAID EAST LINE, FOR 562.41 FEET TO THE POINT OF BEGINNING.

23           **Together with:**

24           A PORTION OF THE NORTHWEST QUARTER OF SECTION 5, TOWNSHIP 23 NORTH, RANGE 4 EAST,  
25           W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:



1 BEGINNING AT THE NORTHWEST CORNER OF SAID SECTION 5;  
2 THENCE S05°44'05"E, ALONG THE WEST LINE OF SAID SECTION 5, FOR 560.66 FEET TO THE  
3 NORTHERLY LINE OF A TRACT OF LAND CONDEMNED BY THE CITY OF SEATTLE FOR  
4 TRANSMISSION LINE RIGHT-OF-WAY THROUGH PROCEEDINGS HAD UNDER KING COUNTY  
5 SUPERIOR COURT CAUSE NUMBER 553110;  
6 THENCE S79°44'06"E ALONG SAID NORTHERLY LINE FOR 725.38 FEET;  
7 THENCE CONTINUING ALONG SAID NORTHERLY LINE AT N83°49'59"E FOR 0.98 FEET TO THE  
8 WESTERLY MARGIN OF MYERS WAY SOUTH BEING A POINT ON A CURVE HAVING A RADIUS OF  
9 1000.37 FEET FROM WHICH A RADIAL LINE OF SAID CURVE BEARS N59°57'35"E;  
10 THENCE NORTHERLY ALONG SAID CURVE AND WESTERLY MARGIN THROUGH A CENTRAL ANGLE  
11 OF 14°32'10" FOR AN ARC LENGTH DISTANCE OF 253.79 FEET TO A POINT 43.83 FEET DISTANT  
12 SOUTHWESTERLY WHEN MEASURED AT RIGHT ANGLES TO THE R LINE SURVEY OF SECONDARY  
13 STATE HIGHWAY NO. 1-K (MYERS WAY SOUTH), AS CONDEMNED FOR STATE HIGHWAY UNDER  
14 PROCEEDINGS HAD IN KING COUNTY SUPERIOR COURT CAUSE NO. 670900, AT HIGHWAY  
15 ENGINEER'S STATION R 0+50;  
16 THENCE S71°42'58"W FOR 1.17 FEET TO A POINT 45.00 FEET DISTANT SOUTHWESTERLY WHEN  
17 MEASURED AT RIGHT ANGLES FROM THE AFOREMENTIONED HIGHWAY ENGINEER'S STATION R  
18 0+50;  
19 THENCE N47°05'41"W ALONG THE WESTERLY MARGIN OF SAID STATE HIGHWAY NO. 1-K FOR  
20 114.13 FEET TO A POINT 100.00 FEET DISTANT SOUTHWESTERLY WHEN MEASURED AT RIGHT  
21 ANGLES TO SAID R LINE SURVEY AT HIGHWAY ENGINEER'S STATION R 1+50;  
22 THENCE N18°17'02"W ALONG THE WESTERLY MARGIN OF SAID STATE HIGHWAY NO. 1-K FOR  
23 384.69 FEET TO THE NORTH LINE OF SAID SECTION 5;  
24 THENCE N88°38'49"W ALONG SAID NORTH LINE FOR 467.82 FEET TO THE POINT OF BEGINNING;

25 \_\_\_\_\_  
26 END OF LEGAL DESCRIPTION  
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1 Section 2. The Director of the Fleets and Facilities Department is authorized to sell the  
2 above described property to Lowe's HIW, LLC, for the gross sales price of NINE MILLION  
3 SEVEN HUNDRED THIRTEEN THOUSAND DOLLARS (\$9,713,000), all in cash, paid at  
4 closing.

5 Section 3. The Director of the Fleets and Facilities Department is authorized, for and on  
6 behalf of the City, to execute the Purchase and Sale Agreement and its Amendments between the  
7 City of Seattle and Lowe's HIW, LLC which are attached hereto. In addition, the Director of the  
8 Fleets and Facilities Department is authorized to amend said Purchase and Sale Agreement,  
9 before or after execution, prior to the closing of the sale, as agreed with the buyer; to modify time  
10 deadlines and to make other modifications to the agreement, so long as the City's rights with  
11 respect to the gross sale price are not reduced and the City's financial liability is not increased;  
12 and to execute such other documents as are reasonably determined to be necessary to effectuate  
13 the sale of the property consistent with the remainder of this ordinance.  
14

15 Section 4. Proceeds from the sale authorized herein shall be deposited in the Unrestricted  
16 Subaccount of the Cumulative Reserve Subfund (00164). An amount up to TWO HUNDRED  
17 THOUSAND DOLLARS (\$200,000) shall be expended directly or transferred from the  
18 Unrestricted Subaccount of the Cumulative Reserve Subfund to pay directly or reimburse the  
19 Fleets and Facilities Fund (50300) for the actual costs incurred by Fund 50300 for appraisal,  
20 survey, environmental consulting, and costs of sale including closing costs.  
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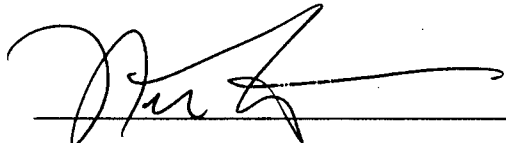
22 Section 5. Any acts pursuant to the authority and prior to the effective date of this  
23 ordinance are hereby ratified and confirmed.  
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Section 6. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.


Passed by the City Council the 4<sup>th</sup> day of December, 2006, and signed by me in open session in authentication of its passage this 4<sup>th</sup> day of December, 2006.

  
\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this 13<sup>th</sup> day of December 2006.

  
\_\_\_\_\_  
Gregory J. Nickels, Mayor

Filed by me this 14<sup>th</sup> day of December, 2006.

  
\_\_\_\_\_  
City Clerk

(Seal)



Attachments:

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## AGREEMENT TO SELL AND PURCHASE REAL ESTATE

THIS AGREEMENT TO SELL AND PURCHASE REAL ESTATE (this "Agreement") is entered into by and between the CITY OF SEATTLE, a first class city of the State of Washington ("Seller") and LOWE'S HIW, INC., a Washington corporation ("Purchaser") (individually, a "Party" and collectively, the "Parties"). The effective date of this Agreement (the "Effective Date") shall be January 21, 2005, irrespective of the date of execution by the Parties.

Seller is the owner of the parcels of real property depicted on Exhibit A attached hereto, and has determined that those parcels are no longer necessary for its purposes; and

Seller has offered to sell and Purchaser has agreed to purchase the property described hereinafter subject to the terms of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the sufficiency of which consideration is acknowledged by all Parties hereto, IT IS HEREBY AGREED AS FOLLOWS:

### 1. DESCRIPTION OF REAL PROPERTY.

1.1. The Property. Seller's real property, consisting of approximately 21.25 acres of land, is located at 9400 Myers Way S in Seattle, King County, Washington, and is designated on Exhibit A as the "Property" (the "Property").

1.2. The Option Parcel. Seller owns an adjoining parcel of real property lying generally to the south of the Property, comprising approximately 10 acres, which is designated on Exhibit A as the "Option Parcel," to which Purchaser is granted an option to purchase pursuant to the terms of this Agreement (the "Option Parcel"). If Purchaser exercises its Option, as hereinafter defined, the Option Parcel shall become part of the Property as defined in this Agreement.

1.3. The Property shall include all of Seller's rights customarily transferred from a seller to a purchaser (in Seller's capacity as property owner and not rights arising from its status as a municipality or owner of public utilities), including Seller's rights to all easements in or upon the Property or benefiting the Property and rights of ingress and egress thereto as allowed by the City of Seattle Municipal Code and any applicable building code in public rights-of-way which border the Property, together with such residuary rights as may arise by operation of law from any future abandonment of any such rights-of-way.





1.4. Purchaser acknowledges that a portion of the Property contains an unopened street right-of-way designated SW Roxbury. Seller shall, prior to Closing, vacate the SW Roxbury right-of-way.

1.5. Purchaser acknowledges that Seller possesses a Surface Mine Reclamation Permit, designated 70-10167, with Washington State Department of Resources, and a General Sand and Gravel Permit, designated #WAG50-3170, with Washington State Department of Ecology, both of which permits are inactive, but which will be transferred to Purchaser as part of this transaction, along with any requirements of those permits.

1.6 The Parties recognize that this transaction is subject to approval of this Agreement by Ordinance adopted by the Seattle City Council.

2. TIME FOR PERFORMANCE. The closing of the transaction contemplated herein at which Seller shall convey the Property to Purchaser in accordance with the terms hereof shall take place (unless this Agreement is terminated as otherwise herein provided) within fifteen (15) days after the expiration of the Entitlement Period or the Entitlement Extension Period (as hereinafter defined) (the date established under this Section 2 for closing and performance being hereinafter sometimes referred to as the "Closing" or "Closing Date").

3. PURCHASE PRICE AND GRANT OF OPTION.

3.1. The total purchase price for the Property shall be the sum of Nine Million Eight Hundred Thousand Dollars (\$9,800,000.00), to be paid in cash at Closing.

3.2 Option. Seller hereby grants to Purchaser for a period of 90 days from the Effective Date, an option to purchase the Option Parcel for the additional sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) (the "Option"). The Option shall be exercised, if at all, by Purchaser notifying Seller in writing of Purchaser's intent to so exercise and payment into escrow of the additional earnest money deposit described in Section 4.2 below.

4. EARNEST MONEY DEPOSIT.

4.1. Initial Deposit. Within five (5) business days of the Effective Date, Purchaser shall deposit with First American Title Insurance Company, 2101 Fourth Avenue, Suite 800, Seattle, Washington 98212, attention: Donna Koerber (the "Escrow Agent") as a partial payment



of the total Purchase Price and as earnest money to bind this Agreement, the sum of Three Hundred Thousand Dollars (\$300,000.00) (the "Initial Deposit"), in cash or by an irrevocable Letter of Credit in a form and from a source approved by Seller and which provides that if Purchaser defaults under this Agreement the Escrow Agent may draw upon the Letter of Credit and deliver the proceeds to Seller. The Initial Deposit, if not refunded to Purchaser as provided herein or paid to Seller as liquidated damages pursuant to Section 14.2 hereof, shall be applied and credited to the Purchase Price at Closing.

4.2 Option Deposit. In addition to the Initial Deposit, in the event Purchaser exercises its Option, Purchaser shall deposit into escrow an additional Fifty Thousand Dollars (\$50,000.00) (the "Option Deposit"), and said Option Deposit, together with the Initial Deposit, shall be held and disbursed as described in Section 4.1 and Section 14.2 of this Agreement.

## 5. SURVEY AND TITLE INSURANCE.

5.1. Survey: Within fourteen (14) days after the Effective Date, Seller shall provide Purchaser with a copy of an ALTA survey of the Property (the "Survey"). Purchaser may, within twenty (20) days of receipt of the Survey, notify Seller of any matter shown on the Survey to which it objects, and may (i) request that Seller have the Survey amended to address such objection to Purchaser's satisfaction; (ii) require the Survey to be certified to Purchaser and the Title Company; and (iii) require, if necessary, that the Survey be revised to meet the Title Company's requirements for deletion of the general survey exception. If Purchaser does not so notify Seller of any objection to the Survey or matters shown therein, or notifies Seller that it has no such objections, the Survey shall be deemed acceptable by the Parties. If Seller refuses to amend the Survey as requested by Purchaser, Purchaser may, at its option, terminate this Agreement as provided herein, or waive any survey objection and proceed with the transaction. If approved by Purchaser, the metes and bounds description of the Property resulting from the Survey shall be the legal description of the Property for all purposes in this Agreement and shall be the description of the Property used in the Deed and the Owner's Policy of Title Insurance to be furnished hereunder.

5.2. Survey of Option Parcel. In the event Purchaser exercises its Option to purchase the Option Parcel, then within twenty (20) days of Seller's receipt of notice of such exercise, Seller shall furnish Purchaser with a copy of an ALTA survey of the Option Parcel (the



"Option Survey"). Purchaser may, within twenty (20) days of receipt of the Option Survey, notify Seller of any objection to the Option Survey or matters shown therein, and may request that Seller have the Option Survey amended to address such objection to Purchaser's satisfaction. If Purchaser does not so notify Seller of any objection to the Option Survey or matters shown therein, or notifies Seller that it has no such objections, the Option Survey shall be deemed acceptable by the Parties. If Seller refuses to amend the Option Survey as requested by Purchaser, Purchaser may, at its option, terminate this Agreement as provided herein, or waive any survey objection and proceed with the transaction. If approved by Purchaser, the metes and bounds description of the Option Parcel resulting from the Survey shall be the legal description of the Option Parcel for all purposes in this Agreement and shall be the description of the Option Parcel used in the Deed and the Owner's Policy of Title Insurance to be furnished hereunder.

5.3. Title. Closing shall be conditioned upon First American Title Insurance Company, One First American Way, Santa Ana, California, c/o Kristen Heuter, National Accounts (the "Title Company") issuing or committing to issue to Purchaser a standard coverage owner's policy of title insurance (Form B 1970, amended 1984) in the amount of the Purchase Price (the "Title Policy"). The Title Policy shall insure that title to the Property is free and clear of all monetary encumbrances or other encumbrances of record except those listed in the title commitment and not objected to by Purchaser, which exceptions shall be the "Permitted Exceptions." The lien of any current real property taxes not yet due and payable, and those matters excluded from coverage by the standard exceptions and exclusions contained in the form of title insurance policy required hereby, are Permitted Exceptions. Seller shall be pay the premium for the Title Policy and Purchaser shall be responsible for the additional cost of obtaining an extended coverage owners policy of title insurance, if Purchaser elects to obtain extended coverage, and for any additional endorsements required by Purchaser. Title shall be conveyed by bargain and sale deed.

5.3.A. Title Commitment. Within five (5) days after the Effective Date, Seller shall deliver a copy of the current title commitment ("Title Commitment") for the Property to Purchaser, along with legible and complete copies of all documents referenced as title exceptions in the Title Commitment.



5.3.B. Purchaser shall have twenty (20) days after receipt of the Title Commitment to notify Seller of any objections Purchaser has to the condition of title. Seller shall then have ten (10) days after receipt of Purchaser's objections to notify Purchaser whether Seller will remove the exceptions objected to by Purchaser. If Seller provides no such notice within the ten (10) day period, then Seller shall be deemed to agree to remove all of the exceptions objected to by Purchaser, prior to Closing.

5.3.C. In the event that Seller provides notice that it will not remove all exceptions objected to by Purchaser prior to Closing, and the Parties cannot agree on an adjustment to the Purchase Price and/or other terms of this Agreement, then within ten (10) days of notice by Seller of Seller's intent not to remove one or more of the exceptions, Purchaser may, at its sole option:

(i) Notify Seller of Purchaser's intent to waive any exceptions which Seller has not agreed to remove and accept title to the Property subject to such exceptions, or

(ii) Terminate this Agreement by written notice to Seller and Escrow Agent, in which event this Agreement shall terminate, the Earnest Money deposit and all interest earned thereon shall be promptly refunded to Purchaser, and neither party shall have any further rights, duties or obligations under this Agreement.

5.3.D. Cost of Title Commitment. In the event that this Agreement is terminated without closing, the cost of the Title Commitment shall be borne by Seller, except that in the event that this transaction terminates due to a default of Purchaser, Purchaser shall bear the costs of the Title Commitment.

5.3.E. Title Updates. In the event any additional matters appear in any updated Title Commitment which were not contained in the original Title Commitment, such matters shall automatically be deemed to be unacceptable to Purchaser unless Purchaser expressly accepts in writing such additional matters.

## 6. PHYSICAL INSPECTION DUE DILIGENCE PERIOD.

6.1. Due Diligence Period. Purchaser shall have sixty (60) days from the Effective Date of this Agreement (the "Due Diligence Period") to conduct a physical inspection of the Property to determine whether the Property is suitable for Purchaser to construct and operate a warehouse home improvement center, at a cost and with conditions suitable to Purchaser



("Purchaser's Intended Use"), and to give written notice to Seller that the Property is not suitable. If at the end of the Due Diligence Period Purchaser has not notified Seller that the Property is unsuitable, One Hundred Thousand Dollars (\$100,000) of the Initial Deposit described in Section 4 of this Agreement shall become non-refundable. The "Option Due Diligence Period" shall coincide with the ninety (90) days of the Option Period. If at the end of the Option Due Diligence Period Purchaser has not notified Seller that the Option Parcel is unsuitable, the Option Deposit shall become non-refundable. Purchaser shall be under no obligation to purchase the Property or otherwise perform under this Agreement unless Purchaser determines the Property to be, in all respects, suitable for Purchaser's Intended Use. The decision as to whether the Property is suitable for Purchaser's Intended Use shall be the sole decision of Purchaser, determined in the absolute discretion of Purchaser, with Purchaser's decision being final and binding upon both parties.

6.2. Termination Right and Return of Deposit: If Purchaser, within the Due Diligence Period, determines that the Property is unsuitable for Purchaser's Intended Use, Purchaser may elect to terminate this Agreement and recover its Deposit. Should Purchaser determine that the Property is not suitable for Purchaser's Intended Use, Purchaser shall notify Seller of its termination of this Agreement. If Purchaser terminates the Agreement under this provision, Seller and the Escrow Agent shall be obligated to return the Deposit to Purchaser as provided in Section 4 of this Agreement, with neither Party having any other rights or obligations under this Agreement. If Purchaser does not elect to terminate this Agreement prior to the expiration of the Inspection Period, \$100,000.00 of the Deposit shall become non-refundable to Purchaser upon the expiration of the Inspection Period, except as expressly provided herein.

6.3. License for Inspection: Seller hereby grants to Purchaser, its contractors, agents and employees, the right and license to go onto the Property, including the Option Parcel if Purchaser exercises its Option to purchase the Option Parcel, for the purpose of conducting such surveys, tests, inspections, evaluations and sampling which Purchaser may require in its assessment of the Property. In general, as it applies to this Section and its subsections, Purchaser shall exercise its rights granted herein at all times in such a manner as shall not result in the Property becoming subject to any lien arising out of Purchaser's exercise of rights. Any lien



arising out of Purchaser's conduct in exercising any right granted under this Agreement shall be removed immediately at Purchaser's expense.

7. **ENTITLEMENTS PERIOD.**

7.1. **Entitlements.** Purchaser shall be under no obligation to purchase the Property or otherwise perform under this Agreement unless and until the following requirements of Purchaser are satisfied (the "Governmental Approvals"):

7.1.A. **Governmental Approvals.** Purchaser must be able to obtain a "Master Use Permit" from the City of Seattle Department of Planning and Development to allow Purchaser's Intended Use on the Property without unreasonable conditions or costs.

7.1.B. **Zoning and Permits:** The zoning classification of the Property must be designated C2-65 (or other classification permitting Purchaser's Intended Use). Seller shall reasonably cooperate with Purchaser in obtaining all permits, assurances, approvals from state, municipal, county and federal authorities necessary for Purchaser to satisfy itself during the Entitlement Period of the suitability of the Property. In no event, however, shall Seller be required to engage in any activity in connection with such cooperation with Purchaser in any manner that would constitute a breach of its fiduciary duties as a municipality.

7.2. **Cooperation in Obtaining Permits or Approvals.** Purchaser shall promptly commence efforts to obtain any and all such permits and approvals at its own expense. Seller shall cooperate with Purchaser in this regard and shall, if requested to do so, execute such applications or requests as may be necessary for the owner of the Property to execute and to provide any information privy to, known to, or in possession of Seller which may be necessary or useful in completing applications or requests.

7.3. **Termination Right and Return of Deposit:** Purchaser shall have one hundred eighty (180) days following the expiration of the Due Diligence Period to notify the Seller of its termination of this Agreement due to Purchaser's determination that it has not obtained Governmental Approvals (or has obtained Governmental Approvals with unreasonable conditions that adversely impact Purchaser's Intended Use or Purchaser's costs) ("the Entitlement Period"). In such event, Seller and the Escrow Agent shall be obligated to return the entire Deposit and all interest accrued thereon, as provided under Section 4 above, to Purchaser, with neither Party having any other rights or obligations under this Agreement. If Purchaser does

not elect to terminate this Agreement prior to the expiration of the Entitlement Period, the entire Deposit shall become non-refundable upon the expiration of the Entitlement Period, except as expressly provided herein. Notwithstanding the foregoing, Purchaser may terminate this Agreement at any time after expiration of the Entitlement Period and prior to Closing, subject to the provisions of Section 14.2.

7.4. Extension of the Entitlement Period: In the event that the conditions of Section 7.1 have not been satisfied by the expiration of the Entitlement Period, Purchaser may, at its option, extend the Entitlement Period and Purchaser's right to terminate the Agreement under Section 7.3 for an additional period of up to ninety (90) days (the "Entitlement Extension Period") for purposes of obtaining Governmental Approvals by giving written notice to Seller (the "Extension Notice") on or before the expiration of the Entitlement Period. If Purchaser extends the Entitlement Period pursuant to this section, the Purchase Price of the Property to be paid at closing shall be increased by an amount equal to One Thousand Five Hundred Fifty-Five Dollars (\$1,555.00) per day for each day that the Entitlement Period is extended. In accordance with Section 2 hereof, Closing shall take place no later than fifteen (15) days following termination of the Entitlement Period or the Entitlement Extension Period.

7.5. Additional Condition to Closing. In the event Purchaser does not exercise its Option to purchase the Option Parcel, Purchaser shall have no obligation to consummate the transaction contemplated herein unless Purchaser and Seller shall have mutually agreed to a document, in recordable form, which shall provide, among other things, that no portion of the Option Parcel shall be used for anything other than purposes which may be permitted by applicable zoning regulations, and prohibiting the following uses on any or all of the Option Parcel: An adult type bookstore or other establishment selling, renting, displaying or exhibiting pornographic or obscene materials (including without limitation: magazines, books, movies, videos, photographs or so called "sexual toys") or providing adult type entertainment or activities (including, without limitation, any displays or activities of a variety involving, exhibiting or depicting sexual themes, nudity or lewd acts); a mortuary, crematorium or funeral home; a mobile home or trailer court, labor camp, junkyard or stockyard; a landfill, garbage dump or other such facility for the dumping, disposing, incineration or reduction of garbage; a gambling establishment or betting parlor; assembling, manufacturing, industrial, distilling, refining or



smelting facility, provided that a distillery or brewery of beer or spirits as part of a restaurant or bar shall be permitted; and operation of a dry cleaning plant or central laundry facility.

**8. ENVIRONMENTAL DISCLOSURE, REPRESENTATIONS, INVESTIGATION AND WARRANTIES.**

8.1. Seller Disclosures. Within ten (10) business days of the last execution of this Agreement, Seller shall inform Purchaser of any known Hazardous Materials or Release, as defined hereinafter, and of any underground structures or utilities which are or may be present on the Property and Seller shall deliver to Purchaser any documentation (for example, any title evidence, surveys, reports, studies, test results, engineering drawings, permits or tank registrations) Seller has within its possession or control regarding such conditions, structures or utilities. Seller shall immediately notify Purchaser, in writing, of any Release, as defined hereinafter, or change to any environmental information previously given by Seller to Purchaser, and Seller understands that Purchaser needs this information in order to properly evaluate the Property, to avoid damaging underground structures and utilities and to avoid causing, contributing to or exacerbating the Release of a Hazardous Materials in the course of its investigations.

8.2. Purchaser Indemnification. Purchaser agrees to pay all of the costs and expenses associated with its investigation and testing and to repair and restore any damage to the Property caused by Purchaser's investigations or testing, at Purchaser's expense. Purchaser also agrees to indemnify and hold Seller harmless from all costs, expenses and liabilities arising out of Purchaser's negligence or willful misconduct or that of its employees, agents, consultants or contractors in performing its evaluation of the Property.

8.3. Samples: Soil, rock, water, asbestos, and other samples taken from the Property shall remain the property of Seller. Purchaser will make arrangements for the lawful disposal of any contaminated samples and will pay any related transportation or disposal fees and Seller shall sign the manifest and any other documents required in connection with the disposal of contaminated samples. If Seller does not sign the required documentation, Purchaser's only obligation shall be to return the contaminated samples to Seller.

8.4. Seller Environmental Representations and Warranties. Seller has undertaken an appropriate inquiry into the previous ownership and uses of the Property consistent with good



commercial or customary practice in an effort to minimize liability with respect to Hazardous Materials and represents and warrants to Purchaser that, except as disclosed and delivered to Purchaser hereunder:

8.4.A. The Property is now free from contamination by Hazardous Materials, and the Property and the activities conducted thereon as of the Effective Date and on Closing do not pose any significant hazard to human health or the environment or violate any Environmental Laws (as defined in Section 8.4.F). There is no evidence of Release of Hazardous Materials at the Property.

8.4.B. There has been no generation, treatment or storage of any Hazardous Materials at the Property nor any activity at the Property which could have produced Hazardous Materials.

8.4.C. There are no surface impoundments, lagoons, waste piles, landfills, injection wells, underground storage areas, tanks, storage vessels, drums, containers or other man-made facilities at the Property which may have accommodated Hazardous Materials at the Property. Neither Seller, nor any third person, has stored, placed, buried or Released Hazardous Materials at the Property, including the soil, surface water and ground water.

8.4.D. To the Seller's knowledge, there has been no treatment, storage or Release of any Hazardous Materials on land adjacent or near to the Property which may constitute a risk of contamination of the Property or surface water or ground water flowing to the Property.

8.4.E. No inspection, audit, inquiry or other investigation has been or is being conducted by any Governmental Authority (as hereinafter defined) or other third person with respect to the presence or discharge of Hazardous Materials at the Property or the quality of the air, or surface or subsurface conditions at the Property except for the Phase I environmental audits performed on behalf of Seller or any lender of Seller, copies of which will be delivered to Purchaser pursuant to this Agreement. Seller has not received notice that any such inspection, audit, inquiry or investigation is pending or proposed. Neither Seller, nor to Seller's knowledge, any previous owner of the Property has received any warning, notice, notice of violation, administrative complaint, judicial complaint or other formal or informal notice or request for information alleging that Hazardous Materials have been stored or Released at the Property or

that conditions at the Property are in violation of any Environmental Laws or requesting information regarding the use, storage, Release or potential Release of Hazardous Materials at the Property.

8.4.F. Definitions. For purposes of this Section 8 and this Agreement:

“Environmental Laws” shall mean any federal, state or local statute, regulation or ordinance or any judicial or administrative decree or decision, whether now existing or hereinafter enacted, promulgated or issued, with respect to any Hazardous Materials, drinking water, groundwater, wetlands, landfills, open dumps, storage tanks, underground storage tanks, solid waste, waste water, storm water runoff, waste emissions or wells. Without limiting the generality of the foregoing, the term shall encompass each of the following statutes, and regulations, orders, decrees, permits, licenses and deed restrictions now or hereafter promulgated thereunder, and amendments and successors to such statutes and regulations as may be enacted and promulgated from time to time: (i) the Comprehensive Environmental Response, Compensation and Liability Act (codified in scattered sections of 26 U.S.C., 33 U.S.C., 42 U.S.C. and 42 U.S.C. Section 9601 et seq.) (“CERCLA”); (ii) the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.) (“RCRA”); (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1801 et seq.); (iv) the Toxic Substances Control Act (15 U.S.C. Section 2061 et seq.); (v) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vi) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vii) the Safe Drinking Water Act (21 U.S.C. Section 349, 42 U.S.C. Section 201 and Section 300f et seq.); (viii) the National Environmental Policy Act (42 U.S.C. Section 4321 et seq.); (ix) the Superfund Amendments and Reauthorization Act of 1986 (codified in scattered sections of 10 U.S.C., 29 U.S.C., 33 U.S.C. and 42 U.S.C.); (x) Title III of the Superfund Amendment and Reauthorization Act (40 U.S.C. Section 1101 et seq.); (xi) the Uranium Mill Tailings Radiation Control Act (42 U.S.C. Section 7901 et seq.); (xii) the Occupational Safety and Health Act (29 U.S.C. Section 655 et seq.); (xiii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (xiv) the Noise Control Act (42 U.S.C. Section 4901 et seq.); and (xv) the Emergency Planning and Community Right to Know Act (42 U.S.C. Section 1100 et seq.).

“Hazardous Materials” means each and every element, compound, chemical mixture, contaminant, pollutant, material, waste or other substance which is defined, determined or

identified as hazardous or toxic under any Environmental Law, including, but not limited to, asbestos or any substance containing asbestos, polychlorinated biphenyls, any explosives, radioactive materials, chemicals known or suspected to cause cancer or reproductive toxicity, pollutants, effluents, contaminants, emissions, infectious wastes, any petroleum or petroleum-derived waste or product or related materials and any items defined as hazardous, special or toxic materials, substances or waste. Without limiting the generality of the foregoing, the term shall mean and include:

“Hazardous Substances” as defined in CERCLA, the Superfund Amendments and Reauthorization Act of 1986, or Title III of the Superfund Amendment and Reauthorization Act, each as amended, and regulations promulgated thereunder;

“Hazardous Waste” as defined in the Resource Conservation and Recovery Act of 1976, as amended, and regulations promulgated thereunder;

Materials as defined as “Hazardous Materials” in the Hazardous Materials Transportation Act, as amended, and regulations promulgated thereunder; and

“Chemical Substance or Mixture” as defined in the Toxic Substances Control Act, as amended, and regulations promulgated thereunder.

“Governmental Authorities” means the United States, the State of Washington and any political subdivision thereof, and any and all agencies, departments, commissions, boards, bureaus, bodies, councils, offices, authorities, or instrumentality of any of them, of any nature whatsoever for any governmental unit (federal, state, county, district, municipal, city or otherwise) whether now or hereafter in existence.

“Release” shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, storing, escaping, leaching, dumping, discarding, burying, abandoning, or disposing of Hazardous Materials into the environment.

Seller further agrees to execute any documents as may be required by Purchaser at Closing to evidence the continued effectiveness of the warranties, representations and covenants contained within this Section 8.

9. POSSESSION. Purchaser shall be given sole and exclusive possession of the Property at such time as the Deed is delivered by Seller to Purchaser and Purchaser pays the



Purchase Price as described in Section 3 of this Agreement. On or prior to the Closing, Seller shall remove any and all trash and/or debris located on the Property. At Closing, Purchaser shall sign a statement which recites that Purchaser has examined the property, finds it to be free of trash and/or debris and accepts the Property in its then present condition.

10. CLOSING.

10.1. Conveyance. At Closing, Seller shall deliver the Deed to Purchaser.

10.2. Title at Closing: Seller shall prepare at its cost and deliver to Seller at Closing a Bargain and Sale Deed conveying the Property in fee simple to Purchaser, which deed shall contain covenants of title satisfactory to Purchaser and shall state that Seller is seized of the Property in fee, Seller has bargained, sold and conveyed unto Purchaser and its successors and/or assigns in title the Property in fee simple and that Seller will warrant and defend title against the claims of all persons or entities (the "Deed"). Title to the Property at Closing shall be marketable and good of record and in fact and the Property shall be zoned to permit Purchaser's Intended Use. At the Closing, Seller shall convey marketable title to the Property in fee simple by means of the Deed, free and clear of any and all liens mortgages, deeds of trust, security interests, covenants, conditions restrictions, easements, rights-of-way, licenses, encroachments, judgments or encumbrances of any kind except:

10.2.A. the lien of real estate taxes not yet due and payable; and

10.2.B. Permitted Exceptions.

10.3. Costs: On the Closing Date, Seller shall have the responsibility of paying all state or county or municipal transfer or excise taxes and documentary stamps, if any, occasioned by the conveyance of the Property, as well as any notary fees incurred. The cost of Title Insurance shall be allocated as set forth in Section 5.3. All unpaid ad valorem taxes due and payable within the calendar year of the Closing shall be prorated between Seller and Purchaser as of the Closing Date. Seller agrees to promptly forward to Purchaser any property tax statements for the Property received by Seller after Closing and if Seller fails to do so, Seller shall be liable for any penalties Purchaser has to pay because of Seller's failure. Purchaser and Seller shall share equally all escrow fees charged by the Escrow Agent to close this transaction.

10.4. Brokerage Fees: Neither party has had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through



any real estate broker or other person who can claim a right to a commission or finder's fee in connection with the sale contemplated herein, except for Tim McMahon and/or Washington Commercial Real Estate Services, Inc., whose commission and fees shall be paid by Seller. In the event that any other broker or finder makes a claim for a commission or finder's fee based upon any contact, dealings or communication with a Party, the Party whose conduct is the basis for the broker or finder making its claim shall indemnify, defend and hold harmless the other Party against and from any commission, fee, liability, damage, cost and expense, including without limitation attorney's fees, arising out of or resulting from any such claim. The provisions of this Section 10.4 shall survive the Closing, or in the event that the Closing does not occur, the termination of this Agreement.

11. ASSIGNMENT BY PURCHASER. This Agreement and the rights, duties, interests, and obligations of Purchaser hereunder may be assigned by Purchaser to an affiliate of Purchaser without Seller's consent. Any other assignment shall require Seller's consent, not to be unreasonably withheld or delayed. If such assignment is made, then the sale of the Property contemplated by this Agreement will be consummated in the name of any such assignee, and, after any such assignment, Seller will look solely to such assignee for the performance and discharge of all the obligations and liabilities of Purchaser hereunder, the Purchaser, in such event, being relieved of any obligation and liability hereunder.

12. NOTICES. Any notices, requests or other communications required or permitted to be given hereunder shall be in writing and shall be delivered by hand or by a widely recognized national overnight courier service maintaining records of delivery, or mailed by United States registered or certified mail, return receipt requested, postage prepaid and addressed to each Party at its address as set forth below, or may be given by fax transmission (in the case of fax transmission, the notice shall be deemed to be effective upon confirmation of receipt of the fax transmission, provided that such notice is also hand delivered or sent by overnight carrier or through the U.S. Mail on the day the fax notice is given):

To Seller:                      City of Seattle  
   c/o Joan Rosenstock  
   Strategic Planner/Project Manager  
   618 Second Street, 14<sup>th</sup> Floor  
   Seattle, Washington 98104  
   Fax No.: 206-684-0525



With a copy to: William McGillin  
Law Department  
City Hall, 4<sup>th</sup> Floor  
600 Fourth Avenue  
Seattle, WA 98104  
Fax No.: 206-684-8284

and to Purchaser: Lowe's HIW, Inc.  
1530 Faraday Avenue, Suite 140  
Carlsbad, CA 92008  
Attention: Bynum Marshall, Real Estate Manager  
Fax No.: 760-602-1018

cc: Lowe's HIW, Inc.  
1530 Faraday Avenue, Suite 140  
Carlsbad, CA 92008  
Attention: Rob Doane, Esq., Senior Corporate Counsel  
Fax No.: 760-604-8421

cc: Paul M. Harman, Esq.  
Jones, Waldo, Holbrook & McDonough  
170 South Main Street, Suite 1500  
Salt Lake City, UT 84101  
Fax No.: 801-328-0537

Any such notice, request or other communication shall be considered given or delivered, as the case may be, on the date of personal delivery or upon deposit in the United States mail or with an overnight courier as provided above. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice, request or other communication. By giving at least five (5) days prior written notice thereof, either Party may from time to time at any time change its mailing address hereunder.

13. **DESTRUCTION, CONDEMNATION.** In the event of any material damage to or destruction of the Property or any material portion thereof or in the event of any taking or threat of taking by condemnation (or any conveyance in lieu thereof of the Property or any portion thereof by anyone having the power of eminent domain), Purchaser shall, by written notice to Seller delivered within (15) days of receiving written notice from Seller of such event, elect to: (i) terminate this Agreement and all of Purchaser's obligations under this Agreement, whereupon the Deposit, together with all interest accrued hereon, shall be returned to Purchaser and this

Agreement shall become null and void and no Party shall have any right, duty or obligation under this Agreement, or (ii) consummate the purchase of the Property. If Purchaser does not elect to terminate this Agreement, then Seller shall on the Closing Date pay to Purchaser all insurance proceeds then received by Seller plus an amount equal to any deductible, or self insurance retention related to the casualty coverage, and all condemnation awards and compensation then received by Seller. In addition, Seller shall transfer and assign to Purchaser, in form reasonably satisfactory to Purchaser, all rights and claims of Seller with respect to payment for damages and compensation on account of such damage, destruction or taking. Seller will not settle any condemnation or eminent domain claim or proceeding nor receive any award or payment in connection with a change in the grade of any street, road, highway or avenue in respect of or in connection with the Property without obtaining Purchaser's prior consent in each case.

**14. DEFAULT.**

**14.1. Seller's Default.** One of the purposes of this Agreement is to bind Seller to sell the Property described in Section 1. If the sale and purchase of the Property contemplated by this Agreement is not consummated on account of Seller's default hereunder, the Deposit, together with all interest earned thereon, shall be refunded to Purchaser on notice by Purchaser to the Escrow Agent holding such deposit(s), without prejudice to any other rights or remedies of Purchaser hereunder, at law or in equity, which shall include that of specific performance.

**14.2. Purchaser's Default.**

**14.2.A. IF PURCHASER HAS NOT TERMINATED THIS AGREEMENT IN ACCORDANCE WITH THE TERMS AND CONDITIONS HEREOF AND THE SALE AND PURCHASE OF THE PROPERTY CONTEMPLATED BY THIS AGREEMENT IS NOT CONSUMMATED ON ACCOUNT OF PURCHASER'S DEFAULT HEREUNDER, SELLER SHALL BE ENTITLED, AS ITS SOLE AND EXCLUSIVE REMEDY HEREUNDER, TO PAYMENT OF THE DEPOSIT, PLUS ALL ACCRUED INTEREST THEREON, AS FULL AND COMPLETE LIQUIDATED DAMAGES FOR SUCH DEFAULT OF PURCHASER, THE PARTIES HERETO ACKNOWLEDGING THAT IT IS IMPOSSIBLE TO ESTIMATE MORE PRECISELY THE DAMAGES WHICH MIGHT BE SUFFERED BY SELLER UPON PURCHASER'S DEFAULT OF THIS AGREEMENT OR ANY DUTY ARISING IN CONNECTION OR RELATING HEREWITH.**



14.2.B. SELLER'S ENTITLEMENT TO AND RECEIPT OF THE SUMS SET FORTH IN THIS SECTION 14 IS INTENDED NOT AS A PENALTY, BUT AS FULL AND COMPLETE LIQUIDATED DAMAGES. THE RIGHT TO RETAIN SUCH SUMS AS FULL LIQUIDATED DAMAGES IS SELLER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF DEFAULT HEREUNDER BY PURCHASER, AND SELLER HEREBY WAIVES AND RELEASES ANY RIGHT TO (AND HEREBY COVENANTS THAT IT SHALL NOT) SUE PURCHASER AS TO ANY CLAIMS, INJURY OR LOSS ARISING FROM OR IN CONNECTION WITH THIS AGREEMENT: (i) FOR SPECIFIC PERFORMANCE OF THIS AGREEMENT, OR (ii) TO RECOVER DAMAGES IN EXCESS OF SUCH SUMS.

Seller's Initials BB

Purchaser's Initials BB KOB

15. EASEMENTS AND RIGHT-OF-WAYS. Seller covenants and agrees that during the term of this Agreement, it shall not grant or enter into any easements, rights-of-way, contracts for work, or other agreements affecting the Property, or the title thereto, without first obtaining the prior written consent of Purchaser.

16. WARRANTIES, REPRESENTATIONS AND COVENANTS TO SURVIVE CLOSING. The warranties, representations and covenants made by the Parties shall survive the Closing contemplated by this Agreement and the Closing Date and shall continue in full force and effect without termination. Also, wherever in this Agreement Seller or Purchaser shall have agreed or promised to perform certain acts or grant certain easements or other rights where the context of the Agreement would require such performance or grants to occur after the Closing, then those Agreements and covenants expressed herein shall survive Closing and continue to bind Seller and Purchaser. In addition, the warranties, representations and covenants made by the Parties shall survive the Closing of the purchase of the Property and shall continue to bind Seller and Purchaser.

17. SELLER'S WARRANTIES, REPRESENTATIONS AND COVENANTS. As an inducement to Purchaser to enter into this Agreement and to purchase the Property, Seller warrants, represents and covenants to Purchaser, as follows:

17.1. Authority. Seller has the authority and power to enter into this Agreement and to consummate the transactions contemplated herein upon execution hereof will be legally obligated to Purchaser in accordance with the terms and provisions of this Agreement.





17.2. Seller is a municipal corporation duly organized, validly existing and in good standing under the laws of the State of Washington and has the power to own its property and assets. Seller warrants that the Director of the Fleets and Facilities Department is authorized on behalf of the Seller to execute this Agreement, subject to the approval of this Agreement by ordinance adopted by the Seattle City Council.

17.3. Seller is aware of no condition on or affecting the title to the Property, including but not limited to any material defect or material adverse fact relating to the Property, which will not be reflected as a matter of record title.

17.4. Seller is the owner of the Property in fee and has marketable and good title of public record and in fact.. On receipt of the Title Commitment, Seller will review the same. At Closing, Seller will warrant that there are no claims affecting title to the Property, other than those disclosed by the Title Commitment as of Closing.

17.5. To Seller's knowledge, other than as disclosed in the Documents provided by Seller to Purchaser, there are no Hazardous Materials (as defined in Section 8 hereof) on or in the Property. If any additional Hazardous Material is discovered by Purchaser on the Property prior to Closing, Purchaser shall have the right to terminate this Agreement.

17.6. To Seller's knowledge, there is no action, suit, investigation or proceeding (administrative or otherwise) pending or, to Seller's knowledge, threatened, against or affecting the Property or any portion of it, the transactions contemplated hereby, the Seller, or otherwise, which might affect the right of Purchaser to own, operate, develop or possess the Property or which might result in any liability of Purchaser with respect thereto. There is no pending condemnation or similar proceeding affecting the Property or any portion thereof, and Seller has not received any notice and has no knowledge that any such proceeding is contemplated.

17.7. There are no contracts, leases or other agreements which affect the Property or any portion thereof which would survive Closing, and Seller agrees not to enter into any such contracts, leases, or other agreements between the date of this Agreement and the Closing.

17.8. Other than as expressly disclosed by Seller to Purchaser in the Documents, there are no conditions on the Property which violate any applicable environmental, zoning, or building restrictions, insurance company guidelines, fire codes, or other governmental statutes, ordinances, rules, regulations or orders relating to health, safety or welfare, or any order by any



governmental agency or known insurance company requiring corrective action for any of the foregoing.

17.9. On the Closing Date, all necessary and appropriate action will have been taken by Seller authorizing and approving the execution of and entry into this Agreement, the execution and delivery by Seller of the documents and instruments to be executed by Seller on the Closing Date, and the performance by Seller of Seller's duties and obligations under this Agreement and of all other acts necessary and appropriate for the consummation of the purchase and sale of the Property as contemplated herein.

17.10. Assessments and Taxes. To the best of Seller's knowledge, no assessments have been made against any portion of the Property which are unpaid (except ad valorem taxes for the current year), whether or not they have become liens, other than as shown in the Title Commitment. Seller shall notify Purchaser of any such assessments which are brought to Seller's attention after the execution of this Agreement. Seller will pay or cause to be paid promptly all city, state and county ad valorem taxes and similar taxes and assessments, all sewer and water charges and all other governmental charges levied or imposed upon or assessed against the Property and due by the Closing Date.

17.11. Boundaries. (i) There is no dispute involving or concerning the location of the lines and corners of the Property, and such lines and corners are clearly marked; (ii) to Seller's knowledge there are no encroachments on the Property and no portion of the Property is located within any "Special Flood Hazard Area" designated by the United States Department of Housing and Urban Development and/or Federal Emergency Management Agency, or in any area similarly designated by any agency or other governmental authority; and (iii) no portion of the Property is located within a watershed area imposing restrictions upon use of the Property or any part thereof.

17.12. Foreign Ownership. Seller is not a "foreign person" as that term is defined in the U. S. Internal Revenue Code of 1986, as amended, and the regulations promulgated pursuant thereto, and Purchaser has no obligation under Section 1445 of the U. S. Internal Revenue Code of 1986, as amended, to withhold and pay over to the U. S. Internal Revenue Service any part of the "amount realized" by Seller in the transaction contemplated hereby (as such term is defined in the regulations issued under said Section 1445).



17.13. No Prior Agreements. No prior agreements, options or rights of first refusal have been granted by Seller to any third Parties to purchase or lease any interest in the Property, or any part thereof, which are effective as of the Effective Date.

17.14. Mechanics and Materialmen Liens. On the Closing Date, Seller will not be indebted to any contractor, laborer, mechanic, materialmen, architect or engineer for work, labor or services performed or rendered, or for materials supplied or furnished, in connection with the Property for which any person could claim a lien against the Property and shall not have done any work on the Property within one hundred eighty (180) days prior to the Closing Date and shall cooperate with Purchaser and the Title Company to permit the Title Company to issue to Purchaser the Owner's Policy with affirmative protection against the existence of mechanics liens.

18. **PURCHASER'S WARRANTIES, REPRESENTATIONS AND COVENANTS.**

18.1 Purchaser hereby represents and warrants to Seller as follows:

18.1.A. Purchaser is a Washington corporation organized, validly existing and in good standing under the laws of the State of Washington, and has the power to own its property and assets.

18.1.B. At the time this Agreement is presented to Seller as an offer, this Agreement will have been duly authorized, executed and delivered by Purchaser; will constitute the legal, valid and binding obligation of Purchaser; and will be enforceable against Purchaser in accordance with its terms.

18.1.C. The purchase of the Property will not conflict with or result in a material breach affecting Purchaser's ability to perform under this Agreement, of any other agreement or instrument to which Purchaser is a party or by which it is or may be bound, or constitute a default under any of the foregoing, or to Purchaser's knowledge, violate any state or federal governmental law, statute, ordinance or regulation in effect on the date of execution of this Agreement.

18.1.D. The representations and warranties made by Purchaser in this Agreement are true on and as of the date of Closing with the same effect as though such representations and warranties had been made on and as of the date of Closing. Purchaser's representations set forth in this Section 18.1 shall survive Closing.



19. 1031 TAX-FREE EXCHANGE.

19.1. Seller's Exchange Cooperation. If requested to do so by Purchaser, Seller shall cooperate in a simultaneous or deferred exchange by transferring the Property to a third party (also an "Exchange Facilitator"), should Purchaser assign this Agreement to the Exchange Facilitator. The assignment may take effect only simultaneously with the Closing under this Agreement, and in no event shall Purchaser be relieved of any liability under this Agreement by reason of the assignment to an Exchange Facilitator and in no event shall the Exchange Facilitator have any right to enforce this Agreement that Purchaser would not have if there had been no assignment. Seller shall not be required to bear any escrow, title, or other expenses in excess of those Seller would bear if there were no exchange, nor shall Seller be required to expend any sums of money in connection with the exchange. Seller shall not be required to execute any document creating personal liability or assume or be exposed to any liability in connection with an exchange, nor shall the Closing Date be extended to consummate an exchange. In no event shall Seller be required to take title to any property other than the Property, and in no event shall Seller be responsible for any tax consequences to Purchaser or any other party in connection with an exchange. Purchaser agrees and covenants to defend, indemnify, protect, and save harmless Seller from any liability, damages, loss, cost and expense (including reasonable attorneys' fees) of whatsoever kind and nature arising out of any exchange.

19.2. Purchaser's Exchange Cooperation. If requested to do so by Seller, Purchaser shall cooperate in a simultaneous or deferred exchange by permitting Seller to assign this Agreement to a third party (an "Exchange Facilitator") and by accepting a conveyance of the Property from the Exchange Facilitator. This assignment may take effect only simultaneously with the Closing under this Agreement, and in no event shall Seller be relieved of any liability under this Agreement by reason of the assignment and in no event shall the Exchange Facilitator have any right to enforce this Agreement that Seller would not have if there had been no assignment. Purchaser shall not be required to bear any escrow, title, or other expenses in excess of those Purchaser would bear if there were no exchange, nor shall Purchaser be required to expend any sums of money in connection with the exchange. Purchaser shall not be required to execute any document creating personal liability or assume or be exposed to any liability in connection with an exchange, nor shall the Closing Date be extended to consummate an



exchange. In no event shall Purchaser be required to take title to any property other than the Property or accept a deed from anyone other than Seller, and in no event shall Purchaser be responsible for any tax consequences to Seller or any other party in connection with an exchange. Seller agrees and covenants to defend, indemnify, protect, and save harmless Purchaser from any liability, damages, loss, cost and expense (including reasonable attorneys' fees) of whatsoever kind and nature arising out of any exchange.

20. MISCELLANEOUS.

20.1. Forbearance Not a Waiver. The failure to enforce any particular provision of this Agreement on any particular occasion shall not be deemed a waiver by either Party of any of its rights hereunder, nor shall it be deemed to be a waiver of subsequent or continuing breaches of that provision, unless such waiver be expressed in a writing signed by the Party to be bound.

20.2. Time for Performance. If the time period by which any right, option or election provided under this Agreement must be exercised, or by which any act required hereunder must be performed, or by which the Closing must be held, expires on a Saturday, Sunday or legal or bank holiday, then such time period will be automatically extended through the close of business on the next following business day.

20.3. Further Assurances. The Parties agree that they will each take such steps and execute such documents as may be reasonably required by the other Party or Parties to carry out the intent and purposes of this Agreement.

20.4. Severability. In the event any provision or portion of this Agreement is held by any court of competent jurisdiction to be invalid or unenforceable, such holding will not effect the remainder hereof, and the remaining provisions shall continue in full force and effect to the same extent as would have been the case had such invalid or unenforceable provision or portion never been a part hereof.

20.5. Remedies Cumulative. The rights, privileges and remedies granted by Seller to Purchaser hereunder shall be deemed to be cumulative and may be exercised by Purchaser at its discretion. In the event of any conflict or apparent conflict between any such rights, privileges or remedies, Seller expressly agrees that Purchaser shall have the right to choose to enforce any or all such rights, privileges or remedies.



20.6. Authority. The undersigned officers of Seller and Purchaser hereby represent, covenant and warrant that all actions necessary by their respective Boards of Director, and shareholders and partners will have been obtained and that they will have been specifically authorized to enter into this Agreement and that no additional action will be necessary by them in order to make this Agreement legally binding upon them in all respects. Purchaser and Seller covenant to provide written evidence of compliance with this Section 20.6 prior to or on the Closing Date.

20.7. Successors and Assigns. The designation Seller and Purchaser as used herein shall include said Parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

20.8. Entire Agreement. This Agreement constitutes the entire Agreement between the Parties and shall become a binding and enforceable Agreement among the Parties hereto upon the full and complete execution and unconditional delivery of this Agreement by all Parties hereto. No prior verbal or written Agreement shall survive the execution of this Agreement. In the event of an alteration of this Agreement, the alteration shall be in writing and shall be signed by all the Parties in order for the same to be binding upon the Parties.

20.9. Litigation. In the event of any litigation in relation to this Agreement, the unsuccessful party, in addition to all other sums that the unsuccessful party may be required to pay, shall be required to pay a reasonable sum for the successful party's attorneys' fees at the trial court level and on appeal.

20.10. Relationship of the Parties. Nothing contained herein shall be construed or interpreted as creating a partnership or joint venture between the Parties. It is understood that the relationship is an arms length one that shall at all times be and remain that of Purchaser and Seller.

20.11. Disclosure of Tax Items. Purchaser and its employees, officers, representatives, or other agents may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structures of this transaction or agreement and all materials or documents of any kind (including opinions or other tax analyses) that are provided to Purchaser relating to such tax treatment and tax structure.

20.12. Counterparts. This Agreement may be executed in counterpart originals, each of which when duly executed and delivered shall be deemed an original and all of which when taken together shall constitute one instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement under seal as of the date first above written.

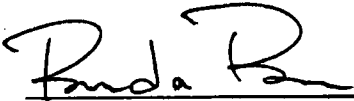
[SIGNATURES TO FOLLOW]



Signature page for Seller:

SELLER:

THE CITY OF SEATTLE

By:   
Brenda Bauer  
Director, Fleets and Facilities Department

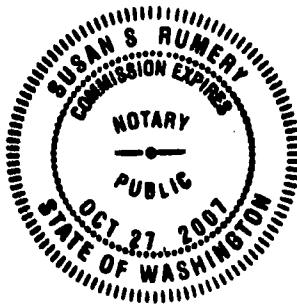
STATE OF WASHINGTON)

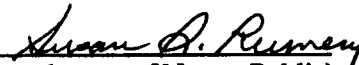
) ss.

COUNTY OF KING )

On this 21st day of January, 2005, before me, personally appeared Brenda Bauer, to me known to be the Director of the Fleets and Facilities Department of The City of Seattle, who executed the foregoing agreement, and acknowledged the same to be the free and voluntary act and deed of The City of Seattle for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute said agreement.

GIVEN under my hand and official seal the day and year written above in this certificate.



(Signature)   
(Printed or typed name of Notary Public):

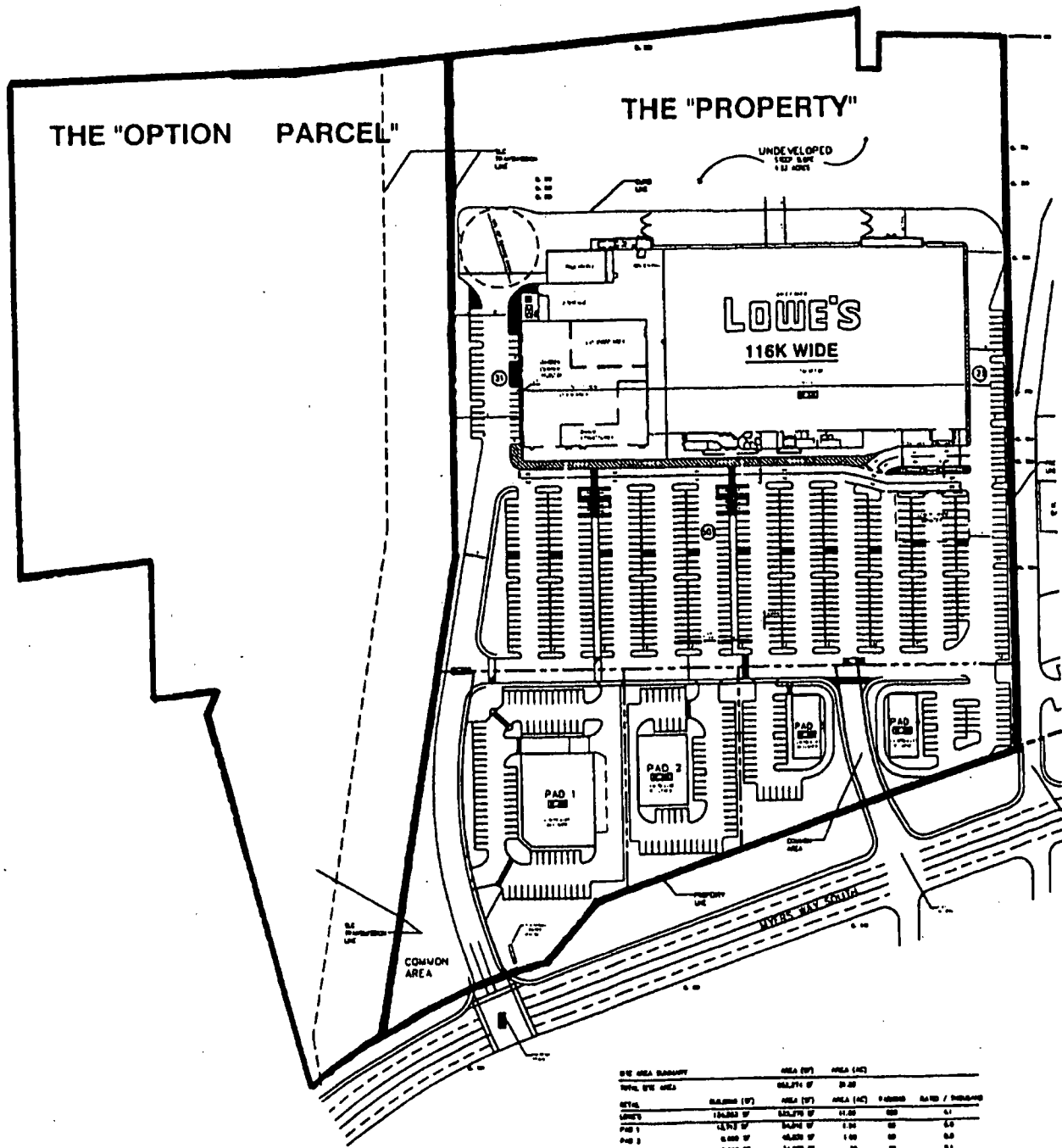
Susan S. Rumery  
Notary Public in and for the State of Washington,  
residing at Seattle, Washington  
My appointment expires 27 Oct, 2007







EXHIBIT A



TYPE AREA CATEGORY	AREA (SF)	AREA (AC)	AREA (AC)	PERCENT	REMARKS / OBSERVATIONS
TOTAL SITE AREA	10,410 SF	0.24 AC			
LOT 1	10,410 SF	0.24 AC		100%	
PAD 1	1,100 SF	0.03 AC	1.00	10.0%	
PAD 2	1,100 SF	0.03 AC	10.0%		
PAD 3	1,100 SF	0.03 AC	10.0%		
UNDEVELOPED AREA	7,110 SF	0.16 AC			
TOTAL	10,410 SF	0.24 AC			

1 SITE PLAN  
 1.0 SCALE: NOT TO SCALE

NORTH



**FIRST AMENDMENT TO  
AGREEMENT TO SELL AND PURCHASE REAL ESTATE**

THIS FIRST AMENDMENT TO AGREEMENT TO SELL AND PURCHASE REAL ESTATE (this "Amendment") is made and entered into as of the 23 day of March, 2005, by and between the CITY OF SEATTLE, a first class city of the State of Washington ("Seller") and LOWE'S HIW, INC., a Washington corporation ("Buyer").

**RECITALS**

WHEREAS, Seller and Buyer have entered into that certain Agreement to Sell and Purchase Real Estate dated as of January 21, 2005 (the "Purchase Agreement"); and

WHEREAS, pursuant to the terms of the Purchase Agreement, the Due Diligence Period, as defined therein, expires sixty (60) days after the Effective Date (January 21, 2005); and

WHEREAS, the parties desire to extend Buyer's Due Diligence Period in accordance with the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the sufficiency of which consideration is acknowledged by all parties hereto, it is hereby agreed as follows:

1. **Incorporation.** The above recitals are incorporated herein. Unless otherwise provided herein, defined terms, words and phrases shall have the same meaning as provided for in the Purchase Agreement and are restated herein as if set forth in their entirety.
2. **Due Diligence Period.** Paragraph 6.1 is hereby modified to provide that the Due Diligence Period shall expire April 22, 2005.
3. **Entitlement Period.** Section 7.3 of the Purchase Agreement is hereby modified to provide that the Entitlement Period shall expire one hundred eighty (180) days after March 22, 2005.
4. **Miscellaneous.** Except as expressly modified by the provisions of this Amendment, the Purchase Agreement shall continue in full force and effect. In the event any inconsistencies exist between the terms of this Amendment and the Purchase Agreement, this Amendment shall control. The individuals who execute this Amendment represent and warrant that they are duly authorized to execute this Amendment on behalf of Buyer and Seller, as the case may be, and the parties named are all of the parties and proper parties, and that no other signature, act or authorization is necessary to bind such entities to the provisions of this Amendment. For purposes of execution of this Amendment, facsimile signatures shall be effective as to the enforceability against the signing party upon mutual execution thereof. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this First Amendment to Purchase Agreement as of the date first above written.

CITY OF SEATTLE

By:   
Brenda Bauer  
Director, Fleets and Facilities Department

(SELLER)

LOWE'S HIW, INC.

By:   
Michael L. Skiles, Vice President

(BUYER)



**SECOND AMENDMENT TO  
AGREEMENT TO SELL AND PURCHASE REAL ESTATE**

THIS SECOND AMENDMENT TO AGREEMENT TO SELL AND PURCHASE REAL ESTATE (this "Second Amendment") is made and entered into as of the 21<sup>st</sup> day of April, 2005, by and between the CITY OF SEATTLE, a first class city of the State of Washington ("Seller") and LOWE'S HIW, INC., a Washington corporation, ("Buyer").

**RECITALS**

WHEREAS, Seller and Buyer have entered into that certain Agreement to Sell and Purchase Real Estate dated January 21, 2005, as amended by that certain First Amendment to Agreement to Sell and Purchase Real Estate dated March 23, 2005 (the "Purchase Agreement"); and

WHEREAS, pursuant to the terms of the Purchase Agreement, Lowe's Due Diligence Period as defined therein, expires on April 22, 2005;

WHEREAS, the parties desire to amend the Purchase and Sale Agreement to extend the Due Diligence Period in accordance with the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the sufficiency of which consideration is acknowledged by all parties hereto, it is hereby agreed as follows:

1. Incorporation. The above recitals are incorporated herein. Unless otherwise provided herein, defined terms, words and phrases shall have the same meaning as provided for in the Purchase Agreement and are restated herein as if set forth in their entirety.
2. Inspection Period. Notwithstanding anything to the contrary in the Purchase Agreement, Paragraph 6.1 of the Purchase Agreement is hereby amended to provide that the Due Diligence Period shall expire May 23, 2005.
3. Entitlement Period. The Entitlement Period set forth in Section 7.3 of the Purchase Agreement shall expire one hundred eighty (180) days after March 22, 2005, in accordance with the First Amendment reflected above.
4. Miscellaneous. Except as expressly modified by the provisions of this Amendment, the Purchase Agreement shall continue in full force and effect. In the event any inconsistencies exist between the terms of this Amendment and the Purchase Agreement, this Amendment shall control. The individuals who execute this Amendment represent and warrant that they are duly authorized to execute this Amendment on behalf of Buyer and Seller, as the case may be, and the parties named are all of the parties and proper parties, and that no other signature, act or authorization is necessary to bind such entities to the provisions of this Amendment.



IN WITNESS WHEREOF, the parties have executed this Second Amendment to Agreement to Sell and Purchase Real Estate as of the date first above written.

CITY OF SEATTLE

By: Brenda Bauer  
Brenda Bauer  
Director, Fleets & Facilities Department

LOWE'S HIW, INC.

By: Michael L. Skiles  
Michael L. Skiles  
Vice-President

*WBM*



**THIRD AMENDMENT TO  
AGREEMENT TO SELL AND PURCHASE REAL ESTATE**

THIS THIRD AMENDMENT TO AGREEMENT TO SELL AND PURCHASE REAL ESTATE (this "Third Amendment") is made and entered into as of the 23<sup>rd</sup> day of May, 2005, by and between the CITY OF SEATTLE, a first class city of the State of Washington ("Seller") and LOWE'S HIW, INC., a Washington corporation, ("Buyer").

**RECITALS**

WHEREAS, Seller and Buyer have entered into that certain Agreement to Sell and Purchase Real Estate dated January 21, 2005, as amended (the "Purchase Agreement"); and

WHEREAS, pursuant to the terms of the Purchase Agreement, Lowe's Due Diligence Period as defined therein, expires on May 23, 2005;

WHEREAS, the parties desire to amend the Purchase and Sale Agreement to extend the Due Diligence Period in accordance with the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the sufficiency of which consideration is acknowledged by all parties hereto, it is hereby agreed as follows:

1. Incorporation. The above recitals are incorporated herein. Unless otherwise provided herein, defined terms, words and phrases shall have the same meaning as provided for in the Purchase Agreement and are restated herein as if set forth in their entirety.

2. Inspection Period. Notwithstanding anything to the contrary in the Purchase Agreement, Paragraph 6.1 of the Purchase Agreement is hereby amended to provide that the Due Diligence Period shall expire June 22, 2005.

3. Entitlement Period. The Entitlement Period set forth in Section 7.3 of the Purchase Agreement shall expire one hundred and eight (180) days after March 22, 2005, in accordance with the First and Second Amendments.

4. Miscellaneous. Except as expressly modified by the provisions of this Amendment, the Purchase Agreement shall continue in full force and effect. In the event any inconsistencies exist between the terms of this Amendment and the Purchase Agreement, this Amendment shall control. The individuals who execute this Amendment represent and warrant that they are duly authorized to execute this Amendment on behalf of Buyer and Seller, as the case may be, and the parties named are all of the parties and proper parties, and that no other signature, act or authorization is necessary to bind such entities to the provisions of this Amendment.



IN WITNESS WHEREOF, the parties have executed this Third Amendment to Agreement to Sell and Purchase Real Estate as of the date first above written.

CITY OF SEATTLE

By: Brenda Bauer  
Brenda Bauer  
Director, Fleets & Facilities Department

LOWE'S HIW, INC.

By: M. L. Skiles  
Name: Michael L. Skiles  
Title: Vice President  
RD





**FOURTH AMENDMENT TO  
AGREEMENT TO SELL AND PURCHASE REAL ESTATE**

THIS FOURTH AMENDMENT TO AGREEMENT TO SELL AND PURCHASE REAL ESTATE (this "Fourth Amendment") is made and entered into as of the \_\_\_\_ day of June, 2005, by and between the CITY OF SEATTLE, a first class city of the State of Washington ("Seller") and LOWE'S HIW, INC., a Washington corporation, ("Buyer").

**RECITALS**

WHEREAS, Seller and Buyer have entered into that certain Agreement to Sell and Purchase Real Estate dated January 21, 2005, as amended (the "Purchase Agreement"); and

WHEREAS, pursuant to the terms of the Purchase Agreement, Lowe's Due Diligence Period as defined therein, expires on June 22, 2005;

WHEREAS, the parties desire to amend the Purchase and Sale Agreement to extend the Due Diligence Period in accordance with the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the sufficiency of which consideration is acknowledged by all parties hereto, it is hereby agreed as follows:

1. Incorporation. The above recitals are incorporated herein. Unless otherwise provided herein, defined terms, words and phrases shall have the same meaning as provided for in the Purchase Agreement and are restated herein as if set forth in their entirety.

2. Inspection Period. Notwithstanding anything to the contrary in the Purchase Agreement, Paragraph 6.1 of the Purchase Agreement is hereby amended to provide that the Due Diligence Period shall expire July 22, 2005.

3. Entitlement Period. The Entitlement Period set forth in Section 7.3 of the Purchase Agreement shall expire one hundred and eight (180) days after March 22, 2005.

4. Miscellaneous. Except as expressly modified by the provisions of this Amendment, the Purchase Agreement shall continue in full force and effect. In the event any inconsistencies exist between the terms of this Amendment and the Purchase Agreement, this Amendment shall control. The individuals who execute this Amendment represent and warrant that they are duly authorized to execute this Amendment on behalf of Buyer and Seller, as the case may be, and the parties named are all of the parties and proper parties, and that no other signature, act or authorization is necessary to bind such entities to the provisions of this Amendment.



IN WITNESS WHEREOF, the parties have executed this Fourth Amendment to Agreement to Sell and Purchase Real Estate as of the date first above written.

CITY OF SEATTLE

By: Brenda Bauer  
Brenda Bauer  
Director, Fleets & Facilities Department

LOWE'S HTW, INC.

By: \_\_\_\_\_  
Name:  
Title:



**FOURTH AMENDMENT TO  
AGREEMENT TO SELL AND PURCHASE REAL ESTATE**

THIS FOURTH AMENDMENT TO AGREEMENT TO SELL AND PURCHASE REAL ESTATE (this "Fourth Amendment") is made and entered into as of the \_\_\_\_ day of June, 2005, by and between the CITY OF SEATTLE, a first class city of the State of Washington ("Seller") and LOWE'S HIW, INC., a Washington corporation, ("Buyer").

**RECITALS**

WHEREAS, Seller and Buyer have entered into that certain Agreement to Sell and Purchase Real Estate dated January 21, 2005, as amended (the "Purchase Agreement"); and

WHEREAS, pursuant to the terms of the Purchase Agreement, Lowe's Due Diligence Period as defined therein, expires on June 22, 2005;

WHEREAS, the parties desire to amend the Purchase and Sale Agreement to extend the Due Diligence Period in accordance with the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the sufficiency of which consideration is acknowledged by all parties hereto, it is hereby agreed as follows:

1. Incorporation. The above recitals are incorporated herein. Unless otherwise provided herein, defined terms, words and phrases shall have the same meaning as provided for in the Purchase Agreement and are restated herein as if set forth in their entirety.
2. Inspection Period. Notwithstanding anything to the contrary in the Purchase Agreement, Paragraph 6.1 of the Purchase Agreement is hereby amended to provide that the Due Diligence Period shall expire July 22, 2005.
3. Entitlement Period. The Entitlement Period set forth in Section 7.3 of the Purchase Agreement shall expire one hundred and eight (180) days after March 22, 2005.
4. Miscellaneous. Except as expressly modified by the provisions of this Amendment, the Purchase Agreement shall continue in full force and effect. In the event any inconsistencies exist between the terms of this Amendment and the Purchase Agreement, this Amendment shall control. The individuals who execute this Amendment represent and warrant that they are duly authorized to execute this Amendment on behalf of Buyer and Seller, as the case may be, and the parties named are all of the parties and proper parties, and that no other signature, act or authorization is necessary to bind such entities to the provisions of this Amendment.



IN WITNESS WHEREOF, the parties have executed this Fourth Amendment to Agreement to Sell and Purchase Real Estate as of the date first above written.

CITY OF SEATTLE

By: \_\_\_\_\_  
Brenda Bauer  
Director, Fleets & Facilities Department

LOWE'S HIW, INC.

By: M. C. A.  
Name:  
Title:

*WBA*



**FIFTH AMENDMENT TO  
AGREEMENT TO SELL AND PURCHASE REAL ESTATE**

THIS FIFTH AMENDMENT TO AGREEMENT TO SELL AND PURCHASE REAL ESTATE (this "Fifth Amendment") is made and entered into as of the \_\_\_\_ day of July, 2005, by and between the CITY OF SEATTLE, a first class city of the State of Washington ("Seller") and LOWE'S HIW, INC., a Washington corporation, ("Buyer").

**RECITALS**

WHEREAS, Seller and Buyer have entered into that certain Agreement to Sell and Purchase Real Estate dated January 21, 2005, as amended (the "Purchase Agreement"); and

WHEREAS, pursuant to the terms of the Purchase Agreement, Lowe's Due Diligence Period as defined therein, expires on July 22, 2005;

WHEREAS, the parties desire to amend the Purchase and Sale Agreement to extend the Due Diligence Period in accordance with the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the sufficiency of which consideration is acknowledged by all parties hereto, it is hereby agreed as follows:

1. Incorporation. The above recitals are incorporated herein. Unless otherwise provided herein, defined terms, words and phrases shall have the same meaning as provided for in the Purchase Agreement and are restated herein as if set forth in their entirety.
2. Inspection Period. Notwithstanding anything to the contrary in the Purchase Agreement, Paragraph 6.1 of the Purchase Agreement is hereby amended to provide that the Due Diligence Period shall expire August 22, 2005.
3. Entitlement Period. The Entitlement Period set forth in Section 7.3 of the Purchase Agreement shall expire one hundred and eight (180) days after March 22, 2005.
4. Miscellaneous. Except as expressly modified by the provisions of this Amendment, the Purchase Agreement shall continue in full force and effect. In the event any inconsistencies exist between the terms of this Amendment and the Purchase Agreement, this Amendment shall control. The individuals who execute this Amendment represent and warrant that they are duly authorized to execute this Amendment on behalf of Buyer and Seller, as the case may be, and the parties named are all of the parties and proper parties, and that no other signature, act or authorization is necessary to bind such entities to the provisions of this Amendment.



IN WITNESS WHEREOF, the parties have executed this Fifth Amendment to Agreement to Sell and Purchase Real Estate as of the date first above written.

CITY OF SEATTLE

By: NOT EXECUTED  
Brenda Bauer  
Director, Fleets & Facilities Department

LOWE'S HIW, INC.

By: \_\_\_\_\_  
Name:  
Title:



**SIXTH AMENDMENT TO  
AGREEMENT TO SELL AND PURCHASE REAL ESTATE**

THIS SIXTH AMENDMENT TO AGREEMENT TO SELL AND PURCHASE REAL ESTATE (this "Sixth Amendment") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2005, by and between the CITY OF SEATTLE, a first class city of the State of Washington ("Seller") and LOWE'S HIW, INC., a Washington corporation, ("Purchaser").

**RECITALS**

WHEREAS, Seller and Purchaser have entered into that certain Agreement to Sell and Purchase Real Estate dated January 21, 2005, as amended (the "Purchase Agreement"); and

WHEREAS, the parties desire to amend the Purchase Agreement to reduce the purchase price and to extend the present Entitlement Period in accordance with the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the sufficiency of which consideration is acknowledged by all parties hereto, it is hereby agreed as follows:

1. Incorporation. The above recitals are incorporated herein. Unless otherwise provided herein, defined terms, words and phrases shall have the same meaning as provided for in the Purchase Agreement and are restated herein as if set forth in their entirety.
2. Reduction of Purchase Price. The Purchase Agreement is hereby amended to amend Paragraph 3.1 as follows:
  - 3.1. The total purchase price for the Property shall be the sum of Nine Million Seven Hundred Thirteen Thousand Dollars (\$9,713,000), to be paid in cash at closing.
3. Entitlement Period. The Entitlement Period set forth in Section 7.3 of the Purchase Agreement shall expire November 23, 2005.
4. Miscellaneous. Except as expressly modified by the provisions of this Sixth Amendment, the Purchase Agreement shall continue in full force and effect. In the event any inconsistencies exist between the terms of this Sixth Amendment and the Purchase Agreement, this Sixth Amendment shall control. The individuals who execute this Sixth Amendment represent and warrant that they are duly authorized to execute this Sixth Amendment on behalf of Purchaser and Seller, as the case may be, and the parties named are all of the parties and proper parties, and that no other signature, act or

707697.2



ATTACHMENT 7

authorization is necessary to bind such entities to the provisions of this Sixth Amendment.

IN WITNESS WHEREOF, the parties have executed this Sixth Amendment to Agreement to Sell and Purchase Real Estate as of the date first above written.

CITY OF SEATTLE

By: B. Bauer  
Brenda Bauer  
Director, Fleets & Facilities Department

LOWE'S HIW, INC.

By: M. A.  
Name:  
Title:

*[Handwritten signature]*  
19





**SEVENTH AMENDMENT TO  
AGREEMENT TO SELL AND PURCHASE REAL ESTATE**

THIS SEVENTH AMENDMENT TO AGREEMENT TO SELL AND PURCHASE REAL ESTATE (this "Seventh Amendment") is made and entered into as of the 4<sup>th</sup> day of October, 2005, by and between the CITY OF SEATTLE, a first class city of the State of Washington ("Seller") and LOWE'S HIW, INC., a Washington corporation, ("Purchaser").

**RECITALS**

WHEREAS, Seller and Purchaser have entered into that certain Agreement to Sell and Purchase Real Estate dated January 21, 2005, as amended (the "Purchase Agreement"); and

WHEREAS, the parties desire to amend the Purchase and Sale Agreement in accordance with the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the sufficiency of which consideration is acknowledged by all parties hereto, it is hereby agreed as follows:

1. Incorporation. The above recitals are incorporated herein. Unless otherwise provided herein, defined terms, words and phrases shall have the same meaning as provided for in the Purchase Agreement and are restated herein as if set forth in their entirety.

2. Governmental Approvals. The Governmental Approvals are hereby amended to include the requirement that Purchaser be able to obtain any permits or approvals required by the Army Corps of Engineers. Accordingly, immediately following the last sentence in Section 7.1.A., the following sentence shall be inserted:

Additionally, Purchaser must be able to obtain all permits and/or approvals required by the Army Corps of Engineers ("Corps") to allow Purchaser's Intended Use on the Property without unreasonable conditions or costs, including the agreement by the Corps that any mitigation required by the Corps for impacts from Purchaser's use or development of the Property can be satisfied by offsite mitigation or can be performed on the Property with de minimis impact on Purchaser's Intended Use. Purchaser shall be responsible to perform any and all mitigation work and shall be responsible for all costs and expenses in connection therewith. For purposes of this provision the mitigation costs shall be deemed to be unreasonable in the event the estimated mitigation costs exceed Two Hundred Thousand Dollars (\$200,000.00). If the Corps requires mitigation for impacts caused by the Seller's construction activities, the Seller shall be solely responsible for performing such mitigation work and



shall bear all related costs and expenses. Seller shall use its best efforts to obtain the Corps' permission to perform mitigation on a site other than the Property, provided, however, that if the Corps requires Seller to perform mitigation work on the Property, such work on the Property shall be deemed to be an "unreasonable condition" for the purpose of this section.

3. Termination of Entitlement Period. The term of the Entitlement Period is hereby amended to expire on April 15, 2006. Additionally, Purchaser may obtain a sixty (60) day extension of the Entitlement Period at no cost to Purchaser, provided Purchaser has diligently pursued Governmental Approvals. Accordingly, Section 7.3 is hereby deleted and replaced in its entirety with the following:

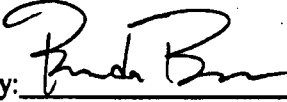
Purchaser shall have until April 15, 2006 to notify Seller of its termination of this Agreement due to Purchaser's determination that it has not obtained Governmental Approvals (or has obtained Governmental Approvals with unreasonable conditions that adversely impact Purchaser's Intended Use or Purchaser's costs) ("the Entitlement Period"). In the event Purchaser has diligently pursued Governmental Approvals, but the conditions of Section 7.1 have not been satisfied prior to the expiration of the Entitlement Period, Purchaser may, at its option, extend the Entitlement Period and Purchaser's right to terminate the Agreement for an additional period of up to sixty (60) days by giving written notice to Seller on or before the expiration of the Entitlement Period ("Initial Extension Period"). Notwithstanding anything to the contrary in Section 7.4, Purchaser shall be entitled to extend the Entitlement Period through the Initial Extension Period, at no additional cost to Purchaser. In the event Purchaser elects to terminate this Agreement pursuant to this Section 7.3, Seller and the Escrow Agent shall be obligated to return the entire Deposit and all interest accrued thereon, as provided under Section 4 above, to Purchaser, with neither Party having any other rights or obligations under this Agreement. If Purchaser does not elect to terminate this Agreement prior to the expiration of the Entitlement Period, the entire Deposit shall become non-refundable, except as expressly provided herein. Notwithstanding the foregoing, Purchaser may terminate this Agreement at any time after expiration of the Entitlement Period and prior to Closing, subject to the provisions of Section 14.2.

4. Miscellaneous. Except as expressly modified by the provisions of this Amendment, the Purchase Agreement shall continue in full force and effect. In the event any inconsistencies exist between the terms of this Amendment and the Purchase Agreement, this Amendment shall control. The individuals who execute this Amendment represent and warrant that they are duly authorized to execute this Amendment on behalf of Purchaser and Seller, as the case may be, and the parties named are all of the parties and proper parties, and that no other signature, act or authorization is necessary to bind such entities to the provisions of this Amendment.



IN WITNESS WHEREOF, the parties have executed this Fifth Amendment to Agreement to Sell and Purchase Real Estate as of the date first above written.

CITY OF SEATTLE

By:   
Brenda Bauer  
Director, Fleets & Facilities Department

LOWE'S HIW, INC.

By: \_\_\_\_\_  
Name:  
Title:



**EIGHTH AMENDMENT TO  
AGREEMENT TO SELL AND PURCHASE REAL ESTATE**

THIS EIGHTH AMENDMENT TO AGREEMENT TO SELL AND PURCHASE REAL ESTATE (this "Eighth Amendment") is made and entered into as of the \_\_\_\_ day of June, 2006, by and between the CITY OF SEATTLE, a first class city of the State of Washington ("Seller") and LOWE'S HIW, INC., a Washington corporation, ("Buyer").

**RECITALS**

WHEREAS, Seller and Buyer have entered into that certain Agreement to Sell and Purchase Real Estate dated January 21, 2005, as amended (the "Purchase Agreement"); and

WHEREAS, the Seventh Amendment Extended the termination of the Entitlement Period to April 15, 2006 and provided an additional period of up to sixty (60) days by giving written notice if the conditions of Section 7.1 of the Purchase Agreement had not been met by April 15, 2006; and

WHEREAS, Buyer provided written notice to the Seller on April 10, 2006 to extend the Entitlement Period to June 14, 2006; and

WHEREAS, the parties desire to amend the Purchase and Sale Agreement to extend the Entitlement Period in accordance with the terms set forth herein.

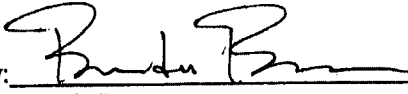
NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the sufficiency of which consideration is acknowledged by all parties hereto, it is hereby agreed as follows:

1. Incorporation. The above recitals are incorporated herein. Unless otherwise provided herein, defined terms, words and phrases shall have the same meaning as provided for in the Purchase Agreement and are restated herein as if set forth in their entirety.
2. Entitlement Period. Section 7.3 of the Purchase Agreement is hereby amended to provide that the expiration of the Entitlement Period shall occur on December 31, 2006.
4. Miscellaneous. Except as expressly modified by the provisions of this Amendment, the Purchase Agreement shall continue in full force and effect. In the event any inconsistencies exist between the terms of this Amendment and the Purchase Agreement, this Amendment shall control. The individuals who execute this Amendment represent and warrant that they are duly authorized to execute this Amendment on behalf of Buyer and Seller, as the case may be, and the parties named are all of the parties and proper parties, and that no other signature, act or authorization is necessary to bind such entities to the provisions of this Amendment.

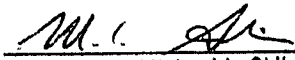


IN WITNESS WHEREOF, the parties have executed this Eighth Amendment to Agreement to Sell and Purchase Real Estate as of the date first above written.

CITY OF SEATTLE

By:   
Brenda Bauer  
Director, Fleets & Facilities Department

LOWE'S HIW, INC.

By:   
Name: Michael L. Skiles  
Title: Vice President

PH



PH



**FISCAL NOTE FOR CAPITAL PROJECTS ONLY**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>DOF Analyst/Phone:</b>
Fleets and Facilities	Joan Rosenstock/4-8541	Dwight Dively/4-0503

**Legislation Title:**

AN ORDINANCE authorizing the sale of real property consisting of a portion of the Southeast quarter of Section 31 and the Southwest quarter of Section 32, Township 24 North, Range 4 East, W.M., King County, Washington, located at 9400 Myers Way South, under the jurisdiction of the Fleets and Facilities Department; declaring the property to be surplus to the City's needs; and designating the disposition of sale proceeds.

**Summary and background of the Legislation:**

This legislation authorizes the sale of real property at 9400 Myers Way South, under the jurisdiction of the Fleets and Facilities Department, declares the property to be surplus to the City's needs, and designate the disposition of sale proceeds.

The Joint Training Facility (JTF) project was established and partially funded through the 2001 Adopted Budget. The JTF will provide a facility within City limits for specialized and legally required training for the Seattle Fire Department, Seattle Public Utilities, and, to the extent possible, for other entities external to the City. Ordinance 120165 appropriated \$6.34 million and Ordinance 120973 appropriated another \$2.3 million to the Joint Training Facility project for the acquisition of land and preliminary design.

After an extensive search for a viable site, the City identified a preferred site owned by Nintendo of America, Inc. (Nintendo) at the 9400 block of Myers Way South. The City tried to purchase a portion of the 51 acre site for the JTF, but Nintendo would only sell the site in its entirety. Ordinance 120787 authorized the condemnation of land and other property rights; however the City and Nintendo entered into a voluntary agreement. Ordinance 120882 approved the purchase of the entire property located at 9400 Myers Way South for \$14.9 million with a recital that stated "the City intends to resell a significant portion of the property for private development to offset total project costs and to spur economic development ...."

A \$10.48 million loan was originally authorized in mid-2003 under Ordinance 121179 to support site acquisition and certain pre-construction activities at the Joint Training Facility. This represented an interfund loan from the Consolidated Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount. The original deadline for repayment of the loan was December 31, 2003. Ordinances 121363 and 121980 subsequently extended the term of the loan through December 31, 2005 and December 31, 2006, respectively. Legislation submitted with the 2007 Budget Proposal further extends the repayment of the loan through December 31, 2007.



Final design of the Joint Training Facility project left approximately 21 acres of excess property immediately south of the JTF and another 10 acres south of that parcel. This legislation authorizes the City to sell 21 acres of the excess property to Lowe's HIW, LLC for \$9,713,000, with closing currently anticipated in the second quarter of 2007. FFD will present subsequent legislation to dispose of the remaining parcel of approximately 10 acres.

The net sale proceeds after deduction of sale and other expenses identified in this legislation will be deposited in the CRF-UR (00164) to repay the loan referenced above.

- Please check any of the following that apply:

**This legislation has financial implications.**

**Appropriations:**

Fund Name and Number	Department	Budget Control Level*	2006 Appropriation	2007 Anticipated Appropriation
NA: See Below				
<b>TOTAL</b>				

\*See budget book to obtain the appropriate Budget Control Level for your department.

**Notes:**

**Spending Plan and Future Appropriations for Capital Projects (\$000):**

Spending Plan and Budget	2007	2008	2009	2010	2011	2012	Total
Spending Plan	9,713						
Current Year Appropriation							
Future Appropriations							

**Notes:**

The preceding spending plan represents payment of approximately \$100,000 for FFD's transaction expense, and the remaining \$9.613 million toward repayment of an outstanding Consolidated Cash Pool loan. The remainder of the total \$10.48 million loan will be repaid from other sources, in accordance with the 2007 Budget Proposed. While FFD expects its transaction expenses to total approximately \$100,000, Section 4 of the Ordinance establishes a maximum of \$200,000.

**Funding source:**



<b>Funding Source (Fund Name and Number, if applicable)</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>Total</b>
CRF-UR	9,713						9,713
TBD	TBD						
<b>TOTAL</b>							

Funding for FFD's transaction expense and a \$9.613 million portion of the loan will be paid from proceeds of the approved sale (total of \$9.713 million). Additional loan repayment expense is to be determined, and will include the remainder of the principal plus interest.

***Bond Financing Required:***

<b>Type</b>	<b>Amount</b>	<b>Assumed Interest Rate</b>	<b>Term</b>	<b>Timing</b>	<b>Expected Annual Debt Service/Payment</b>
None					
<b>TOTAL</b>					

***Uses and Sources for Operation and Maintenance Costs for the Project:***

<b>O&amp;M</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>Total</b>
<b>Uses</b>							
Start Up							
On-going							
<b>Sources (itemize)</b>							

***Notes:***

No incremental O&M expense is anticipated.

***Periodic Major Maintenance costs for the project:***

<b>Major Maintenance Item</b>	<b>Frequency</b>	<b>Cost</b>	<b>Likely Funding Source</b>
None			
<b>TOTAL</b>			

***Funding sources for replacement of project:***

N/A





**Total Regular Positions Created Or Abrogated Through This Legislation, Including FTE Impact:**

Position Title and Department*	Fund Name	Fund Number	Part-Time/Full Time	2007 Positions	2007 FTE	2008 Positions**	2008 FTE**
None							
<b>TOTAL</b>							

- **Do positions sunset in the future?**

N/A

- **What is the financial cost of not implementing the legislation:**

The Department's primary fund source for repaying the loan is proceeds from the sale of excess City-owned land at the Joint Training Facility site. Absent this legislation to approve the sale of some of the excess property, the Fleets and Facilities Department would have to request Council consideration to redirect already programmed capital funds from their intended use to repayment of the loan.

- **What are the possible alternatives to the legislation that could achieve the same or similar objectives**

None.

- **Is the legislation subject to public hearing requirements:**

No.

- **Other Issues**

None.

**Please list attachments to the fiscal note below:**





# City of Seattle

Gregory J. Nickels, Mayor

## Office of the Mayor

November 3, 2006

Honorable Nick Licata  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Licata:

I am pleased to transmit the attached proposed Council Bill for consideration with the 2007 Proposed Budget. This legislation authorizes the sale of real property at 9400 Myers Way South, declares the property to be surplus to the City's needs, and designates the disposition of sale proceeds.

The City of Seattle originally acquired the 54-acre Myers Way property from Nintendo in 2003 for the Joint Training Facility, which occupies the northernmost 13 acres of the site. Ordinance 120882, which approved the purchase of the entire property for \$14.9 million, stated "the City intends to resell a significant portion of the property for private development to offset total project costs and to spur economic development." It has been determined that the remaining 31 acres of the Myers Way property is excess to the City's needs, and we propose that 21 of those surplus acres be sold to Lowe's HIW, LLC. The Fleets and Facilities Department intends to market and sell the last 10 acres at a future date.

Proceeds from the sale of the Myers Way site will reimburse the majority of the loan that was used to finance the land acquisition for the Joint Training Facility, place a large tract of undeveloped land onto the City's tax rolls, result in significant sales tax revenues, and stimulate economic development in southwest Seattle. Thank you for your consideration of this legislation. Should you have questions, please contact Joan Rosenstock at 684-8541.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Nickels", written over a horizontal line.

GREG NICKELS  
Mayor of Seattle

600 Fourth Avenue, 7<sup>th</sup> Floor, P.O. Box 94749, Seattle, WA 98124-4749

Tel: (206) 684-4000, TDD: (206) 684-8811 Fax: (206) 684-5360, E:mail: [mayors.office@seattle.gov](mailto:mayors.office@seattle.gov)

An equal employment opportunity, affirmative action employer. Accommodations for people with disabilities provided upon request.



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**STATE OF WASHINGTON – KING COUNTY**

--SS.

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205892  
CITY OF SEATTLE, CLERKS OFFICE

No.

**Affidavit of Publication**

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12<sup>th</sup> day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

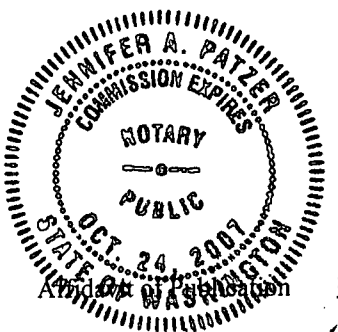
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:ORDINANCE 122308

was published on

12/30/06

The amount of the fee charged for the foregoing publication is the sum of \$ 338.10, which amount has been paid in full.



*[Handwritten signature]*

Subscribed and sworn to before me on

01/02/07

*[Handwritten signature]*

Notary public for the State of Washington,  
residing in Seattle

# State of Washington, King County

## City of Seattle

### ORDINANCE 122808

AN ORDINANCE authorizing the sale of real property consisting of a portion of the Southeast quarter of Section 31 and the Southwest quarter of Section 32, Township 24 North, Range 4 East, W.M., King County, Washington, located at 9400 Myers Way South, under the jurisdiction of the Fleets and Facilities Department; declaring the property to be surplus to the City's needs; and designating the disposition of sale proceeds.

WHEREAS, Ordinance 120882 authorized the acquisition of the subject property at 9400 Myers Way South to provide a location for the Joint Training Facility; and

WHEREAS, there are 31 acres of excess land not needed by the Joint Training Facility; and

WHEREAS, Ordinance 121179 authorized an interfund loan from the Consolidated Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount related to the acquisition of this site, and Ordinance 121968 extended the repayment deadline

for the \$10.48 million loan to December 31, 2006; and

WHEREAS, the Cumulative Reserve Subfund, Unrestricted Subaccount should be reimbursed by net sale proceeds from the subject excess property; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The below described real property located at 9400 Myers Way South, is hereby declared to be surplus to the needs of the City:

A PORTION OF THE SOUTHEAST QUARTER OF SECTION 31 AND THE SOUTHWEST QUARTER OF SECTION 32, TOWNSHIP 24 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 31;

THENCE N01°06'49"E, ALONG THE EAST LINE OF SAID SECTION 31, FOR 30.00 FEET TO THE NORTHERLY MARGIN OF SOUTHWEST ROXBURY STREET;

THENCE N88°23'50"W, ALONG SAID NORTHERLY MARGIN, FOR 624.14 FEET TO THE EASTERLY MARGIN OF SECOND AVENUE SOUTHWEST;

THENCE N01°03'17"E, ALONG SAID EASTERLY MARGIN, FOR 177.87 FEET;

THENCE S88°23'50"E FOR 1019.17 FEET TO THE WESTERLY MARGIN OF MYERS WAY SOUTH ALSO KNOWN AS STATE HIGHWAY NO. 1-K;

THENCE S18°17'02"E, ALONG SAID WESTERLY MARGIN, FOR 218.88 FEET TO THE SOUTH LINE OF SAID SECTION 32;

THENCE N88°38'49"W, ALONG SAID SOUTH LINE, FOR 467.82 FEET TO THE POINT OF BEGINNING

Together with:

A PORTION OF THE NORTHEAST QUARTER OF SECTION 6, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 6;

THENCE N88°23'50"W, ALONG THE NORTH LINE OF SAID SECTION 6, FOR 654.11 FEET;

THENCE S05°28'00"W FOR 30.07 FEET TO A POINT BEING THE NORTHEASTERLY CORNER OF THE LAND CONVEYED TO THE HOUSING AUTHORITY OF KING COUNTY, RECORDED UNDER RECORDING NUMBER 4413217;

THENCE S05°44'05"E, ALONG THE EAST LINE THEREOF, FOR 648.19 FEET TO THE NORTHERLY LINE OF A TRACT OF LAND CONDEMNED BY THE CITY OF SEATTLE FOR TRANSMISSION LINE RIGHT-OF-WAY THROUGH PROCEEDINGS HAD UNDER KING COUNTY SUPERIOR COURT CAUSE NUMBER 553110;

THENCE S 89°46'53" E, ALONG SAID NORTHERLY LINE, FOR 658.14 FEET TO THE EAST LINE OF SAID SECTION 6;

THENCE N05°44'05"W, ALONG SAID EAST LINE, FOR 562.41 FEET TO THE POINT OF BEGINNING.

Together with:

A PORTION OF THE NORTHWEST QUARTER OF SECTION 5, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID SECTION 5;

THENCE S05°44'05"E, ALONG THE WEST LINE OF SAID SECTION 5, FOR 560.66 FEET TO THE NORTHERLY LINE OF A TRACT OF LAND CONDEMNED BY THE CITY OF SEATTLE FOR TRANSMISSION LINE RIGHT-OF-WAY THROUGH PROCEEDINGS HAD UNDER KING COUNTY SUPERIOR COURT CAUSE NUMBER 553110;

THENCE S79°44'06"E ALONG SAID NORTHERLY LINE FOR 725.38 FEET;

THENCE CONTINUING ALONG SAID NORTHERLY LINE AT N83°43'59"E FOR 0.98 FEET TO THE WESTERLY MARGIN OF MYERS WAY SOUTH BEING A POINT ON A CURVE HAVING A RADIUS OF 1000.37 FEET FROM WHICH A RADIAL LINE OF SAID CURVE BEARS N59°57'36"E;

THENCE NORTHERLY ALONG SAID CURVE AND WESTERLY MARGIN THROUGH A CENTRAL ANGLE OF 14°32'10" FOR AN ARC LENGTH DISTANCE OF 253.79 FEET TO A POINT 43.83 FEET DISTANT SOUTHWESTERLY WHEN MEASURED AT RIGHT ANGLES TO THE RL LINE SURVEY OF SECONDARY STATE HIGHWAY NO. 1-K (MYERS WAY SOUTH), AS CONDEMNED FOR STATE HIGHWAY UNDER PROCEEDINGS HAD IN KING COUNTY SUPERIOR COURT CAUSE NO. 670900, AT HIGHWAY ENGINEER'S STATION R 0+50;

THENCE S71°42'58"W FOR 1.17 FEET TO A POINT 45.00 FEET DISTANT SOUTHWESTERLY WHEN MEASURED AT RIGHT ANGLES FROM THE AFOREMENTIONED HIGHWAY ENGINEER'S STATION R 0+50;

THENCE N47°05'41"W ALONG THE WESTERLY MARGIN OF SAID STATE HIGHWAY NO. 1-K FOR 114.13 FEET TO A POINT 100.00 FEET DISTANT SOUTHWESTERLY WHEN MEASURED

AT RIGHT ANGLES TO SAID R LINE SURVEY AT HIGHWAY ENGINEER'S STATION R 1+50;

THENCE N18°17'02"W ALONG THE WESTERLY MARGIN OF SAID STATE HIGHWAY NO. 1-K FOR 384.69 FEET TO THE NORTH LINE OF SAID SECTION 5;

THENCE N88°38'49"W ALONG SAID NORTH LINE FOR 467.82 FEET TO THE POINT OF BEGINNING;

END OF LEGAL DESCRIPTION

Section 2. The Director of the Fleets and Facilities Department is authorized to sell the above described property to Lowe's HIW, LLC, for the gross sales price of NINE MILLION SEVEN HUNDRED THIRTEEN THOUSAND DOLLARS (\$9,713,000), all in cash, paid at closing.

Section 3. The Director of the Fleets and Facilities Department is authorized, for and on behalf of the City, to execute the Purchase and Sale Agreement and its Amendments between the City of Seattle and Lowe's HIW, LLC which are attached hereto. In addition, the Director of the Fleets and Facilities Department is authorized to amend said Purchase and Sale Agreement, before or after execution, prior to the closing of the sale, as agreed with the buyer; to modify time deadlines and to make other modifications to the agreement, so long as the City's rights with respect to the gross sale price are not reduced and the City's financial liability is not increased; and to execute such other documents as are reasonably determined to be necessary to effectuate the sale of the property consistent with the remainder of this ordinance.

Section 4. Proceeds from the sale authorized herein shall be deposited in the Unrestricted Subaccount of the Cumulative Reserve Subfund (00164). An amount up to TWO HUNDRED THOUSAND DOLLARS (\$200,000) shall be expended directly or transferred from the Unrestricted Subaccount of the Cumulative Reserve Subfund to pay directly or reimburse the Fleets and Facilities Fund (50300) for the actual costs incurred by Fund 50300 for appraisal, survey, environmental consulting, and costs of sale including closing costs.

Section 5. Any acts pursuant to the authority and prior to the effective date of this ordinance are hereby ratified and confirmed.

Section 6. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 4th day of December, 2006, and signed by me in open session in authentication of its passage this 4th day of December, 2006.

Nick Licata

President of the City Council

Approved by me this 13th day of December, 2006.

Gregory J. Nickels, Mayor

Filed by me this 14th day of December, 2006.

(Seal) Judith Pippin

City Clerk

Attachments:

1. Agreement to Sell and Purchase Real Estate
2. First Amendment to Agreement to Sell and Purchase Real Estate - March 23, 2005
3. Second Amendment to Agreement to Sell and Purchase Real Estate - April 22, 2005
4. Third Amendment to Agreement to Sell and Purchase Real Estate - May 23, 2005
5. Fourth Amendment to Agreement to Sell and Purchase Real Estate - June 22, 2005 signed by Brenda Bauer on behalf of the City of Seattle
- 5a Fourth Amendment To Agreement to Sell and Purchase Real Estate June 22, 2005 signed by Lowe's
6. Fifth Amendment to Agreement to Sell and Purchase Real Estate - Not Executed
7. Sixth Amendment to Agreement to Sell and Purchase Real Estate - September 2, 2005
8. Seventh Amendment to Sell and Purchase Real Estate - November 4, 2005
9. Eighth Amendment to Sell and Purchase Real Estate - January 21, 2005

See City Clerk for Attachments

Publication ordered by JUDITH PIPPIN, City Clerk

Date of publication in the Seattle Daily Journal of Commerce, December 30, 2006.

12/30(206892)

Ordinance No. 124638

Council Bill No. 118242

AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 124038, to extend the term of an interfund loan.

Related Legislation File:

Date Introduced and Referred: <u>10.27.14</u> <del>10.20.14</del>	To: (committee): <u>Budget</u> <del>Full Council</del>
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: <u>11/24/14</u>	Date Presented to Mayor: <u>11/26/14</u>
Date Signed by Mayor: <u>12/2/14</u>	Date Returned to City Clerk: <u>12/2/14</u>
Published by Title Only <u>Y</u>	Date Vetoed by Mayor:
Published in Full Text	
Date Veto Published:	Date Passed Over Veto:
Date Veto Sustained:	Date Returned Without Signature:

# The City of Seattle – Legislative Department

Council Bill/Ordinance sponsored by: Licata

## Committee Action:

Date	Recommendation	Vote
<u>11/14/14</u>	<u>Pass as amended</u>	<u>9-0</u>

This file is complete and ready for presentation to Full Council.

## Full Council Action:

Date	Decision	Vote
<u>Nov. 24, 2014</u>	<u>Passed</u>	<u>9-0</u>

*Law Department*

**CITY OF SEATTLE**

**ORDINANCE** 124638

**COUNCIL BILL** 118242

1  
2  
3  
4 AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179,  
5 as last amended by Ordinance 124038, to extend the term of an interfund loan.

6 WHEREAS, Ordinance 121179 approved a loan of up to \$10.48 million from the Consolidated  
7 Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount to be paid back  
8 by December 31, 2003; and

9 WHEREAS, the proceeds from this loan were to finance expenditures from the Cumulative  
10 Reserve Subfund, Unrestricted Account, related to the City's Joint Training Facility; and

11 WHEREAS, the loan proceeds that were temporarily credited to the Cumulative Reserve Sub-  
12 fund have been fully expended to fund the Joint Training Facility Project at 9401 Myers  
13 Way South; and

14 WHEREAS, the originally anticipated source for loan repayment was the proceeds generated  
15 from the sale of surplus City-owned property not needed at the Joint Training Facility  
16 site; and

17 WHEREAS, the downturn in the local economy negatively affected the prospects of selling the  
18 surplus property on the site; and

19 WHEREAS, the Department of Finance and Administrative Services delayed preparing the  
20 property for sale to allow the Seattle Department of Transportation to evaluate the use of  
21 the site for purposes related to the Seawall Replacement Project; and

22 WHEREAS, the Department of Finance and Administrative Services has proactively addressed  
23 environmental permitting issues and has identified key portions of the property that are  
24 suitable for sale or reuse by other City departments, along with those that are to be  
25 retained for the purpose of environmental stewardship; and

26 WHEREAS, the interest on the interfund loan has been accruing, with an estimated total accrual  
27 at the end of 2016 in the amount of \$3,815,229; and

28 WHEREAS, additional time is needed to review potential City departmental use of the property  
prior to offering the property for sale and for the subsequent repayment of the interfund  
loan; and



1 WHEREAS, in the normal course of business the City may temporarily lend cash between funds  
2 to maintain required balances; NOW, THEREFORE,

3 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

4 Section 1. In order to extend the term of a loan of \$10.48 million to the Cumulative  
5 Reserve Subfund from the Consolidated Cash Pool, and to impose repayment terms should the  
6 loan not be fully repaid by December 31, 2016, Section 3 of Ordinance 121179, as last amended  
7 by Section 1 of Ordinance 124038, is hereby further amended as follows:

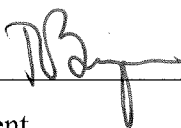
8  
9 Section 3. ~~((The entire principal loaned as authorized in Section 2, with interest  
10 thereon at the rate of return of the City's Consolidated Cash Pool, shall be repaid no  
11 later than December 31, 2014, unless extended by ordinance.))~~If the loan plus accrued  
12 interest is not repaid in full by December 31, 2016, the jurisdictional department shall  
13 begin repaying the City's Consolidated Cash Pool at least \$650,000 per year beginning  
14 in 2017 until the loan plus accrued interest has been repaid.

15  
16 Section 2. This ordinance shall take effect and be in force 30 days after its approval by  
17 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
18 shall take effect as provided by Seattle Municipal Code Section 1.04.020

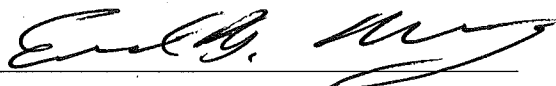


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Passed by the City Council the 24<sup>th</sup> day of Nov., 2014, and  
signed by me in open session in authentication of its passage this  
24<sup>th</sup> day of Nov., 2014.

  
\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this 7 day of December, 2014.

  
\_\_\_\_\_  
Edward B. Murray, Mayor

Filed by me this 2<sup>nd</sup> day of December, 2014.

  
\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)





**2015 BUDGET LEGISLATION FISCAL NOTE**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
Finance and Administrative Services	Hillary Hamilton 684-0421	Jennifer Devore 615-1328

**Legislation Title:**

AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 124038, to extend the term of an interfund loan.

**Summary of the Legislation:**

This legislation would amend Section 3 of Ordinance 121179 as last amended by Ordinance 124038 by extending the deadline for repayment of principal and interest on a \$10.48 million interfund loan from December 31, 2014, to December 31, 2016.

**Background:**

Ordinance 121179 was originally passed in mid-2003 to support site acquisition and preconstruction activities of the Joint Training Facility (JTF) at 9401 Myers Way South by authorizing an interfund loan from the Consolidated Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount. The original deadline for repayment of the loan was December 31, 2003. Ordinances 121363, 121980, 122289, 122558, 122854, 123481 and 124038 subsequently extended the term of the loan. The current extension expires on December 31, 2014.

The City was required to purchase more property than what was needed for the JTF project, thus the City borrowed the total purchase price, in part, through an interfund loan with the intent on repaying the loan with the proceeds from the sale of the surplus property. In 2006, under Ordinance 122308 the City Council declared the property surplus and authorized the sale, although the sale transaction was not completed due to environmental and permitting issues. Additionally, the downturn in the local economy negatively affected prospects for a sale. In subsequent years, Department of Finance and Administrative Services (FAS) staff has evaluated other potential municipal uses of the property, including a municipal jail, urban farming, and a Seattle City Light training facility. In 2013, the Seattle Department of Transportation also developed an option for use of the site related to the Seawall Replacement Project. In preparation for the property's eventual sale or City use, FAS obtained a wetland jurisdictional determination on the property from the Army Corps of Engineers in 2012. FAS is evaluating the site for other potential City uses.

FAS does not expect proceeds from any property sale or departmental transfer to be available to repay the loan prior to the December 31, 2014 expiration date and is therefore requesting an extension of the interfund loan to December 31, 2016.

Though not expressly addressed in the legislation, the loan extension will result in additional interest expense. The actual and forecast interest expenses for each year of the original \$10.48 million loan are shown in the table below.

**Summary Accrued and Estimated Interest on  
 \$10.48 million JTF Loan**  
 Estimated rates provided by Treasury for  
 Consolidated Cash Pool

Year	Rate Basis	Annual Rate	Accrued Interest
2003	CAFR	0.03161	\$184,711
2004	CAFR	0.02338	\$252,030
2005	CAFR	0.02848	\$314,999
2006	CAFR	0.03966	\$453,637
2007	CAFR	0.05075	\$607,022
2008	CAFR	0.03905	\$488,703
2009	CAFR	0.01650	\$212,490
2010	CAFR	0.01027	\$134,443
2011	CAFR	0.00824	\$109,480
2012	CAFR	0.0784	\$218,514
2013	CAFR	0.0675	\$94,819
2014	Estimate	0.00089	\$123,923
2015	Estimate	0.01320	\$187,226
2016	Estimate	0.03000	\$433,232

**Estimated Total Interest  
 Liability: \$3,815,229**

The total estimated interest expense through December 31, 2016, is estimated to be \$3,815,229. Early repayment of the loan would reduce this cost. Total interest expense will also be higher or lower based on actual interest rates in 2015 – 2016.

Please check one of the following:

This legislation does not have any financial implications.

This legislation has financial implications.

**Revenue Change Notes:**

This legislation makes no appropriations or changes to revenue; it extends the deadline for repayment of an interfund loan only. The Department of Finance and Administrative Services will seek any necessary appropriations to repay this loan through future legislation and only on receipt of revenues that will be used to fund repayment of the loan. Total interest expense for the



loan from initiation in 2003 through the end of 2016 is approximately \$3,815,229.

**Total Revenue Notes:** None

**Other Implications:**

a) **Does the legislation have indirect financial implications, or long-term implications?**  
This legislation will provide additional time to evaluate other City uses of the property.

b) **What is the financial cost of not implementing the legislation?**

Absent this legislation to extend the loan repayment deadline, the Department of Finance and Administrative Services would have to request funds to repay the loan by December 31, 2014.

c) **Does this legislation affect any departments besides the originating department?** No.

d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**

Scarce general government funds would need to be redirected from their intended use to repay the loan by December 31, 2014.

e) **Is a public hearing required for this legislation?** No.

f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?** No.

g) **Does this legislation affect a piece of property?** Yes. Please see attachment A for a location map.

h) **Other Issues:** None

**List attachments to the fiscal note below:**

Attachment A: Location Map



## Joint Training Facility Myers Way Property





**City of Seattle**  
Edward B. Murray  
Mayor

September 22, 2014

Honorable Tim Burgess, President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Burgess:

I am transmitting the attached proposed Council Bill for consideration with the 2015-16 Proposed Budget. This legislation will extend by two years the deadline for repayment of a \$10.48 million interfund loan from the City's Consolidated Cash Pool to the Cumulative Reserve Sub-fund to December 31, 2016. This loan was originally initiated to provide temporary funding to support site acquisition and pre-construction activities for the Joint Training Facility (JTF) at 9401 Myers Way South.

The original interfund loan was authorized by Ordinance 121179 in 2003 and last amended by Ordinance 124038 in 2012. At the time the JTF was being constructed, the City was required to purchase more property than what was needed for the JTF Project and borrowed the total purchase price, in part, through an interfund loan. Funds to repay the interfund loan are expected to come from proceeds from the sale of excess City-owned property at the JTF site. In 2006, under ordinance 122308, the City Council declared the property surplus and authorized its sale, although the sale was never completed due to environmental permitting issues coupled with the economic downturn. Since that time, Department of Finance and Administrative Services (FAS) staff has worked to improve the development potential of the site. In 2013, the Army Corps of Engineers issued a wetland Jurisdictional Determination, which clarifies the area suitable for development and thereby increases the value of the property. FAS is currently evaluating the site for potential City uses.

A property sale or a determination that the property could be used by other City departments is not possible prior to the loan's current expiration date of December 31, 2014 and, therefore, we respectfully request that the interfund loan be extended through December 31, 2016. Thank you for your consideration of this legislation. Should you have questions, please contact Hillary Hamilton at 684-0421.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward B. Murray", written over a horizontal line.

Edward B. Murray  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Office of the Mayor  
Seattle City Hall, 7<sup>th</sup> Floor  
600 Fourth Avenue  
PO Box 94749  
Seattle, Washington 98124-4749

Tel (206) 684-4000  
Fax: (206) 684-5360  
Hearing Impaired use the Washington Relay Service (7-1-1)  
[www.seattle.gov/mayor](http://www.seattle.gov/mayor)

CITY OF SEATTLE

ORDINANCE \_\_\_\_\_

COUNCIL BILL 118242

AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 124038, to extend the term of an interfund loan.

WHEREAS, Ordinance 121179 approved a loan of up to \$10.48 million from the Consolidated Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount to be paid back by December 31, 2003; and

WHEREAS, the proceeds from this loan were to finance expenditures from the Cumulative Reserve Subfund, Unrestricted Account, related to the City's Joint Training Facility; and

WHEREAS, the loan proceeds that were temporarily credited to the Cumulative Reserve Subfund have been fully expended to fund the Joint Training Facility Project at 9401 Myers Way South; and

WHEREAS, the originally anticipated source for loan repayment was the proceeds generated from the sale of surplus City-owned property not needed at the Joint Training Facility site; and

WHEREAS, the downturn in the local economy negatively affected the prospects of selling the surplus property on the site; and

WHEREAS, the Department of Finance and Administrative Services delayed preparing the property for sale to allow the Seattle Department of Transportation to evaluate the use of the site for purposes related to the Seawall Replacement Project; and

WHEREAS, the Department of Finance and Administrative Services has proactively addressed environmental permitting issues and has identified key portions of the property that are suitable for sale or reuse by other City departments, along with those that are to be retained for the purpose of environmental stewardship; and

WHEREAS, the interest on the interfund loan has been accruing, with an estimated total accrual at the end of 2016 in the amount of \$3,815,229; and

WHEREAS, additional time is needed to review potential City departmental use of the property prior to offering the property for sale and for the subsequent repayment of the interfund loan; and



1 WHEREAS, in the normal course of business the City may temporarily lend cash between funds  
2 to maintain required balances; NOW, THEREFORE,

3 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

4 Section 1. In order to extend through 2016 the term of a loan of \$10.48 million to the  
5 Cumulative Reserve Subfund from the Consolidated Cash Pool, Section 3 of Ordinance 121179,  
6 as last amended by Section 1 of Ordinance 124038, is hereby further amended as follows:

7  
8 Section 3. The entire principal loaned as authorized in Section 2, with interest thereon  
9 at the rate of return of the City's Consolidated Cash Pool, shall be repaid no later than  
10 ((December 31, 2014)) December 31, 2016, unless extended by ordinance.

11  
12 Section 2. This ordinance shall take effect and be in force 30 days after its approval by  
13 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
14 shall take effect as provided by Seattle Municipal Code Section 1.04.020



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Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2014, and  
signed by me in open session in authentication of its passage this  
\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Edward B. Murray, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)





**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>Executive Contact/Phone:</b>
City Budget Office	Katherine Tassery/5-0703	Adam Schaefer/4-8358

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

**1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 124638, to change the terms of the outstanding interfund loan.

**Summary of the Legislation:** This legislation would amend Section 3 of Ordinance 121179, as last amended by Ordinance 124638, by reducing the authorized amount of the interfund loan in Fund 00164, the Cumulative Reserve Subfund Unrestricted Subaccount to \$4 million, thereby recognizing that revenues into the fund over the past several years have effectively repaid \$9,646,432 of the outstanding principal and interest. The legislation would also add a deadline for repayment of the remaining portion of the loan of Dec. 31, 2017.

**Background:** Ordinance 121179 was originally passed in mid-2003 to support site acquisition and preconstruction activities of the Joint Training Facility (JTF) at 9401 Myers Way by authorizing an interfund loan from the Consolidated Cash Pool to cover the acquisition costs in the Cumulative Reserve Subfund, Unrestricted Subaccount. The original deadline for repayment of the loan was Dec. 31, 2003. Ordinances 121363, 121980, 122289, 122558, 122854, 123481, 124038 and 124638 subsequently extended the term of the loan. In 2014, Ordinance 124638 also included Council Green Sheet 8-1-B-1, which removed the expiration date of the loan and required the jurisdictional department to begin repaying the City's Consolidated Cash Pool annual repayments of at least \$650,000 if the loan is not fully paid off by the end of 2016.

The City was required to purchase more property than what was needed for the JTF project, and so borrowed part of the total purchase price through an interfund loan in the Cumulative Reserve Subfund Unrestricted Subaccount with the intent to repay the loan with proceeds from the sale of the surplus property. In 2006, under Ordinance 122308, the City Council declared the property surplus and authorized the sale, although the sale transaction was not completed due to environmental and permitting issues. In subsequent years, Department of Finance and Administrative Services (FAS) staff has evaluated other potential municipal uses of the property, including a municipal jail, urban farming and a Seattle City Light training facility. In preparation for the property's eventual sale or City use, FAS obtained a wetland jurisdictional determination on the property from the Army Corps of Engineers in 2012. FAS is currently evaluating the site for other potential City and external uses.

FAS expects proceeds from a property sale, departmental transfer or accumulation of additional fund balance in the Cumulative Reserve Subfund Unrestricted Subaccount to be available to repay the remainder of the loan prior to the Dec. 31, 2017. Additionally, FAS recognizes the

need to begin making annual payments of \$650,000 if the property is not sold by the end of 2016.

**Summary Accrued and Estimated Interest on \$10.48 million JTF Loan**

<b>Year</b>	<b>Principal Amount</b>	<b>Interest Amount</b>	<b>Cumulative Total</b>
2003	10,480,000	121,314	10,601,314
2004	10,480,000	247,917	10,849,231
2005	10,480,000	307,755	11,156,986
2006	10,480,000	433,056	11,590,042
2007	10,480,000	595,989	12,186,031
2008	10,480,000	508,202	12,694,233
2009	10,480,000	230,050	12,924,283
2010	10,480,000	135,548	13,059,831
2011	10,480,000	108,467	13,168,298
2012	10,480,000	106,246	13,274,544
2013	10,480,000	87,949	13,362,493
2014	10,480,000	122,528	13,485,021
2015	10,480,000	161,411	13,646,432
	<b>10,480,000</b>	<b>3,166,432</b>	<b>13,646,432</b>

The principal and estimated interest expense, through Dec. 31, 2015, are \$13,646,432. This legislation recognizes the repayment of \$9,646,432 by the Cumulated Reserve Subfund Unrestricted Subaccount, including the principal of \$6,480,000 and accrued interest estimated at of the end of 2015 of \$3,166,432.

**2. CAPITAL IMPROVEMENT PROGRAM**

This legislation creates, funds, or amends a CIP Project.

**3. SUMMARY OF FINANCIAL IMPLICATIONS**

This legislation does not have direct financial implications.

This legislation makes no appropriations or changes to revenue; it recognizes that \$9,646,432 of past revenues to the Cumulated Reserve Subfund Unrestricted Subaccount have paid down the outstanding balance of the interfund loan and adjusts the authorized loan amount accordingly.

**4. OTHER IMPLICATIONS**

a) Does the legislation have indirect or long-term financial impacts to the City of

**Seattle that are not reflected in the above?**

This legislation changes the term of the outstanding interfund loan for the Joint Training Facility project to recognize partial repayment and create an expiration date for the loan of Dec. 31, 2017.

- b) Is there financial cost or other impacts of not implementing the legislation?**  
Absent this legislation to change the loan terms, the interfund loan would continue with no expiration date under the terms last amended in Ordinance 124638, which includes the entire acquisition price for the property of \$10,480,000 and the accrued interest of \$3,166,432, for a total of \$13,646,432 projected at the end of 2015.
- c) Does this legislation affect any departments besides the originating department?**  
No.
- d) Is a public hearing required for this legislation?**  
No.
- e) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
No.
- f) Does this legislation affect a piece of property?**  
Yes, a map is included as Attachment A to this Summary and Fiscal Note.
- g) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**  
No.
- h) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.**  
N/A
- i) Other Issues:**

**List attachments/exhibits below:**

Attachment A: Location Map



# City of Seattle

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- City Charter
- Municipal Archives
- All Resources



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## City of Seattle Legislative Information Service

Information retrieved on March 30, 2010 9:29 AM

**Council Bill Number: 116369**  
**Ordinance Number: 122854**

AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as previously amended by Ordinances 121363, 121980, 122289, and 122558 to extend the term of an interfund loan.

**Date introduced/referred:** Oct 13, 2008

**Date passed:** Nov 24, 2008

**Status:** Passed

**Vote:** 8-1 (No: Drago)

**Date of Mayor's signature:** Dec 2, 2008

**Note:** Joint Training Facility Loan Extension

**Committee:** Budget

**Sponsor:** GODDEN

**Index Terms:** BUDGET, FLEETS-AND-FACILITIES-DEPARTMENT. FACILITIES, SEATTLE-PUBLIC-UTILITIES, FIRE-DEPARTMENT, HIGHLAND-PARK, FINANCE, ACCOUNTING, LOANS. FUNDS

**References/Related Documents:** Amending: Ord 121179, 121363, 121980, 122289, 122558

**Fiscal Note:** [Fiscal Note to Council Bill 116369](#)

Electronic Copy: [PDF scan of Ordinance No. 122854](#)

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Text

*Note to users: {- indicates start of text that has been amended out  
-} indicates end of text that has been amended out  
{+ indicates start of text that has been amended in  
+} indicates end of text that has been amended in*

AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as previously amended by Ordinances 121363, 121980, 122289, and 122558 to extend the term of an interfund loan.

WHEREAS, in the normal course of business the City may temporarily lend cash between funds to maintain required balances; and

WHEREAS, Ordinance 121179 approved a loan of up to \$10.48 million from the Consolidated Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount to be paid back by December 31, 2003; and

WHEREAS, the proceeds of this loan were to finance expenditures from the Cumulative Reserve Subfund, Unrestricted Account, related to the Joint Training Facility; and

WHEREAS, the loan proceeds that were temporarily credited to the Cumulative Reserve Subfund have been fully expended to fund the Joint Training Facility Project at 9401 Myers Way South; and

WHEREAS, the originally anticipated source for loan repayment was the proceeds generated from the sale of excess City-owned property at the Joint Training Facility site; and

WHEREAS, the excess City-owned property has been identified as a site option for the proposed Seattle Municipal Jail, making the disposition timing of the interfund loan uncertain; and

WHEREAS, Ordinance 122558 extended the term of the loan through the end of 2008; and

WHEREAS, a decision regarding the jail site is not expected until sometime after the December 31, 2008 deadline established in Ordinance 122558; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. In order to extend through 2010 the term of a loan of \$10.48 million to the Cumulative Reserve Subfund from the Consolidated Cash Pool, Section 3 of Ordinance 121179, as amended by Section 1 of Ordinance 121363, Section 1 of Ordinance 121980, Section 1 of Ordinance 122289, and Section 1 of Ordinance 122558, is hereby further amended as follows:

Section 3. The entire principal loaned as authorized in Section 2, with interest thereon at the rate of return of the City's Consolidated Cash Pool, shall be repaid no later than

~~December 31, 2008~~December 31, 2010, unless extended by ordinance.

Section 2. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2008, and signed by me in open session in authentication of its passage this \_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_

President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_

Gregory J. Nickels, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_

City Clerk

(Seal)

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Rod Johnson/Kieu-Anh King

FFD, JTF Loan Extension 2009, Ord.doc

19 November 2008

Version #4

Form Last Revised on December 31, 2007 2



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Ordinance No. 123481  
[123481]

Council Bill No. 117017

AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 122854, to extend the term of an interfund loan.

CF No. \_\_\_\_\_

Date Introduced:	<u>Oct. 25, 2010</u>	
Date 1st Referred:	<u>Oct. 25, 2010</u>	To: (committee) <u>Budget</u>
Date Re - Referred:		To: (committee)
Date Re - Referred:		To: (committee)
Date of Final Passage:	<u>11.22.10</u>	Full Council Vote: <u>9-0</u>
Date Presented to Mayor:	<u>11.23.10</u>	Date Approved: <u>Dec. 2, 2010</u>
Date Returned to City Clerk:	<u>Dec. 2, 2010</u>	Date Published: _____ T.O. <input checked="" type="checkbox"/> F.T. <input type="checkbox"/>
Date Vetoed by Mayor:		Date Veto Published: _____
Date Passed Over Veto:		Veto Sustained: _____

# The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: Godden  
Councilmember

## Committee Action:

11.12.10 Pass 8-0-1 RC: abstain

11.22.10 Passed 9-0

This file is complete and ready for presentation to Full Council. Committee: \_\_\_\_\_  
(initial/date)

Law Dept. Review      OMP Review      City Clerk Review      Electronic Copy Loaded      Indexed



ORDINANCE 123481

AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 122854, to extend the term of an interfund loan.

WHEREAS, Ordinance 121179 approved a loan of up to \$10.48 million from the Consolidated Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount to be paid back by December 31, 2003; and

WHEREAS, the proceeds of this loan were to finance expenditures from the Cumulative Reserve Subfund, Unrestricted Account, related to the Joint Training Facility; and

WHEREAS, the loan proceeds that were temporarily credited to the Cumulative Reserve Subfund have been fully expended to fund the Joint Training Facility Project at 9401 Myers Way South; and

WHEREAS, the originally anticipated source for loan repayment was the proceeds generated from the sale of excess City-owned property at the Joint Training Facility site; and

WHEREAS, the sale of this excess property was put on hold while the site was under consideration as a possible location for the Seattle Municipal Jail; and

WHEREAS, while this site is no longer being considered for the Seattle Municipal Jail, Department of Finance and Administrative Services staff do not expect proceeds from the sale of the Joint Training Facility's excess City-owned property to be available to repay the loan by the December 31, 2010, deadline established in Ordinance 122854; and

WHEREAS, given that the contemplated property sale is likely not a viable option for repayment of the loan, the 2011-12 Proposed Budget implements several strategies in order to bring this account back to a positive balance over the next several years. First, sufficient ongoing expenditures have been shifted to other funding sources in order to create an annual surplus of revenues over expenditures in the account. This ensures that the account does not decline further into deficit over time. Second, annual contributions beginning in 2012 from the General Fund will bring the fund balance back into positive territory. Third, the interfund loan for this account is extended to December 31, 2012, to begin to accommodate the time needed to address this issue; and

WHEREAS, in the normal course of business the City may temporarily lend cash between funds to maintain required balances; NOW, THEREFORE,



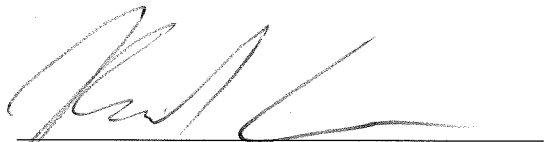
1 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

2 Section 1. In order to extend through 2012 the term of a loan of \$10.48 million to the  
3 Cumulative Reserve Subfund from the Consolidated Cash Pool, Section 3 of Ordinance 121179,  
4 as last amended by Section 1 of Ordinance 122854, is hereby further amended as follows:  
5

6 Section 3. The entire principal loaned as authorized in Section 2, with interest  
7 thereon at the rate of return of the City's Consolidated Cash Pool, shall be  
8 repaid no later than (~~December 31, 2010~~) December 31, 2012, unless  
9 extended by ordinance.  
10

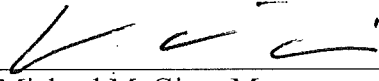
11  
12 Section 2. This ordinance shall take effect and be in force 30 days from and after its  
13 approval by the Mayor, but if not approved and returned by the Mayor within ten days after  
14 presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.  
15

16 Passed by the City Council the 22 day of November, 2010, and  
17 signed by me in open session in authentication of its passage this 22 day of  
18 November, 2010.  
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22 President \_\_\_\_\_ of the City Council  
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1 Approved by me this 2<sup>nd</sup> day of December, 2010.

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3   
4 Michael McGinn, Mayor

5 Filed by me this 2<sup>nd</sup> day of December, 2010.

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8 City Clerk

9 (Seal)

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**2011-2012 BUDGET LEGISLATION FISCAL NOTE**

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Finance & Administrative Services	Debbie Nagasawa/ 684-7948	Greg Shiring / 386-4085

**Legislation Title:** AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 122854, to extend the term of an interfund loan.

**Summary of the Legislation:** This legislation would amend Section 3 of Ordinance 121179 as last amended by Ordinance 122854 by extending the deadline for repayment of principal and interest on a \$10.48 million loan from December 31, 2010, to December 31, 2012.

**Background:** Ordinance 121179 was originally passed in mid-2003 to support site acquisition and certain pre-construction activities at the Joint Training Facility (JTF) at 9401 Myers Way South by authorizing an interfund loan from the Consolidated Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount. The original deadline for repayment of the loan was December 31, 2003. Ordinances 121363, 121980, 122289, 122558 and 122854 subsequently extended the term of the loan. The current extension expires on December 31, 2010.

The City purchased approximately 51 acres of land for the JTF project, which was larger than the project ultimately required. The City intended to sell approximately 31 acres of excess property at the site and apply the proceeds from the sale to repay the loan. Sale proceedings were placed on hold while the excess property was being considered as a potential location for the Seattle Municipal Jail. This location has now been removed from consideration as a jail site; however, staff of the Department of Finance and Administrative Services does not expect proceeds from any property sale to be available to repay the loan prior to the December 31, 2010, deadline established by the latest amendment to the original loan ordinance.

Given that the contemplated property sale is likely not a viable option for repayment of the loan, the 2011-12 Proposed Budget implements several strategies in order to bring this account back to a positive balance over the next several years. First, sufficient ongoing expenditures have been shifted to other funding sources in order to create an annual surplus of revenues over expenditures in the account. This ensures that the account does not decline further into deficit over time. Second, annual contributions beginning in 2012 from the General Fund will bring the fund balance back into positive territory. Third, the interfund loan for this account is extended to December 31, 2012, to begin to accommodate the time needed to address this issue.

Though not expressly addressed in the legislation, the loan extension will result in additional interest expense. The interest expenses for each year of the loan to date, as well as estimated interest expenses through the end of the requested extension, are shown in the table below.



**Summary Accrued and Estimated Interest on JTF Loan**  
 Estimated rates provided by Treasury for Consolidated Cash Pool

Year	Rate Basis	Annual Rate	Accrued Interest
2003	CAFR	0.03161	184,711
2004	CAFR	0.02338	252,030
2005	CAFR	0.02848	314,999
2006	CAFR	0.03966	453,637
2007	CAFR	0.05075	607,022
2008	CAFR	0.03905	488,703
2009	CAFR	0.01650	212,490
2010	Estimate	0.01125	147,339
2011	Estimate	0.01375	183,335
2012	Estimate	0.01625	219,946
<b>Estimated Total Interest Liability:</b>			<b>3,064,212</b>

The total estimated interest expense through December 31, 2012, is \$3,064,212. Earlier repayment of the loan would reduce this cost. Total interest expense will also be higher or lower based on actual interest rates from 2010 – 2012.

- Please check one of the following:

This legislation does not have any financial implications. (Stop here and delete the remainder of this document prior to saving and printing.)

This legislation has financial implications. Please complete all relevant sections that follow.

**Summary of Changes to Revenue Generated Specifically From This Legislation:**

	Revenue Source	2011 Proposed	2012 Proposed
<b>Total Fees and Charges Resulting From Passage of This Ordinance</b>	N/A See Notes below.	N/A	N/A

*Notes:* This legislation makes no appropriations or changes to revenue; it extends the deadline for repayment of an interfund loan only. The Department of Finance and Administrative Services will seek any necessary appropriations to repay this loan only upon receipt of revenues that will be used to fund repayment of the loan. Total interest expense for the loan from initiation in 2003 through the end of 2012 is approximately \$3,064,212.



**Anticipated Total Revenue from Entire Program, Including Changes Resulting From This Legislation:**

<b>Fund Name and Number</b>	<b>Revenue Source</b>	<b>Total 2011 Revenue</b>	<b>Total 2011 and 2012 Anticipated Revenue from Entire Program</b>
	N/A	N/A	N/A
<b>TOTAL</b>			

What is the financial cost of not implementing this legislation? Absent this legislation to extend the loan repayment deadline, the Department of Finance and Administrative Services would have to request that already programmed capital funds be redirected from their intended use to repay the loan by December 31, 2010.

Does this legislation affect any departments besides the originating department? No.

What are the possible alternatives to the legislation that could achieve the same or similar objectives? None.

Is the legislation subject to public hearing requirements? No.

Other Issues (including long-term implications of the legislation): None.

Please list attachments to the fiscal note below: None.



**City of Seattle**  
Office of the Mayor

September 27, 2010

Honorable Richard Conlin  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Conlin:

I am transmitting the attached proposed Council Bill for consideration with the 2011- 2012 Proposed Budget. This legislation will extend by two years the deadline for repayment of a \$10.48 million interfund loan from the City's Consolidated Cash Pool to the Cumulative Reserve Subfund. This loan was intended to provide temporary funding to support site acquisition and certain pre-construction activities for the City's Joint Training Facility.


The interfund loan was originally authorized by Ordinance 121179 in 2003 and was last amended by Ordinance 122854 in 2008. Funds to repay the loan had been expected to come from proceeds from the sale of excess City-owned property at the Joint Training Facility site. However, it is unlikely that these proceeds, if realized, will be sufficient to repay the loan, and an alternative approach is needed. The loan's current deadline for repayment is December 31, 2010.

As you may know, this inter-fund loan has been used to balance the CRS-Unrestricted Subaccount since 2003. Given that the contemplated property sale is likely not a viable option for repayment of the loan, the 2011-12 Proposed Budget implements several strategies in order to bring this account back to a positive balance over the next several years. First, sufficient ongoing expenditures have been shifted to other funding sources in order to create an annual surplus of revenues over expenditures in the account. This ensures that the account does not decline further into deficit over time. Second, annual contributions beginning in 2012 from the General Fund will bring the fund balance back into positive territory. Third, the interfund loan for this account is extended to December 31, 2012, to begin to accommodate the time needed to address this issue.

The above strategies will not preclude another loan extension request in 2012, but should lower the amount needed to balance the CRS Unrestricted Subaccount. The above strategies correct the structural imbalance in CRS-Unrestricted, and will over time return the subaccount to a positive balance.

Thank you for your consideration of this legislation. Should you have questions, please contact Debbie Nagasawa at 684-7948 or Hall Walker at 233-7065.

Sincerely,

  
Michael McGinn  
Mayor of Seattle

Michael McGinn, Mayor  
Office of the Mayor  
600 Fourth Avenue, 7<sup>th</sup> Floor  
PO Box 94749  
Seattle, WA 98124-4749

Tel (206) 684-4000  
Fax (206) 684-5360  
TDD (206) 615-0476  
mike.mcgin@seattle.gov



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STATE OF WASHINGTON – KING COUNTY

--SS.

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264490  
CITY OF SEATTLE, CLERK'S OFFICE

No. 123458-123481

**Affidavit of Publication**

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12<sup>th</sup> day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CITY TITLE ONLY ORDINANCE

was published on

12/15/10

The amount of the fee charged for the foregoing publication is the sum of \$ 177.45, which amount has been paid in full.



*[Handwritten signature]*

Subscribed and sworn to before me on

12/15/10

*[Handwritten signature]*

Notary public for the State of Washington,  
residing in Seattle



# State of Washington, King County

## City of Seattle

### TITLE-ONLY PUBLICATION

The full text of the following ordinances, passed by the City Council on November 22, 2010, and published here by title only, will be mailed upon request, or can be accessed at <http://clerk.seattle.gov>. For further information, contact the Seattle City Clerk at 684-8344.

#### ORDINANCE NO. 123442

AN ORDINANCE adopting a budget, including a capital improvement program and position modifications, for the City of Seattle for 2011; creating a barrier fund; creating positions exempt from civil service; all by a two-thirds vote of the City Council.

#### ORDINANCE NO. 123443

AN ORDINANCE relating to the Pacific Place Garage; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Downtown Parking Garage Fund; and providing for the repayment thereof.

#### ORDINANCE NO. 123451

AN ORDINANCE related to probation supervision fees assessed by the Seattle Municipal Court; repealing Ordinance 114809.

#### ORDINANCE NO. 123454

AN ORDINANCE concerning indigent public defense services; amending Ordinance 122602 to delete a minimum requirement of 1.0 FTE attorney for the third public defense agency representing indigent persons in Seattle Municipal Court.

#### ORDINANCE NO. 123455

AN ORDINANCE relating to the levy of property taxes; fixing the rates and/or amounts of taxes to be levied, and levying the same upon all taxable property, both real and personal, in the City of Seattle, to finance the departments and activities of City government and to provide for the general obligation bond interest and redemption requirements for the year beginning on the first day of January 2011; ratifying and confirming certain prior acts; and by a vote of a majority plus one of the Seattle City Council, finding a substantial need to use, and providing for the use of, 101% as the regular property tax limit factor.

#### ORDINANCE NO. 123457

AN ORDINANCE amending Ordinance 123177, which adopted the 2010 Budget, including the 2010-2015 Capital Improvement Program (CIP); lifting a proviso; changing appropriations to various departments and budget control levels, and from various funds in the Budget, all by a 3/4 vote of the City Council.

#### ORDINANCE NO. 123458

AN ORDINANCE relating to City employment; establishing a 2011 furlough program for certain non-represented employees.

#### ORDINANCE NO. 123459

AN ORDINANCE relating to the Firefighters' Pension Fund established under RCW 41.16; amending Ordinance 117216 as last amended by Ordinance 122859 to continue the suspension of contributions to the Actuarial Account for an additional two years through 2012.

#### ORDINANCE NO. 123463

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

#### ORDINANCE NO. 123464

AN ORDINANCE relating to City employment; authorizing the Mayor to sign

a memorandum of understanding between the City of Seattle and certain unions within the Coalition of City Unions, and authorizing the Mayor to sign a memorandum of understanding between the City of Seattle and the International Federation of Professional and Technical Engineers, Local 17 Information Technology Professionals Unit; and ratifying and

confirming prior acts.

#### ORDINANCE NO. 123465

AN ORDINANCE relating to City employment; providing salary increases effective January 5, 2011, January 4, 2012, and January 2, 2013 for certain non-represented City employees and officers; extending eligibility for Project Hire and reinstatement from one year to two years for employees laid off in 2011, 2012, or 2013; and repealing Ordinance 123173.

#### ORDINANCE NO. 123470

AN ORDINANCE relating to the financing of the Pike Place Market Renovation Project; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Pike Place Market Renovation Fund; and providing for the repayment thereof.

#### ORDINANCE NO. 123475

AN ORDINANCE relating to jail services; authorizing the Mayor to execute an amendment to the extension to the Interlocal Agreement with King County for the Provision of Jail Services, and ratifying certain acts.

#### ORDINANCE NO. 123476

AN ORDINANCE related to the transfer of the Seattle Youth Commission from the Department of Neighborhoods to the Mayor's Office, amending Chapter 3.67 of the Seattle Municipal Code.

#### ORDINANCE NO. 123481

AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 122854, to extend the term of an interfund loan.

Date of publication in the Seattle Daily Journal of Commerce, December 15, 2010.

12/15(264490)

Ordinance No. 124038

Council Bill No. 117627

AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 123481, to extend the term of an interfund loan.

Related Legislation File: \_\_\_\_\_

Date Introduced and Referred: <u>Oct. 22, 2012</u>	To: (committee): <u>Budget</u>
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: <u>11.19.12</u>	Date Presented to Mayor: <u>11.20.12</u>
Date Signed by Mayor: <u>11/26/12</u>	Date Returned to City Clerk: <u>11/27/12</u>
Published by Title Only <input checked="" type="checkbox"/>	Date Vetoed by Mayor:
Published in Full Text _____	
Date Veto Published:	Date Passed Over Veto:
Date Veto Sustained:	Date Returned Without Signature:

### The City of Seattle – Legislative Department

Council Bill/Ordinance sponsored by: TB

#### Committee Action:

Date	Recommendation	Vote
<u>11.7.12</u>	<u>Pass</u>	<u>7-0 TB, SB, SC, RC, JG, NL, MD</u>

This file is complete and ready for presentation to Full Council. \_\_\_\_\_

#### Full Council Action:

Date	Decision	Vote
<u>11.19.12</u>	<u>Passed</u>	<u>9-0</u>

*Law Department*

**CITY OF SEATTLE**  
**ORDINANCE** 124038  
**COUNCIL BILL** 117627

1 AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179,  
2 as last amended by Ordinance 123481, to extend the term of an interfund loan.

3  
4  
5 WHEREAS, Ordinance 121179 approved a loan of up to \$10.48 million from the Consolidated  
6 Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount to be paid back  
7 by December 31, 2003; and

8 WHEREAS, the proceeds of this loan were to finance expenditures from the Cumulative Reserve  
9 Subfund, Unrestricted Account, related to the Joint Training Facility; and

10 WHEREAS, the loan proceeds that were temporarily credited to the Cumulative Reserve  
11 Subfund have been fully expended to fund the Joint Training Facility Project at 9401  
Myers Way South; and

12 WHEREAS, the originally anticipated source for loan repayment was the proceeds generated  
13 from the sale of surplus City-owned property not needed at the Joint Training Facility  
site; and

14 WHEREAS, the downturn in the local economy negatively affected the prospects of selling the  
15 surplus property on the site; and

16 WHEREAS, the interest on the loan has been accruing, with an estimated total accrued at the end  
17 of 2014 in the amount of \$3,423,937; and

18 WHEREAS, the 2011-2012 Adopted Budget implemented contributions to the Cumulative  
19 Reserve Subfund to offset some portion of the total balance of the loan and accrued  
interest; and

20 WHEREAS, the Department of Finance and Administrative Services has proactively addressed  
21 environmental permitting issues and has identified key portions of the property that are  
22 now suitable for sale, and those that are to be retained for the purpose of environmental  
stewardship; and

23 WHEREAS, additional time is required to prepare the surplus property for sale and for the  
24 subsequent repayment of the interfund loan; and

25 WHEREAS, in the normal course of business the City may temporarily lend cash between funds  
26 to maintain required balances; NOW, THEREFORE,



1 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

2  
3 Section 1. In order to extend through 2014 the term of a loan of \$10.48 million to the  
4 Cumulative Reserve Subfund from the Consolidated Cash Pool, Section 3 of Ordinance 121179,  
5 as last amended by Section 1 of Ordinance 123481, is hereby further amended as follows:

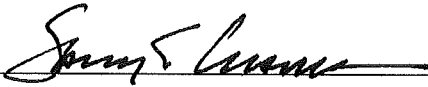
6  
7 Section 3. The entire principal loaned as authorized in Section 2, with interest thereon at  
8 the rate of return of the City's Consolidated Cash Pool, shall be repaid no later than  
9 ~~((December 31, 2012))~~ December 31, 2014, unless extended by ordinance.

10  
11 Section 2. This ordinance shall take effect and be in force 30 days after its approval by  
12 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
13 shall take effect as provided by Seattle Municipal Code Section 1.04.020.



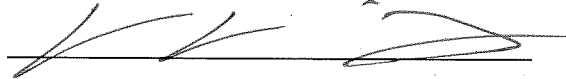
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Passed by the City Council the 19<sup>th</sup> day of November, 2012, and  
signed by me in open session in authentication of its passage this  
19<sup>th</sup> day of November, 2012.



President \_\_\_\_\_ of the City Council

Approved by me this 26 day of Nov, 2012.



Michael McGinn, Mayor

Filed by me this 29<sup>th</sup> day of November, 2012.



Monica Martinez Simmons, City Clerk

(Seal)



**2013 BUDGET LEGISLATION FISCAL NOTE**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
Finance and Administrative Services	Daniel Bretzke 733-9882	Jennifer Devore 615-1328

**Legislation Title:** AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 123481, to extend the term of an interfund loan.

**Summary of the Legislation:**

This legislation would amend Section 3 of Ordinance 121179 as last amended by Ordinance 123481 by extending the deadline for repayment of principal and interest on a \$10.48 million loan from December 31, 2012, to December 31, 2014.

**Background:** Ordinance 121179 was originally passed in mid-2003 to support site acquisition and pre-construction activities at the Joint Training Facility (JTF) at 9401 Myers Way South by authorizing an interfund loan from the Consolidated Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount. The original deadline for repayment of the loan was December 31, 2003. Ordinances 121363, 121980, 122289, 122558, 122854 and 123481 subsequently extended the term of the loan. The current extension expires on December 31, 2012.

The City was required to purchase more property than what was needed for the JTF project, thus the City borrowed the total purchase price in part through an inter-fund loan with the intent on repaying the loan with the proceeds from the sale of the property. Under Ordinance 122308 the City Council declared the property surplus and authorized the sale, although the sale transaction was not completed due to environmental and permitting issues. Additionally, the downturn in the local economy negatively affected prospects for a sale. Department of Finance and Administrative Services (FAS) staff have evaluated potential other municipal uses of the property, including a municipal jail, urban farming, and a Seattle City Light training facility. In preparation for the property's eventual sale, FAS has resolved some permitting issues including close out of the underlying mining permit, and is working with the Army Corps of Engineers to identify any further environmental constraints. FAS is also working toward completing the Roxbury Street vacation, that was conditionally granted under C.F. 307648.

It is anticipated that a portion of the property can be sold to support business economic activity and that proceeds from the sale will repay a portion of the inter-fund loan. Other portions of the property will be retained for environmental stewardship.

FAS does not expect proceeds from any property sale to be available to repay the loan prior to the December 31, 2012 expiration date and is therefore requesting an extension of the inter fund loan to December 31, 2014.

Though not expressly addressed in the legislation, the loan extension will result in additional interest expense. The interest expenses for each year of the loan to date, as well as estimated interest expenses through the end of the requested extension, are shown in the table below.



**Summary Accrued and Estimated Interest on JTF Loan**  
 Estimated rates provided by Treasury for Consolidated Cash Pool

Year	Rate Basis	Annual Rate	Accrued Interest
2003	CAFR	0.03161	184,711
2004	CAFR	0.02338	252,030
2005	CAFR	0.02848	314,999
2006	CAFR	0.03966	453,637
2007	CAFR	0.05075	607,022
2008	CAFR	0.03905	488,703
2009	CAFR	0.01650	212,490
2010	CAFR	0.01027	134,443
2011	CAFR	0.00824	109,480
2012	Estimate	0.01625	218,514
2013	Estimate	0.01625	222,121
2014	Estimate	0.01625	225,787
<b>Estimated Total Interest Liability:</b>			<b>3,423,937</b>

The total estimated interest expense through December 31, 2014, is estimated to be \$3,423,938. Early repayment of the loan would reduce this cost. Total interest expense will also be higher or lower based on actual interest rates in 2013 – 2014.

FAS is working to obtain the highest net return to the City, which may include payment of the entire principal of the loan, accrued interest to-date, and continued environmental stewardship of portions of the property that remain under City ownership. It is probable that upon the final disposition of the property, other funding sources will need to be identified to repay the loan and accumulated interest. In anticipation of this, beginning in 2012, annual contributions are being made to the CRS Unrestricted Sub account to accumulate resources to pay down the remaining loan balance.

This legislation does not have any financial implications.

This legislation has financial implications.

**Revenue Change Notes:**

This legislation makes no appropriations or changes to revenue; it extends the deadline for repayment of an inter-fund loan only. The Department of Finance and Administrative Services will seek any necessary appropriations to repay this loan through future legislation and only upon receipt of revenues that will be used to fund repayment of the loan. Total interest expense for the loan from initiation in 2003 through the end of 2014 is approximately \$3,423,938.

**Total Revenue Notes:** None



**Other Implications:**

- a) Does the legislation have indirect financial implications, or long-term implications?  
This legislation will provide additional time that is needed to further identify environmental issues and to allow the commercial property market conditions to improve. This will potentially increase the net proceeds realized from the sale of the property.
- b) What is the financial cost of not implementing this legislation?  
Absent this legislation to extend the loan repayment deadline, the Department of Finance and Administrative Services would have to request that already programmed capital funds be redirected from their intended use to repay the loan by December 31, 2012.
- c) Does this legislation affect any departments besides the originating department? No.
- d) What are the possible alternatives to the legislation that could achieve the same or similar objectives? Already programmed capital funds for critical projects would need to be redirected from their intended use to repay the loan by December 31, 2012.
- e) Is the legislation subject to public hearing requirements? No
- f) Other Issues: None

Please list attachments to the fiscal note below: None







**City of Seattle**  
Office of the Mayor

September 24, 2012

Honorable Sally J. Clark  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Clark:

I am transmitting the attached proposed Council Bill for consideration with the 2013 Proposed and 2014 Endorsed Budget. This legislation amends Ordinance 121179, as last amended by Ordinance 123481, to extend the term of an interfund loan that was used to purchase property at 9401 Myers Way South, which is where the Joint Training Facility (JTF) was constructed.

At the time of its construction, the City was required to purchase more property than what was needed for the JTF, and borrowed the total purchase price, in part, through an inter-fund loan. The intent was to repay the loan with the proceeds from the sale of surplus property at the site. Under Ordinance 122308 the City Council declared the property surplus and authorized a sale, although the sale was not completed due to environmental and permitting issues. Subsequently, the downturn in the local economy also affected the prospects of a sale. In 2011, FAS staff resolved permitting issues, including close out of the underlying mining permit, and are currently working with the Army Corps of Engineers to identify any further environmental constraints on the property.

A large portion of the property is now available to be sold to support business economic activity. At the time of sale, the sale proceeds will repay a portion of the inter-fund loan, and the environmentally sensitive parts of the property can be retained under City control for long-term environmental stewardship.

A property sale that is beneficial to the City's financial and environmental interests is not possible prior to the loan's current expiration date of December 31, 2012 and, therefore, we respectfully request that the inter fund loan be extended through December 31, 2014. Thank you for your consideration of this legislation. Should you have questions, please contact Daniel Bretzke at 206-733-9882.

Sincerely,

Michael McGinn  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor  
Office of the Mayor  
600 Fourth Avenue, 7<sup>th</sup> Floor  
PO Box 94749  
Seattle, WA 98124-4749

Tel (206) 684-4000  
Fax (206) 684-5360  
TDD (206) 615-0476  
mike.mcgin@seattle.gov



Ordinance No. 124638

Council Bill No. 118242

AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 124038, to extend the term of an interfund loan.

Related Legislation File:

Date Introduced and Referred: <u>10.27.14</u> <del>10.20.14</del>	To: (committee): <u>Budget</u> <del>Full Council</del>
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: <u>11/24/14</u>	Date Presented to Mayor: <u>11/26/14</u>
Date Signed by Mayor: <u>12/2/14</u>	Date Returned to City Clerk: <u>12/2/14</u>
Published by Title Only <u>Y</u>	Date Vetoed by Mayor:
Published in Full Text	
Date Veto Published:	Date Passed Over Veto:
Date Veto Sustained:	Date Returned Without Signature:

# The City of Seattle – Legislative Department

Council Bill/Ordinance sponsored by: Licata

## Committee Action:

Date	Recommendation	Vote
<u>11/14/14</u>	<u>Pass as amended</u>	<u>9-0</u>

This file is complete and ready for presentation to Full Council.

## Full Council Action:

Date	Decision	Vote
<u>Nov. 24, 2014</u>	<u>Passed</u>	<u>9-0</u>

*Law Department*

**CITY OF SEATTLE**

**ORDINANCE** 124638

**COUNCIL BILL** 118242

1  
2  
3  
4 AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179,  
5 as last amended by Ordinance 124038, to extend the term of an interfund loan.

6 WHEREAS, Ordinance 121179 approved a loan of up to \$10.48 million from the Consolidated  
7 Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount to be paid back  
8 by December 31, 2003; and

9 WHEREAS, the proceeds from this loan were to finance expenditures from the Cumulative  
10 Reserve Subfund, Unrestricted Account, related to the City's Joint Training Facility; and

11 WHEREAS, the loan proceeds that were temporarily credited to the Cumulative Reserve Sub-  
12 fund have been fully expended to fund the Joint Training Facility Project at 9401 Myers  
13 Way South; and

14 WHEREAS, the originally anticipated source for loan repayment was the proceeds generated  
15 from the sale of surplus City-owned property not needed at the Joint Training Facility  
16 site; and

17 WHEREAS, the downturn in the local economy negatively affected the prospects of selling the  
18 surplus property on the site; and

19 WHEREAS, the Department of Finance and Administrative Services delayed preparing the  
20 property for sale to allow the Seattle Department of Transportation to evaluate the use of  
21 the site for purposes related to the Seawall Replacement Project; and

22 WHEREAS, the Department of Finance and Administrative Services has proactively addressed  
23 environmental permitting issues and has identified key portions of the property that are  
24 suitable for sale or reuse by other City departments, along with those that are to be  
25 retained for the purpose of environmental stewardship; and

26 WHEREAS, the interest on the interfund loan has been accruing, with an estimated total accrual  
27 at the end of 2016 in the amount of \$3,815,229; and

28 WHEREAS, additional time is needed to review potential City departmental use of the property  
prior to offering the property for sale and for the subsequent repayment of the interfund  
loan; and



1 WHEREAS, in the normal course of business the City may temporarily lend cash between funds  
2 to maintain required balances; NOW, THEREFORE,

3 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

4 Section 1. In order to extend the term of a loan of \$10.48 million to the Cumulative  
5 Reserve Subfund from the Consolidated Cash Pool, and to impose repayment terms should the  
6 loan not be fully repaid by December 31, 2016, Section 3 of Ordinance 121179, as last amended  
7 by Section 1 of Ordinance 124038, is hereby further amended as follows:

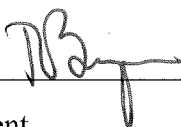
8  
9 Section 3. ~~((The entire principal loaned as authorized in Section 2, with interest  
10 thereon at the rate of return of the City's Consolidated Cash Pool, shall be repaid no  
11 later than December 31, 2014, unless extended by ordinance.))~~If the loan plus accrued  
12 interest is not repaid in full by December 31, 2016, the jurisdictional department shall  
13 begin repaying the City's Consolidated Cash Pool at least \$650,000 per year beginning  
14 in 2017 until the loan plus accrued interest has been repaid.

15  
16 Section 2. This ordinance shall take effect and be in force 30 days after its approval by  
17 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
18 shall take effect as provided by Seattle Municipal Code Section 1.04.020

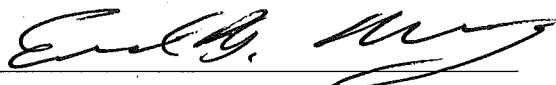


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Passed by the City Council the 24<sup>th</sup> day of Nov., 2014, and  
signed by me in open session in authentication of its passage this  
24<sup>th</sup> day of Nov., 2014.

  
\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this 7 day of December, 2014.

  
\_\_\_\_\_  
Edward B. Murray, Mayor

Filed by me this 2<sup>nd</sup> day of December, 2014.

  
\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)



**2015 BUDGET LEGISLATION FISCAL NOTE**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
Finance and Administrative Services	Hillary Hamilton 684-0421	Jennifer Devore 615-1328

**Legislation Title:**

AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 124038, to extend the term of an interfund loan.

**Summary of the Legislation:**

This legislation would amend Section 3 of Ordinance 121179 as last amended by Ordinance 124038 by extending the deadline for repayment of principal and interest on a \$10.48 million interfund loan from December 31, 2014, to December 31, 2016.

**Background:**

Ordinance 121179 was originally passed in mid-2003 to support site acquisition and preconstruction activities of the Joint Training Facility (JTF) at 9401 Myers Way South by authorizing an interfund loan from the Consolidated Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount. The original deadline for repayment of the loan was December 31, 2003. Ordinances 121363, 121980, 122289, 122558, 122854, 123481 and 124038 subsequently extended the term of the loan. The current extension expires on December 31, 2014.

The City was required to purchase more property than what was needed for the JTF project, thus the City borrowed the total purchase price, in part, through an interfund loan with the intent on repaying the loan with the proceeds from the sale of the surplus property. In 2006, under Ordinance 122308 the City Council declared the property surplus and authorized the sale, although the sale transaction was not completed due to environmental and permitting issues. Additionally, the downturn in the local economy negatively affected prospects for a sale. In subsequent years, Department of Finance and Administrative Services (FAS) staff has evaluated other potential municipal uses of the property, including a municipal jail, urban farming, and a Seattle City Light training facility. In 2013, the Seattle Department of Transportation also developed an option for use of the site related to the Seawall Replacement Project. In preparation for the property's eventual sale or City use, FAS obtained a wetland jurisdictional determination on the property from the Army Corps of Engineers in 2012. FAS is evaluating the site for other potential City uses.

FAS does not expect proceeds from any property sale or departmental transfer to be available to repay the loan prior to the December 31, 2014 expiration date and is therefore requesting an extension of the interfund loan to December 31, 2016.

Though not expressly addressed in the legislation, the loan extension will result in additional interest expense. The actual and forecast interest expenses for each year of the original \$10.48 million loan are shown in the table below.

**Summary Accrued and Estimated Interest on  
 \$10.48 million JTF Loan**  
 Estimated rates provided by Treasury for  
 Consolidated Cash Pool

Year	Rate Basis	Annual Rate	Accrued Interest
2003	CAFR	0.03161	\$184,711
2004	CAFR	0.02338	\$252,030
2005	CAFR	0.02848	\$314,999
2006	CAFR	0.03966	\$453,637
2007	CAFR	0.05075	\$607,022
2008	CAFR	0.03905	\$488,703
2009	CAFR	0.01650	\$212,490
2010	CAFR	0.01027	\$134,443
2011	CAFR	0.00824	\$109,480
2012	CAFR	0.0784	\$218,514
2013	CAFR	0.0675	\$94,819
2014	Estimate	0.00089	\$123,923
2015	Estimate	0.01320	\$187,226
2016	Estimate	0.03000	\$433,232

**Estimated Total Interest  
 Liability: \$3,815,229**

The total estimated interest expense through December 31, 2016, is estimated to be \$3,815,229. Early repayment of the loan would reduce this cost. Total interest expense will also be higher or lower based on actual interest rates in 2015 – 2016.

Please check one of the following:

This legislation does not have any financial implications.

This legislation has financial implications.

**Revenue Change Notes:**

This legislation makes no appropriations or changes to revenue; it extends the deadline for repayment of an interfund loan only. The Department of Finance and Administrative Services will seek any necessary appropriations to repay this loan through future legislation and only on receipt of revenues that will be used to fund repayment of the loan. Total interest expense for the



loan from initiation in 2003 through the end of 2016 is approximately \$3,815,229.

**Total Revenue Notes:** None

**Other Implications:**

a) **Does the legislation have indirect financial implications, or long-term implications?**  
This legislation will provide additional time to evaluate other City uses of the property.

b) **What is the financial cost of not implementing the legislation?**

Absent this legislation to extend the loan repayment deadline, the Department of Finance and Administrative Services would have to request funds to repay the loan by December 31, 2014.

c) **Does this legislation affect any departments besides the originating department?** No.

d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**

Scarce general government funds would need to be redirected from their intended use to repay the loan by December 31, 2014.

e) **Is a public hearing required for this legislation?** No.

f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?** No.

g) **Does this legislation affect a piece of property?** Yes. Please see attachment A for a location map.

h) **Other Issues:** None

**List attachments to the fiscal note below:**

Attachment A: Location Map





## Joint Training Facility Myers Way Property





**City of Seattle**  
Edward B. Murray  
Mayor

September 22, 2014

Honorable Tim Burgess, President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Burgess:

I am transmitting the attached proposed Council Bill for consideration with the 2015-16 Proposed Budget. This legislation will extend by two years the deadline for repayment of a \$10.48 million interfund loan from the City's Consolidated Cash Pool to the Cumulative Reserve Sub-fund to December 31, 2016. This loan was originally initiated to provide temporary funding to support site acquisition and pre-construction activities for the Joint Training Facility (JTF) at 9401 Myers Way South.

The original interfund loan was authorized by Ordinance 121179 in 2003 and last amended by Ordinance 124038 in 2012. At the time the JTF was being constructed, the City was required to purchase more property than what was needed for the JTF Project and borrowed the total purchase price, in part, through an interfund loan. Funds to repay the interfund loan are expected to come from proceeds from the sale of excess City-owned property at the JTF site. In 2006, under ordinance 122308, the City Council declared the property surplus and authorized its sale, although the sale was never completed due to environmental permitting issues coupled with the economic downturn. Since that time, Department of Finance and Administrative Services (FAS) staff has worked to improve the development potential of the site. In 2013, the Army Corps of Engineers issued a wetland Jurisdictional Determination, which clarifies the area suitable for development and thereby increases the value of the property. FAS is currently evaluating the site for potential City uses.

A property sale or a determination that the property could be used by other City departments is not possible prior to the loan's current expiration date of December 31, 2014 and, therefore, we respectfully request that the interfund loan be extended through December 31, 2016. Thank you for your consideration of this legislation. Should you have questions, please contact Hillary Hamilton at 684-0421.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward B. Murray".

Edward B. Murray  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Office of the Mayor  
Seattle City Hall, 7<sup>th</sup> Floor  
600 Fourth Avenue  
PO Box 94749  
Seattle, Washington 98124-4749

Tel (206) 684-4000  
Fax: (206) 684-5360  
Hearing Impaired use the Washington Relay Service (7-1-1)  
[www.seattle.gov/mayor](http://www.seattle.gov/mayor)

CITY OF SEATTLE

ORDINANCE \_\_\_\_\_

COUNCIL BILL 118242

AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 124038, to extend the term of an interfund loan.

WHEREAS, Ordinance 121179 approved a loan of up to \$10.48 million from the Consolidated Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount to be paid back by December 31, 2003; and

WHEREAS, the proceeds from this loan were to finance expenditures from the Cumulative Reserve Subfund, Unrestricted Account, related to the City's Joint Training Facility; and

WHEREAS, the loan proceeds that were temporarily credited to the Cumulative Reserve Subfund have been fully expended to fund the Joint Training Facility Project at 9401 Myers Way South; and

WHEREAS, the originally anticipated source for loan repayment was the proceeds generated from the sale of surplus City-owned property not needed at the Joint Training Facility site; and

WHEREAS, the downturn in the local economy negatively affected the prospects of selling the surplus property on the site; and

WHEREAS, the Department of Finance and Administrative Services delayed preparing the property for sale to allow the Seattle Department of Transportation to evaluate the use of the site for purposes related to the Seawall Replacement Project; and

WHEREAS, the Department of Finance and Administrative Services has proactively addressed environmental permitting issues and has identified key portions of the property that are suitable for sale or reuse by other City departments, along with those that are to be retained for the purpose of environmental stewardship; and

WHEREAS, the interest on the interfund loan has been accruing, with an estimated total accrual at the end of 2016 in the amount of \$3,815,229; and

WHEREAS, additional time is needed to review potential City departmental use of the property prior to offering the property for sale and for the subsequent repayment of the interfund loan; and



1 WHEREAS, in the normal course of business the City may temporarily lend cash between funds  
2 to maintain required balances; NOW, THEREFORE,

3 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

4 Section 1. In order to extend through 2016 the term of a loan of \$10.48 million to the  
5 Cumulative Reserve Subfund from the Consolidated Cash Pool, Section 3 of Ordinance 121179,  
6 as last amended by Section 1 of Ordinance 124038, is hereby further amended as follows:

7  
8 Section 3. The entire principal loaned as authorized in Section 2, with interest thereon  
9 at the rate of return of the City's Consolidated Cash Pool, shall be repaid no later than  
10 ~~((December 31, 2014))~~ December 31, 2016, unless extended by ordinance.

11  
12 Section 2. This ordinance shall take effect and be in force 30 days after its approval by  
13 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
14 shall take effect as provided by Seattle Municipal Code Section 1.04.020



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Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2014, and  
signed by me in open session in authentication of its passage this  
\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Edward B. Murray, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)



**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>Executive Contact/Phone:</b>
City Budget Office	Adam Schaefer / 684-8358	Ben Noble / 684-8160

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

**1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to homelessness in the City of Seattle; finding that a risk to public health and safety exists in the City of Seattle; authorizing the loan of funds from the City’s Consolidated (Residual) Cash Pool, or its participating funds, in the amount of \$5,000,000 into the General Subfund; providing for the repayment of said loan; and amending Ordinance 124648, which adopted the 2015 Budget, changing appropriations to various departments and budget control levels, and from various funds in the Budget; all by a 3/4 vote of the City Council.

**Summary of the Legislation:** This legislation:

- 1) Finds that there is a risk to public health and safety in the City of Seattle due to dramatically increasing homelessness despite significant financial and staff investment.
- 2) Authorizes an interfund loan from the City’s Cash Pool into the General Subfund Reserves Budget Control Level (BCL) of up to \$5,000,000.
- 3) Allows for repayment of the interfund loan with proceeds from the sale of surplus property at the Joint Training Facility Project (9401 Myers Way South).
- 4) Appropriates \$5,000,000 to the General Subfund Reserves BCL and then to existing Human Services Department’s Community Support and Assistance BCL, with unspent appropriations carrying forward to subsequent fiscal years until exhausted or abandoned by ordinance.
- 5) Provides for the transfer of \$5,000,000 from the Reserves BCL to the Human Services Operating Fund as necessary to fund homelessness prevention and intervention.
- 6) Identifies strategic funding priorities for the Human Services Department.

**3. SUMMARY OF FINANCIAL IMPLICATIONS**

**X This legislation has direct financial implications.**

<b>Budget program(s) affected:</b>	Finance General, Human Services Department			
<b>Estimated \$ Appropriation change:</b>	<b>General Fund \$</b>		<b>Other \$</b>	
	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>
	<b>\$5,000,000</b>		<b>\$5,000,000</b>	
<b>Estimated \$ Revenue change:</b>	<b>Revenue to General Fund</b>		<b>Revenue to Other Funds</b>	
	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>
			<b>\$5,000,000</b>	
<b>Positions affected:</b>	<b>No. of Positions</b>		<b>Total FTE Change</b>	
	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>

**Other departments affected:**

**3.a. Appropriations**

**X** This legislation adds, changes, or deletes appropriations.

Fund Name and number	Dept	Budget Control Level Name/#*	2015 Appropriation Change	2016 Estimated Appropriation Change
HSD Operating Fund (16200)	HSD	Community Support and Assistance (16200-H30ET)	\$5,000,000	
General Subfund (00100)	Finance General	Reserves (00100-2QD00)	\$5,000,000	
<b>TOTAL</b>			<b>\$10,000,000</b>	

\*See budget book to obtain the appropriate Budget Control Level for your department.

Appropriations Notes:

**3.b. Revenues/Reimbursements**

**X** This legislation adds, changes, or deletes revenues or reimbursements.

**Anticipated Revenue/Reimbursement Resulting from this Legislation:**

Fund Name and Number	Dept	Revenue Source	2015 Revenue	2016 Estimated Revenue
HSD Operating Fund (16200)	HSD	Surplus property sale proceeds.*	\$5,000,000	
<b>TOTAL</b>			<b>\$5,000,000</b>	

Revenue/Reimbursement Notes:

\*Until such time as the surplus property at 9401 Myers Way South is sold, funding will be provided through an interfund loan to the General Subfund.

**3.c. Positions**

       This legislation adds, changes, or deletes positions.

**4. OTHER IMPLICATIONS**

a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?**

The City currently spends nearly \$43 million annually on services for the homeless and prevention of homelessness while Seattle’s homeless population continues to grow. This places significant resource constraints on police, fire, public health and human services that if left unabated will continue to require diversion from other important City

priorities.

**b) Is there financial cost or other impacts of not implementing the legislation?**

No.

**c) Does this legislation affect any departments besides the originating department?**

Directly, this legislation impacts the Human Services Department. Indirectly, this legislation impacts many City departments including Police, Fire, Parks and Recreation, and Seattle-King County Public Health.

**d) Is a public hearing required for this legislation?**

No.

**e) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No.

**f) Does this legislation affect a piece of property?**

No.

**g) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**

Seattle's homeless population includes many of the most vulnerable people that live in the city. In addition to the vulnerability that comes from the nature of homelessness, many are seniors, families, youth, gay/lesbian/transgender/bisexual/queer, veterans, people suffering from mental illness, and people suffering from addiction. While people of color comprise 35% of the population of King County, they make up 67% of the population living in emergency shelter and transitional housing. Making a significant investment in prevention will positively impact several of Seattle's most at risk populations.

**h) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.**

N/A

**i) Other Issues:**

**List attachments/exhibits below:**





# SEATTLE CITY COUNCIL

## Legislative Summary

CB 118536

Record No.: CB 118536

Type: Ordinance (Ord)

Status: Passed

Version: 1

*118536  
124926*

In Control: City Clerk

File Created: 09/22/2015

Final Action: 12/01/2015

**Title:** AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179, as last amended by Ordinance 124638, to change the terms of the outstanding interfund loan.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Licata

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

**Attachments:**

Drafter: adam.schaefer@seattle.gov

**Filing Requirements/Dept Action:**

**History of Legislative File**

Legal Notice Published:

Yes

No

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	09/28/2015	Mayor's leg transmitted to Council	City Clerk			
	<b>Action Text:</b>		The Council Bill (CB) was Mayor's leg transmitted to Council. to the City Clerk				
	<b>Notes:</b>						
1	City Clerk	10/20/2015	sent for review	Budget Committee			
	<b>Action Text:</b>		The Council Bill (CB) was sent for review. to the Budget Committee				
	<b>Notes:</b>						
1	Full Council	10/26/2015	referred	Budget Committee			
	<b>Action Text:</b>		The Council Bill (CB) was referred. to the Budget Committee				
	<b>Notes:</b>						
1	Budget Committee	11/16/2015	pass				Pass
	<b>Action Text:</b>		The Committee recommends that Full Council pass the Council Bill (CB).				
	<b>Notes:</b>						
			In Favor: 8	Chair Licata, Member Bagshaw, Member Burgess, Member Godden, Member O'Brien, Okamoto, Member Rasmussen, Member Sawant			
			Opposed: 0				

- 1 Full Council 11/23/2015 passed Pass  
Action Text: The Council Bill (CB) was passed by the following vote and the President signed the Bill:  
In Favor: 9 Councilmember Bagshaw, Council President Burgess, Councilmember Godden, Councilmember Harrell, Councilmember Licata, Councilmember O'Brien, Okamoto, Councilmember Rasmussen, Councilmember Sawant  
Opposed: 0
- 1 City Clerk 11/30/2015 submitted for Mayor  
Mayor's signature  
Action Text: The Council Bill (CB) was submitted for Mayor's signature. to the Mayor  
Notes:
- 1 Mayor 12/01/2015 Signed  
Action Text: The Council Bill (CB) was Signed.  
Notes:
- 1 Mayor 12/01/2015 returned City Clerk  
Action Text: The Council Bill (CB) was returned. to the City Clerk  
Notes:
- 1 City Clerk 12/01/2015 attested by City Clerk  
Action Text: The Ordinance (Ord) was attested by City Clerk.  
Notes:
-

**CITY OF SEATTLE**

**ORDINANCE** 124926

**COUNCIL BILL** 118536

1  
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5 AN ORDINANCE relating to the Joint Training Facility Project; amending Ordinance 121179,  
6 as last amended by Ordinance 124638, to change the terms of the outstanding interfund  
7 loan.

8  
9 WHEREAS, Ordinance 121179 approved a loan of up to \$10,480,000 from the Consolidated  
10 Cash Pool to the Cumulative Reserve Subfund, Unrestricted Subaccount, to be paid back  
11 by December 31, 2003; and

12 WHEREAS, the originally anticipated source for loan repayment was the proceeds generated  
13 from the sale of surplus City-owned property not needed at the Joint Training Facility  
14 site; and

15 WHEREAS, Ordinance 121179 was most recently amended in 2014 by Ordinance 124638,  
16 which requires the jurisdictional department to begin repaying the City's Consolidated  
17 Cash Pool annual repayments of at least \$650,000 if the loan is not fully paid off by the  
18 end of 2016; and

19 WHEREAS, Ordinance 124638 also removed the expiration date of December 31, 2016, from  
20 the interfund loan; and

21 WHEREAS, the original \$10,480,000 interfund loan has accrued approximately \$3,106,000 in  
22 interest expense as of August 2015 and is anticipated to have accrued approximately  
23 \$3,166,000 in interest expense as of December 2015; and

24 WHEREAS, the Cumulative Reserve Subfund Unrestricted Subaccount has accumulated  
25 sufficient cash reserves to repay \$9,646,432 of principal and estimated accrued interest  
26 on the outstanding interfund loan at end of 2015;

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WHEREAS, the Director of Finance and the City Budget Director seek to change the terms of the interfund loan for the Joint Training Facility Project to recognize the reduced outstanding loan balance; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. Section 2 of Ordinance 121179 is amended as follows:

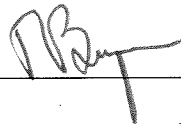
Section 2. The Director of Finance or ~~((his))~~ the Director's designee is authorized to loan funds from the City's Consolidated Cash Pool or its participating funds to the Cumulative Reserve Subfund, in a principal amount no greater than ~~((TEN MILLION FOUR HUNDRED EIGHTY THOUSAND DOLLARS (\$10,480,000)))~~ \$4,000,000, by allowing the Cumulative Reserve Subfund to be in a negative cash position to the extent necessary ~~((to accommodate the appropriation in Section 1))~~ or by temporarily transferring up to that amount of cash from one or more of the funds participating in the City's Consolidated Cash Pool to the Cumulative Reserve Subfund.

Section 2. To re-establish the expiration date of the interfund loan to the Cumulative Reserve Subfund, Section 3 of Ordinance 121179, as last amended by Ordinance 124638, is further amended as follows:

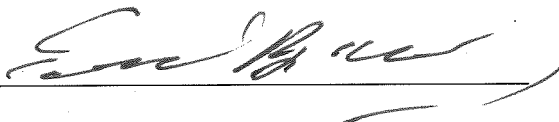
Section 3. The entire principal loaned as authorized in Section 2, with interest thereon at the rate of return of the City's Consolidated Cash Pool, shall be repaid no later than December 31, 2017, unless extended by ordinance. If the loan plus accrued interest is not repaid in full by December 31, 2016, the jurisdictional department shall begin repaying ~~((the City's Consolidated Cash Pool))~~ at least \$650,000 per year beginning in 2017 until the loan plus accrued interest has been repaid.

1 Section 3. This ordinance shall take effect and be in force 30 days after its approval by  
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

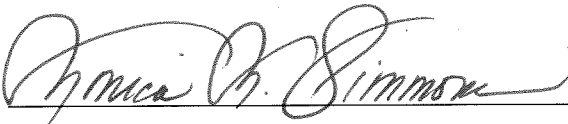
4 Passed by the City Council the 23<sup>rd</sup> day of NOVEMBER, 2015, and  
5 signed by me in open session in authentication of its passage this  
6 23<sup>rd</sup> day of NOVEMBER, 2015.

7  
8   
9 President \_\_\_\_\_ of the City Council

10  
11 Approved by me this 1<sup>st</sup> day of December, 2015.

12  
13   
14 Edward B. Murray, Mayor

15  
16 Filed by me this 1<sup>st</sup> day of December, 2015.

17  
18   
19 Monica Martinez Simmons, City Clerk

20  
21  
22 (Seal)  
23