



KING COUNTY

ATTACHMENT 1
1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

May 1, 2007

Ordinance

Proposed No. 2007-0275.1

Sponsors Constantine and Gossett

1 AN ORDINANCE authorizing the executive to execute a
2 purchase and sale agreement and all necessary conveyance
3 documents to complete the sale of the county owned
4 property known as the North Half of the Former Kingdome
5 Parking Lot parcel, located in council district 8, to North
6 Lot Development, L.L.C., waiving the requirement of
7 K.C.C. 4.56.130 as related to such a purchase and sale, and
8 related matters.

9
10 BE IT ORDAINED BY THE COUNTY COUNCIL OF KING COUNTY:

11 **SECTION 1. Findings:**

12 A. King County owns a 3.85 acre, which is 167,513 square feet, parcel of land,
13 commonly known as the North Half of the Former Kingdome Parking Lot ("North Half
14 Lot"), in the city of Seattle, Washington, located adjacent to the King Street Center, the
15 King Street Station, the Weller Street Pedestrian Bridge, and a surface parking lot owned
16 by the Washington State Public Stadium Authority ("PSA") and operated by First and
17 Goal, Inc. ("FGI"). King County facilities management division is the custodian.

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18 B. The property was purchased by King County in 1971 from Burlington
19 Northern, Inc., for the purpose of the Kingdome stadium development.

20 C. On September 8, 1998, Ordinance 13262 was passed in which the King
21 County council determined that the North Half Lot would become surplus to the county's
22 needs upon transfer of use and control of the Kingdome parcel to the PSA. The King
23 County executive was authorized to execute a property transfer agreement to convey the
24 Kingdome parcel to the PSA.

25 D. On September 30, 1998, King County entered into an Agreement on Stadium
26 and Exhibition Center Property Contributions and Reservation of Possessory Rights with
27 the PSA, as authorized by King County Ordinance 13262. Under said agreement, the
28 county retained ownership of the North Half Lot, and the PSA relinquished all rights and
29 interests in the North Half Lot with certain conditions. Conditions included the PSA
30 having use of the North Half Lot for parking and event staging until it receives notice of
31 commencement of a mixed-use development on the North Half Lot.

32 E. As called for by that agreement, King County conveyed the Kingdome parcel
33 to the PSA by statutory warranty deed on March 15, 2000, and retained the North Half
34 Lot.

35 F. Under a special use agreement issued in 1998 by King County to the PSA and
36 later assigned to FGI, the North Half Lot is currently used for the purpose of stadium and
37 exhibition center parking and event staging at no charge until notice of commencement of
38 the North Half Lot development is provided.

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39 G. In accordance with K.C.C. 4.56.070 and in addition to the surplus declaration
40 in Ordinance 13262, the facilities management division has declared the property to be
41 surplus to the foreseeable needs of the county.

42 H. K.C.C. 4.56.070 states that if the property is not needed for the provision of
43 essential government services, the facilities management division shall then determine if
44 the parcel is suitable for affordable housing. Suitable for affordable housing means the
45 parcel is located within the Urban Growth Area, is zoned residential, and the housing
46 development is compatible with the neighborhood. The King County facilities
47 management division has determined that the property is suitable for affordable housing
48 as part of a multiuse development.

49 I. On July 14, 2005, King County facilities management division, real estate
50 services section advertised nationally, a request for qualifications ("RFQ") for the sale of
51 the North Half Lot parcel, with responses due on August 30, 2005.

52 J. Four responses to the RFQ were received on August 30, 2005: Triad
53 Development Corporation; City Investors L.L.C.; the joint venture of Wright Runstad &
54 Company and The Murray Franklyn Family; and the joint venture of Opus Northwest,
55 L.L.C and Nitze-Stagen & Company, Inc. in cooperation with the Seattle Housing
56 Authority. All responders were determined to be qualified by a review panel that
57 included representatives from the county, the city of Seattle, the PSA and the state of
58 Washington.

59 K. On April 11, 2006, King County facilities management division, real estate
60 services section advertised and issued a request for proposals ("RFP") to the four
61 submitters who responded to the RFQ, providing them an opportunity to purchase the

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62 parcel for a fair market price equal to or exceeding \$10,110,000.00, if the development
63 would provide quality mixed-uses containing no fewer than four hundred market rate and
64 affordable housing units - of which one hundred units were required to be affordable -
65 and community-friendly retail and commercial uses.

66 L. The \$10,110,000.00 minimum purchase price was determined by appraisal and
67 included adjustments for the RFP requirements that the developer provide affordable
68 housing units and replace the existing PSA parking, as well as the impact of easements
69 encumbering the North Half Lot, including: the existing PSA easement connecting
70 Second Avenue South to the PSA property; a county sewer line and access easement to
71 support the new, below-grade Interbay odor control facility; easements conveyed to
72 Sound Transit for Weller Street Pedestrian Bridge access; and an easement retained by
73 the county to support metro transit bus service.

74 M. The RFP required that the development be compatible and integrate well with
75 existing and planned land uses in the surrounding area, be community friendly and
76 continue to stimulate and expand the economic base of the south downtown
77 neighborhoods.

78 N. The RFP also required that the development and its construction be
79 compatible with and accommodate the continuing operations of Qwest Field and the
80 Exhibition Center, and to ensure that construction activities be coordinated with all
81 adjacent property owners.

82 O. The RFP also required that the development replace existing parking spaces
83 used by the PSA on the site, both during construction of the development and following
84 completion, and also required that the PSA be permanently entitled to the revenue stream

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85 from the replacement parking. In addition, the RFP required the development to include
86 sufficient pay-for-parking to support King Street Station's needs for seventy parking
87 spaces.

88 P. The RFP also required that the development retain a view corridor to and from
89 Qwest Field along the PSA's existing easement to Second Avenue South. Bonus points
90 were possible if the proposal included a full service food market, which is a retail service
91 of particular interest to the Pioneer Square Community Association. Proposals were due
92 on June 28, 2006.

93 Q. Before the RFP deadline for submittal, Triad Development Corporation and
94 City Investors L.L.C. withdrew from the RFP, citing a lack of capacity within the
95 organizations to absorb a development of the scale of the North Half Lot in addition to
96 their other projects.

97 R. A selection committee met twice in June 2006 to review the two proposals
98 received. The selection committee consisted of representatives from the county
99 executive, the county council, the city of Seattle and the Pioneer Square Community
100 Association. One proposer, the joint venture of Wright Runstad & Company and The
101 Murray Franklyn Family of Companies, acknowledged it could not meet the minimum
102 RFP housing requirements, but requested to be maintained as a qualified party should the
103 requirements be modified.

104 S. At its second meeting, the selection committee selected the proposal from the
105 joint venture of Opus Northwest, L.L.C., and Nitze-Stagen and Company, Inc., in
106 cooperation with the Seattle Housing Authority ("ONS") as satisfying the requirements of
107 the RFP and addenda thereto and providing the best value to King County. The facilities

108 management division subsequently notified the joint venture of its acceptance of the
109 proposal.

110 T. Subsequent to the selection, the facilities management division commenced
111 negotiations with ONS, which has resulted in a proposed Purchase and Sale Agreement
112 ("the agreement) that incorporates the RFP's minimum requirements and provides
113 protections in the form of contingencies and covenants running with the land to ensure
114 that both before and following the closing of the sale, the development continues to
115 comply with the RFP and the terms of the agreement.

116 U. The agreement establishes a minimum total housing requirement of four
117 hundred units, and provides housing for multiple income levels and family sizes through
118 a mix of ownership and rental units. The agreement requires a minimum of one hundred
119 units of affordable housing, and, if determined to be economically feasible by ONS,
120 Workforce housing. All housing will meet LEED or Built Green certification.

121 V. The agreement requires ground level retail, row houses and shops, and, if
122 determined by the buyer to be economically feasible, the provision of a full service food
123 market. All retail and commercial uses will meet LEED certification.

124 W. The agreement requires that the developer provide the PSA four hundred
125 ninety-one spaces of replacement parking and seventy spaces to support the King Street
126 Station.

127 X. The agreement requires that the developer provide the PSA and FGI early
128 review and comment on the development plans for the North Half Lot, prepare a traffic,
129 circulation and staging study and use the information developed in the study in planning
130 the site layout, design and circulation elements of the project.

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131 Y. In order to ensure that the development complies with the above requirements,
132 the county has inserted contingencies that must be satisfied before closing. The
133 contingencies include ONS obtaining a master use permit for the development, and the
134 King County executive determining that conveyance is appropriate with or without
135 additional or revised conditions consistent with and based on state Environmental Policy
136 Act review, which review will be performed by the city of Seattle as the lead agency in
137 conjunction with review of the development permit applications for the development.

138 Z. The development is consistent with and helps implement the King County
139 Comprehensive Plan, Countywide Planning Policies and the Growth Management Act,
140 all of which call for concentrated infill development in Urban Areas, which makes
141 efficient use of existing and new public facilities and services.

142 AA. The development will help meet the growing need for housing in King
143 County, and will provide the opportunity for the county and the city to obtain affordable
144 housing within a major employment center.

145 BB. The development will help implement the city of Seattle's goals of
146 stimulating housing and related development in Pioneer Square.

147 CC. The development described in the Agreement is supported by the Pioneer
148 Square Community Association.

149 DD. The sale and development of the North Half Lot is consistent with RCW
150 36.102.100(2) because it is not necessary for the site for the stadium and exhibition center
151 as defined in RCW 36.102.010, authorized by chapter 36.102 RCW, the Stadium Act,
152 and now owned and operated by the PSA.

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153 EE. The sale of the property is authorized under K.C.C. 4.56.100.A.7, because it
154 is being sold through a request for proposals for on-site development of affordable
155 housing that provides a public benefit. The sale of the property is also authorized under
156 K.C.C. 4.56.100.A.1, because unique circumstances make a direct sale to ONS in the best
157 interests of the public. Unique circumstances exist because ONS has demonstrated its
158 singular ability to develop the North Half Lot consistent with the RFP and in a manner
159 that harmonizes with the needs of the stakeholders for the North Half Lot and the
160 adjacent stadiums, exhibition center and neighborhoods.

161 SECTION 2. The King County executive is hereby authorized to convey the
162 North Half of the Former Kingdome Parking Lot to North Lot Development, L.L.C.,
163 consistent with a purchase and sale agreement substantially in the form of Attachment A
164 to this ordinance, and to implement the terms of the purchase and sale agreement and
165 execute any documents necessary to carry out such conveyance.

166 SECTION 3. The provisions of K.C.C. 4.56.130 requiring ten percent of the
167 gross sale proceeds to be deposited into the arts and cultural development fund on
168 transactions with gross sale proceeds of two hundred fifty thousand dollars or greater that
169 are to accrue to the current expense fund are waived as related to this purchase and sale.
170 Net proceeds of the sale shall be deposited in the current expense subfund, for purposes

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171 of pursuing options for development, redevelopment or capital improvements either in or
172 around, or both in and around, the King County campus in downtown Seattle.
173

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

ATTEST:

APPROVED this ____ day of _____, ____.

Attachments A. Real Estate Purchase and Sale Agreement

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into as of _____, 2007, by and between **KING COUNTY**, a municipal corporation and political subdivision of the State of Washington (the "Seller") and **NORTH LOT DEVELOPMENT, L.L.C.**, a Delaware limited liability company (the "Buyer").

RECITALS

A. Seller owns that certain real property located in the City of Seattle, County of King, State of Washington, which consists of approximately 167,504 square feet, or 3.85 acres, the legal description of which is attached hereto as **EXHIBIT A** (the "Property").

B. Seller is desirous of selling the Property and Buyer is desirous of purchasing the Property.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, and other valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

ARTICLE 1.
PURCHASE AND TRANSFER OF ASSETS

1.1. PROPERTY TO BE SOLD. Subject to and upon the terms and conditions set forth in this Agreement, Seller shall sell, convey, assign, transfer and deliver to Buyer on the Closing Date (as hereinafter defined in Section 10.1 of this Agreement) and Buyer shall buy, assume and accept from Seller on the Closing Date the following assets and properties:

1.1.1. the Property;

1.1.2. all of the improvements and structures located on the Property, if any;

1.1.3. all of Seller's right, title and interest in and to tangible personal property, if any, owned by the Seller and attached, appurtenant to or used in connection with the Property ("Personal Property");

1.1.4. all of Seller's tenements, hereditaments, easements and rights appurtenant to the Property including but not limited to, all of the Seller's right, title, and interest in and to streets, alleys or other public ways adjacent to the Property, easements for public utilities, all

sewers and service drainage easements, all rights of connection to the sewers, and all rights of ingress and egress, and all leases, licenses, government approvals and permits affecting the Property.

Hereinafter, the items listed in Section 1.1 are collectively referred to as the "Purchased Assets."

ARTICLE 2. PURCHASE PRICE

2.1. PURCHASE PRICE AND PAYMENT. In consideration of the sale, transfer, conveyance, assignment and delivery of the Purchased Assets, Buyer shall, in full payment therefore, pay to Seller on the Closing Date a total purchase price of **Ten Million One Hundred and Ten Thousand Dollars and Zero Cents (\$10,110,000.00)** (the "Purchase Price").

2.2. ALLOCATION OF PURCHASE PRICE. Seller and Buyer agree that the entire Purchase Price is allocable to real property and that the value of the Seller's Personal Property, if any, is *de minimus*.

2.3. EARNEST MONEY. Not later than five (5) days following the Date of this Agreement, Buyer shall deposit with Escrow Agent (defined in Section 10.2 below) a promissory note ("Note") in the sum of Five Hundred Thousand Dollars (\$500,000.00) as the initial earnest money deposit (the "Earnest Money") in the form attached hereto as **EXHIBIT B**. The Earnest Money Note shall be replaced with cash within three (3) business days after the end of the Due Diligence Period or upon notification by Buyer that Buyer has removed Buyer's Contingencies. The Earnest Money, once converted to cash, will be deposited into an interest bearing escrow account by the Escrow Agent at a financial institution approved by Buyer, and all interest accruing thereon shall become a part of the Earnest Money. Except as provided in Section 4.1.5, Earnest Money shall become non-refundable after all Contingencies hereinafter described are satisfied or waived by the parties during the Due Diligence Period (as the same may be extended). Upon closing of this transaction, the Earnest Money shall be credited against the Purchase Price.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

3.1. WARRANTIES AND REPRESENTATIONS OF SELLER. Seller represents and warrants as follows:

3.1.1. Definition of Seller. The Seller is a municipal corporation and subdivision of the State of Washington duly organized, validly existing and in good standing under the laws of the State of Washington. Seller has all requisite corporate power and authority to carry on its business as it is now being conducted in the place where such businesses are now

conducted.

3.1.2. Execution, Delivery and Performance of Agreement, Authority. The execution, delivery and performance of this Agreement by Seller (i) is within the powers of Seller as a municipal corporation, (ii) has been or will be on or before the Closing Date, duly authorized by all necessary action of the Seller's legislative authority, and (iii) does not and will not violate any provision of any law, rule, regulation, order, writ, judgment, decree, agreement or award to which the Seller is a party to or which is presently in effect and applicable to Seller. This Agreement constitutes the legal, valid and binding obligation of Seller enforceable against Seller in accordance with the terms thereof.

3.1.3. Assessments. There is no pending, or to the best of Seller's knowledge, contemplated local improvement district or other special assessment or charge with respect to the Property, except as may be disclosed in the Title Commitment described in Section 4.1 of this Agreement.

3.1.4. Full Disclosure. No representation or warranty by Seller in this Agreement or in any instrument, certificate or statement furnished to Buyer pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact or fail to state a material fact which is necessary to make the statements set forth therein not false or misleading.

3.1.5. No Broker. No broker, finder, agent or similar intermediary has acted for or on behalf of Seller in connection with this Agreement or the transactions contemplated hereby, and no broker, finder, agent or similar intermediary is entitled to any broker's, finder's or similar fee or commission in connection with this Agreement based on an agreement, arrangement or understanding with Seller or any action taken by Seller.

3.1.6. Contracts. There are no contracts or other obligations outstanding for the sale, exchange, transfer, lease, rental or use of the Property or any portion thereof.

3.1.7. Future Agreements. From and after the date hereof, except as set forth herein or unless this Agreement is terminated in accordance with its terms, Seller shall not, without the prior written consent of Buyer, which shall not be unreasonably withheld, delayed or conditioned, enter into any agreement, contract, commitment, lease or other transaction that affects the Property in any way. Seller is authorized to enter into and execute the amendments to the legal descriptions for the Weller Street Bridge Pedestrian Easement, which was recorded under recording number 20061201000126 on 12/01/2006.

3.1.8. Claims. Except as disclosed in writing to Buyer, Seller has not received and Seller has no knowledge of any pending or threatened claims or lawsuits affecting or concerning the Property or that could adversely affect Seller's ability to complete the sale contemplated by this Agreement;

3.1.9. Violations of Law. Seller has received no written notice of, and it has no knowledge of, any violation of any applicable zoning regulation, ordinance or law (including environmental laws) affecting or relating to the use, condition, or occupancy of the Property.

3.1.10. Foreign Person. Seller is not a foreign person and is a "United States Person" as such term is defined in Section 7701 (a) (30) of the Internal Revenue Code of 1986, as amended (the "Code") and shall deliver to Buyer prior to the Closing Date, an affidavit, as set forth in **EXHIBIT C (Certificate of Non-Foreign Status)**, evidencing such fact, and such other documents as may be required under the Code.

3.1.11. Seller's Knowledge. Any and all representations or warranties based on Seller's knowledge are made to and limited by the present, actual knowledge of Bob Thompson, who is an employee King County, and is the Program Manager, Inventory and Sales of the Real Estate Service Section. Bob Thompson has made no inquiries or investigations with respect to Seller's representations and warranties prior to the making thereof and has no duty to undertake the same.

3.1.12. Stadium Agreements and Claim. Seller and Buyer acknowledge the existence of a series of agreements relating to the conveyance to the Washington State Public Stadium Authority ("PSA") by Seller of the land upon which the Qwest Field and Exhibition Center and associated facilities ("Stadium and Exhibition Center") are located, and the retention by Seller of the Property ("Stadium Agreements"), and the related potential claim of the PSA to the Property or against conveyance of the Property by Seller under RCW ch. 36.102 ("Stadium Claim"). The Stadium Agreements are the Agreement and Letter of Intent, dated June 25, 1998, the Agreement on Stadium and Exhibition Center Property Contributions and Reservations of Possessory rights dated September 30, 1998, the Special Use Agreement dated December 11, 1998, the General Assignment of the Special Use Agreement dated April 16, 1999, the First Amendment to Special Use Agreement and Assignment of First Amendment dated January 26, 2000, the Option Agreement for the North Half of the North Lot fully executed as of March 16, 2000, the Memorandum of Option for the North Half of the North Lot dated May 19, 2000, the Statutory Warranty Deed granted by King County to the Washington State Public Stadium Authority dated March 15, 2000, and all documents specifically referenced within these agreements. All matters related to or arising from the Stadium Agreements and Stadium Claim are excluded from the coverage of the representations and warranties of Seller in Sections 3.1.1 through 3.1.11.

3.2. REPRESENTATIONS AND WARRANTIES OF BUYER. Buyer represents and warrants as follows:

3.2.1. Organization. Buyer is a Delaware limited liability company, validly existing and qualified to do business in the State of Washington. The members of Buyer are Opus Northwest, L.L.C., a Delaware limited liability company, and Nitze-Stagen & Co., Inc., a Washington corporation. Buyer is currently, and will remain until the Project, as defined herein,

is completed, financially able to perform all obligations set forth in this Agreement. Buyer has all requisite entity power and authority to purchase the Property and perform its obligations hereunder.

3.2.2. Execution, Delivery and Performance of Agreement, Authority. The execution, delivery and performance of this Agreement by Buyer (i) is within the powers of Buyer as a Delaware limited liability company, (ii) has been or will be on or before the Closing Date, duly authorized by all necessary action of the Buyer's legislative authority, and (iii) does not and will not violate any provision of any law, rule, regulation, order, writ, judgment, decree or award to which the Buyer is a party to or which is presently in effect and applicable to Buyer. This Agreement constitutes the legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with the terms hereof.

3.2.3. Full Disclosure. No representation or warranty by Buyer in this Agreement or in any instrument, document, certificate or statement furnished to Seller pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact or fail to state a material fact which is necessary to make the statements set forth therein not false or misleading.

3.2.4. No Broker. No broker, finder, agent or similar intermediary has acted for or on behalf of Buyer in connection with this Agreement or the transactions contemplated hereby, and no broker, finder, agent, or similar intermediary is entitled to any broker's, finder's or similar fee or commission in connection with this Agreement based on an agreement, arrangement, or understanding with the Buyer or any action taken by the Buyer.

ARTICLE 4. TITLE MATTERS

4.1. TITLE. Seller shall deliver to Buyer good and marketable title, free and clear of all liens, defects and encumbrances except for the Reserved Easements (as described in Section 4.4 of this Agreement), Covenants (as described in Section 4.5 of this Agreement) and Permitted Exceptions (as described in Section 4.1.3 - 4.1.5 of this Agreement).

4.1.1. Title Commitment. Buyer shall obtain a current ALTA form of commitment for an owner's policy of title insurance (the "Title Commitment") issued by First American Title Insurance Company (the "Title Company"), describing the Property, listing Buyer as the prospective named insured and showing as the policy amount the total purchase price for the Property, and shall have a copy of such Title Commitment with legible copies of all documents listed therein delivered by the Title Company to Seller.

4.1.2. Survey. Buyer shall have the option, at its expense, to have prepared and furnished to the Title Company, Buyer and Seller a survey (the "Survey") of the Property

prepared by a licensed public surveyor.

4.1.3. Review of Title Commitment and Survey.

a. Buyer shall have until the later of (a) thirty (30) days after the date this Agreement is fully executed by the parties, and (b) fourteen (14) days after receipt of (i) the last dated Title Commitment with legible copies of all documents listed therein, and (ii) the Survey, if any has been obtained by Buyer (the "Review Period") in which to notify Seller of any objections Buyer has to any matters shown or referred to in the Title Commitment or Survey. Any exceptions or other items that are set forth in the Title Commitment or the Survey and to which Buyer does not object within the Review Period shall be deemed to be permitted exceptions ("Permitted Exceptions"). With regard to items to which Buyer does object within the Review Period, Seller shall notify Buyer within ten (10) days after Seller receives Buyer's notice of objections of any exceptions to the title or items on the Survey which Seller is not willing or able to remove or otherwise resolve, and Buyer may, at Buyer's option, either waive the objections not cured or Buyer may terminate this Agreement by written notice to Seller. Notwithstanding the foregoing, all monetary liens or encumbrances shall be paid by Seller at Closing.

b. Seller and Buyer specifically acknowledge that the existing easement in favor of Seattle City Light, which was recorded under recording number 19990811000621 on August 11, 1999, may create problems for the Project (as hereafter defined in Section 4.5.1), and that the Parties will cooperate in good faith to determine whether an adjustment to this easement may be obtained in order to better accommodate the Project.

4.1.4. Stadium Agreements and Stadium Claim. Notwithstanding the process set forth in Section 4.1.3, Buyer shall have the opportunity, until it removes Buyer's Contingencies under Section 5.1, to evaluate the Stadium Agreements and Stadium Claim referenced in Section 3.1.12 as part of Buyer's due diligence. Upon removal of Buyer's Contingencies, Buyer agrees that the Stadium Agreements and Stadium Claim shall be Permitted Exceptions. Further, upon removal of Buyer's Contingencies, Seller shall thereafter have no liability to Buyer for, and Buyer shall have no recourse against Seller and will waive any claims for, all matters related to or arising from the Stadium Agreements and Stadium Claim. Seller and Buyer agree that compliance with the terms of this Agreement will be deemed by Seller to satisfy the obligations of Seller and Buyer under the terms of the Stadium Agreements. Further, Seller has concluded that the Property is not necessary as part of a site for the stadium and exhibition center as that term is defined in RCW 36.102.010, and the County Council will make a determination to that effect in any Ordinance approving this Agreement.

4.1.5. Challenge to Conveyance If a lawsuit is filed at any time against Seller or Buyer or both Seller and Buyer challenging the conveyance contemplated by this Agreement on any grounds, then each named Party shall vigorously defend the ability of the Parties to carry out the terms of this Agreement and the Project contemplated herein and each Party shall

cooperate with the other in such defense. Seller shall not, however, be required to vigorously defend such a lawsuit to the extent the subject matter of the lawsuit arises from Buyer's failure to comply with the terms of this Agreement and the Deed (if conveyance has occurred), and Seller may seek any remedies available under this Agreement for such failure to comply. If a lawsuit as described in this Section 4.1.5 is filed and a Court enters an order, judgment, or injunction that permanently prohibits or voids the conveyance contemplated by this Agreement and any applicable appeal period has expired without an appeal being filed, then either Party may terminate this Agreement and neither party shall have any further rights or obligations to the other, except that Buyer shall be entitled to a refund of any money paid to Seller prior to such termination, except for any non-refundable extension payment under Section 5.3 of this Agreement for an extension that moved Closing beyond June 30, 2008. Provided, however, that if there is an appeal of such order, judgment, or injunction then each named Party shall continue to vigorously defend and cooperate in the manner required in this Section 4.1.5 prior to such appeal, and the decision to terminate this Agreement must be mutual. All deadlines hereunder shall be extended pending any such appeal and the parties agree to enter into good faith renegotiations of the terms of this Agreement based on the outcome of such appeal. If such lawsuit is filed and a Court temporarily enjoins the conveyance contemplated by this Agreement prior to Closing, then the deadlines for performance under this Agreement shall be extended for the same period of time as the temporary injunction. This Section shall apply notwithstanding the representations and warranties of the Parties in Article 3 of this Agreement, and the non-refundable nature of extension payments described in Section 5.3 of this Agreement. The provisions of this Section 4.1.5 shall also be a Permitted Exception.

4.2. OWNER'S TITLE INSURANCE POLICY. At the closing, Buyer shall receive an extended coverage owner's policy of title insurance to be issued by the Title Company in the full amount of the purchase price, effective as of the Closing Date, insuring Buyer that the fee simple title to the Property is vested in Buyer, subject only to the usual printed exceptions contained in such title insurance policy, to the Permitted Exceptions and such easements and covenants as are agreed to by the Parties as provided by Sections 4.4 and 4.5 of this Agreement and attached to the Deed, and to any other matters approved in writing by Buyer.

4.3. CONVEYANCE. Seller shall convey to Buyer the title to the Property by Statutory Warranty Deed ("Deed"), subject to the Permitted Exceptions and such easements and covenants as are agreed to by the Parties as provided by Sections 4.4 and 4.5 of this Agreement.

4.4. RESERVED EASEMENTS. Seller shall reserve the following easements in the Deed (as defined in Section 4.3 herein):

4.4.1. Transit Easements. Seller shall reserve Transit Easements for bus ingress, egress and through travel and for temporary bus stops on the Second and Third Avenue Extensions on the Property sufficient in scope to allow solely for occasional and short term use, such as that in conjunction with special event service associated with Qwest Field and the Exhibition Center, when use of other nearby streets is not reasonably

available or permitted. In preparing the Transit Easements as required by Section 5.4 of this Agreement, Buyer and Seller shall coordinate with one another to identify the appropriate locations and dimensions of the Transit Easements, which locations and dimensions shall be sufficient to allow the uses authorized by the Transit Easements.

4.4.2. Odor Control Facility Easements. Seller shall reserve an Odor Control Facility Access and Maintenance Easement that will allow access to the Stationmaster's Garden along the Third Avenue Extension and maintenance activities in the portion of the Third Avenue Extension near the Stationmaster's Garden. Seller shall also reserve an Odor Control Facility Utility easement for the installation, operation and maintenance of an underground utility connection within the Third Avenue Extension between King Street and the Stationmasters Garden, and between the Stationmasters Garden and the Weller Street Bridge in the location of the City Light easement in that area. If Closing occurs before December 31, 2007, Seller may also reserve a temporary construction easement over a portion of the Property that will terminate on December 31, 2007.

4.4.3. Fiber Optic Line Easement. Seller shall reserve a Fiber Optic Line Easement that will authorize the installation, operation, maintenance, repair and replacement of the existing underground Fiber Optic Line in the Third Avenue Extension in its current location or an alternative location to be agreed to by the Parties. In preparing the Fiber Optic Line Easement as required by Section 5.4 of this Agreement, Buyer and Seller shall coordinate with one another to identify the appropriate locations and dimensions of the Easement, which locations and dimensions shall be sufficient to allow the uses authorized by the Fiber Optic Line Easement.

4.5. COVENANTS. The Deed (as defined in Section 4.3 herein) shall include the following restrictive covenants, which covenants shall run with the land for the sole benefit of the County and the County's significant interests in land, both fee and easement adjacent to and in the vicinity of the Property. Seller and Buyer agree that the County and its successors in interest shall have standing to enforce these covenants. The covenants shall be enforced with the remedies set forth in Section 12.4 of this Agreement. Buyer and Seller further agree that these covenants may also be enforced by the Parties hereto as a matter of contract through this Agreement, and that these covenants shall be binding obligations on Buyer when this Agreement is fully executed.

Buyer and Seller further agree and declare that the covenants and conditions contained herein shall bind and the benefits shall inure to, respectively, the Buyer and its successors and assigns and all subsequent owners of any portion of the Property or the Project, and to Seller and its successors and assigns, subject to expiration, termination, and modification thereof as specifically provided below. Each and every contract, deed or other instrument hereafter executed conveying any portion or interest in the Property or the Project, including any interest under the Washington Condominium Act, Ch. 64.32 RCW, shall contain an express provision making such conveyance subject to any covenants and conditions of this Agreement which are

then still in effect, provided however, that any such contract, deed or other instrument shall conclusively be held to have been executed, delivered and accepted subject to such covenants and conditions, regardless of whether or not such covenants and conditions are set forth or incorporated by reference in such contract, deed or other instrument. It is declared and agreed in particular that if any condominium is created in any portion of the Property or Project, the Deed and the then applicable covenants shall be attached and incorporated as conditions to the declaration, master lease, or other document creating the condominiums, and to any condominium association by-laws.

Upon satisfaction of any covenant herein Seller shall execute and record a document to memorialize such satisfaction in a form proposed by Buyer and approved by Seller, which approval shall not be unreasonably conditioned, delayed or withheld.

4.5.1. Development Scope. Buyer shall covenant that the development (the "Project") of the Property shall consist of the design, construction, operation and maintenance of a mixed-use development with housing as specified herein, and community friendly, ground level retail, row houses and shops, and, if determined by the Buyer, in the exercise of its best business judgment, to be economically feasible, the provision of a full service food market. All commercial and retail spaces will be designed and constructed to meet LEED Certification. This covenant shall expire upon the completion of the construction of the Project in a manner consistent with the requirements of this Agreement, including without limitation, the development schedule requirements in Section 4.5.11 of this Agreement.

4.5.2. Housing. Buyer shall covenant that the development shall include at least 350,000 gross square feet of housing, not including parking, for multiple income levels and family sizes and include a minimum of 400 housing units, of which a minimum of 200 housing units shall be ownership units. Sixty percent of the development's gross square footage allowable under current zoning, height limits imposed by the Stadium View Corridor in Section 4.5.7 of this Agreement and any easements existing at the time this Agreement is entered into, not including parking, must be housing. If the gross square footage of the development is increased, because of a change in zoning to allow for an increase in the height of buildings within the development, and if Buyer concludes that it is inappropriate to extend the sixty percent housing requirement to the larger development, based on information gained about the site during Buyer's development feasibility analysis, Buyer may present this information to Seller and the City of Seattle and develop the property pursuant to an alternative development plan as to the percentage of the development that must be housing only, provided that such alternative development plan is approved by the King County Executive and the Mayor of the City of Seattle. All housing units in the development must meet either LEED Certification or Built Green Certification at the highest level determined to be economically feasible by Buyer, in the exercise of its best business judgment. This covenant shall expire upon the

completion of the construction of the Project in a manner consistent with the requirements of this Agreement, including without limitation, the development schedule requirements in Section 4.5.11 of this Agreement.

4.5.3. Affordable Housing. Buyer shall covenant that at least 100 of the housing units in the development must be affordable housing, as described below ("Affordable Housing," which includes "Affordable Ownership Units" and "Affordable Rental Units"). This requirement may be achieved through the provision of Affordable Ownership Units, Affordable Rental Units or a combination of both forms of Affordable Housing, to households meeting the following criteria for a period of at least twenty (20) years from initial occupancy of the units:

- a. If the development includes Affordable Ownership Units, the units must be sold to households earning no more than 100% of the annual median income for King County. Affordable Ownership Units must be occupied only as the household's sole primary residence.
- b. If the development includes Affordable Rental Units, the units must be available to households earning no more than 60% of the annual median income for King County.
- c. Median income amounts shall be defined by the HUD Income Guidelines for King County in effect at the time the units are rented or sold.
- d. All Affordable Housing units must have the same basic finish or features as those in non-luxury market rate units. Tenants or owners of Affordable Housing units must have the same access to all facilities and programs, other than parking, as non-luxury market rate tenants. Consistent with the Project's upgrade policy for non-luxury units, all initial purchasers of Affordable Ownership units shall be given the opportunity to upgrade their unit's finish at their expense.
- e. As a guide, Affordable Housing units should be at least: 500 useable square feet if studio, 700 useable square feet if 1 bedroom, 800 useable square feet if 2 bedroom/1 bathroom, 900 useable square feet if 2 bedroom/2 bathrooms, and 1,000 useable square feet if 3 bedrooms. The average size of Affordable Housing studio units should be 550 useable square feet.
- f. At least 35% of the Affordable Housing units shall consist of two or more bedrooms.

4.5.4. Workforce Housing. Buyer shall covenant to provide to the extent, in the exercise of its best business judgment, it determines economically feasible, Workforce Housing units, which may be either Workforce rental or Workforce ownership units. Workforce Housing units shall be rented or sold to households earning no more than 115% of annual median income, which median income shall be determined in the same manner as for Affordable Housing. This covenant shall expire upon the completion of the construction of the Project in a manner consistent with the requirements of this Agreement, including without limitation, the development schedule requirements in Section 4.5.11 of this Agreement.

4.5.5. Public Stadium Authority Parking. Buyer shall covenant to provide to the PSA 491 permanent on-site parking spaces, which number is calculated according to Section 10 of the Agreement and Letter of Intent dated June 25, 1998, to replace PSA's existing parking spaces on the Property, and to provide the PSA temporary on or off-site parking spaces to replace PSA's existing parking spaces to the extent such spaces are displaced during construction. The design and operation of, and form of interest in the permanent replacement parking, and the design and operation of the temporary replacement parking must be acceptable to the PSA. The location of the temporary replacement parking must be acceptable to the PSA if it is not located on the Property. The PSA shall be permanently entitled to the net revenue stream (gross revenue less operation and maintenance costs) for the temporary and permanent replacement parking spaces. This covenant shall run in perpetuity. Buyer may, however, be relieved of complying with some or this entire covenant with the written consent of the PSA.

4.5.6. King Street Station Parking. Buyer shall covenant to provide at least 70 on-site pay-for-parking spaces to be available for use by persons visiting King Street Station. This parking shall be located in the Project and near King Street Station and be readily identifiable to the public. Buyer shall be entitled to retain revenue from this parking. Parking rates shall be set by Buyer and may not exceed market rates for the vicinity. This covenant shall run in perpetuity. Buyer may, however, be relieved of complying with some or this entire covenant with the written permission of the owner of the King Street Station.

4.5.7. Stadium View Corridor. Buyer shall covenant that the development on the Property shall not exceed 70 feet in height, measured in the manner for measuring height required by the applicable portions of Seattle Municipal Code Section 23.86.006 to which Buyer vests in its filing of an application for a master use permit, for a distance of 60 feet on each side of the 90-foot-wide easement on the Second Avenue Extension that is granted to the PSA, unless written approval is obtained from the PSA and First and Goal, Inc. ("FGI") or its successor in interest. This view covenant is intended to provide a view corridor to and from the Stadium located to the South of the Property, which Stadium is owned by the PSA. This covenant shall run in perpetuity.

4.5.8. PSA and FGI Comments. Buyer shall covenant to provide FGI and PSA the right to early review and comment on Buyer's development plans for the North Half Lot. This covenant shall expire upon the completion of the construction of the Project in a manner consistent with the requirements of this Agreement, including without limitation, the development schedule requirements in Section 4.5.11 of this Agreement.

4.5.9. Stadium and Exhibition Center Operations. Buyer shall covenant that it waives any right to complain of noise, lighting, or any other function of a normally operating Stadium and Exhibition Center facility that is in compliance with applicable noise and other regulations, and that this covenant will be included in any lease or deed for housing on the Property. This covenant shall run in perpetuity.

4.5.10. Special Use Agreement. Buyer shall covenant that it shall notify the PSA and FGI to cease use of the Property consistent with section II(A)(5) of the Special Use Agreement dated December 11, 1998 as amended and assigned, and Section 9(c) of the Agreement and Letter of Intent dated June 25, 1998. This covenant shall expire upon the completion of the construction of the Project in a manner consistent with the requirements of this Agreement, including without limitation, the development schedule requirements in Section 4.5.11 of this Agreement.

4.5.11. Development Schedule. Buyer shall covenant that it shall take all reasonable steps to commence development of the Project by July 1, 2008, and that in no event shall it commence construction later than twenty four (24) months after the Closing Date. Buyer shall complete construction of the Project no later than ten (10) years after commencement of construction. Seller acknowledges that the Project will be completed in multiple phases over a period of years. The foregoing deadlines are subject to extension upon prior written approval by Seller; such approval not to be unreasonably withheld, conditioned, or delayed. Seller must receive any request for an extension from Buyer at least ten (10) business days prior to the applicable deadlines. This covenant shall expire upon the completion of the construction of the Project in a manner consistent with the requirements of this Agreement.

4.6. Compatibility.

4.6.1. Buyer shall ensure that the development of the Project and the Project when completed shall be generally compatible with and integrate well with existing and planned land uses in the surrounding area, including pedestrian corridors, transportation corridors, and intermodal transportation connectivity, and specifically shall be compatible with the continuing operation of the Stadium and Exhibition Center owned by the PSA. The Parties anticipate that this requirement of this Agreement shall be complied with through Buyer's or its successors or assigns satisfaction of conditions imposed through regulatory permitting process for the Project.

4.6.2. Circulation Plan and Staging. The North Half Lot is currently used by PSA for parking and, as necessary, by PSA and its tenants for staging for events at the Stadium and Exhibition Center. This Agreement requires Buyer to provide PSA with permanent replacement parking on the Property, in which the design, operation and form of interest in must be acceptable to PSA, and temporary replacement parking, in which the design and operation must be acceptable to PSA. While the replacement parking being provided by Buyer might, in some instances, serve as a staging area, it is not contemplated that it would provide a clear-height staging area.

The amount of future space required for staging for Exhibition Center and Stadium events is difficult to quantify, as is the number of event days each year requiring maximum staging areas. Nonetheless, large consumer and other shows have grown in size and number since the Stadium and Exhibition Center opened and will likely continue to use the Stadium and Exhibition Center after the Property is developed. It is reasonable to expect that the need for clear-height staging for these large shows will increase, not diminish.

Seller has explored with the City of Seattle various options for staging large events using some of the streets in and around the Property, and the City has committed to allowing some event staging on Occidental Avenue South. It is anticipated that the City's commitment will be documented in a "term permit" or other form of long-term approval for the intermittent use of the street for staging. In addition, the City previously committed to Seller to designate S. Royal Brougham Way between the mainline railroad tracks and Occidental Avenue S. as a local access street, if phase II of the SR 519 project is built and the railroad crossing at S. Royal Brougham Way is closed. In such case, the City also committed to work on a street design for this segment of Royal Brougham that would allow use of the street area for event staging.

Nonetheless, such on-street staging may not fully replace the loss of clear-height staging area currently provided by the Property. Overall traffic circulation through and around the Property, the Stadium, and the Exhibition Center, and the entire Pioneer Square and south downtown area must be maintained if the proposed development is to be successful, and if the success of current area uses is to continue. The impacts of traffic and circulation must also be addressed so that businesses, residents, tenants, and uses of the development and surrounding area continue to have access, regardless of whether events are being staged or held at the Stadium and the Exhibition Center.

Therefore, as part of the development, Buyer agrees at its sole expense to prepare a traffic, circulation, and staging study designed to inform Buyer of the traffic and circulation issues that arise during the staging of large events. This study will be prepared early in the design development process so that the staging needs of events at the Stadium

and the Exhibition Center can be understood, alternatives considered, and reasonable measures evaluated during the design process regarding lost clear-height staging. In preparing the study, Buyer and its consultants agree to receive and consider input from the PSA and FGI. The information developed in the course of this study will be used in planning the site layout, design, and circulation elements of the development. Seller is expressly not requiring Buyer to replace the lost staging area. In addition, any accommodations made by Buyer in its development of the Property will be the sole responsibility of Buyer, without recourse to Seller.

4.7. TERMINATION OR INVALIDATION OF STADIUM AGREEMENTS. If the Agreement and Letter of Intent, dated June 25, 1998, the Agreement on Stadium and Exhibition Center Property Contributions and Reservations of Possessory rights dated September 30, 1998, and related agreements are terminated or invalidated by a court of competent jurisdiction prior to Closing, the Parties agree that any and all terms and conditions of this Agreement that derive from or relate to the Stadium Agreements will no longer be required by the Stadium Agreements and may be renegotiated along with the Purchase Price, and that the Parties will in good faith enter into such negotiations upon the written request of either Party.

ARTICLE 5. INSPECTION AND CONTINGENCIES

5.1. BUYER'S DUE DILIGENCE CONTINGENCY. Buyer shall satisfy itself by investigation and inspection, at its cost and expense and in its sole and absolute discretion that the condition of the Property for Buyer's contemplated use and the feasibility of Buyer's intended redevelopment of the Property (including zoning, land use, building code, environmental (including appropriate concurrence from the Department of Ecology to enable development activities which meet the substantive requirements of the Model Toxics Control Act), financial, (leasing and financing matters) meet with its approval, and that Buyer shall be able to obtain a master use permit and building permits for the Buyer's intended development of the Property. If Buyer approves of the condition of the Property and the feasibility of the redevelopment and obtains the permits, Buyer agrees to notify Seller, in writing, thereby removing the contingency ("Buyer's Contingencies"). Buyer shall make such determination on or before the later of: (a) 5:00 pm on March 20, 2008 or (b) the later of thirty (30) days after (i) Seller has removed its contingencies or (ii) the deadline for Seller to remove its contingencies under section 5.2 below ("Due Diligence Period"). In the event this contingency is not satisfied or waived by Buyer within the Due Diligence Period (as the same may be extended pursuant to Section 5.3 below), either Party may terminate this Agreement upon written notice to the other, and neither party shall have any further rights or obligations to the other hereunder.

5.1.1. Inspections. During the Due Diligence Period, Buyer, its designated representatives or agents shall have the right at Buyer's expense to (i) perform any and all tests, inspections, studies, surveys or appraisals of the Property deemed necessary, on any subject, by the Buyer (subject to the limitations set forth below and Section 5.1.2 Right of Entry); (ii) obtain

a Phase I or Phase II Environmental Assessment on the Property and perform any and all tests, inspections and studies deemed necessary therewith; (iii) examine all Due Diligence materials that Buyer may reasonably request from Seller (Seller agrees to deliver to Buyer copies of all such materials that are not subject to attorney-client privilege or that the County is not otherwise prohibited from disclosing by law and Seller shall provide a description of any materials not provided to Buyer by Seller because of attorney-client privilege or because the materials are otherwise prohibited from disclosure by law); (iv) determine to its satisfaction whether approvals, permits and variances can be obtained under applicable land use and zoning codes for Buyer's proposed development of the Property; and (v) determine whether Buyer's proposed development of the Property is economically feasible.

5.1.2. Right of Entry. Buyer and Buyer's designated representatives or agents shall have the right and Seller hereby grants to Buyer and Buyer's designated representatives the right to enter the Property pursuant to a County Special Use Permit, which Seller agrees will be processed and granted in a timely manner, and conduct the tests, investigations and studies set forth in this Article 5, upon three (3) days advance written notice; provided that such right of entry will be limited to those times, dates and activities that will not interfere with the uses that PSA and FGI are authorized to undertake on the Property by the Special Use Agreement dated December 11, 1998, as amended and assigned, and that Buyer shall coordinate its activities with PSA and FGI. Invasive tests of the Property, such as drilling or excavation shall be subject to Seller's prior written approval, which may require issuance of an additional Special Use Permit. Except for invasive tests approved in writing by Seller, the Buyer will not be permitted to undertake activities that damage County property. In connection with such inspections, Buyer agrees to hold harmless, indemnify and defend Seller, its officers, agents and employees, from and against all claims, losses, or liability, for injuries, sickness or death of persons, including employees of Buyer caused by or arising out of any act, error or omission of Buyer, its officers, agents, contractors, subcontractors or employees in entering Seller's property for the above purposes, to the extent not caused by or arising out of any negligent act, error or omission of Seller, its officers, agents and employees.

5.2. SELLER'S DUE DILIGENCE CONTINGENCY. Seller shall satisfy itself by investigation and inspection, at its cost and expense in its sole and absolute discretion that Buyer's development of the Property complies with the conditions contained in Seller's RFP 201-05RLD and addenda, Buyers RFP Response, and the terms and conditions set forth in Sections 4.4, 4.5 and 4.6 herein, that no valid right-of-first refusal under the Stadium Agreements has been asserted, that conveyance is appropriate with or without additional or revised conditions consistent with and based on State Environmental Policy Act review, and that conveyance is appropriate based on review (if any) by the Department of Ecology with regard to compliance with the Model Toxics Control Act. Closing shall not occur until Seller removes or waives this contingency, which shall not occur until Seller determines that this contingency has been satisfied or may be waived based on Buyer having achieved the following conditions:

- 5.2.1.** Buyer shall have received a Master Use Permit authorizing the entire Project from the City of Seattle;
- 5.2.2.** Buyer shall have obtained any necessary zoning change for the Property that raises the permissible height of buildings constructed as part of the Project on the Property to meet the approved design of the Project;
- 5.2.3.** Buyer shall have reached agreement with the PSA for the design and operation of, and form of interest in the permanent replacement parking spaces to be located on the Property;
- 5.2.4.** Buyer shall have reached agreement with the PSA with regard to the design and location and operation of the temporary replacement parking spaces during construction of the Project;
- 5.2.5.** Buyer has provided both PSA and FGI opportunity for early review and comment on the proposed development plans and schedule as provided for in Section 4.5.8; has prepared a traffic, circulation and staging study and has used the information developed in the course of this study in planning the site layout, design, and circulation elements of the Project, as provided for in Section 4.6.2;
- 5.2.6.** Buyer shall have provided to Seller a written notice of ability to proceed demonstrating that it is capable of and will commence construction of the Project in the manner and according to the deadlines set forth in this Agreement and has obtained the financing necessary to do so;
- 5.2.7.** Buyer shall have provided a performance and payment bond, letter of credit, guarantee or other instrument reasonably acceptable to Seller securing the amount of \$ 15 million, adjusted by the Consumer Price Index from the date this Agreement is entered into to the completion of the construction of the Project in a manner consistent with the requirements of this Agreement, to secure payment and performance of the requirements of this Agreement, of any remedies due under this Agreement, and of the indemnification requirements of Section 12.4.4 of this Agreement, which instrument shall not be impaired if Buyer or its successor or assigns files a bankruptcy petition or otherwise becomes insolvent, and which instrument shall be in a form approved by Seller, which approval shall not be unreasonably delayed, conditioned or withheld;
- 5.2.8.** SEPA review for the Project has been completed by the City of Seattle including any administrative appeals associated with such review; and
- 5.2.9.** Seller has obtained a Lot Boundary Adjustment creating a separate parcel for the Property. Seller agrees to apply for the Lot Boundary Adjustment as soon as possible after execution of this Agreement and to diligently prosecute said process to completion.

Seller agrees not to unreasonably withhold its approval of the satisfaction of the foregoing conditions. If Buyer has made reasonable efforts to obtain PSA's approval pursuant to contingencies 5.2.3 and 5.2.4 above, has submitted a proposal for parking in a timely manner that meets the requirements of this Agreement, and has been unable to obtain PSA's approval, Seller

shall remove said contingencies, notwithstanding the lack of such approvals. Seller agrees to notify Buyer, in writing, thereby removing the Seller's Due Diligence Contingency. Seller shall make such determination on or before 5:00 pm on March 20, 2008. In the event this contingency is not satisfied or waived by Seller within the Due Diligence Period, either Party may terminate this Agreement upon written notice to the other, and neither party shall have any further rights or obligations to the other hereunder.

5.3. EXTENSION. The Due Diligence Period may be extended by the Buyer for up to four (4) consecutive 90-day periods upon payment for each such extension of a fee of One Hundred Thousand Dollars (\$100,000.00) (each, an "Extension Payment") into escrow. Extension Payments are non-refundable (except as provided in Section 4.1.5 or in the event of Seller's default) and will be applied to the purchase price. To exercise this extension, Buyer shall give written notice to Seller of the extension not later than two (2) business days before the then-applicable end of the Due Diligence Period. If a requested extension moves the Closing date beyond June 30, 2008, Buyer shall be deemed to have removed Buyer's Contingencies as to the Stadium Agreements and Stadium Claim only, and all provisions of Section 4.1.4 that result from such removal shall be in full force and effect. Seller's deadline for removing Seller's Contingencies shall be extended for the same time period as any extension of the Due Diligence Period.

5.4. DEED, RESERVED EASEMENTS AND COVENANTS CONTINGENCY. Seller and Buyer, within ninety (90) days of executing this Agreement or a longer period as may be agreed to in writing by the Parties, shall have agreed to the form of Deed and Covenants, including without limitation the Affordable Housing Covenants. This period shall, however, be one hundred twenty (120) days for the Reserved Easements referenced in Section 4.4 of this Agreement. In the event this contingency is not satisfied within the time specified, either Party may terminate this Agreement upon written notice to the other, and neither party shall have any further rights or obligations to the other hereunder.

ARTICLE 6.

COVENANTS OF SELLER PENDING CLOSING

6.1. CONDUCT, NOTICE OF CHANGE. Seller covenants that between the date hereof and the Closing Date, Seller shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing Date (except such representations, warranties and matters which relate solely to an earlier date), and all covenants of Seller set forth in this Agreement which are required to be performed by it at or prior to the Closing Date shall have been performed at or prior to the Closing Date as provided for in this Agreement. Seller shall give Buyer prompt written notice of

any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing Date.

ARTICLE 7
COVENANTS OF BUYER PENDING CLOSING

7.1. CONDUCT, NOTICE OF CHANGE. Buyer covenants that between the date hereof and the Closing Date, Buyer shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing Date (except such representations, warranties and matters which relate solely to an earlier date), and that all covenants of Buyer set forth in this Agreement which are required to be performed by it at or prior to the Closing Date shall have been performed at or prior to the Closing Date as provided for in this Agreement. Buyer shall give Seller prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing Date.

ARTICLE 8.
CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS

All obligations of Buyer hereunder are subject to the fulfillment of each of the following conditions at or prior to the Closing Date. These covenants are for the benefit of Buyer, who may waive any or all of them:

8.1. DELIVERY OF DOCUMENTS. Seller shall have delivered to escrow at or prior to Closing all documents required by the terms of this Agreement to be delivered by Seller.

8.2. REPRESENTATIONS, WARRANTIES AND COVENANTS. All representations, warranties and covenants of Seller contained herein or in any document delivered pursuant hereto shall be true and correct in all material respects when made and as of the Closing Date.

8.3. OBLIGATIONS. All obligations required by the terms of this Agreement to be performed by Seller at or before the Closing Date shall have been properly performed in all material respects.

8.4. TITLE. Any and all matters shown or referred to in the Title Commitment to which Buyer has objected within the time specified in Section 4.1, shall have been cured by Seller, unless such objections have been waived by Buyer. The Title Company shall be irrevocably committed to issue the extended coverage owner's title insurance policy as provided herein as of the Closing Date.

8.5. APPROVAL OF COUNSEL. Buyer's counsel shall have approved this document and the transaction provided for herein.

8.6. CONDEMNATION. No portion of the Purchased Assets shall have been taken or damaged by any public or quasi-public body, nor shall any such action be pending, and Seller shall not have transferred any portion of the Purchased Assets to any such body in lieu of condemnation.

8.7. BUYER'S CONTINGENCIES. Buyer shall have satisfied or waived Buyer's Contingencies as provided herein.

ARTICLE 9. CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

All obligations of Seller to close on the Closing Date are subject to the fulfillment of each of the following conditions at or prior to the Closing Date. These covenants are for the benefit of Seller, who may waive any or all of them:

9.1. REPRESENTATIONS, WARRANTIES AND COVENANTS. All representations, warranties and covenants of Buyer contained herein or in any document delivered pursuant hereto shall be true and correct in all material respects when made and as of the Closing Date.

9.2. OBLIGATIONS. All obligations required by the terms of this Agreement to be performed by Buyer at or before the Closing Date shall have been properly performed in all material respects.

9.4. DELIVERY OF DOCUMENTS. Buyer shall have delivered to escrow at or prior to Closing Date all documents required by the terms of this Agreement to be delivered by Buyer.

9.5. TITLE. The Title Company shall be irrevocably committed to issue the extended owner's policy of title insurance for the full amount of the Purchase Price, effective as of the Closing Date, containing no exceptions other than the Permitted Exceptions.

9.6. SELLER'S CONTINGENCIES. Seller shall have satisfied or waived Seller's Contingencies as provided herein.

ARTICLE 10. CLOSING

10.1. CLOSING/CLOSING DATE. The Closing shall take place ten days (or on such later business day as the parties may agree) after Buyer and Seller remove in writing of all Buyer's and

Seller's Contingencies (the "Closing Date").

10.2. ESCROW. Upon execution of this Agreement, the parties agree to set up an escrow account with First American Title Insurance Company, 2121 Fourth Avenue, Suite 800, Seattle, Washington 98121; Attn: Judy Fredrickson (the "Escrow Agent"). The Escrow Agent shall serve as Closing Agent for the transaction contemplated herein and the Closing shall occur in the offices of Escrow Agent in Seattle, Washington. The title, right of possession and interest to the Purchased Assets shall pass to Buyer upon the Closing Date and thereafter the risk of loss thereof shall be the responsibility of Buyer.

10.3. PRORATIONS. All prorations, unless otherwise specifically provided for herein, shall be made as of the Closing Date.

10.3.1. Closing Costs, Seller shall pay the premium and sales tax thereon, for a standard coverage owner's policy of title insurance. Buyer shall pay the additional premium for extended coverage. Seller and Buyer shall each pay one-half of the escrow fees. Buyer shall pay the recording fees for the deed and its own attorneys' fees. Except as otherwise provided in this Section, all other expenses hereunder shall be paid by the party incurring such expenses.

10.3.2. Taxes. Seller is exempt by law from the payment of real property ad valorem taxes, LIDs and assessments ("Taxes") on the Property.

10.4. SELLER'S DELIVERY OF DOCUMENTS AT CLOSING. At the Closing, Seller will deliver to Buyer the following properly executed documents:

10.4.1. Seller's Certificate of Non-Foreign Status substantially in the form of **EXHIBIT C**, attached hereto;

10.4.2. A Statutory Warranty Deed conveying the Property and accompanying excise tax affidavit;

10.4.3. A Bill of Sale and Assignment duly executed by the Seller in the form of **EXHIBIT D**, attached hereto for the Personal Property, if any

10.5. BUYER'S DELIVERY OF DOCUMENTS AND PURCHASE PRICE AT CLOSING. At the Closing, Buyer will deliver to Seller the following:

10.5.1 Cash or immediately available funds in the amount of the Purchase Price.

ARTICLE 11. TERMINATION AND DEFAULT

11.1. TERMINATION BY EITHER PARTY WITHOUT FAULT. Either party may terminate

this Agreement if a condition to its obligation to consummate the transactions contemplated by this Agreement as set forth in Articles 5, 8 and 9 has not been satisfied as of the Closing Date. In that event, if neither party is in default under this Agreement, the parties shall have no further obligations or liabilities to one another and all documents and earnest money delivered into escrow shall be returned to the appropriate party, provided, however, that if termination occurs as a result of a court ruling as described in Section 4.1.5 of this Agreement, the resulting obligations, liabilities and refunds owed between the parties will be as set forth in that Section 4.1.5.

11.2 SELLER'S REMEDIES. Except as provided for in Section 12.4, in the event that the transaction fails to close on account of Buyer's default, the Earnest Money deposit and any Extension Payments made by Buyer shall be forfeited to Seller as the sole and exclusive remedy available to Seller for such failure. The Parties agree that any Extension Payments are not to be considered as part of the Earnest Money deposit for purposes of complying with RCW 64.04.005 because such Extension Payments are for the extension of the Due Diligence Period and are not a part of the purchase price.

11.3 BUYER'S REMEDIES. In the event that the transaction fails to close on account of Seller's default, the Earnest Money Note or Earnest Money deposit, as the case may be, and any Extension Payments shall be returned to Buyer. Buyer shall alternatively be entitled to the remedy of specific performance. These shall be the sole and exclusive remedies available to Buyer for such failure.

ARTICLE 12

CONDITION AND OPERATION OF THE PROPERTY

12.1. DISCLAIMER. Except for the express representations and warranties in Section 3.1 and in the Statutory Warranty Deed, Seller does not make and specifically disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the Purchased Assets and no employee or agent of Seller is authorized otherwise. Without limitation, except as expressly provided in Section 3.1 and the Statutory Warranty Deed, Seller does not make any warranties or representations with respect to the structural condition of the Purchased Assets, the area of land being purchased, the existence or non-existence of any Hazardous Substances or underground storage tanks, or the actual or threatened release, deposit, seepage, migration or escape of Hazardous Substances, from or into the Purchased Assets, and the compliance or noncompliance of the Purchased Assets with applicable federal, state, county and local laws and regulations, including, without limitation, environmental laws and regulations and seismic/building codes, laws and regulations. Seller has not intentionally withheld any material information concerning Hazardous Substances with respect to the Property. For purposes of this Agreement, the term Hazardous Substances shall mean: "hazardous substance" as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"); "hazardous waste" as

defined by the Resource Conservation and Recovery Act of 1976 ("RCRA") as amended; hazardous wastes, hazardous materials, hazardous substances, toxic waste, toxic materials, or toxic substances as defined in state or federal statutes or regulations; asbestos-containing materials, polychlorinated biphenyls; radioactive materials, chemicals known to cause cancer or reproductive toxicity; petroleum products, distillates or fractions; any substance the presence of which is prohibited by statute or regulation; and any substance for which any statute or regulation requires a permit or special handling in its use, collection, storage, treatment or disposal.

12.2. CONDITION OF PROPERTY AND RELEASE. Buyer acknowledges that, within the Due Diligence Period, it will have conducted a physical inspection and made all investigations Buyer deems necessary in connection with its purchase of the Purchased Assets. Upon waiver or satisfaction by Buyer of its contingencies pursuant to Article 5, Buyer will be deemed to have approved the physical condition of the Property and, subject to the express representations and warranties contained in Section 3.1 of this Agreement or the Statutory Warranty Deed, agrees to accept and purchase the same "AS IS, WHERE IS", including, without limitation, the existence or non-existence of any pollutants, contaminants, hazardous waste, dangerous waste, toxic waste, underground storage tanks or contaminated soil, or the actual or threatened release, deposit seepage, migration or escape of such substances at, from or into the Property and the compliance or noncompliance of the Property with applicable federal, state, county and local laws and regulations including, without limitation, environmental laws and regulations. Buyer acknowledges and agrees that, except to the extent of Seller's express representations and warranties in Section 3.1 of this Agreement or the Statutory Warranty Deed, and, except to the extent of any fraud or misrepresentation by Seller, Seller shall have no liability for, and that Buyer shall have no recourse against the Seller for, any defect or deficiency of any kind whatsoever in the Property including without limitation those relating to Hazardous Substances, without regard to whether such defect or deficiency was discovered or discoverable by the Buyer.

Following the Closing Date, except to the extent of Seller's express representations and warranties in Section 3.1 of this Agreement or in the Statutory Warranty Deed and, except to the extent of any fraud or deliberate misrepresentation by Seller, Buyer shall be deemed to have released Seller from all claims, liability and damages arising from the condition of the Purchased Assets, including its environmental condition, except that nothing in this agreement shall be deemed to waive any statutory claim for contribution that Buyer might have against Seller under federal or state environmental statutes that arises from hazardous materials deposited or released on the Property during Seller's period of ownership. This paragraph shall survive closing and be binding upon and benefit the successors and assigns of both parties.

12.3. PROPERTY ACQUISITION AND DEVELOPMENT. As between Buyer and Seller, Buyer shall be responsible for all of its costs associated with the acquisition of the Property and for all costs of development of the Property, including without limitation responsibility for all land use approvals, permits, site plan approvals, environmental approvals, and any other governmental approvals necessary for Buyer to develop and construct on the Property with the exception of the Boundary Line Adjustment, which will be the responsibility of the Seller.

12.4. DEVELOPMENT REQUIREMENT. In the development of the Property, Buyer, its successors, designees, and assigns, shall adhere, both as a matter of contract under this Agreement and as a matter of compliance with the easements and covenants in the Deed, with all the terms and conditions contained in the requirements of Sections 4.4, 4.5 and 4.6 of this Agreement, which together are referenced as the "Development Requirements."

12.4.1. Notwithstanding the limitations on remedies set forth in Article 11 of this Agreement, Seller, its successors, designees or assigns shall have the following remedies against Buyer, its successors, designees or assigns for any material violation of the Development Requirements:

(a) **Default.** If Buyer fails to observe or perform any of the terms, conditions, obligations, restrictions, covenants, representations or warranties of the Development Requirements, and if such noncompliance is not corrected as provided herein, then such noncompliance shall be considered an event of default and the following shall occur:

(b) **Seller's remedies.** Except as to the matters discussed in subsection (d) below, Seller shall be entitled to all remedies in law or in equity against Buyer, including without limitation to: 1) compel specific performance by Buyer of its obligations under this Agreement, 2) to restrain by injunction the actual or threatened commission or attempt of a breach of the Development Requirements and to obtain a judgment or order specifically prohibiting a violation or breach of the Development Requirements and 3) an award of damages resulting from violation of the Development Requirements. In seeking any equitable remedies, Seller shall not be required to prove or establish that Seller does not have an adequate remedy at law. Buyer hereby waives the requirement of any such proof and acknowledges that Seller would not have an adequate remedy at law for Buyer's breach of the Development Requirements.

(c) **Liquidated damages - affordable housing.** In the alternative to the remedies set forth in Section 12.4.1(b), Seller may in its sole discretion elect to obtain liquidated damages for the breach of the Affordable Housing Development Requirements. The Parties recognize and agree that the purchase of the Property was discounted in consideration of Seller's requirement that the Project include a minimum number of Affordable Housing units. In the event Buyer fails to timely construct or maintain the minimum number of required Affordable Housing units, Buyer shall forfeit and pay liquidated damages to the Seller. Those damages shall be applied on a per unit basis, with the base value on the date of the execution of this Agreement of \$72,000 per unit. On the date of default this base value shall be adjusted through application of the Consumer Price Index on an annual, compounded basis for the time between execution of this Agreement and the date of default. Liquidated damages on a per unit basis shall then be calculated by multiplying the dollar amount that equals five (5) percent of the adjusted base value by the number of years of the twenty (20) year Affordable Housing requirement that remain to be fulfilled, and adding the resulting amount to the adjusted base value. Such amount represents liquidated damages and does not constitute a penalty. Such amount is a reasonable estimate of the amount of damages Seller will suffer as a result of a breach of the Affordable Housing

Development Requirements, and is fixed by the Parties due to the likely difficulty of determining actual damages.

(d) Liquidated damages - public stadium authority parking covenant. Seller shall, as its sole remedy for the breach of the Public Stadium Authority Parking Development Requirements after Closing obtain liquidated damages as provided herein and obtain the protection of section 12.4.4(a) of this Agreement. The Parties recognize and agree that the purchase of the Property was discounted in consideration of Seller's requirement that Buyer covenant to provide the PSA on-site parking spaces as more fully set forth in Section 4.5.5. In the event Buyer fails to timely construct or maintain the required permanent parking spaces, Buyer shall forfeit and pay liquidated damages to the Seller. Those damages shall be applied on a per parking stall basis, with the base value on the date of the execution of this Agreement of \$15,000 per stall. On the date of default this base value shall be adjusted through application of the Consumer Price Index on an annual, compounded basis for the time between execution of this Agreement and the date of default. Liquidated damages on a per stall basis shall be the resulting amount. Such amount represents liquidated damages and does not constitute a penalty. Such amount is a reasonable estimate of the amount of damages Seller will suffer as a result of a breach of the Public Stadium Authority Parking Development Requirements, and is fixed by the Parties due to the likely difficulty of determining actual damages.

12.4.2. Before Seller pursues a remedy against Buyer for breach of the Development Requirements, Seller shall provide written notice specifying the default to Buyer. Buyer shall thereafter have a thirty (30) day period to cure such default (or if such default is not capable of cure within thirty (30) days, such additional period as is reasonably necessary for Buyer to complete such cure, provided that Buyer commences cure within such thirty (30) day period and thereafter diligently pursues it to completion). Said period of cure shall not, however, be provided with regard to a breach of the Development Schedule Development Requirements set forth in Section 4.5.11.

12.4.3. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of the Seller to enforce the same or obtain relief against or recover for the continuation or repetition of such breach or violation or any other breach or violation thereof at any later time or times.

12.4.4. Indemnification - other project covenants. In addition to and separate from the remedy provisions in 12.4.1- 12.4.3, Buyer, its successors, designees and assigns, agrees to protect, defend, indemnify and hold harmless the Seller, its officers, officials, employees and agents, from any and all claims, demands, suits, penalties, losses, damages, judgments or costs of any kind whatsoever, arising out of or in any way resulting from a failure of Buyer, its successors, designees and assigns to wholly or partially comply with the following Development Requirements:

- (a) The Public Stadium Authority Parking requirement in Section 4.5.5 of this Agreement;
- (b) The King Street Station Parking requirement in Section 4.5.6 of this Agreement;
- (c) The Stadium View Corridor requirement in Section 4.5.7 of this Agreement;
- (d) The Stadium and Exhibition Center Operations requirement in Section 4.5.9 of this Agreement;
- (e) The Special Use Agreement requirement in Section 4.5.10;
- (f) The Compatibility and the Circulation Plan and Staging requirements in Section 4.6 of this Agreement;
- (g) The PSA and FGI Comments requirement in Section 4.5.8 of this Agreement;
- (h) The Development Scope Requirement in Section 4.5.1 of this Agreement; and
- (i) The Housing Requirement in Section 4.5.2 of this Agreement.

12.4.5. Any of the deadlines set forth in this Section 12.4 shall be extended by reason of Force Majeure. Buyer shall not be deemed to be in default with regard to performance of the Development Requirements for delays caused by actions beyond the control and without the fault of Buyer ("Force Majeure"), including without limitation, delays to performance due to war, acts of terrorism, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, major casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, weather or soils conditions resulting from weather that necessitate delays, provided that the lack of funds or financing of Buyer is not a cause beyond the control or without the fault of Buyer.

12.5. RISK OF LOSS. Until the Closing Date, the risk of loss relating to the Property shall rest with the Seller. Risk of loss shall be deemed to include any property damage occurring as a result of casualty, including, but not limited to, fire, earthquakes, tremors, wind, rain or other natural occurrence or other Acts of God. If such casualty occurs, Buyer may elect to terminate this Agreement pursuant to Section 11.1, provided, that if Buyer elects to terminate Seller shall be given a reasonable opportunity to cure such damage or to reasonably adjust the Purchase Price to reflect such property damage. Notice of an election to terminate under this section shall be provided in writing consistent with Section 13.4.

**ARTICLE 13.
MISCELLANEOUS PROVISIONS**

13.1. NATURE AND SURVIVAL OF REPRESENTATIONS AND WARRANTIES. Each statement, representation, warranty, indemnity, covenant, and agreement made by Seller and Buyer in this Agreement or in any document, certificate or other instrument delivered by or on behalf of Seller or Buyer pursuant to this Agreement or in connection herewith shall be deemed the representation, warranty, indemnity, covenant and agreement of Seller and Buyer and shall survive the Closing Date unless a different time period is expressly provided for in this Agreement and all such statements are made only to and for the benefit of the parties hereto, and shall not create any rights in other persons.

13.2. TIME IS OF THE ESSENCE. Time is of the essence in the performance of this Agreement.

13.3. NOTICES. Any and all notices or other communications required or permitted to be given under any of the provisions of this Agreement shall be in writing and shall be deemed to have been duly given upon receipt when personally delivered or sent by overnight courier or two (2) days after deposit in the United States mail if by first class, certified or registered mail, return receipt requested. All notices shall be addressed to the parties at the addresses set forth below or at such other addresses as any parties may specify by notice to all other parties and given as provided herein:

If to Buyer: Thomas B. Parsons
Senior Vice President and General Manager
Opus Northwest, L.L.C.
13920 S.E. Eastgate Way, Suite 250
Bellevue, WA 98005

With a copy to: Brad J. Osmundson
General Counsel
Opus Northwest, L.L.C.
10350 Bren Road West
Minnetonka, MN 55343

And to: Kevin Daniels
President
Nitze-Stagen & Co., Inc.
2401 Utah Avenue South, Suite 305
Seattle, WA 98134

If to Seller: Bob Thompson

Real Estate Services Section
Facilities Management Division
Department of Executive Services
King County Administration Building
500 Fourth Avenue, Room 500
Seattle, WA 98104-2337

With a copy to: King County Prosecuting Attorney
Attn: Pete Ramels
400 King County Courthouse
516 Third Avenue
Seattle, WA 98104

13.4. ENTIRE AGREEMENT AND AMENDMENT. This writing (including the exhibits attached hereto) constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be modified or amended except by a written agreement specifically referring to this Agreement and signed by all parties hereto.

13.5. SEVERABILITY. In the event any portion of this Agreement shall be found to be invalid by any court of competent jurisdiction, such holding shall not impact or affect the remaining provisions of this Agreement unless that court of competent jurisdiction rules that the principal purpose and intent of this contract should and/or must be defeated, invalidated or voided.

13.6. WAIVER. No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any prior or subsequent breach or default.

13.7. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of each party hereto, its successors and assigns.

13.8. LEGAL RELATIONSHIP. The parties to this Agreement execute and implement this Agreement solely as Seller and Buyer. No partnership, joint venture or joint undertaking shall be construed from this Agreement.

13.9. CAPTIONS. The captions of any articles, paragraphs or sections contained herein are for purposes of convenience only and are not intended to define or limit the contents of said articles, paragraphs or sections.

13.10. COOPERATION. Prior to and after the Closing Date the parties shall cooperate, shall take such further action and shall execute and deliver further documents as may be reasonably requested by the other party in order to carry out the provisions and purposes of this Agreement.

13.11. GOVERNING LAW. This Agreement and all amendments thereof shall be governed by and construed in accordance with the laws of the State of Washington applicable to contracts made and to be performed therein, without giving effect to its conflicts of law provisions.

13.12. NON-MERGER. The terms and provisions of this Agreement will not merge in, but will survive, the Closing of the transaction contemplated under this Agreement.

13.13 ASSIGNMENT. Buyer shall not assign this Agreement or any rights hereunder without Seller's prior written consent, which shall not be unreasonably withheld in the case of Buyer assigning the Agreement to a limited liability company or other entity of which Buyer is a member so long as the assignee agrees to be bound by the terms and provisions of this Agreement and demonstrates that it is financially able to perform the terms and provisions of this Agreement.

13.14. NEGOTIATION AND CONSTRUCTION. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either party. All parties acknowledge and represent, as an express term of this Agreement, that they have had the opportunity to obtain and utilize legal review of the terms and conditions outlined in this Agreement, although each party must determine if they wish to obtain and pay for such legal review. Each party shall be and is separately responsible for payment of any legal services rendered on their behalf regarding legal review of the terms found in this Agreement.

13.15. VENUE. In the event of any litigation hereunder, the Superior Court of King County, Washington shall have the exclusive jurisdiction and venue.

13.16. THIRD PARTY BENEFICIARIES. This Agreement is made and entered into for the sole protection and benefit of the parties hereto. No other person or entity shall have any right of action or interest in this Agreement based on any provision set forth herein.

13.17. TERMINATION OF OFFER: Buyer's offer to acquire the Property under the terms of this Agreement as evidenced by Buyer's execution of this Agreement shall terminate if not accepted by Seller through Seller's execution of this Agreement on or before July 1, 2007, unless that date is extended by Buyer.

13.18. EXHIBITS. The following Exhibits described herein and attached hereto are fully incorporated into this Agreement by this reference:

EXHIBIT A

Legal Description of Property

EXHIBIT B
EXHIBIT C
EXHIBIT D

Form of Earnest Money Promissory Note
Certificate of Non-Foreign Status
Bill of Sale and Assignment

[Signatures of the Parties Appear on the Following Page]

EXECUTED as of the date and year first above written:

SELLER:

**KING COUNTY, a political subdivision
of the State of Washington**

Name: _____

Its: _____

APPROVED AS TO FORM:

By _____
Deputy Prosecuting Attorney

BUYER:

**NORTH LOT DEVELOPMENT, L.L.C., a
Delaware limited liability company**

By: Opus Northwest, L.L.C., a member

Name: _____

Its: _____

By: Nitze-Stagen & Co., Inc., a member

Name: _____

Its: _____

EXHIBIT A

Property Legal Description

SALE AREA OF KING COUNTY OWNED NORTH PARKING LOT:
THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHWEST
QUARTER OF SECTION 5, TOWNSHIP 24 NORTH, RANGE 4 EAST, W.M., BEING
A PORTION OF LOTS 1 THROUGH 5, INCLUSIVE, BLOCK 285, AND LOTS 1
THROUGH 5, INCLUSIVE, BLOCK 325, SEATTLE TIDE LANDS, AS SHOWN ON
THE OFFICIAL MAPS OF THE SEATTLE TIDE LANDS, IN VOLUME 2, PAGES 29
THROUGH 32, INCLUSIVE, IN OLYMPIA, WASHINGTON;
BEGINNING AT THE NORTHWEST CORNER OF THAT TRACT OF LAND
SURVEYED AND RECORDED IN BOOK 190 AT PAGE 144, RECORDS OF KING
COUNTY, WASHINGTON;
THENCE S 88°46'29" E, A DISTANCE OF 673.45 FEET ALONG THE NORTH LINE
OF SAID TRACT;
THENCE S 01°1 1'53" W, A DISTANCE OF 60.00 FEET ALONG SAID TRACT;
THENCE S 88°48'07" E, A DISTANCE OF 30.14 FEET ALONG SAID TRACT;
THENCE S 01°13'32" W, A DISTANCE OF 180.92 FEET TO A POINT ON THE
SOUTH LINE OF LOT 4 AS ADJUSTED BY CITY OF SEATTLE LOT BOUNDARY
ADJUSTMENT NUMBERS 9806720 AND 9806721, AS RECORDED IN BOOK 129
AT PAGE 74, RECORDS OF KING COUNTY, WASHINGTON;
THENCE N 88°44'35" W, A DISTANCE OF 703.25 FEET ALONG SAID ADJUSTED
BOUNDARY LINE;
THENCE N 01°08'15" E, A DISTANCE OF 240.51 FEET ALONG THE WEST LINE
OF SAID TRACT TO THE POINT OF BEGINNING.
CONTAINING APPROXIMATELY 167,513 SQUARE FEET (3.85 ACRES). SITUATE IN
THE COUNTY OF KING, STATE OF WASHINGTON.

[Buyer and Seller agree that this legal description may be adjusted based on the Lot Boundary Adjustment to be obtained by Seller]

End of Legal Description.

EXHIBIT B

Form of Earnest Money Promissory Note

PROMISSORY NOTE

\$500,000.00

Dated: _____, 2007
Bellevue, Washington

FOR VALUE RECEIVED, the undersigned, North Lot Development, L.L.C., a Delaware limited liability company (“**Maker**”), hereby promises to pay to the order of FIRST AMERICAN TITLE INSURANCE COMPANY (“**Holder**”), 2121 Fourth Avenue, Suite 800, Seattle, Washington 98121, the principal sum of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00), payable in accordance with that certain Real Estate Purchase and Sale Agreement dated _____, 2007 with King County as Seller (the “**Agreement**”).

Maker promises to pay all costs, expenses and attorneys’ fees incurred by Holder in the exercise of any remedy (with or without litigation) under this Note in any proceeding for the collection of the debt evidenced by this Note, or in any litigation or controversy arising from or connected with this Note.

This Note shall be construed according to the laws of the State of Washington and pursuant to the terms and conditions of the Agreement.

Time is of the essence of this Note and each and every term and provision hereof.

MAKER:

NORTH LOT DEVELOPMENT, L.L.C.

By: _____

Its: _____

EXHIBIT C

FIRPTA Affidavit

Certificate of Non-Foreign Status.

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. To inform the transferee that withholding of tax is not required upon the disposition of a United States real property interest by **KING COUNTY** ("Transferor"), the undersigned hereby certifies the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations); and
2. Transferor's United States employer identification number is 91-6001327; and
3. Transferor's office address is King County Facilities Management Division, Asset Development and Management Section, Room 500 King County Administration Building, 500 Fourth Avenue, Seattle, WA 98104

Transferor understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

DATED this _____ day of _____, 2004.

TRANSFEROR:

KING COUNTY

By _____

Title _____

EXHIBIT D

BILL OF SALE AND ASSIGNMENT

THIS BILL OF SALE is made as of this _____ day of _____, 200__, by KING COUNTY ("Seller"), in favor of North Lot Development, L.L.C., a Delaware limited liability company ("Buyer"), with reference to the following facts.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Seller does hereby absolutely and unconditionally give, grant, bargain, sell, transfer, set over, assign, convey, release, confirm and deliver to Buyer all of Seller's right, title and interest in and to any and all equipment, furniture, furnishings, fixtures and other tangible personal property owned by Seller that is attached, appurtenant to or used in connection with the real property legally described on the attached **EXHIBIT A** .

Seller represents and warrants that it is the sole owner of, and has good title to, such personal property, and has full right and authority to transfer and deliver the same, and will defend the sale hereby against each and every person claiming otherwise.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale as of the date first above written.

SELLER:

By: _____

Its: _____



King County

KING COUNTY

Signature Report

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

April 26, 2007

Ordinance

Proposed No. 2007-0276.1

Sponsors Constantine and Gossett

1 AN ORDINANCE making a supplemental appropriation
 2 of \$144,000 to the building repair and replacement fund
 3 for the purpose of implementing a proposed purchase and
 4 sale agreement of the North Kingdome Parking Lot
 5 Property, including participating, facilitating and
 6 monitoring the predevelopment process, coordinating
 7 with stakeholders, and miscellaneous consulting services;
 8 and amending the 2007 Budget Ordinance, Ordinance
 9 15652, Sections 45 and 119, as amended.

10
11
12 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

13 SECTION 1. Findings:

14 A. The county has entered into or will soon enter into a purchase and sale
 15 agreement with North Lot Development, L.L.C., to sell the North Half of the former
 16 Kingdome Parking Lot for redevelopment into housing and other mixed commercial uses.

Ordinance

17 B. Substantial efforts will be required as between the county and the buyer of this
18 property, including: participating in the application for, monitoring and facilitating the
19 Master Use Permit and environmental review process; tracking, implementing and
20 assuring performance under the purchase and sale agreement; and coordinating with
21 stakeholder groups; and administering the zoning and entitlement process with the city of
22 Seattle.

23 SECTION 2. CIP CX TRANSFERS – Ordinance 15652, Section 45, as amended
24 is hereby appropriated to:

25 CIP CX transfers \$144,000

26 SECTION 3. Ordinance 15652, Section 119, as amended is hereby amended by
27 adding thereto and inserting the following: from the several capital improvement project
28 funds there are hereby appropriated and authorized to be disbursed the following amounts
29 for the specific project identified in Attachment A to this ordinance.

30	Fund	Fund Name	Amount
31	3951	BUILDING REPAIR AND REPLACEMENT SUBFUND	\$144,000

32 SECTION 4. Attachment A to this ordinance hereby amends Attachment B to

Ordinance

33 Ordinance 15652, as amended, by adding thereto and inserting therein the project listed
34 in Attachment A to this ordinance.

35

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Larry Gossett, Chair

ATTEST:

Anne Noris, Clerk of the Council

APPROVED this ____ day of _____, _____.

Ron Sims, County Executive

Attachments A. General Government Capital Improvement Program

2007-276

Attachment A: General Government Capital Improvement Program

Fund	Project	Description	2007	2008	2009	2010	2011	2012	2007 - 2012
3951		Building Modernization Construction							
	395770	North Lot Project Management/Consultants	144,000	-	-	-	-	-	144,000
		Total Fund 3951	144,000	-	-	-	-	-	144,000
		Total General Government CIP - Att. A	144,000						

60-

**AGREEMENT
STADIUM AND EXHIBITION CENTER
PROPERTY CONTRIBUTIONS AND RESERVATION OF POSSESSORY RIGHTS
BETWEEN
KING COUNTY, WASHINGTON
AND
THE WASHINGTON STATE PUBLIC STADIUM AUTHORITY**

WHEREAS, pursuant to Section 106(1), Chapter 220, Laws of 1997 (the "Stadium Legislation"), the Washington State Public Stadium Authority ("PSA") was granted the authority, in consultation with the team affiliate for the Seattle Seahawks, First & Goal Inc. ("FGI"), to determine the site for a stadium and exhibition center ("stadium and exhibition center") consisting of an open-air stadium suitable for National Football League football and Olympic and World Cup soccer, exhibition facilities, associated parking facilities, and other ancillary facilities; and

WHEREAS, in consultation with FGI, the PSA has determined, through the adoption of Resolution No. 43 on April 30, 1998, that the site for such stadium and exhibition center shall be that site currently occupied by the King County Domed Stadium ("Kingdome") and associated Exhibition Pavilion ("Exhibition Pavilion"), owned and operated by King County ("County") in Seattle, Washington; and

WHEREAS, pursuant to Section 109(2) of the Stadium Legislation the County is required to "assemble such real property and associated personal property" as the PSA and the County "mutually determine to be necessary as a site for the stadium and exhibition center"; and

WHEREAS, pursuant to that same Section 109(2), property mutually determined necessary for this purpose that was owned by the County on or after the effective date of such legislation in July 1997 must be contributed to the PSA; and

WHEREAS, pursuant to Section 102(1) of the Stadium Legislation, the County and the predecessor of Football Northwest LLC ("FNW") entered into that certain Agreement and Letter of Intent between the County and FNW dated June

30, 1997, whereby the County agreed to assemble and contribute such property mutually determined to be necessary in the event the Kingdome site was determined to be the site for the stadium and exhibition center, subject to certain conditions precedent set forth in such Agreement and Letter of Intent; and

WHEREAS, such conditions precedent include: (i) Satisfaction of all of the conditions of Section 210(2) of the Stadium Legislation, provided that the transfer of any such property may be pursuant to escrow arrangement to the extent such transfer itself is required in order to satisfy any of the conditions set forth in such section; (ii) Transfer of any such property shall be subject to the terms of any existing use agreements then in effect; (iii) The PSA shall have entered into an agreement with the County adequately mitigating the fiscal impact to the County's current expense, transit and stadium funds; and (iv) Transfer of any such property that constitutes a portion of the Kingdome site shall not prohibit or substantially limit the County's ability to continue to operate County-owned facilities associated with such property under a use permit(s); and

WHEREAS, pursuant to Section 210(1) of the Stadium Legislation, the proceeds from the issuance of general obligation bonds of the state of Washington may be used, in part, to reimburse the County for its direct or indirect expenditures incurred by the County in connection with the transfer of property necessary for the stadium and exhibition center; and

WHEREAS, the PSA and the County acknowledge that the County has made certain direct and indirect expenditures, and expects to make certain additional direct and indirect expenditures, in connection with the transfer of property necessary for the stadium and exhibition center; and

WHEREAS, the County owns certain real property at the Kingdome site legally described in Exhibit A attached hereto ("County Property"), and for purposes of this Agreement deemed to consist of the following parcels as designated on attached Exhibit B: the South Parking Lot ("South Lot"); the Exhibition Pavilion Parcel ("Pavilion Parcel"); the Kingdome Parcel, including the south half of the North Parking Lot ("Kingdome Parcel"); and the north half of the North Parking Lot ("North Half Lot"); and

*Johnson
Buildings
not part
of K.
parcel*

WHEREAS, the PSA and the County have mutually determined that certain real property and associated personal property owned by the County on or after July 1997 is necessary for the stadium and exhibition center to be constructed at the Kingdome site, and have entered into that certain Agreement and Letter of Intent ("Letter of Intent"), by and among the County, the PSA, FGI, FNW, the City of Seattle ("City"), and the Washington State Department of Transportation ("WSDOT"), dated June 25, 1998 and attached hereto as Exhibit C; and

WHEREAS, the PSA and the County wish to provide more specifically herein for (a) the assembly of such property and for its timely contribution to the PSA subject to the terms and conditions set forth herein; (b) the reservation by the County of certain rights of possession in portions of such property; and (c) the reimbursement to the County for its direct and indirect expenditures related to the transfer of property for the stadium and exhibition center;

NOW, THEREFORE, the PSA and the County mutually covenant and agree as follows:

1. Contribution of Real Property to PSA.

1.1 The County has assembled the following real property for contribution to the PSA as provided for herein.

1.2 The North Half Lot was not mutually determined to be necessary as a site for the stadium and exhibition center and the County will retain ownership of the North Half Lot under the terms provided for herein. The PSA relinquishes all rights and interest in the North Half Lot, except as provided in Section 3.3 and Section 5 below, and except as provided in the Letter of Intent (Exhibit C). (X)

1.3 Subject to the terms and conditions of this Agreement and the Letter of Intent (Exhibit C), the conditions set forth in Section 1.4 below, the Reservation of Possessory Rights by the County as set forth in Section 4 below, and the current and prospective title encumbrances set forth in Sections 1.5 and 1.6 below, the County shall transfer by warranty deed any title, interest or claim which the County may have in the South Lot, the Pavilion Parcel and the Kingdome Parcel to the PSA.

1.4 The County shall deliver to the PSA the required warranty deed to the South Lot, the Pavilion Parcel and the Kingdome Parcel no later than fourteen (14) days after satisfaction of the following conditions to transfer ("Date of Conveyance"):

1.4.1 The County and the PSA agree and acknowledge that the County Property must be reconfigured as shown on Exhibit B, which Exhibit is incorporated herein by this reference, to establish the South Lot, the Pavilion Parcel and the Kingdome Parcel collectively as one or more legal lots. The PSA agrees at its sole cost and expense to obtain governmental approval of a subdivision, short subdivision, lot line adjustment, binding site plan, or such other approval as may be required to (i) create and establish the South Lot, the Pavilion Parcel and the Kingdome Parcel collectively as one or more legal lots, the occurrence of which shall be a condition to transfer of the South Lot, the Pavilion Parcel and the Kingdome Parcel to the PSA, and (ii) create and establish the North Half Lot as one or more legal lots. The County, as owner of the County Property, hereby authorizes the PSA to make application for such governmental approval and agrees to cooperate with the PSA's efforts to obtain such approval.

1.4.2 FGI shall provide written assurance satisfactory to the County that (1) all rights to the Credit, as defined in that certain Consent to Assignment and Amendment of Use Agreement dated January 7, 1997, and subsequently amended on July 31, 1997 pursuant to King County Ordinance No. 12807 (the "Football Use Agreement"), have been released by FNW and "FNWA", except as provided in the Letter of Intent, and (2) all rights to the office building options granted by the County in the Football Use Agreement have been released by FNW. FGI's obligation to provide written assurance as described in this subsection 1.4.2 shall be conditioned on the occurrence of the following, as set forth in the Letter of Intent (Exhibit C): (i) County, City or PSA acquisition by lease or other means of unconditional access to and use of the Washington State Department of Transportation parcels in the Royal Brougham Way corridor, and subsequent assignment of such rights to the PSA; (ii) City of Seattle provision to the PSA of the right to cross railroad tracks at Royal Brougham Way for purposes of event staging at the new stadium and exhibition center; (iii) County execution of an option and

right of first refusal with FGI for development of the North Half Lot; and (iv) County execution of an option with FGI for purchase of the Johnson Building. In addition, FGI's obligation to provide written assurance under this subsection 1.4.2 shall be conditioned upon delivery of the warranty deed to the PSA as provided in this Agreement.

1.4.3 Delivery of the warranty deed to the PSA for the purposes set forth in this Section 1 is conditioned only on the provisions set forth in Subsections 1.4.1 and 1.4.2, above. The County shall not limit the purposes for which the PSA is authorized under the Stadium Legislation to use the property conveyed by the warranty deed, and shall not impose additional conditions or requirements on such uses of the property.

1.5 Except as provided herein, the County agrees that any title or interests in the South Lot, the Pavilion Parcel and the Kingdome Parcel transferred to the PSA shall be free of monetary encumbrances. For purposes of this Agreement, "monetary encumbrance" means any obligation, debt, security interest, lien or other claim or interest of any kind that by its terms can be satisfied or removed as a claim against the property by payment of money. The County agrees to cooperate with the PSA to clear existing nonmonetary encumbrances that no longer serve a useful purpose on said property, but shall not be obligated to incur additional costs or expenses in doing so, unless otherwise agreed.

The PSA agrees to accept said property subject to those existing and prospective nonmonetary encumbrances listed below in Sections 1.5.1 through 1.5.5, and any other nonmonetary encumbrances existing at the date of transfer of title and which may be identified in any final title report on the property. The County shall provide the PSA with copies of legal descriptions and other documents associated with these encumbrances.

*Non-monetary
encumbrance*

*Encumbrance
documents.*

1.5.1 An existing easement in favor of the Burlington Northern Santa Fe Railway ("BNSF") in connection with its currently inactive steam plant on the eastern edge of the County Property. The County shall attempt to enter into an agreement with BNSF to terminate the

easement, provided such agreement is subject to the PSA's reasonable review and approval prior to execution.

1.5.2 Existing utility and electrical power easements.

1.5.3 A prospective electrical power easement in favor of Seattle City Light for purposes of improving electrical services on and near the area of the current north lot of the Kingdome.

1.5.4 A prospective public and private transportation easement in favor of the County's Transportation Department ("Metro"), as described in the Letter of Intent, Exhibit C.

1.5.5 A prospective easement in favor of the RTA in connection with the proposed Weller Street public access pedestrian bridge, if such easement extends onto the Kingdome Parcel.

1.6 The County shall not create any new, additional or expanded easements or encumbrances beyond those prospective encumbrances described above in Sections 1.5.3, 1.5.4, and 1.5.5 without the written consent of the PSA.

1.7 The County agrees that the existing Metro tunnel special assessment (local improvement district assessment) is a monetary encumbrance, and the County shall bear sole responsibility for paying the assessments and removing the encumbrance. The County shall have the option of paying off the total outstanding amount of the assessment before transfer of title to the PSA, or paying periodic installment payments as they become due and owing.

1.8 At its sole expense, the County shall remove or assume responsibility for payment of any monetary encumbrances existing at the time of the transfer of title and identified in any title report or title insurance commitment that the PSA may obtain subsequent to the date of this Agreement; *provided that*, any arrangements for County payment of such obligations on a continuing basis as they become due and owing shall be

subject to the reasonable approval of the PSA, and shall not impair or limit the PSA's lawful activities on the property.

2. Contribution of Associated Personal Property.

2.1 The County owns certain fixtures and personal property located at, on or within its Exhibition Pavilion and Kingdome buildings on the County Property. The PSA and the County have mutually determined that certain such fixtures and personal property are necessarily associated with, and will be used as part of, the new stadium and exhibition center. An itemized list of the fixtures and personal property necessarily associated with the stadium and exhibition center is attached hereto as Exhibit D, which Exhibit is incorporated herein by this reference.

2.2 With respect to the fixtures and personal property identified in Exhibit D, the County will contribute such fixtures and personal property free of monetary encumbrances, including security interests, to the PSA by bill of sale or other mutually agreed instrument upon the date that the County vacates the Kingdome Parcel and surrenders possession to the PSA, which date shall in any event be not later than March 15, 2000. If any tenant has a claim to use the Kingdome after January 1, 2000 and before March 15, 2000, and if the PSA can obtain a waiver from such tenant for such use, then the County shall contribute such fixtures and personal property to the PSA upon the effective date of such waiver, or within fourteen (14) days after the conclusion of the last home game of the 1999 football season, including playoff games (if any), of the Seattle Seahawks National Football League team, whichever is later.

3. Special Use Authorization.

3.1 Until the Date of Conveyance, fee title to all parcels of real property shall remain with the County, and the PSA shall use and control each parcel during the following periods in accordance with the terms and conditions of a Special Use Permit to be issued by the County:

3.1.1 The PSA shall assume initial use and control of the South Lot for stadium and exhibition center purposes as set forth in the Stadium Legislation commencing at 12:01 a.m. on the day following (i) the execution of this Agreement, (ii) execution of the Special Use Permit, and (iii) City of Seattle approval of the displacement of South Lot parking. The PSA shall maintain an access and fire lane on the south side of the Exhibition Pavilion for County use in connection with its operation of the Kingdome; *provided* that the PSA may install four to five pile caps in the access and fire lane. The County shall remove all portable stadium seats from the South Lot before construction is scheduled to begin. The PSA may establish as an initial component of project construction an approximately 45-foot by 70-foot construction office in the area near the cooling towers in the north parking lot area.

3.1.2 In the event the Date of Conveyance is delayed beyond the date of expiration of the Reservation of Possessory Rights with respect to the Pavilion Parcel pursuant to Section 4 below, the PSA shall assume initial use and control of the Pavilion Parcel for stadium and exhibition center purposes (i) commencing March 9, 1999 at 11:59 p.m., unless 30 days before that date the PSA receives written notice from the County that the County intends to remove and salvage the Pavilion, in which case the PSA shall assume use and control of the Pavilion Parcel no later than March 23, 1999 at 11:59 p.m.; or (ii) no later than 11:59 p.m. on the date the City of Seattle approves displacement of Pavilion parking, whichever is later.

3.2 The PSA understands and agrees that assumption of initial use and control of the South Lot and the Pavilion Parcel by the PSA (a) shall be subject to the terms and conditions of any Kingdome and Exhibition Pavilion use agreements in effect on the date of execution of this Agreement, or established after the date of execution of this Agreement in compliance with Section 4.1, below, and (b) shall not prohibit or materially limit the County's ability to continue to operate any County-controlled facilities located elsewhere on the County Property.

3.3 The PSA shall be entitled to use and control of the North Half Lot, without charge, for purposes of parking and event staging, after expiration of the Reservation of Possessory Rights pursuant to Section 4 below and until notice of commencement of development of the North Half Lot is given in accordance with the terms of the Letter of Intent (Exhibit C), with the potential for resumption of such use and control as specified in the Letter of Intent, and subject to the terms of the parking covenants and event scheduling and coordination agreements referenced in King County Council Proposed Motion No. 98-445. After the new exhibition center is built and operational, and until the County vacates the Kingdome, the PSA may use the North Half Lot for event staging without charge, and subject to the terms of the parking covenants and event scheduling and coordination agreements referenced in King County Council Proposed Motion No. 98-445.

3.4 Issuance of the Special Use Permit to the PSA for the purposes set forth in this Section 3 is an affirmative obligation of the County. The Special Use Permit shall contain only mutually agreed conditions. The principal purpose of the Special Use Permit is to allow the PSA's occupation and use of the parcels. The County shall not limit the purposes for which the PSA is authorized under the Stadium Legislation to use the parcels, and shall not impose additional conditions or requirements on such uses of the parcels.

3.4.1 The County shall cooperate with the PSA and other parties, including the NFL team affiliate and its construction contractors and consultants, in developing and agreeing to a joint Logistics Plan establishing operating procedures and protocols that will apply during the Reservation of Possessory Rights period. The Plan shall be part of the Special Use Permit. One principal purpose of the Logistics Plan is to ensure the cooperative co-occupation and use of the Kingdome site by the County and the PSA such that each party can meet its respective goals and obligations. The Logistics Plan shall address, among other things, movement of construction fences, vehicle access and circulation, construction office location, and fire lanes.

4. Reservation of Possessory Rights by County.

4.1 In contemplation of the County's conveyance to the PSA of its interest in the South Lot, the Pavilion Parcel and the Kingdome Parcel, the County hereby reserves the exclusive right to continue to possess and use the Pavilion Parcel and Kingdome Parcel (collectively the "Reserved Parcels") for the term and on the conditions set forth herein. This reservation shall include any and all buildings, improvements and equipment thereon, including any and all appurtenances, rights, franchises, licenses, privileges and easements benefiting, belonging or pertaining thereto (collectively the "Reservation of Possessory Rights"). After the execution of this Agreement, the County shall consult with the PSA before creating any new Kingdome or Pavilion use agreements.

4.2 The term of this Reservation of Possessory Rights shall commence upon the date that title to the Reserved Parcels is conveyed to the PSA pursuant to this Agreement, which is anticipated to occur within six (6) months of the date of execution of this Agreement and shall end:

4.2.1 With respect to the Pavilion Parcel, upon the date that the County vacates the Pavilion Parcel and surrenders possession to the PSA, which date shall be (i) no later than March 9, 1999 at 11:59 p.m., unless 30 days before that date the PSA receives written notice from the County that the County intends to remove and salvage the Pavilion, in which case the PSA shall assume use and control of the Pavilion Parcel no later than March 23, 1999 at 11:59 p.m.; or (ii) no later than 11:59 p.m. on the date the City of Seattle approves displacement of Pavilion parking, whichever is later.

4.2.2 With respect to the Kingdome Parcel, upon the date that the County vacates the Kingdome Parcel and surrenders possession to the PSA, which date shall in any event be not later than March 15, 2000.

4.2.2.1 If any tenant has a claim to use the Kingdome after January 1, 2000 and before March 15, 2000, and if the PSA can obtain a waiver from such tenant for such use, then the County shall vacate and surrender possession of the Kingdome to the PSA upon the effective date of such waiver, or within fourteen (14) days after the conclusion of the last home game of the 1999 football season,

including playoff games (if any), of the Seattle Seahawks National Football League team, whichever is later.

The parties may mutually agree to an extension of the term of this Reservation of Possessory Rights with respect to either or both Reserved Parcels.

4.3 The PSA understands and agrees that the Reserved Parcels may be used by the County for operation of the Kingdome under the terms and conditions of any existing and future Kingdome use agreements. The County shall not create any Kingdome or Pavilion use rights that extend beyond the March, 1999 Home Show for the Pavilion Parcel, or beyond the 1999 NFL football season for the Kingdome Parcel.

4.4 The County shall be entitled to collect and keep all rents or other revenues payable to the County under any existing Kingdome use agreements, and under future Kingdome use agreements entered into in compliance with Section 4.1. The PSA shall not be entitled to any revenues, including any admission tax, which may result from the use and operation of the Reserved Parcels during the term of this Reservation of Possessory Rights.

4.5 Upon expiration of the term of the Reservation of Possessory Rights in each of the Reserved Parcels, the County shall quit and surrender the Reserved Parcels "as is" in their condition existing at the end of the term, except that the County shall remove any and all food stuffs, event-related garbage and recyclables, stored hazardous materials related to the operation and management of the parcels and facilities, and all other property not listed on Exhibit D. Specifically, the County shall bear sole responsibility, including all costs, for removing all public art from the transferred parcels before expiration of its Reservation of Possessory Rights. The County may remove all of the fixtures and personal property in the Reserved Parcels, including trade fixtures, lighting, machinery, equipment and signs, except those items identified by the PSA for stadium and exhibition purposes as set forth in Exhibit D. Any fixtures or personal property remaining on the Reserved Parcels upon the expiration of the term of this Reservation shall be deemed abandoned and without monetary value to the parties. The PSA may use, sell or otherwise dispose of same, or take any other action with respect thereto which it desires without cost or charge to the County or liability on the part of the PSA.

5. North Half Lot Development.

5.1 Development and use of the North Half Lot shall be subject to the conditions and restrictions set forth in the Letter of Intent (Exhibit C), including without limitation the following:

5.1.1 No development of the North Half Lot shall occur prior to compliance with the State Environmental Policy Act and issuance of an appropriate Master Use Permit therefore, or prior to completion of the stadium and exhibition center pursuant to the Stadium Legislation, except for development related to the King Street Station Intermodal Facility as provided in the Letter of Intent (Exhibit C);

5.1.2 Subject to the completion of review under the State Environmental Policy Act, the County shall grant an option and right of refusal to FGI with respect to such development;

5.1.3 The developer shall provide an alternate parking structure and replacement parking as required and described in the Letter of Intent (Exhibit C), provided that the preliminary design process for any parking structure developed in the areas referred to as the southwest quadrant of the north lot or the south lot shall include consideration of, and specific written findings on, whether the structure should be designed and constructed in a manner to provide event staging; and the County shall provide a 90-ft right-of-way along the extension of Second Avenue South across the North Half Lot for access to the Kingdome Parcel;

5.1.4 In the event of closure of the at-grade railroad crossing at Royal Brougham prior to such development, if no special railroad crossing right is available for event staging, then no development of the North Half Lot shall occur until such a special crossing right is provided.

5.1.5 The County shall provide in any agreement for the development of the North Half Lot that all purchase or lease agreements for housing units contain covenant language waiving any right to complain of noise, lighting, or any other function of a normally operating stadium and exhibition center facility that is in compliance with applicable noise and other regulations.

5.3 If development of the North Half Lot has not commenced by July 1, 2008, or within six (6) years after an occupancy permit is issued for the stadium and exhibition center, whichever is later, and if the PSA has determined that the North Half Lot is necessary for a stadium or exhibition center use, then the PSA may seek transfer of the North Half Lot from the County at that time pursuant to the Stadium Legislation.

5.4 The County and the PSA expressly acknowledge that establishment of the lease rights (or other form of use rights) for PSA use of the WSDOT lots as described in the Letter of Intent (Exhibit C) is an essential requirement of their arrangement for North Lot development, and if any party to the Letter of Intent terminates the parties' agreement on the North Lot arrangement as described in Exhibit C, then the provisions of this Agreement pertaining to North Lot development shall be deemed terminated.

6. Johnson Building.

6.1 The PSA shall be entitled to use the Johnson Building in accordance with the terms of the Letter of Intent and the Special Use Permit until the construction of the stadium and exhibition center is complete. Such use shall be subject to the obligation of the PSA to provide for joint use by the County as set forth in the Letter of Intent. The date of commencement of PSA use shall be specified in the Special Use Permit. The date shall be as early as reasonably possible, taking into account pre-existing rights of use by third parties, if any.

6.2 The County and the PSA acknowledge that FGI shall have the option to purchase the Johnson Building after construction of the stadium and exhibition center is complete, subject to the terms and conditions set

forth in the Letter of Intent (Exhibit C). The option shall expire unless exercised within 12 months after the issuance of an occupancy permit for the stadium and exhibition center.

7. Reconveyance.

7.1 Unless otherwise required by law or court order, any title, interests or claims to the South Lot, Pavilion Parcel and the Kingdome Parcel that are transferred to the PSA pursuant to this Agreement shall be reconveyed to the County at the County's option and request if, following exhaustion of all judicial appeals, a court of competent jurisdiction issues a final order determining that the Stadium Legislation is wholly unlawful and without legal effect. Any such reconveyance shall be made by warranty deed, free from any outstanding debt or debt-related encumbrances, within thirty (30) days of such determination or discontinued use.

8. Existing Site Conditions.

8.1 The South Lot, Pavilion Parcel and the Kingdome Parcel transferred to the PSA pursuant to this Agreement are accepted by the PSA in "as is" condition, and the PSA and the County allocate responsibility for environmental liability and costs as described in this Section 8 as follows:

8.1.1 For environmental liability and costs arising from the discovery of Hazardous Substances anywhere on the Kingdome properties (Kingdome Parcel, Pavilion Parcel and South Lot) during the period when the Parties are jointly occupying the properties pursuant to the County's Possessory Rights or the Special Use Permit:

8.1.1.2 if such Substances were discovered through or resulted from the activities of the County or its tenants, agents, employees, contractors, subcontractors or vendors, such liability and costs shall be the sole responsibility of the County, and the County shall defend, indemnify and hold harmless the PSA therefore; and

8.1.1.3 if such Substances were discovered through or resulted from the activities of the PSA or its tenants, agents, employees, contractors, subcontractors or vendors, such liability and costs shall be the sole responsibility of the PSA, and the PSA shall defend, indemnify and hold harmless the County therefore.

8.1.2. For environmental liability and costs arising from the discovery of Hazardous Substances anywhere on the Kingdome Properties (Kingdome Parcel, Pavilion Parcel and South Lot) during the period after the County's vacation of the Kingdome Parcel and until construction of the new stadium and exhibition center is complete, if such Substances were discovered through or resulted from the activities of the PSA or its tenants, agents, employees, contractors, subcontractors or vendors, such liability and costs shall be the sole responsibility of the PSA, and the PSA shall defend, indemnify and hold harmless the County therefore.

8.1.3 For environmental liability and costs not addressed in Sections 8.1.1 and 8.1.2, each Party shall bear responsibility for such liability and costs pursuant to applicable law.

8.2 For purposes of this Section 8, environmental liability and costs include, but are not limited to:

8.2.1 Any response or remedial action costs, and/or natural resource damages recoverable pursuant to 42 U.S.C. Sec. 9607 and/or Ch. 70.105D.040 RCW, as now existing or hereafter amended, arising out of the release or threat of release of a Hazardous Substances (as defined below) existing on or emanating from the property; and

8.2.2 Any and all claims, liabilities, damages, and expenses asserted against the County or the PSA by a third party including without limitation any agency or instrumentality of the federal, state or local government, for contribution

pursuant to 42 U.S.C. Sec. 9613 and Ch. 70.105D RCW (if a right of contribution is provided for thereunder), as now existing or hereafter amended, arising out of or relating to the release, or threatened release, of a Hazardous Substance (as defined below) existing on or emanating from the property as of the date of transfer of title.

8.3 For purposes of this Section 8, the definition of Hazardous Substance includes:

(1) Any toxic substances or waste, sewage, petroleum products, radioactive substances, medicinal, bacteriological, or disease-producing substances.

(2) Any dangerous waste, hazardous waste, or hazardous substance as defined in:

(a) Comprehensive Environmental Response, Compensation and Liability Act of 1980, as now or hereinafter amended (42 U.S.C. § 9601 et seq.);

(b) Resource Conservation and Recovery Act, as now or hereafter amended (42 U.S.C. § 6910 et seq.);

(c) Washington Model Toxics Control Act, as now or hereafter amended (RCW Chs. 70.105, 70.105A and 70.105D); and

(d) Regulations, administrative rulings or direction which implement these statutes; or

(3) Any pollutants, contaminants, substances, as defined above, posing a danger or threat to public health or to the environment, which are regulated or controlled by any federal, state and local laws and regulation, as now or hereafter amended.

8.4 The indemnification and hold harmless obligations contained herein shall survive the expiration or termination of this Agreement.

9. Hold Harmless and Indemnification.

9.1 The PSA acknowledges that its construction of a stadium and exhibition center will be complex and potentially dangerous. Beginning with the PSA's initial use and control of the South Lot and the Pavilion Parcel and through the subsequent conveyance of said parcels along with the Kingdome Parcel, it is the intent of the parties hereto that, except as provided in Section 8, each party shall bear responsibility and indemnify and hold harmless the other party for any injuries to persons or damage to property resulting from their negligent or intentional acts or omissions, and those of their respective agents, employees, contractors, subcontractors, vendors or consultants. Non-exclusive examples of the kinds of construction activity claims for which the parties expect the PSA to be responsible hereunder include injuries to persons and damage to property caused by (1) demolition debris and lateral support failures associated with site preparation, including the demolition and construction of the stadium and exhibition center; and (2) construction activities occurring in conjunction with other events at the Exhibition Pavilion and/or the Kingdome.

9.2 For purposes of this Section 9, by mutual negotiation, the PSA and the County hereby waive as to each other only, any immunity that would otherwise be available against claims covered by the Industrial Insurance provisions of Title 51 RCW as adopted or hereafter revised.

9.3 The County and the PSA agree to immediately notify the other of any claim made against the notifying party regarding the South Lot, the Pavilion Parcel, the Kingdome Parcel or the North Half Lot if it relates to the other party's use of said property pursuant to this Agreement. Such notice shall be in writing sent by registered mail at the other party's address as stated in Section 12.6 no later than ten (10) days of receipt of the claim by the notifying party.

9.4 To the maximum extent permitted by law, the PSA agrees for itself, its successors and assigns to defend, indemnify and hold harmless the County, its

officials, employees and agents, from and against liability for all claims, demands, suits and judgments, including the costs of defense thereof, alleging the violation of the terms or conditions of any existing use agreement between the County and a tenant of the Exhibition Pavilion or the Kingdome resulting from the transfer of the South Lot, the Pavilion Parcel and the Kingdome parcel to the PSA or the PSA's construction activities, or those of its agents, employees, contractors, subcontractors, vendors or consultants, thereon; provided, however, that the duty to defend, indemnify and hold harmless set forth herein shall not apply to any claims, demands, suits and judgments asserting a right to use the South Lot, the Pavilion Parcel or the Kingdome Parcel after March 14, 2000.

9.5 The indemnification and hold harmless obligations contained in this Agreement include attorneys' fees and other costs, and shall survive the expiration or termination of this Agreement.

10. Taxes and Assessments

10.1 From the Date of Conveyance or the date of initial use and control by the PSA, whichever is earlier with respect to each of the South Lot, the Pavilion Parcel and the Kingdome Parcel, and except as otherwise provided in this Agreement, the PSA shall be responsible to pay all applicable taxes and assessments levied against said property and all costs, expenses, fees, services, and charges of all kinds for heat, light, water, gas, and telephone, and for all other public utilities used on said property so that the same shall not become a lien against the property, except as otherwise provided in this Agreement. The County agrees to notify the PSA of any claim for payment of such taxes, assessments or for such charges by utilities made against the County after the transfer of beneficial use to the PSA. If the PSA fails to pay any obligations, fees, taxes or assessments, the County will mail notice to the PSA of its failure to pay. Twenty (20) days after mailing notice, if the PSA's obligation remains unpaid, the County may pay these obligations at the PSA's expense. Upon written notification to the PSA of any costs incurred by the County under this section, the PSA will reimburse the County within twenty (20) days. Nothing herein shall be deemed to prohibit the PSA from having the right, at its own expense, in its own name and/or in the name of the County, to object to the legality or

validity of any tax or assessments on said property or any improvements thereon.

11. Reimbursement of County Expenses.

11.1 The County acknowledges that the relinquishment by FNW of its rights to the Credit, as described in Section 1.4.2 above, shall satisfy any obligation to reimburse the County for expenditures and/or to compensate the County for impacts upon its funds arising from the Stadium Legislation, the Football Use Agreement, or from the Agreement and Letter of Intent dated June 30, 1997, or otherwise.

12. Miscellaneous.

12.1 The PSA and the County agree that this Agreement and the attachments hereto represent the complete expression of the terms hereto and that any other oral or written representations or understandings are excluded. Waiver of any default shall not be deemed to be waiver of any subsequent default. Waiver of a breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

12.2 No provision of this Agreement precludes either the PSA or the County from pursuing any other remedies for such other party's failure to perform its obligations.

12.3 Time is of the essence of this Agreement.

12.4 This Agreement shall be construed in accordance with the laws of the State of Washington. The venue for any actions pertaining to this Agreement shall be in King County Superior Court, King County, Washington.

12.5 This Agreement may not be altered, amended or modified except by an instrument in writing signed by both parties hereto.

12.6 All notices, requests, demands and other communications which are required to be or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when delivered in person or transmitted by facsimile or upon receipt after dispatch by certified or registered first-class mail, postage prepaid, return receipt requested, to the party to whom the same is to be given or made, to the addresses and/or facsimile numbers set forth below, or to such other address or facsimile number as any party may designate by giving notice to the other party.

If to the County, to: County Executive
King County Courthouse
Seattle, Washington 98104
Facsimile no.: (206) 296-0194

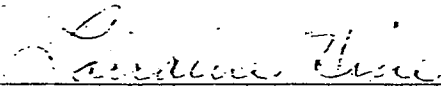
If to the PSA, to: Executive Director
Washington State Public Stadium Authority
P.O. Box 4280
401 Second Avenue, Suite 520
Seattle, Washington 98104-0280
Facsimile no.: (206) 205-8604

12.7 Nothing contained herein shall make, or be deemed to make, the County or the PSA a partner of one another, and this Agreement shall not be construed as creating a partnership or joint venture.

12.8 If there is an event of default under this Agreement by either party, the aggrieved party shall be entitled, in addition to all other remedies available at law or in equity, to (i) seek specific performance of the defaulting party's obligations under this Agreement; (ii) recover all of its reasonable and actual expenses, direct and indirect, in prosecuting and concluding any legal action for default, including all appeals, and including attorneys' fees and costs; or (iii) terminate this Agreement by written notice to the other party.


IN WITNESS HEREOF, the parties have caused this Agreement to be executed on the dates written below.

**WASHINGTON STATE PUBLIC
STADIUM AUTHORITY**

By: 
Lorraine Hine, Chair

Dated: 9-27-98

KING COUNTY, WASHINGTON

By: 
Ronald C. Sims, County Executive

Dated: 9-30-98

Approved as to form:


Thomas W. Kuffel
Senior Deputy Prosecuting Attorney

Attachments: Exhibit A: Legal description of County Property
 Exhibit B: Parcel Map and Configuration for Property Division
 Exhibit C: Agreement and Letter of Intent
 Exhibit D: List of Fixtures and Personal Property

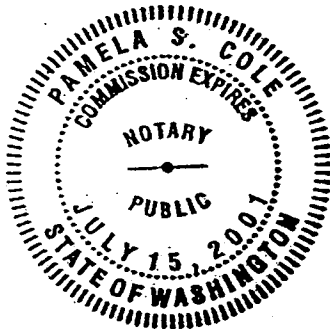
STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

I certify that I know or have satisfactory evidence that Ronald C. Sims is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it as the County Executive of King County, Washington, for the uses and purposes mentioned in this instrument.

DATED this 30th day of September, 1998.



Pamela S. Cole

(Signature of Notary)

PAMELA S. COLE

(Legibly Print or Stamp Name of Notary)

Notary Public in and for the State of Washington,

Residing at: SEATTLE

My Appointment Expires: 7/15/01

STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

I certify that I know or have satisfactory evidence that Lorraine Hine is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it as the Chair of the Washington State Public Stadium Authority for the uses and purposes mentioned in this instrument.

DATED this 29th day of September 1998.



Robin M Worthmutter

(Signature of Notary)

Robin M Worthmutter

(Legibly Print or Stamp Name of Notary)

Notary Public in and for the State of Washington,

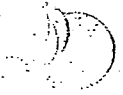
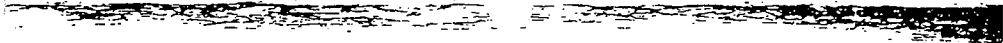
Residing at: King County, WA

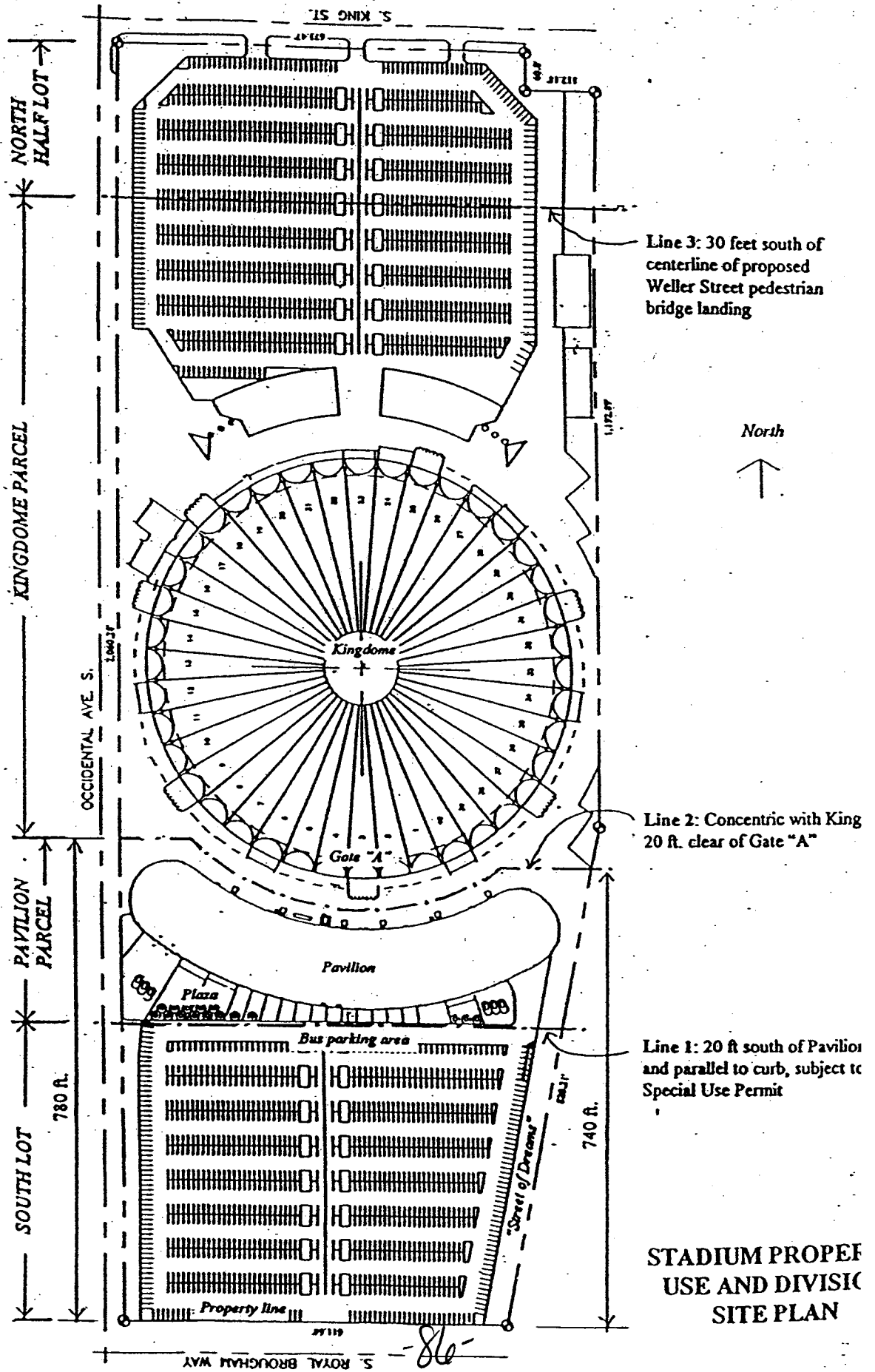
My Appointment Expires: 4-14-01

EXHIBIT "A": LEGAL DESCRIPTION OF COUNTY PROPERTY

All of Lots 1 thru 35, inclusive, of Block 325 and that portion of Lots 1 thru 35, inclusive, of Block 285 of the Seattle Tide Lands as shown on the official maps of the Seattle Tide Lands in volume 2, pages 29, 30, 31 and 32 in King County, Washington, and vacated 3rd Avenue South, per City of Seattle Ordinance No. 10552, described as follows:

Beginning at the Southwest corner of said Block 325, said corner being the intersection of the North margin of South Connecticut Street with the East margin of Occidental Avenue South; thence North along said East margin of Occidental Avenue South and West boundary of said Block 325 a distance of 2060.28 feet to the Northwest corner of said Block 325, said corner being the intersection of the East margin of Occidental Avenue South with the South margin of South King Street; thence South 89° 54' 20" East along said South margin of South King Street and North boundary of said Blocks 325 and 285 a distance of 673.47 feet; thence South 0° 05' 40" West a distance of 60.00 feet; thence South 89° 54' 20" East a distance of 112.18 feet; thence South 1° 6' 04" West a distance of 1192.89 feet; thence South 10° 36' 22" West a distance of 820.21 feet to an intersection with the North margin of South Connecticut Street and the South boundary of said Block 285; thence South 89° 59' 21" West along said North margin of South Connecticut Street and the South boundary of said Blocks 285 and 325 a distance of 611.66 feet to the point of beginning.





Line 3: 30 feet south of centerline of proposed Weller Street pedestrian bridge landing



Line 2: Concentric with King 20 ft. clear of Gate "A"

Line 1: 20 ft south of Pavilion and parallel to curb, subject to Special Use Permit

STADIUM PROPER USE AND DIVISION SITE PLAN

AGREEMENT
And
LETTER OF INTENT

This agreement and letter of intent is between:

King County, Washington, a duly incorporated municipal corporation of the State of Washington (the "County");

City of Seattle, a duly incorporated municipal corporation of the State of Washington (the "City");

Washington State Public Stadium Authority, a duly incorporated municipal corporation of the State of Washington (the "PSA");

First & Goal, Inc., a business corporation duly organized under the laws of the State of Washington ("FGI");

Football Northwest, Inc., a business corporation duly organized under the laws of the State of Washington ("FNW"); and

Washington State Department of Transportation, an agency of state government ("WSDOT").

(Collectively, the "parties.")

WHEREAS, the parties enter into this letter of intent to establish a plan for future use of the North Lot of the Kingdome properties, currently owned by the County and located in the City of Seattle; and

WHEREAS, each party has a need to use parts of the North Lot, and has rights and interests in the North Lot under existing agreements, laws, and other arrangements that conflict with the rights and interests of other parties; and

WHEREAS, the requirement under the Stadium Act (Laws of 1997, Ch. 220, Sec. 109) that the PSA and County mutually determine what property is necessary for the PSA's football/soccer stadium and exhibition center project has prompted all of the parties to develop an agreement for future use of the North Lot that will satisfy each party's interests.

ACCORDINGLY, the parties agree as follows:

GENERAL PROVISIONS

Executive Agreement

1. The parties recognize that to implement the provisions of this Letter of Intent, certain official actions must be taken, certain official authorizations must be obtained, and certain agreements must be entered into subsequent to the date of this document. This executed document represents each party's pledge to take all actions reasonably necessary in a timely fashion to accomplish its intent.

SEPA

2. All provisions of this Letter of Intent are subject to the requirements of the Washington State Environmental Policy Act, RCW 43.21C, and applicable state and local regulations. Whenever action by a governmental body is required by a provision of this document (e.g., siting and permitting of a parking structure; decision to conduct parking and/or staging at an alternate location; permitting of North Lot development), the parties acknowledge that environmental review will be required unless the action is exempt from SEPA.

KINGDOME NORTH LOT

3. The County and PSA agree that the "south half" of the North Lot is necessary for the Stadium and Exhibition Center project site, and the County will relinquish all right and interest in this property upon transfer of title to the PSA, provided the County shall retain the right to continue operation of the Kingdome through the 1999 football season. The PSA shall execute an agreement to enable the County to complete Kingdome operations under the terms of any use agreements then in effect.

4. Pursuant to the Stadium Act, Sec. 109 (Laws of 1997, Ch. 220), the County agrees to contribute and transfer title to the South Parking Lot, Pavilion area, Kingdome footprint and south half of North Lot to the PSA upon completion of a short plat, lot line adjustment, binding site plan, or other procedure available to create a legally divisible parcel or parcels (collectively "short plat").

5. The PSA and/or FGI shall be responsible for completing the short plat process at their expense.

¹ Boundary to be the southern edge of the future Weller Street extension right-of-way. The right-of-way will be 60 feet in width, with the centerline aligned with the centerline of the Weller Street Pedestrian Bridge as shown on current engineering drawings. Street right-of-way for the Weller Street extension shall come from the north half of the North Lot.

6. The County shall grant authority to the PSA and/or FGI to apply for the short plat or other approval.

7. In the event the short plat approval will not be obtained prior to the date the PSA and FGI need to commence work on the project site (currently, September, 1998), the County shall execute an agreement authorizing work on the site to proceed pending the short plat and conveyance of title to the property.

8. Neither the PSA nor FGI shall be entitled to receive any revenue from an admissions tax levied in connection with Kingdome events as a consequence of transfer of title prior to completion of Kingdome operations.

9. The PSA relinquishes all rights and interest in the north half of the North Lot with the following exceptions:

- a. The County agrees to provide a 90-foot-wide, dedicated right-of-way (60-foot-wide roadway plus sidewalks) or equivalent access easement along the extension of Second Avenue South to provide access to the south half of the North Lot. The right-of-way or easement shall be in effect at the time of, and as a condition of, termination of the right of use of the north half of the North Lot by the PSA as provided for below.
- b. The County will allow (without charge) the PSA temporary use of the north half of the North Lot following completion of the final Kingdome event and during the Stadium and Exhibition Center construction period (estimated to continue through 2002) for parking, construction staging and event staging. After the new Exhibition Center is built and operational, and until the County ceases Kingdome operations, the County will make the North Lot available (without charge) for event staging.
- c. The County agrees that the PSA will have the use of the north half of the North Lot (without charge) for parking and event staging after completion of the Stadium and Exhibition Center until notice of commencement of the mixed-use development is given pursuant to the notification procedure which follows:
 - i. At any time after (1) issuance of an occupancy permit for the Stadium, (2) satisfaction of the access requirement set forth above, and (3) issuance of a Master Use Permit (MUP) for the mixed-use development, the developer may give written notice to the PSA to cease ~~use of the north half of the North Lot~~ by a date not less than thirty days from receipt of the notice.

ii. The PSA shall cease use of the north half of the North Lot by such date, provided that such use may be resumed if construction on the mixed use development has not begun within 30 days from the date of termination of use specified in the notice, subject again to termination pursuant to the notice provisions set forth in this section.

iii. If development has not begun on the North Lot by July 1, 2008, or within six years after an occupancy permit is issued for the football/soccer stadium, whichever is later, and if the PSA has identified a stadium/exhibition use for which the north half of the North Lot is necessary, then the PSA may seek transfer of the land from the County at that time pursuant to the Stadium Act.

iv. The notification shall specify whether the development will include extension of Weller Street west of Second Avenue South, or other development of the land area within the area which would be occupied by Weller Street, if extended. The PSA shall have the right to continue parking and staging (without charge) on such area not used for street or other development.

NORTH LOT DEVELOPMENT

10. As a condition of developing the north half of the North Lot, the developer, at its cost, must provide for a parking structure that provides the number of replacement parking spaces ("replacement parking") determined per the following formula:

~~A + B + C~~ - D, where:

A = 458 (agreed number displaced north of Weller Street, plus eastern leg of Weller);²

B = number of surface spaces displaced by garage pillars, entrances, etc., if any;³

² The contemplated dedication of Second and Third Avenues southward through the North Lot, and the dedication of Weller Street westward through the North Lot are referred to as the "Second Avenue extension," the "Third Avenue extension," and the "Weller Street extension," respectively. The extension of Weller Street westward from the Third Avenue extension to the Second Avenue extension is referred to as the "eastern leg" of Weller Street. The extension of Weller Street westward of the Second Avenue extension to Occidental Avenue is referred to as the "western leg" of Weller Street.

³ Provided that if the parking garage is used to provide replacement parking stalls for parking eliminated to allow

C = the number of stalls which will be displaced by construction of the western leg of Weller Street, or other development in the street extension area, if any; and

D = credit for parking provided on WSDOT parcels (calculated on the basis of one for every three stalls which can reasonably be accommodated on the WSDOT parcels without significant expenditures for drainage or other improvements, other than normal paving expenses, currently estimated at 105 stalls. This number is subject to verification and final agreement by July 15, 1998.).

- The PSA shall own and control the parking structure (unless otherwise agreed by the PSA) and shall receive operating and parking tax revenue from the structure to the full extent of replacement parking.
- The parking structure shall be located on the southeast quadrant of the North Lot (subject to SEPA review).
- The parking structure shall be designed to standards mutually agreeable to the PSA, FGI, and the purchaser/developer of the north half of the North Lot, with a goal of holding construction costs per parking space to the average of the football stadium south lot and ballpark garages, adjusted for inflation, and taking into account any additional cost of meeting standards of the Pioneer Square Preservation District.

11. As an alternative to providing the required replacement parking in a parking structure located in the southeast quadrant of the North Lot, the developer may propose to provide other parking in another location or locations that is of equal value and utility to the Stadium and Exhibition Center Project. The alternative must be acceptable to both FGI and the PSA, which shall determine to accept or reject the proposal in their sole discretion.

12. To ensure adequate access and parking for the King Street Station Intermodal Facility (1) the County shall grant to WSDOT long-term lease rights (or

development on the south half of the North Lot, then the obligation to replace surface parking stalls displaced by the garage shall be prorated between the north half and south half developments, based on the numbers of displaced stalls in each development area. *Provided further*, that if the south half of the North Lot is developed and if the western leg of Weller is developed as a public right-of-way, the developer of the south half shall be responsible for replacing parking spaces displaced on the south side of the western leg of Weller Street. Parking spaces along the Weller Street extension are accounted for as they currently exist and are depicted on engineering drawings submitted as part of the Master Use permit application to the City of Seattle.

other forms of long-term rights) for designated areas in the northeast quadrant of the North Lot, and which are assignable to the entity that will be responsible for ownership and/or operations of the King Street Intermodal Facility; and (2) the development of the north and south halves of the North Lot shall occur, if at all, in a manner consistent with operation of the transit center.

a. The use rights and development restrictions shall each be defined by, and consistent with the performance standards and other requirements set forth in the memorandum from Jeff Wolfe and Julie Blakeslee, Otak, dated June 11, 1998 (included by reference and attached as Exhibit A) with the following modifications:

- Streets in the north half of the North Lot shall be dedicated public rights-of-way. Second Avenue south shall be 90 feet in width; Weller Street shall be 60 feet in width and Third Avenue South shall be 72 feet in width. The intersections of Second and Weller, and Third and Weller, should be designed to accommodate a 60-foot turning radius.
- Streets shall be constructed by the developer of the north half of the North Lot at the developer's expense; and dedicated to the City; provided that improvements to Third Avenue between Weller and King Streets will be improved by the City at its cost (using grant funds).
- If streets in the south half of the North Lot are not dedicated public streets, a public transit transportation easement will be provided at no cost to the County to allow bus ingress, egress and through travel. The easement shall include the right to park three Metro articulated buses along the east side of the south half of the North Lot. Any improvement required to facilitate bus circulation shall be provided by the developer, and shall not be paid for by the County.
- Backing of non-articulated charter buses in non-public right-of-way areas may be required in specific instances where an alternative plan is implemented to deal with special conditions, subject to Amtrak approval.

b. The duration of the rights and development restrictions shall be co-extensive with the lease (or other rights of use) of the WSDOT properties identified in the following item no. 13, below, including all renewal terms.

13. In consideration of these lease or other use rights, and the limitations on development for the benefit of the transit center, WSDOT shall make the parcels

designated A, D, E, F and H in the vicinity of Royal Brougham Avenue, east of the BNSF right-of-way (as shown on the map labeled "DOT Lots") available without charge to the PSA to be used for event staging and parking. The parcels shall be leased, either directly to the PSA, or to the County and City, and assigned to the PSA. The lease shall be for a minimum of an initial 20-year term, with the unconditional right of the lessee or assignee to extend for two additional 20-year terms. The City confirms that the PSA and FGI can use legally established parking spaces on the WSDOT parcels to satisfy parking requirements under City code for the stadium and exhibition center project, and that both principal use and accessory parking are permitted outright in the IG-2 zone in which the WSDOT parcels are located.

14. In addition to the lease rights described in item nos. 12 and 13, above, the parties contemplate that the County will have certain short-term lease rights to WSDOT parcels E, F and H while it operates the Kingdome. It is the parties' intent to establish both the long-term and short-term lease rights (or other forms of use rights) described in item nos. 12 through 14 (inclusive) in one set of lease or other agreements, if possible. In addition, the parties expressly acknowledge that establishment of these lease rights (or other form of use rights) is an essential requirement of their North Lot arrangement, that the lease rights are mutually dependent, and that if any component of these lease arrangements is not established in timely fashion, any party can terminate the parties' agreement **AND** the North Lot arrangement will terminate.

15. The City agrees that, in the event of closure of the at-grade railroad crossing at Royal Brougham, special at-grade crossing access (subject to train operations) shall be provided for event staging traffic to and from the Stadium and Exhibition Center.

Within 120 days of the effective date of this Letter of Intent, the Mayor will propose a resolution for City Council approval that will establish this special crossing right as a condition of any future closure of the at-grade crossing. Subject to the above City Council approval, the City will grant, in the event of closure of the crossing, a 50-year term permit for the special crossing right that shall be irrevocable during its term unless the Council determines by ordinance that the crossing area is necessary for public travel purposes. If the special crossing right is revoked, the City shall provide access comparable to the special crossing right.

If the crossing is closed prior to any North Lot development, and in the event the special crossing right provided for in this section is not available for event staging, then no development except for PSA and FGI approved Stadium and Exhibition Center-related development shall be allowed on the north half of the North Lot, until such time as the crossing right is provided.

16. FGI shall have an option to purchase the north half of the North Lot for a housing/mixed-use development, consistent with the King Street Station Intermodal Facility performance standards identified above.

- This right shall carry with it the obligation to provide for adequate replacement parking as required of the developer, above.
- The purchase price shall be fair market value of the property when used for a mixed-use development consisting primarily of housing, including street level uses, with appropriate consideration given to the option of including a hotel.
- Fair market value shall be determined by an appraisal process, with appropriate weight given to the reduction in market value attributable to the replacement parking obligation, and with consideration given to all other factors affecting market value, including, but not limited to the presence of contaminated soils, soil stability, hydraulic conditions, restrictions on housing type and price, if any, and other features of the land or applicable regulations that increase the cost of development, or reduce the value of a mixed-use housing development.
- The option may not be exercised, and shall automatically expire, unless an application for a master use permit or other required development approval is filed with the City on or before six months following the date of issuance of an occupancy permit for the Stadium, or before an additional six-month period if the PSA postpones its determination on FGI's option on the south half of the North Lot (as provided in item no. 17, below), provided that the option shall be automatically extended for a period equal to such period or periods of time during which the at-grade railroad crossing at Royal Brougham is not open for event staging traffic as provided below.
- As a condition upon the right to exercise the option, the development application must provide for development that satisfies at least one of the following criteria:
 - a) If the development site includes all or portions of both the north and south halves of the North Lot, the development must include not less than 445,000 gsf of housing on such land areas; or
 - b) If the development site does not include any portion of the south half of the North Lot (other than the site for a parking

structure), the development must include not less than 335,000 gsf of housing on the north half of the North Lot.

- In either case the development may include retail and other uses permitted by Seattle zoning regulations, provided that not less than 60 percent of the gross square footage of development (excluding parking) shall be devoted to housing.
- The option may not be exercised prior to the date upon which the stadium bonds are issued.
- If FGI concludes that development of the project in conformance with the criteria set forth above is not appropriate due to information gained about the site during development feasibility analysis, FGI may present this information to the City and County, and may exercise the option based upon an alternate development plan, provided the alternate development plan is approved by the County Executive and Mayor. *alter Plan.*
- The County and City shall have the right to propose that up to 20 percent of the number of dwelling units included in the development be affordable to persons earning between 50 and 80 percent of the Seattle area (SMSA) median income. FGI shall work in good faith with the County and City to implement the plan, provided that FGI shall not be obligated to implement the plan unless adequate funding is provided by the County and/or City to off-set or "buy down" a sufficient portion of the costs of development (including acquisition costs) to fund the proposal. The County Executive and the Mayor of Seattle intend to seek the support of the City and County Councils for funding for housing subsidies for the Pioneer Square and International District neighborhoods, which historically have been most affected by the Kingdom, and which prospectively will be most affected by the new sports facilities and exhibition center.
- During the term of the option, FGI may elect to propose a development agreement as authorized by state statutes in order to fix (vest to) development regulations, mitigation obligations, and for the other purposes identified in the statute. The City agrees to expeditiously consider the development agreement in good faith.
- In the event FGI does not exercise the option to purchase the north half of the North Lot, or for any reason the sale pursuant to exercise of the option does not close, FGI shall have a right of

first refusal to purchase the north half of the North Lot on the same terms and conditions of a proposed sale (or other transfer of ownership or similar control of any kind) to any other person or entity, which right must be exercised within 60 days of full notification of the terms of such proposed sale or other transfer, excluding the time reasonably required to prepare a development plan and obtain development approvals; *provided* that the right of first refusal shall only be in effect if the proposed sale would allow the developer to develop less housing than required as a condition of FGI exercising its option as set forth above, and/or if the sale price is less than the fair market value FGI would have been required to pay as determined above, including appropriate consideration of the terms and obligation for payment for the parking structure. The right of first refusal shall run through the term of FGI's master lease with the PSA, including renewals.

- In the event the north half of the North Lot is developed by any person or entity other than FGI, or its related entity, and unless otherwise approved by FGI and the PSA, a view corridor to and from the Stadium shall be preserved by prohibiting development in excess of 70 feet in height, for a distance of 60 feet on each side of the 90-foot Second Avenue South right-of-way.
- FGI and PSA shall each have the right to early review and comment on the development plans of any third-party developer of the north half of the North Lot. Comments on pedestrian or vehicular circulation, safety, security, conflicts with staging or parking, incompatibility of other design elements and view blockage shall be given specific consideration in preliminary review, environmental review, and at all steps in the County and City decision-making processes.
- Any development of the north half of the North Lot by a third party shall undergo review by the Pioneer Square Preservation District and comply with any special district regulations, or the equivalent.

17. FGI shall have an option to purchase the south half of the North Lot from the PSA. The development agreement and master lease between the parties shall contain provisions for the following:

- The option shall apply only to such area as the PSA determines is not necessary for parking, staging or other specific, identified Stadium or Exhibition Center needs.

- The PSA shall make its determination based upon any relevant information about stadium and exhibition center operations and needs, and upon an analysis of, and plan for, staging, parking and other identified needs. The PSA may consult with and seek input from the Consumer Show Coalition before making its determination.
- The analysis and plan for staging, parking and other needs shall be prepared by FGI at its cost, in consultation with the PSA. FGI shall not seek a determination from the PSA until completion of the first consumer show season in the new Exhibition Center.
- The PSA determination shall be made in good faith, based upon all relevant information available, and shall not be unreasonably delayed, conditioned or withheld. If the PSA determines that it is prudent or advisable to complete a second consumer show season in the new Exhibition Center before it makes its determination, the PSA may so postpone its decision. If the PSA so postpones its decision, the County shall extend its development option to FGI for an additional six months.
- The option to develop shall be conditioned on replacement of parking spaces displaced by the development.
- The purchase price shall be fair market value of the property when used for a mixed-use/housing development. Fair market value shall be determined by an appraisal process, with appropriate weight given to the reduction in market value attributable to the replacement parking obligation, and with consideration given to all other factors affecting market value, including, but not limited to, the presence of contaminated soils, soil stability, hydraulic conditions, restrictions on housing type and price, if any, and other features of the land or applicable regulations that increase the cost of development, or reduce the value of the property.
- The option may be exercised during the term of FGI's master lease with the PSA, including renewals.

SR 519

18. The Mayor and County Executive agree to advocate for SR 519 transportation facility improvements as follows:

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- If Phase II of SR 519 is constructed at Royal Brougham, inclusion of a westbound ramp connecting Fourth Avenue to First Avenue designed to allow temporary eastbound egress from the stadium parking garage to Fourth Avenue after events.
- A southbound on-ramp to SR 99 at Royal Brougham.
- Further evaluation of alternative designs of Phase II, which may include alternative landings for the grade-separated structure at Royal Brougham.

19. If Phase II of SR 519 is built, and the Royal Brougham rail crossing is closed to general traffic, the City shall designate Royal Brougham between the mainline railroad tracks and Occidental Avenue South as a local access street, and shall work with the representatives of the two stadiums and the Exhibition Center on a street design that serves their needs, including access to the parking garage and loading docks, pedestrian access, movement of vehicles along the east side of the ballpark, and street area use for event staging for the stadium and exhibition center project.

20. The County Executive and Mayor agree to encourage the Mariners and PFD to work with the PSA and FGI to allow use of the eastern edge of the Ballpark property for event staging.

OTHER KINGDOME PROPERTY TRANSFER PROVISIONS

21. The County has provided a detailed list of all personal property used in operations of the Kingdome to the PSA and FGI. The PSA and FGI have identified those items of property that will be used in operation of, and which are necessary for, the Stadium and Exhibition Center project. Title to all items so designated shall be conveyed to the PSA without charge. All other property identified on the list shall remain the property of the County; *provided* if it is not removed from the Kingdome prior to the date the facility is secured for preparation of the demolition, all such property shall be conclusively presumed to have been abandoned and may be disposed of or destroyed without any liability to the County whatsoever.

22. FGI shall pay the sum of \$300,000 to the County for special transit service upon notice that the grant funds sought as partial funding for the service have been obtained.

23. All obligation to reimburse the County for expenditures and/or to compensate the County for impacts upon its funds arising from the Stadium Act or from the Agreement and Letter of Intent shall be satisfied by cancellation of the \$2 million credit owing to Football Northwest (FNW), with the exception of the limited potential credit provided for below in connection with the Johnson Building.

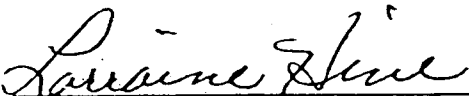


24. The PSA shall be entitled to use the Johnson Building until stadium construction is complete for stadium and exhibition center storage. The PSA staff shall work with County staff to provide for storage by the County to the extent such joint use can be reasonably accommodated in space not needed for PSA storage, if any. FGI shall have the option to purchase the building at its appraised value after stadium construction is complete, provided that if the existing structure, or an equivalent amount of floor space in added structure, or a combination thereof, is devoted to artist loft housing, then FGI shall be entitled to use the remainder of the FNW credit in the amount of \$300,000 in reduction of the purchase price. The option shall expire unless exercised within 12 months of issuance of an occupancy permit for the Stadium and may be conditioned upon issuance of permits required for the intended use of the property.


25. Covenant language shall be included in any purchase or lease contract for housing on the North Lot waiving any right to complain of noise, lighting, or any other function of a normally operating stadium and exhibition center facility that is in compliance with applicable noise and other regulations.

26. Football Northwest agrees that it will relinquish all right and interest in the option contained in its Kingdome Use Agreement with the County to build an office building on the North Lot.

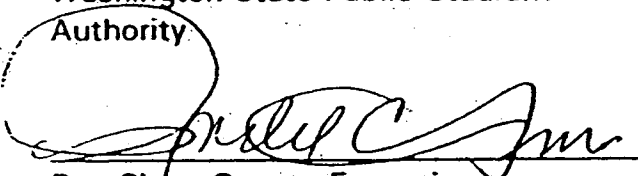
DATED this 25th day of June, 1998.



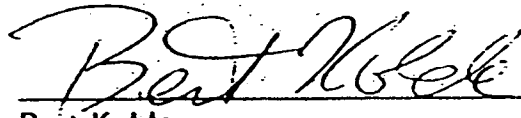
Lorraine Hine, Chair
Washington State Public Stadium
Authority



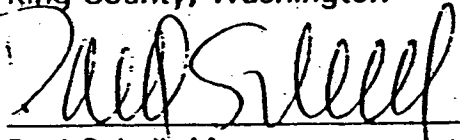
Sid Morrison, Secretary
Washington State Department of
Transportation



Ron Sims, County Executive
King County, Washington



Bert Kolde
First & Goal, Inc. (Vice Chair)
Football Northwest, Inc. (Vice Chair)



Paul Schell, Mayor
City of Seattle, Washington

Memorandum

To: King County, City of Seattle, Amtrak, WSDOT, FGI, and PSA

From: Jeff Wolfe, Julie Blakeslee, Otak

Copies: Gary Hartnett, Otak; Steve Leach, WSDOT; Kristine Hill, Summit Planning

Date: June 11, 1998

Subject: King Street Station -- Public Transportation Item Requirements

The following performance criteria for the transportation elements is provided for your review. This detailed criteria is presented as potential requirements for the future North lot developer to meet the needs of Amtrak and the King Street Station. Edit the list as you see fit for the M.O.U. that you are preparing.

Short Term Parking

- 70 short-term parking stalls, shared with local businesses;
- Time limitations of the stalls to be enforced 24 hour a day;
- Maximum length of stay to be two-hour;
- Parking fees at market rate;
- Signage directing the public to those stalls to include "Amtrak" in its verbiage (e.g. "Short term parking for Amtrak and local businesses");
- A minimum of five street signs in the general area to direct Amtrak patrons and other drivers to the parking;
- Signage at the parking to include "No Event Parking" within the verbiage;
- Travel distance as measured along travel path, to the most remote parking stall to be a maximum of 600' from Southwest corner of King Street Station;
- Parking to be no more than one level above/below street level;
- Parking sizes and access to meet city zoning code requirements;

Amtrak Thru-way Buses

- Parking for five 45' Amtrak thru-way buses;
- 10' wide sidewalk/load area to side of bus (preferably the starboard side) for loading luggage;
- Bus movements that require no backing *onto public right-of-way.*
- Bus access (turning radius, etc.) to meet Metro and Amtrak requirements;
- Travel distance as measured along travel path, to the most remote bus stall to be a maximum of 500' from Southwest corner of King Street Station;

Metro Buses

- Parking for ^{three} two 60' articulated Metro buses;
- 10' minimum width sidewalk/load area to starboard side of bus for loading;
- Bus movements that require no backing;
- Bus access (turning radius, etc.) to meet Metro requirements;
- Travel distance as measured along travel path, to the most remote bus to be a maximum of 500' from Southwest corner of King Street Station;

Taxis

- Parallel parking load area for eight taxis;
- Stall spacing to be 24' to allow room for easy ingress/egress and loading of luggage into trunks;
- taxis to be in single line with the lead taxi closest to the station;
- Travel distance as measured along travel path, to the most remote taxi to be a maximum of 300' from Southwest corner of King Street Station;

Load / Unload Zone

- Parallel parking for seven general traffic autos;
- Signage to be city standard for passenger load zones (white zones);
- Travel distance as measured along travel path, to the most remote portion of load zone to be a maximum of 300' from Southwest corner of King Street Station;

Station Master's Garden

- Area to be south of King Street Station, North of Weller St. Bridge, and east of the east curb of the future 3rd Ave. South;

EXHIBIT D: List of Fixtures Personal Property

Tag #	Description	Status	Purch Year	Purch Price	Orig	Est Code	Exp Life	Acq'd	Dep	Net Book Value	Value at	Replacemnt	Location
	FORKLIFT JACK 9000 LB CAP 3 1/4" RAISED HEIGHT	Went	1981	858	2085	10	0	1	0	858		1981	MT 24
00118821	WINCH RIGHT ANGLE EURODRIVE MD 9064R	Went	1982	1,278	2085	316227	14	1	1,278	0		1986	STADIUM
00102106	WINCHES-LOT OF 30-WIRE ROPE ONE TON	Went	1979	4,318	2085	316227	10	1	4,318	0		1982	STADIUM
00133781	CRANE HYDRAULIC MOBILE 1500 LBS FORKLIFT TMC, TOYOTA MD 42-4FOC78	Went	1981	666	2085	316900	25	1	437	136		2006	MOBILE
		Went	1988	14,481	2085	316111	14	1	14,481	0		2001	MOBILE
00118818	FORK LIFT ATTACH LIFTING PRONG	Went	1982	1,782	2085	316111	20	1	1,604	178		2002	ARENA STOR NO
00118834	FORK LIFT EXTENSION BOOM	Went	1982	1,000	2085	316111	20	1	900	100		2002	ARENA STOR NO
00118808	FORK LIFT EXTENSION BOOM	Went	1982	2,000	2085	316111	20	1	1,800	200		2002	ARENA STOR NO
00083736	FORKLIFT TRUCK 1977 YALE MOO OLCS40	Went	1977	13,131	2085	316111	16	1	13,131	0		1987	MOBILE
00148714	TRUCK RUBBERHAND MD 3885	Went	1987	276	2085	316220	10	1	276	0		1987	UTIL DUMPSTERS
00147862	VACUUM CLEANER WHATCH MD 88711	Went	1988	8,004	2085	328212	10	1	8,004	0		1988	SWEEPERS
00118047	VACUUM CLEANER ADVANCE CARPETMAN 19	Went	1983	578	2085	328212	10	1	578	0		1983	VACUUMS
00078048	SWEEPER MINI TRIEVER MD 3800CV ADVAN	Went	1977	341	2085	328212	10	1	341	0		1982	SAINT SUPP 100
00077148	SAW ANBOR ROCKWELL SN 1677122	Went	1976	1,870	2085	336210	25	1	1,891	79		2001	MT SHOP
00077129	BAND SAW ROCKWELL SN 1975145	Went	1976	3,000	2085	336220	18	1	3,000	0		2001	MT SHOP
00148736	BANDER PORTER CABLE 4" BELT SN 07488	Went	1988	227	2085	336220	3	1	227	0		1982	STOREKEEP CAGE
00111176	BANDER BELT-ORC VITABLE SEARS SN 0	Went	1976	278	2085	336220	16	1	278	0		1982	MT SHOP
00101948	ROUTER HEAVY DUTY SEARS W/ACCESS	Went	1980	173	2085	336890	14	1	173	0		1984	STOREKEEP CAGE
00102114	POLE WINDOW CLEANER 30FT 30 MD C	Went	1981	171	2085	338850	10	1	171	0		1982	SAINT SUPP 78
00118020	PRESS ORAL ORBIT MD/ OR-1468F SN 3	Went	1983	287	2085	341300	14	1	287	0		1987	ENERGY PLT
00123704	KEY DUPLICATOR DOMINION MD 132AM-4K	Went	1983	881	2085	341500	14	1	881	0			LOCKSMITH
	MITRE SAW MAKITA MD 2401-B SN 22078	Went	1985	208	2085	341961	14	1	208	0		1989	STOREKEEP CAGE
00081784	SAW CUT-OFF 18IN JET 7 1/2 H.P. SAW BAND FRIBEL W/STAND SN 8320-POOD	Went	1981	846	2085	341961	17	1	846	0		1988	MT SHOP
00081778	THRU-ROD MCH PIPEBOLT W/ACCESS SN	Went	1978	481	2085	341961	14	1	481	0		1988	WAREHOUSE
	COMPACTOR PLATE STONE MD 8-26A SN 1	Went	1978	1,832	2085	341872	14	1	1,832	0		1983	MT SHOP
	PRESS HYDRAULIC 17 1/2 TON O.T.C. B	Went	1981	888	2085	344461	20	1	848	150		2003	MT SHOP
00118038	WELDER ARC GENERATOR MILLER ATAD 20	Went	1983	2,100	2085	348100	17	1	2,100	0		2000	ENERGY PLT
00118082	CONTROL BOX FOR ARC WELDER MILLER W	Went	1983	481	2085	348200	14	1	481	0		1987	MT SHOP
00081776	GUN SPOONMATIC 8 WHOSE F/ARC WELD	Went	1983	680	2085	348200	14	1	680	0		1987	MT SHOP
00081778	WELDER & GENERATOR DC 300 AMP	Went	1978	1,880	2085	348200	13	1	1,880	0			SHOP
00118081	TORCH GAS BILLOW MKIII	Went	1983	287	2085	348900	14	1	287	0		1987	STOREKEEP CAGE
00118100	NAKLA PNEUMATIC MILTI MD RN312 SN	Went	1984	486	2085	348414	14	1	486	0		1988	MT SHOP
00118033	PUNCH DRIVE HYDRAULIC W/HAND PUMP 0	Went	1983	271	2085	348414	11	1	271	0		1984	ELECT RM

EXHIBIT D: List of Fixtures - Real Property

Tag #	Description	Status	Purch Year	Purch Price	Qtr	Cat Code	Use	Req'd	Dep	Net Book Value	value at	Replaceme nt Year	Location
00116400	GUN CHIPPING ELEC ROCKWELL MD 603 S	Went	1982	748	2086	348420	8	1	748	0		1981	STOREKEEP CAGE
00148742	LOT OF 4 SWEEPER WINDSOR 14" MD MSM	Went	1988	1,888	2086	388270	10	1	1,888	0		1988	SAHIT SUPPLY
00119160	SWEEPER AIR MD 1600 MOUNTED ON CHEV	Went	1986	21,831	2086	388270	7	1	21,831	0			MOBILE
00148682	TRACTOR MD 430 W/FRONT LOADER EQUIP	Went	1987	6,087	2086	372000	16	1	6,284	813		2002	MOBILE
00148683	TRACTOR TOW MD T810 EQUIP C-4 SH 12	Went	1987	13,233	2086	372000	16	1	11,488	1,784		2002	MOBILE
00119109	WASHER CLOTHES DEXTER MD WC2335 SH	Went	1984	3,887	2086	381211	14	1	3,887	0		1988	WARDROBE
00078468	RADIO BASE STATION REPLATER MD 88A	Went	1976	1,328	2084	413300	7	1	1,328	0		1981	BASE STN
00102034	VEHICLE CHARGE RCA COMB-F101 SECUR	Went	1980	284	2084	414001	6	1	284	0		1981	SECURITY SHACK
00168900	UTILITY CART, ELECTRIC CUSHMAN TITAN	Went	1982	7,048	2086	4230600	16	1	3,780	3,280		2007	ME20
00168889	UTILITY CART, ELECTRIC CUSHMAN TITAN	Went	1982	7,048	2086	4230600	16	1	3,780	3,280		2007	ME20
00168888	UTILITY CART, ELECTRIC CUSHMAN TITAN	Went	1982	7,048	2086	4230600	16	1	3,780	3,280		2007	ME20
00168887	UTILITY CART, ELECTRIC CUSHMAN TITAN	Went	1982	7,048	2086	4230600	16	1	3,780	3,280		2007	ME20
00168884	UTILITY CART, ELECTRIC CUSHMAN TITAN	Went	1982	7,048	2086	4230600	16	1	3,780	3,280		2007	ME20
00168889	UTILITY VEHICLE, OFF-ROAD 4-WHEEL, DAIHATSU	Went	1982	12,228	2086	4230600	16	1	6,520	5,706		2007	ME20
00162771	1981 CART CUSHMAN ELECTRIC TITAN	Went	1981	7,012	2086	4230600	10	1	6,211	701			ME20
00163770	1981 CART CUSHMAN ELECTRIC TITAN	Went	1981	7,012	2086	4230600	10	1	6,311	701			ME20
00163789	1981 CART CUSHMAN ELECTRIC TITAN	Went	1981	7,012	2086	4230600	10	1	6,311	701			ME20
00163781	DAIHATSU OFF ROAD VEHICLE UTILITY VEHICLE ROADBLD	Went	1981	9,808	2086	4230600	10	1	6,648	861		2001	ME20
00168814	YAMAHA UTILITY VEHICLE ROADBLD	Went	1981	4,388	2086	4230600	10	1	3,847	438		2001	ME20
00168813	YAMAHA UTILITY VEHICLE ROADBLD	Went	1981	4,388	2086	4230600	10	1	3,847	438		2001	ME20
00163701	1980 UTILITY VEHICLE DAHATSU LIFT PICKUPPER	Went	1980	11,714	2086	4230600	10	1	11,714	0		2000	ME20
00168811	CART ELECTRIC HORDSKOG UTILITY VEHICLE ROADBLD	Went	1980	7,068	2086	4230600	10	1	7,068	0		2000	ME20
00168810	CART ELECTRIC HORDSKOG UTILITY VEHICLE ROADBLD	Went	1980	7,068	2086	4230600	10	1	7,068	0		2000	ME20
00148728	CART ELECTRIC TRAILER	Went	1987	6,772	2086	4230600	10	1	6,772	0		1987	ME20
00118810	TRAILER UTILITY VEHICLE ROADBLD	Went	1982	1,200	2086	4233300	10	1	1,200	0		1982	ME40
00118809	TRAILER UTILITY VEHICLE ROADBLD	Went	1982	1,200	2086	4233300	10	1	1,200	0		1982	ME40
00118807	TRAILER UTILITY VEHICLE ROADBLD	Went	1982	1,200	2086	4233300	10	1	1,200	0		1982	ME40
00118806	TRAILER UTILITY VEHICLE ROADBLD	Went	1982	1,200	2086	4233300	10	1	1,200	0		1982	ME40
00172636	TOW TRACTOR SKAMP TUGGER W/E HITCH PROPANE POWERED	Went	1986	19,801	2086	4212000	16	1	6,600	13,200		2010	ME22
00163789	TRACTOR, KUBOTA W/LOADER & LANDPIDE	Went	1981	16,481	2086	4242100	20	1	7,407	8,063		2011	ME22
00170617	JOINTEMPLAR, MAKITA DRY BAND SAW	Went	1982	2,158	2086	4322200	16	1	1,181	1,007		2007	MT21
00172678	DRY BAND SAW BELTDRIVE BANDER, DELTA	Went	1986	2,706	2086	4322600	16	1	731	1,984		2011	WE01
00170744	BELTDRIVE BANDER, DELTA DRILL PRESS, ANKOGA 20"	Went	1982	1,811	2086	4322800	16	1	868	762		2007	MT21
00167787	DRILL PRESS, ANKOGA 20" CLANKI SWEEPER W/STROBE LIGHT	Went	1981	3,848	2086	4341310	16	1	3,310	1,580		2008	WE01
00172668	ATTACHED FLOOR SCRUBBER, TENNANT LARGE RIDER	Went	1986	10,818	2086	4382610	16	1	3,608	7,213		2010	ME30
00170731	SWEEPER, TENNANT 3 WHEEL MOTORIZED	Went	1982	61,266	2086	4382610	16	1	27,342	23,824		2007	ME33
00170723	SWEEPER, TENNANT 3 WHEEL MOTORIZED	Went	1982	39,662	2086	4382610	16	1	21,100	18,482		2007	ME30
00170722	SWEEPER, TENNANT 3 WHEEL MOTORIZED	Went	1982	39,662	2086	4382610	16	1	21,100	18,482		2007	ME30

EXHIBIT D: List of Fixtures and Property

Tax ID	Description	Status	Purch Year	Purch Price	Orig	Est Code	Exp Life	net'd	Dep	Net Book Value	Market Value as of	Replceme Int Year	Location
00171611	VACUUM SWEEPER, PARKING LOT SCHWARZE SUPERVAAC	Went	1982	50,611	2085	4382610	15	1	29,982	23,618		2007	ME30
00156901	VACUUM SWEEPER SCHWABZ SUPERVAC W/AR LIGHT	Went	1980	42,970	2085	4382610	10	1	42,970	0		2000	ME30
	SPRAY PAINT EQUIPMENT	Went	1986	611	2085	4382720	7	1	437	178		2002	MT34
	SPRAY PAINT EQUIPMENT	Went	1985	611	2085	4382720	7	1	437	176		2002	MT34
	SPRAY PAINT EQUIPMENT	Went	1985	611	2085	4382720	7	1	437	176		2002	MT34
	SPRAY PAINT EQUIPMENT	Went	1985	611	2085	4382720	7	1	437	176		2002	MT34
	SPRAY PAINT EQUIPMENT	Went	1985	611	2085	4382720	7	1	437	176		2002	MT34
	SPRAY PAINT EQUIPMENT	Went	1985	611	2085	4382720	7	1	437	176		2002	MT34
	SPRAY PAINT EQUIPMENT	Went	1985	611	2085	4382720	7	1	437	176		2002	MT34
	CHIPPER/MULCHER	Went	1986	611	2085	4382720	7	1	437	176		2002	MT34
00171662	W/ENDERS/SPECIAL HOPPER AMENIGUP	Went	1984	6,186	2085	4382930	10	1	3,700	2,467			GR02
00172574	STAGE UP/LIGHT FORKLIFT CLARK W/184" TRIPLE	Went	1984	54,641	2085	4383100	15	1	21,956	32,785		2008	ME10
00172619	FORKLIFT PNEUMATIC	Went	1984	52,602	2085	4383100	10	1	31,821	21,121		2004	ME10
00170743	FORKLIFT, 19,500 LB. PNEUMATIC CLARKLIFT	Went	1992	61,661	2085	4383100	20	1	20,826	20,827		2012	ME10
00170742	FORKLIFT, 19,500 LB. PNEUMATIC CLARKLIFT	Went	1992	52,989	2085	4383100	20	1	21,189	31,798		2012	ME10
00170735	CLARK FORKLIFT, 5,000 LB PNEUMATIC	Went	1982	23,155	2085	4383100	15	1	12,248	10,808		2007	ME10
00170734	CLARK FORKLIFT, 5,000 LB PNEUMATIC	Went	1992	23,155	2085	4383100	15	1	12,248	10,808		2007	ME10
00170740	FORKLIFT, CATERPILLAR, 9000 LB.	Went	1992	42,041	2085	4383100	15	1	22,422	19,619		2007	ME10
00170739	FORKLIFT, CATERPILLAR, 9000 LB.	Went	1992	42,041	2085	4383100	15	1	22,422	19,619		2007	ME10
00168878	FORKS, 1 PAIR, FOR CLARK FORKLIFT	Went	1992	1,461	2085	4383100	20	1	684	678		2012	ME10
00193760	FORKLIFT TRUCK CLARK-71	Went	1991	19,212	2085	4383100	20	1	9,240	19,071		2011	ME10
00133781A1	FORK & FOOT PIN TYPE X3" X44" SPECIAL	Went	1989	1,227	2085	4383100	10	1	1,227	0		1989	ME10
00170725	AERIAL PLATFORM, GENIE 2-PERSON	Went	1992	17,853	2085	4383200	15	1	9,522	8,231		2007	ME15
00168876A1	LIFT ACCESSORIES	Went	1992	7,304	2085	4383200	10	1	6,843	1,481		2002	ME15
00170719	PLATFORM, GENIE	Went	1992	8,527	2085	4383200	10	1	8,821	1,705		2002	ME15
00170730	MANLIFT, 34' KRUCKLEBOOM	Went	1992	40,601	2085	4383200	10	1	32,481	9,120		2002	ME15
00170737	MANLIFT, 60' KRUCKLEBOOM	Went	1992	84,920	2085	4383200	10	1	67,038	16,884		2002	ME15
00168900	PAINT SPRAYER, HUMCHUGER 98B-1026	Went	1990	1,609	2085	4383200	10	1	1,609	0		2000	PAINT-BH
00172620	COMPRESSOR	Went	1997	2,138	2085	4431000	10	1	942	1,487		2007	
00170733	AIR COMPRESSOR, QUINCY N.W. MODEL W/MOTOR CONTROLS	Went	1992	9,035	2085	4431000	15	1	4,819	4,216		2007	MT10
00170732	AIR COMPRESSOR, QUINCY N.W. MODEL W/MOTOR CONTROLS	Went	1992	9,035	2085	4431000	15	1	4,819	4,216		2007	MT10
	AIR SYSTEM COMPRESSED PREMIUM ACCU-SPRAY W/ACCESS.	Went	1990	787	2085	4431000	10	1	787	0		2000	PA01
00168876	LIFT W/ROLLING JACKS & RAMP, 4 POST 29,000 LB CAP.	Went	1992	5,410	2085	4484110	10	1	4,328	1,082		2002	ME15
00171689	HIGH PRESSURE WASHER	Went	1984	2,865	2085	4484110	15	1	1,149	1,719		2009	
00171635	WASHER HIGH PRESSURE 3000LB HOT WATER W/ATTACHMENTS	Went	1993	8,080	2085	4484110	10	1	5,656	2,424		2003	CU01
00171634	WASHER HIGH PRESSURE 3000LB HOT WATER W/ATTACHMENTS	Went	1993	8,080	2085	4484110	10	1	5,656	2,424		2003	CU01

EXHIBIT D: List of Fixtures and Personal Property

Tag #	Description	Status	Purch Year	Purch Price	Orig	Col Code	Exp Use	Req'd	Dep	Net Book Value	Value of	Replacement mt Year	Location
00172871	RED DEVIL PAINT MIXER, TWIN	Went	1986	1,348	2086	4484000	14	1	482	867		2008	MT24
00163800	CAPACITY WAUTOMATIC CLAMP LOCK	Went	1981	8,358	2086	4484000	10	1	8,422	838		2001	CJ01
00167706	AUTOMATIC BALER, GLOBAL	Went	1981	2,147	2086	4484600	16	1	1,288	868		2006	WE01
00172870	WELDER SHOMASTER 300 AC/DC	Went	1986	2,028	2086	4511040	10	1	1,014	1,014		2006	WE01
00163787	THERMAL DYNAMICS PAK MASTER 50 PLASMA CUTTER	Went	1981	1,488	2086	4512060	16	1	888	608		2006	ME01
00170748	COMBO WRENCH SET PHOTO	Went	1982	1,568	2086	4513010	14	1	888	667		2006	ME36
00118108	BREAKER HAMMER, BOSCH	Went	1984	2,891	4011	451307	10	1	2,891	0		1984	MOBILE
00063738	W/ANTIBELONGCONCRETE POINT GOLF CART YAMAMA MD 61-EM4	Went	1978	1,600	2086	462000	10	1	1,500	0		1982	MOBILE
00063734	ELC	Went	1978	1,600	2086	462000	10	1	1,500	0		1982	MOBILE
00063737	WAGON HALLING	Went	1978	284	2086	462000	10	1	284	0		1982	MOBILE
00171890	WAGON FARM 12 FT STR-1	Went	1984	1,801	2086	4641000	20	1	840	1,281		2014	R19
00171878	TICKET KIOSK PORTABLE STEEL	Went	1984	1,801	2086	4641000	20	1	840	1,281		2014	R19
00171878	TICKET KIOSK PORTABLE STEEL	Went	1984	20,181	2086	4641000	20	1	6,048	14,112		2014	R19
00171877	TICKET KIOSK PORTABLE STEEL	Went	1984	20,181	2086	4641000	20	1	6,048	14,112		2014	R19
00171878	TICKET KIOSK PORTABLE STEEL	Went	1984	20,181	2086	4641000	20	1	6,048	14,112		2014	R19
00171878	TICKET KIOSK PORTABLE STEEL	Went	1984	23,783	2086	4641000	20	1	7,128	16,654		2014	R19
00172877	GLASS	Went	1988	2,313	2086	4644200	16	1	817	1,488		2011	SS01
00172882	LOT OF 60, 8FT STEEL BARRIERS	Went	1986	6,330	2086	4644200	16	1	2,110	4,220		2010	MI02
00178886	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178884	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178849	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178848	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178844	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178843	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178842	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178838	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178835	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178834	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178833	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178832	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178831	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178830	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178827	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52
00178828	RADIO MOTOROLA GP300 4-CHANNEL	Went	1984	867	2086	4682100	10	1	674	383			RA52

EXHIBIT D: List of Fleet Personal Property

Tel #	Description	Status	Purch Year	Purch Price	QTY	Est Code	Exp	req'd	Dep	Net Book Value	value of	Repeatability	Location
00178925	RADIO MOTOROLA GP300 4 CHANNEL	Work	1994	857	2085	4582100	10	1	674	383			RA52
00178924	RADIO MOTOROLA GP300 4 CHANNEL	Work	1994	857	2085	4582100	10	1	674	383			RA52
00178913	RADIO MOTOROLA GP300 4 CHANNEL	Work	1994	857	2085	4582100	10	1	674	383			RA52
00178912	RADIO MOTOROLA GP300 4 CHANNEL	Work	1994	857	2085	4582100	10	1	674	383			RA52
00178911	RADIO MOTOROLA GP300 4 CHANNEL	Work	1994	857	2085	4582100	10	1	674	383			RA52
00178910	RADIO MOTOROLA GP300 4 CHANNEL	Work	1994	857	2085	4582100	10	1	674	383			RA52
00178908	RADIO MOTOROLA GP300 4 CHANNEL	Work	1994	857	2085	4582100	10	1	674	383			RA52
00178908	RADIO MOTOROLA GP300 4 CHANNEL	Work	1994	857	2085	4582100	10	1	674	383			RA52
00172484	RADIO PORTABLE MOTOROLA UHF	Work	1993	459	2084	4582100	10	1	321	138			RA32
00172483	RADIO PORTABLE MOTOROLA UHF	Work	1993	459	2084	4582100	10	1	321	138			RA32
00170687	MULTI UNIT CHARGER, MAXTRAC 800 MHz TRUNKED MOBILE	Work	1992	809	2084	4582100	10	1	847	182		2002	RA03
00170686	MULTI UNIT CHARGER, MAXTRAC 800 MHz TRUNKED MOBILE	Work	1992	809	2084	4582100	10	1	847	182		2002	RA03
00170685	MULTI UNIT RADIO CHARGER	Work	1992	584	2084	4582100	10	1	487	117		2002	RA14
00170616	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA14
00170615	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA14
00170614	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA14
00170613	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA14
00170612	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA14
00170611	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA14
00170610	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA14
00170608	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA14
00170607	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA03
00170606	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA03
00170604	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA03
00170603	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA03
00170602	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA03
00170601	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA03
00170600	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA03
00170599	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA03
00170698	MULTI UNIT RADIO CHARGERS	Work	1992	584	2084	4582100	10	1	487	117		2002	RA03
00170684	RADIO MOTOROLA W/CASE AND BATTERY	Work	1992	1,121	2084	4582100	10	1	887	224		2002	RA06
00170675	RADIO, MOTOROLA W/CASE & BATTERY	Work	1992	1,121	2084	4582100	10	1	887	224		2002	RA12
00170687	RADIO, MOTOROLA W/CASE AND BATTERY	Work	1992	1,121	2084	4582100	10	1	887	224		2002	RA12
00170685	RADIO, MOTOROLA W/CASE AND BATTERY	Work	1992	1,121	2084	4582100	10	1	887	224		2002	RA12
00170684	RADIO, MOTOROLA W/CASE AND BATTERY	Work	1992	1,121	2084	4582100	10	1	887	224		2002	RA12
00170683	RADIO, MOTOROLA W/CASE AND BATTERY	Work	1992	1,121	2084	4582100	10	1	887	224		2002	RA12
00170682	RADIO, MOTOROLA W/CASE AND BATTERY	Work	1992	1,121	2084	4582100	10	1	887	224		2002	RA12
00170681	RADIO, MOTOROLA W/CASE AND BATTERY	Work	1992	1,121	2084	4582100	10	1	887	224		2002	RA12
00170680	RADIO, MOTOROLA W/CASE AND BATTERY	Work	1992	1,121	2084	4582100	10	1	887	224		2002	RA12
00170688	RADIO, MOTOROLA W/CASE AND BATTERY	Work	1992	1,121	2084	4582100	10	1	887	224		2002	RA12

EXHIBIT D: List of Fixtures

inal Property

Tag No	Description	Status	Purch Year	Purch Price	Orig	Cat Code	Exp	req'd	Dep	Net Book Value	Value at	Replacement Int Year	Location
00170688	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170687	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170686	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170685	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170684	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170683	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170682	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170681	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA08
00170680	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170678	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170678	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170677	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170674	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170673	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA08
00170672	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170671	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170670	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170668	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA08
00170668	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170667	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170666	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170665	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170664	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170663	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170662	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170661	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170660	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170659	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170658	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170657	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12
00170656	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA08
00170655	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	887	224	224	2002	RA12

EXHIBIT D: List of Fixtures and Property

Tag #	Description	Status	Purch Year	Purch Price	QTY	Est Code	Exp	req'd	Dep	Net Book Value	value of	Replacement Int Year	Location
00170854	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170853	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170852	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170851	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170850	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170849	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170848	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170847	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170846	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170845	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170844	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170843	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170842	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170841	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170840	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170839	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170838	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170837	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170836	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170835	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170834	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170833	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170832	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170831	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170830	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170829	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170828	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170827	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170826	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170825	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170824	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170823	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170822	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170821	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12
00170820	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121,2084	4882100	10	1	887		224		2002	RA12

EXHIBIT D: List of Fixtures and Property

Tax ID	Description	Status	Purch Year	Purch Price	Orig	Est Code	Exp Life	Acq'd	Dep	Net Book Value	value of	Repeasme in Year	Location
00170619	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170618	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170693	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170692	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2085	4582100	10	1	897	224		2002	RA92
00170691	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170690	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170689	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA06
00170688	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170687	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170686	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170685	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170684	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170683	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170682	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170681	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170680	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170878	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170877	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA06
00170876	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170875	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170874	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170873	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170872	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170871	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170870	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170869	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170868	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170867	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170866	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12
00170865	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA06
00170864	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1992	1,121	2084	4582100	10	1	897	224		2002	RA12

EXHIBIT D: List of Fixture and Property

Tag #	Description	Status	Purch Year	Purch Price	Orig	Est Value	Exp. Life	Incl'd	Dep	Net Book Value	Replaceme. value at	Location
00170863	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170862	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170861	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170860	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170859	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170858	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170857	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170856	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170855	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170854	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170853	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170852	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170851	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170850	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170648	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170648	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170647	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170648	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170648	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170644	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170676	RADIO, MOTOROLA, W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00188891	RADIO, PORTABLE 4 WATT MOTOROLA W/ANTENNA	Went	1992	492	2084	4582100	10	1	394	88	2002	RA52
00188882	RADIO, PORTBL MOTOROLA UHF 4 WATT	Went	1992	492	2084	4582100	10	1	394	88	2002	RA52
00188872	RADIO, PORTBL MOTOROLA, UHF 4 WATT	Went	1992	492	2084	4582100	10	1	394	88	2002	RA07
00170645	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00170838	RADIO, MOTOROLA W/CASE AND BATTERY	Went	1982	1,121	2084	4582100	10	1	887	224	2002	RA12
00183775	RADIO, PORTABLE MOTOROLA UHF 4 WATT	Went	1991	454	2084	4582100	10	1	408	45	2001	RA52
00183773	RADIO, PORTABLE MOTOROLA UHF 4 WATT	Went	1991	454	2084	4582100	10	1	408	45	2001	RA52
00183772	RADIO, PORTABLE MOTOROLA UHF 4 WATT	Went	1991	454	2084	4582100	10	1	408	45	2001	RA52
00183751	RADIO, 2 CHANNELS MAXON UHF W/TRANSCIEVER	Went	1990	498	2084	4582100	10	1	488	0	2000	RA07
00183752	RADIO, 2 CHANNEL MAXON UHF W/TRANSCIEVER	Went	1990	497	2084	4582100	10	1	487	0	2000	RA52
00188902	RADIO, ICOM IC-U13 UHF PORTABLE	Went	1990	590	2084	4582100	10	1	590	0	2000	RADIO
		Went	1988	67	2084	4582100	30	1	47	0	2000	GUJ2

EXHIBIT UI: List of Fixtures and Property

Tag #	Description	Status	Purch Year	Purch Price	Orig. Cost	Est. Code	Use	Age	Dep.	Net Book Value	Value at	Telephone #	Location
00172827	RADIO, MOTOROLA SP60 UHF	Went	1987	414	2086	488100	10	1	174	288		2007	RA52
00172828	RADIO, MOTOROLA SP60 UHF	Went	1987	414	2086	488100	10	1	174	288		2007	RA52
00142748	GENERATOR, HONDA	Went	1991	1,879	2086	4811600	10	1	1,891	189		2001	MT20
00143786	GENERATOR, HONDA MD/ EM1000SX	Went	1991	1,879	2086	4811600	10	1	1,891	189		2001	MT20
00172831	SNP 8MM488	Went	1986	4,977	2086	4881632	16	1	1,859	3,318		2010	ME20
00172822	GASOLINE UTILITY VEHICLES COMPUTERIZED TIME CLOCK	Went	1986	2,088	2086	4884630	10	1	836	1,253		2008	SWEEPERS ROOM 77
00172821	WINDOWS and 1-1800SV	Went	1996	2,088	2086	4884630	10	1	836	1,253		2008	STONEKEEPER'S CAGE
00172873	7 Surveillance cameras	Went	1996	20,830	2086	4811000	10	1	14,866	14,866		2008	
00178896	RADIO MOTOROLA SPECTRA C2 W/CONTROL STATION	Went	1986	2,338	2084	4703000	10	1	1,189	1,189		2008	PV10
00178894	RADIO MOTOROLA SPECTRA C2 W/CONTROL STATION	Went	1986	2,338	2084	4703000	10	1	1,189	1,189		2008	PH12
00171897	CONTAINER 4 CUBIC YARD	Went	1984	1,680	2086	4720200	20	1	474	1,108		2014	ME48
00171898	CONTAINER 4 CUBIC YARD	Went	1984	1,680	2086	4720200	20	1	474	1,108		2014	ME48
00171896	CONTAINER 4 CUBIC YARD	Went	1984	1,680	2086	4720200	20	1	474	1,108		2014	ME48
00171894	CONTAINER 4 CUBIC YARD	Went	1984	1,680	2086	4720200	20	1	474	1,108		2014	ME48
00171898	CONTAINER 4 CUBIC YARD	Went	1984	1,680	2086	4720200	20	1	474	1,108		2014	ME48
00186906	TUMBLE COMB, DRYER, SPEED OXIDEN W/CE	Went	1980	2,378	2086	4720800	10	1	3,378	0		2000	MT48
00172832	PRESSURE CLEANING EXTRACTOR MACHINE	Went	1987	4,182	2086	4720800	10	1	1,266	2,928		2007	SU98
00172831	PRESSURE CLEANING EXTRACTOR MACHINE	Went	1987	4,182	2086	4720800	10	1	1,266	2,928		2007	MT48
00171899	SWEEPER BATTERY-POWERED WALK BEHIND TENDANT	Went	1983	6,684	2086	4720800	10	1	3,886	1,708		2003	ME30
00186612	FLOOR MACHINE 20" W/18" INSTA- LOCK BRUSH	Went	1991	1,624	2086	4720800	10	1	1,461	182		2001	CU01
00183784	FLOOR SCRUBBER, TENDANT	Went	1991	60,478	2086	4720800	16	1	30,287	29,131		2008	ME33
00186873	FLOOR MCH, ADVANCE PACEMAKER VACUUM, 15" VERSAMATIC	Went	1990	1,784	2086	4720800	14	1	1,274	610		2004	MT SHOP
		Went	1993	813	2086	4720800	10	1	689	244		2003	MT73
		Went	1992	678	2086	4720800	6	1	678	0		1997	8,338
00186611	CARPET VACUUM CARPETREVER 28" M	Went	1991	1,716	2086	4720800	10	1	1,643	171		2001	CU01
00183788	VACUUM WET/DRY 16 GAL. W/ATTACHMENTS	Went	1991	1,096	2086	4720800	10	1	888	110		2001	GA01
00186608	VACUUM WET/DRY 16 GAL. W/ATTACHMENTS	Went	1991	1,086	2086	4720800	10	1	888	110		2001	ME01
00186880	P330300 CARPETREVER, 28" ADVANCE	Went	1990	1,132	2086	4720810	10	1	1,132	0		2000	MT48
00172828	MARKER KIT CUTTING PLOTTER 30" DESKTOP SIGN MAKER	Went	1994	11,887	2086	4743000	16	1	4,769	7,138		2008	MT34
00170727	BARRIERS-LOT OF 22 CROWNVEHICLE CO	Went	1992	2,661	2086	4743000	8	1	2,661	0			MT34
00141228	LOT OF 28 MITY-LITE FOLDING TABLES, 30" x 86", DARK BROWN	Went	1988	2,317	2086	4782000	6	1	2,317	0		1981	MI02
00172878	CONTAINERS LOT OF 3 4-CUBIC YD 14 OUNCE CONST.	Went	1996	5,289	2086	4788000	10	1	2,148	3,231		2008	MT78
00183747	CART 3 WHEEL, MD 318 SH 800641	Went	1990	3,214	2086	4811000	20	1	1,607	1,607		2010	CU01
00146733	EQUIP JACK PALLET 6000 LB CAP 48IN LEGS	Went	1987	2,841	2086	482210	10	1	2,841	0		1987	MOBILE
00088888	JACK HYDROL 1 1/2 TON W/ANCHER SH SH4	Went	1978	467	2086	763118	16	1	467	0		1984	MT SHOP
00077864	PULLER 1.5 TON JET MD 306616 SH	Went	1977	280	2086	763118	14	1	280	0		1982	MT SHOP
00146721	PULLER 1.5 TON JET MD 306616 SH	Went	1987	242	2086	763131	8	1	242	0		1986	PAINT ROOM
00146722	PULLER 1.5 TON JET MD 306616 SH	Went	1987	242	2086	763131	8	1	242	0		1986	PAINT ROOM

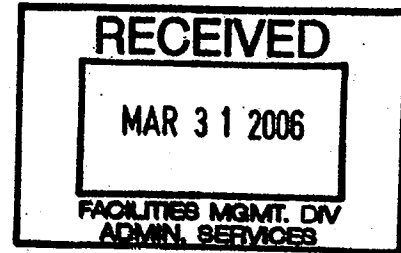
EXHIBIT D: List of Fixtures, Personal Property

Tag #	Description	Status	Purch Year	Purch Price	Orig	Col Code	Exp Utl	Ins'd	Dep	Net Book Value	Replcmts in Year	Location
00119034	PORTAPULLER GREENLEE W/ POWER PAKKA	Went	1993	1,776	2085	763131	20	1	1,610	266	2003	ELECT RM
00077120	WISE COLUMBIAN 608-M2	Went	1977	273	2085	763146	20	1	273	0	1997	MECH RM
00077121	WISE COLUMBIAN 60871	Went	1977	273	2085	763146	20	1	273	0	1997	MT SHOP
00118187	SOCKET 3/4 DRIVE PHOTO	Went	1976	242	2085	763147	15	1	242	0	1991	STOREKEEP CAGE
00088890	TOOL SET MASTER MECHANIC-348	Went	1978	1,590	2085	763400	14	1	1,590	0	1993	STOREKEEP CAGE
00168838	COMPACTOR BAATEL # 8 19245	Went	1989	1,270	2085	767100	8	1	1,270	0	1997	RM MT26
00102141	LOT OF 8 HOPPER SELF-DUMP 3 YARD VACUUM PUMP MD 16101-A RM	Went	1977	2,636	2085	767820	14	1	2,636	0	1992	MOBILE
00132749	61851	Went	1986	280	2085	768120	10	1	280	0	1988	ENERGY FLT
00081716	ROLLING STAIRWAY/LADDER 38X119X171	Went	1978	1,344	2085	782200	20	1	888	358	2008	ROLLING STAIRS
00077858	SCAFFOLD TUNER MTL 617X8	Went	1977	477	2085	768200	20	1	477	0	1997	SCAFFOLD
00102084	FOOTBALL NET-LOT OF 3	Went	1980	1,000	2085	781788	14	1	1,000	0	1994	FE-FOOTBALL
00119023	LOT OF 3 DUMPSTER UTILITY RUBBERMA	Went	1983	1,185	2085	787927	14	1	1,185	0	1997	MOBILE
00077187	LOT OF 4 DUMPSTER UTILITY RUBBERMA	Went	1976	852	2085	787927	18	1	852	0	1994	DUMPSTERS
00081787	RADIO BASE STATION REPEATER RCA 02	Went	1978	1,800	2084	81767	7	1	1,400	0	1993	BASE STN
00118106	RAMPERS-LOT OF 12 CROWDVEHICLE C	Went	1984	1,285	2085	888888	8	1	1,285	0	1988	MK02
00119101	RAMPERS-LOT OF 46 CROWDVEHICLE ME	Went	1984	4,855	2085	888888	5	1	4,855	0	1988	MK02
00172840	SCAFFOLDING	Went	1997	0	2085	0	0	1	0	0	0	
	CONTAINER METAL STANDINGROLLING KNAACK BRN	Went	1994	776	2085		20	1	333	843	2014	MT60
	CONTAINER METAL STANDINGROLLING KNAACK BRN	Went	1994	776	2085		20	1	333	843	2014	MT60
	CONE DRILL TWO BELED 7748 BLACK 8 DECKER	Went	1994	746	2085		10	1	447	298	2004	MT60
	FORKLIFT FORK 86" 1.78"X8"	Went	1994	833	2085		10	1	600	333	2004	ME10
	CLARKLIFT	Went	1994	851	2085		8	1	851	0	2000	BOB
	ROTOR HAMMER HK11	Went	1992	641	2085		16	1	252	289	2008	PR12
	CABINET WALL-MOUNTED FOR EVAGU TRAC CHAIR	Went	1992	1,226	2085		20	1	604	1,122	2013	PR13
00171838	CHAIR EMERGENCY EVACUATION EVACUSTRAC	Went	1992	788	2085		16	1	421	368	2007	ME20
	3-WHEEL WORKMAN TRUCK W/FRONT PLATFORM	Went	1992	788	2085		16	1	421	368	2007	ME20
	3-WHEEL WORKMAN TRUCK W/FRONT PLATFORM	Went	1992	788	2085		16	1	421	368	2007	ME20
	3-WHEEL WORKMAN TRUCK W/FRONT PLATFORM	Went	1992	788	2085		16	1	421	368	2007	ME20
	3-WHEEL WORKMAN TRUCK W/FRONT PLATFORM	Went	1992	788	2085		16	1	421	368	2007	ME20
	3-WHEEL WORKMAN TRUCK W/FRONT PLATFORM	Went	1992	788	2085		16	1	421	368	2007	ME20
	AIR COMPRESSOR, CRAFTSMAN SINGLE STAGE 8HP 90 GAL	Went	1992	708	2085		7	1	708	0	1999	MT22
	CABINET, 2 DR, 30 GALLON-FLAMMABLE LIQUID STORAGE	Went	1992	543	2085		20	1	217	328	2012	MT20
	CABINET, 2 DR, 90 GALLON-FLAMMABLE LIQUID STORAGE	Went	1992	896	2085		20	1	278	417	2012	MT21
	CABINET, 2 DR, 90 GALLON-FLAMMABLE LIQUID STORAGE	Went	1992	738	2085		20	1	288	443	2012	MT34
	CABINET, 2 DR, 90 GALLON-FLAMMABLE LIQUID STORAGE	Went	1992	739	2085		20	1	298	443	2012	MT34

EXHIBIT D: List of Fixture, Personal Property

Tel. #	Description	Status	Purch Year	Purch Price	Orig	Est Code	Exp Use	Est'd	Dep	Net Book Value	Value of	Replaceme nt Year	Location
	CABINET, 20R, 60 GALLON, FLAMMABLE LIQUID STORAGE	Work	1992	738	2085		20	1	286	443		2012	MT34
	CABINET, FLAMMABLE STORAGE, JUSTINITE 22 GALLON COMPRESSOR, ENOLO BHP HONDA, GAS	Work	1992	618	2085		20	1	248	371		2012	MT20
	FLAMMABLE STORAGE CABINET WITH PROTECTOSEAL SHELVES	Work	1992	847	2085		10	1	767	188		2002	MT20
	FLAMMABLE STORAGE CABINET WITH PROTECTOSEAL SHELVES	Work	1992	737	2085		20	1	281	438		2012	
	FLAMMABLE STORAGE CABINET WITH PROTECTOSEAL SHELVES	Work	1992	737	2085		20	1	281	438		2012	
	HOSE CHIMPER HYDRAJAC, WEATHERHEAD	Work	1992	767	2085		15	1	404	363		2007	MT20
	TOOL CHEST, MOBILE 16 DRAWER CRAFTSMAN	Work	1992	878	2085		15	1	308	370		2007	MT20
	COMPRESSOR AIR, ENOLO HONDA GAS BHP	Work	1991	881	2085		10	1	783	88		2001	MT34
	WELDER, HOBART HANDBLDR W/ATTACHMENTS	Work	1991	730	2085		12	1	547	182		2003	WE01
	GENERATOR, ELECTRIC HONDA 2300 WATTS	Work	1990	875	2085		8	1	875	0		1998	CA01
	HAMMER, MILW	Work	1990	876	2085		10	1	876	0		2000	MT24
	PLATFORM W/3 WHEEL	Work	1990	885	2085		15	1	413	222		2005	ME20
	PLATFORM W/2 WHEEL	Work	1990	885	2085		15	1	443	222		2005	ME20
	PLATFORM W/3 WHEEL	Work	1990	885	2085		15	1	0	885		2005	ME20
	SPRAYER PRESSURE LARGA ZINGER	Work	1990	887	2085		10	1	887	0		2000	CU01
	PORTABLE ELECTRIC	Work	1989	878	2085		20	1	405	370		2008	1514
	LADDER, LITTLE GIANT 17'	Work	1978	637	2085		22	1	637	0		1998	OK01
	HOPPER BEL-DUMP 3 YARD 23	Work	1978	527	2085		22	1	527	0		1998	OK01
	HOPPER BEL-DUMP 3 YARD 23	Work	1978	527	2085		22	1	527	0		1998	OK01
	HOPPER BEL-DUMP 3 YARD 24	Work	1978	527	2085		22	1	527	0		1998	OK01
	HOPPER BEL-DUMP 3 YARD 25	Work	1978	527	2085		22	1	527	0		1998	OK01
	CHARGEN/ARTER BATTERY	Work	1984	350	2085	323000	7	1	350	0		1992	STORKEEP CAGE
00119116	SCRUBBER MACH, TERRANT 480 275-	Work	1989	6,504	2085	328900	15	1	6,236	2,388		2004	ME33
00119037	CLEANER DRUM HOOK, K-6000 8H 8300	Work	1983	1,381	2085	389000	10	1	1,381	0		1992	PLUMBING RM
00119038	TANK AND REGULATOR ARGON FIARC	Work	1983	302	2085	448400	10	1	302	0		1992	WE01
00119038	WELDER	Work	1993	5,510	2085	4712650	20	1	1,229	2,282		2012	EY02
00171843	LOCKER 17" X 16" W	Work	1994	54,184	2085	4720800	18	1	21,888	32,498		2008	ME33
00171887	SCRUBBER FLOOR RINO	Work	1992	3,838	2085	4743000	15	1	2,047	1,782		2007	MT08
00171814	PLOTTER, PALL FEATURED, A-E SIZE	Work	1986	202	2085	872100	14	1	202	0		2000	ENERGY PLT
00171814	VOLTAGE TESTER MD 280	Work	1978	171	2085	872100	13	1	171	0		1992	ELECT RM
00090889	VOLT METER SIMPSON MD 290	Work	1988	181	2085	888280	14	1	181	0		2000	ENERGY PLT
00141216	LEAK DETECTOR MD-TYM-H-12	Work	1987						0	0			
00172841	GAS CART	Work	1987						0	0			
00172824	GASES REFRESHANT	Work	1984	75					0	75			
00172826A1	WATTMETER	Work	1982	590	2085		10	1	472	118		2002	MT36
	PRESSURE TEST KIT, DOUBLE CHECK ASSEMBLY, MIDWEST	Work	1992	590	2085		10	1	472	118		2002	MT36
	PRESSURE TEST KIT, REDUCED PRESS, MIDWEST	Work	1992	590	2085		10	1	472	118		2002	MT36
	RECOVERY SYSTEM, FOR R12 AND R22 SYSTEMS W/LEAK	Work	1992	871	2085		10	1	687	174		2002	MT10
		Work Total		1,684,787					1,063,664	631,203		0	

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March 28, 2006

Honorable Ron Sims
King County Executive
701 Fifth Avenue, Suite 3210
Seattle, WA 98104-3271

Re: Proposed RFP Terms for the Sale and Redevelopment of the North Half of the Qwest Field and Event Center Parking Lot

Dear Executive Sims:

The Washington State Public Stadium Authority (PSA) continues to work with County staff on the County's potential sale and redevelopment of the north half of the Qwest Field and Event Center Parking Lot. As you know, we wrote to you in October, 2005 to express the PSA's general concerns regarding the potential redevelopment of the north half of the North Lot. (See attached letter). You responded and suggested, among other things, that the County and the PSA continue our collaborative approach on the redevelopment. In that spirit, we want now to provide specific suggestions on terms that the PSA believes the County should include in its RFP to the qualified proposers. If included in the RFP, these terms would address many of the concerns that the PSA has regarding redevelopment of the north half of the North Lot.

The PSA continues to be willing to support the potential redevelopment, so long as it is done in a manner compatible with our current operations and planned growth. We thought it would be helpful to the County and to the developers responding to the County's RFP for us to provide more specificity on the general issues we raised in October. The requirements proposed in the attached term sheet provide that specificity. In addition, we identify in this letter some issues and concerns that the PSA intends to vigorously pursue during the environmental review and permitting process for any development on the north half of the North Lot.

We want to emphasize that the items listed in the attached term sheet are not new, but rather reiterate concerns that the PSA has consistently raised in response to all proposed projects affecting the North Lot since 1998. Many of these terms have been expressly discussed with the County previously, and others are drawn directly from previous agreements between the PSA and the County.

In developing this term sheet, the PSA was mindful of the fact that the EIS for the project alternatives included the north half of the North Lot, and the SEPA conditions for the project reflect use of the North Lot for parking and staging. Following the PSA's site selection decision, when the County did not agree to convey the full Kingdome site, the PSA's decision to proceed with the Qwest Field and Event Center site was expressly contingent on commitments by others to mitigate the loss of parking and staging areas. Some of those commitments have not been fulfilled.

For example, the *Five Party Agreement & Letter of Intent* anticipated that the WSDOT would make certain parcels adjacent to the facility available for event staging and parking. This and other commitments were relied on by PSA board members to mitigate the impacts on facility operations that would result from the loss of future parking and staging associated with the redevelopment of the north half of the North Lot. These commitments helped ensure that the PSA would be made whole, given the County's decision to not convey the north half of the North Lot to the PSA.

While the County has allowed the PSA to use the north half of the North Lot for event parking and staging, WSDOT's commitment to provide alternative parking and staging areas was not fulfilled. We believe that this compromises the statewide interest in Qwest Field that the PSA is charged to protect. In particular, we have significant concerns about the ability of the facility to operate if adequate and economically viable replacement parking and staging areas are not provided. In addition, we have serious concerns about our ability to grow to meet future demands, especially as all of the properties surrounding these facilities are developed. The terms proposed by the PSA in the attached term sheet for the RFP address many of our concerns, and they reflect the terms the PSA believes are necessary in order for it to continue to support the redevelopment.

There are other issues and concerns that we will address in the future with the City of Seattle as any development proposal proceeds through the environmental review and permitting process. These issues include the impact of the construction and operation of any North Lot development on Qwest Field and Qwest Field Event Center. For example, many of the events or activities held at these facilities are unique, and special damages may be incurred if such events or activities are delayed, cancelled or otherwise affected by construction or other development activities. The project permitting should reflect this, and the developer should be held accountable for any such loss.

The PSA is prepared to work with the developer to review and comment on detailed construction and operation plans, construction means and methods, and appropriate project mitigation. We are also prepared to work cooperatively with the developer on items such as a pre-construction building assessment of Qwest Field and Qwest Field Event Center. Such an assessment would

be prepared by the developer or its contractor and reviewed by the PSA. It would help ensure that a responsive mitigation program would be prepared and implemented by the developer to reduce the impacts of any pile-driving and other construction activities on Qwest Field.

Throughout this development process, the PSA intends to consult with and receive input from our Master Tenant, consistent with the obligations that we have under our lease.

Finally, the PSA recognizes that City of Seattle staff has proposed new zoning and height limits for the north half of the North Lot as part of its "Livable South Downtown" proposal. The PSA intends to comment separately to the City on that proposal, and we will copy you on our response. Because the outcome of the City's zoning proposal is uncertain and likely distant in time, we ask that the County request proposals under the existing zoning for the site (PSM 85-120). We believe that the City's proposal to modify the current zoning to allow for additional height will likely have significant adverse impacts on Qwest Field and other public infrastructure, and it will require an environmental impact statement (EIS). At a minimum, we ask the County to require that all RFP responses include development proposals that use the existing zoning as a baseline, rather than speculating on what future zoning may allow.

We appreciate the County's consideration of these proposed terms. Please feel free to contact me if you have questions about this letter or the attached term sheet.

Sincerely,



Lorraine Hine
Board Chair

Attachments: October 3, 2005 Letter from PSA Board Chair Lorraine Hine to Hon. Ron Sims
PSA Proposed RFP Term Sheet

cc: PSA Boardmembers
Ann Kawasaki Romero, Executive Director, PSA
Ms. Martha Fuller, Chief Financial Officer, First & Goal Inc.
Ms. Kathy Brown, King County Facilities Management Division Manger
Bob Stier, Special Projects Manager, King County

Washington State Public Stadium Authority (PSA)
Proposed RFP Term Sheet
for the Redevelopment of the North Half of the North Lot

Replacement Parking:

- Must fully replace at developer's sole cost all of the parking lost as a result of the development. This includes temporary replacement parking (during project construction) and permanent replacement parking.
- Must be "acceptable" to the PSA.
- Following inquiry by the County, the PSA has indicated that it cannot currently envision conditions under which the PSA would allow the replacement parking to be located on PSA property.
- Must satisfy City of Seattle requirements for covenanted parking (SMC 23.54), for both Qwest Field and Safeco Field, and meet the terms of the covenants recorded in King County, Nos. 20040416001438 and 20040416001439.
- Will be defined as part of the "stadium and exhibition center" under the stadium's enabling legislation (Chapter 36.102 RCW and applicable King County Codes) and under operative agreements between the PSA and its Master Tenant for purposes of parking revenue, parking taxes and debt service requirements.

Replacement Staging:

- Must provide sufficient temporary replacement staging (during project construction) and permanent replacement staging area (or areas), with a clear height of 24 feet, to accommodate the existing operations of Qwest Field and Qwest Field Event Center.
- Replacement staging area to be provided either on the north half of the North Lot or from another site adjacent to, or within close proximity of, the Qwest Field and Qwest Field Event Center that provides permanent, convenient access to and from the facilities.
- Following inquiry by the County, the PSA has indicated that it cannot currently envision conditions under which the PSA would allow replacement staging to be located on PSA property.
- The replacement staging must be of a quantity and quality so that it produces no material adverse economic impact on exhibitors, such as the members of the Consumer Show Coalition Group.
- Must be "acceptable" to the PSA.

Restrictive Covenants:

- Developer agrees to include restrictive covenant or easement language in all purchase, lease, rental or other agreements for housing, commercial or other space in the development, that waives any right to complain of or seek legal recourse for noise, lighting, or any other function resulting from normal operations of Qwest Field and Qwest Field Event Center. (From the *Property Contribution Agreement*, section 5.1.5; *Five-Party Agreement*, section 25).
- Must be "acceptable" to the PSA.

View Corridor:

- A view corridor to and from Qwest Field shall be preserved by prohibiting development in excess of seventy feet (70') in height, for a distance of sixty feet (60') on each side of the ninety-foot (90') extended Second Avenue South permanent access easement (which is described in more detail below). (From the *Five-Party Agreement*, section 16).

Project Construction, Mitigation & Operation, including Facility Access:

- Developer's and contractor's schedule and means and methods of construction shall not unduly interfere with the operation or maintenance of Qwest Field or Qwest Field Event Center and the events or activities held therein, including event staging, vehicular and pedestrian access and facility security.
- The PSA and its Master Tenant shall each have the right to early review and comment on the development plans of developer of the north half of the North Lot. Comments on pedestrian or vehicle circulation, safety, security, conflicts with staging or parking, incompatibility of other design elements and view blockage shall be given specific consideration in preliminary review, environmental review, and at all steps in the County and City decision-making process. (*Five-Party Agreement*, section 16, penultimate bullet).
- The east access road to Qwest Field and Qwest Field Event Center must remain open and accessible at all times (during and after construction) to provide required fire lane access to Qwest Field and Qwest Field Event Center.

Additional Terms from Existing Agreements:

- King County will provide a 90-ft-wide, permanent access easement (60-foot-wide traffic-way plus sidewalks) along the extension of Second Avenue South across the North Half Lot for access to the South Half Lot parcel. (*Property Contribution Agreement*, section 5.1.3.). The developer will be responsible for improving this traffic-way easement to applicable City standards for streets and sidewalks and making other necessary improvements at developer's sole expense.
- Weller Street extension: The *Five-Party Agreement* (footnote no. 1) defines the southern boundary of the north half of the North Lot as follows: "Boundary to be the southern edge of the future Weller Street extension right-of-way. The right-of-way will be 60 feet in width, with the centerline aligned with the centerline of the Weller Street Pedestrian Bridge." If developed, 30' of the Weller Street extension (or permanent access easement) would come from the north half of the North Lot and 30' would come from the south half of the North Lot. If the Weller Street extension is not developed, the common property boundary would be the centerline of the existing Weller Street pedestrian bridge, which is shown in Seattle Lot Boundary Adjustment Nos. 9806720 and 9806721. The PSA concurs with the adjusted lot boundary line but takes no position on whether Weller Street should be developed. Nonetheless, the PSA wants to be clear that no portion of the PSA's property in the south half of the North Lot can be used to provide access that would otherwise be provided by the Weller Street extension, if the extension is not developed as described. If the County requires the Weller Street extension, developer will be responsible for improving this permanent access easement to applicable City standards for streets and sidewalks and making other necessary improvements at developer's sole expense.

Current Operations & Future Growth:

- The development shall be designed and operated in a manner that is compatible with the current and planned operations of Qwest Field and Qwest Field Event Center and the events or activities held therein.
- The development shall be designed and operated in a manner that respects the \$300 million public investment in the current Qwest Field and Qwest Field Event Center.



King County

Ron Sims

King County Executive

701 Fifth Avenue, Suite 3210
Seattle, WA 98104

206-296-4040 Fax 206-296-0194

TTY Relay: 711

www.metrokc.gov

April 18, 2006

Lorraine Hine, Board Chair
Washington State Public Stadium Authority
800 Occidental Avenue, Suite 700
Seattle, WA 98111

RE: Proposed RFP for the sale and redevelopment of the north half of the north lot of the Kingdome

Dear Board Chair Hine:

Thank you for your letter of March 28, 2006, which contained terms the Public Stadium Authority (PSA) wishes to have included within the Request for Proposals (RFP) that King County is releasing. The RFP is being released to four teams of developers previously identified through a Request for Qualifications (RFQ) as qualified to submit proposals for the purchase and redevelopment of the north half of the old north Kingdome lot, which is owned by King County (the North Half Lot).

Attached to this letter is a copy of the RFP. As you will see, King County has made every reasonable attempt to address the PSA's concerns with regard to the impact that such redevelopment may have on the operations of the stadium and exhibition hall, consistent with maintaining a viable development on the North Half Lot. King County, among many others, believes this development is a critical component of the future evolution of the Pioneer Square neighborhood, in which both the county and the PSA reside.

The RFP also demonstrates again King County's policy of complying with its obligations under the various agreements executed by the parties involved in the creation of the stadium and exhibition hall.

Throughout this entire process, county staff has worked closely with representatives of the PSA. In fact, a PSA representative served on the evaluation board for the RFQ. King County appreciates the cooperation and good counsel we have received from the PSA representatives and the other stakeholders in this project. We believe the process benefited from their participation.



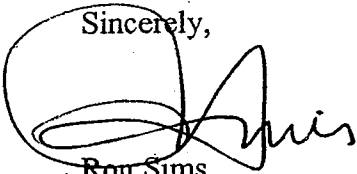
Lorraine Hine
April 18, 2006
Page 2

As you will see, the RFP envisions a mixed use development, emphasizing significant new housing, including affordable and market rate units, as the development's core use. It also includes the supporting infrastructure necessary to make such a new neighborhood work, as well as potentially filling in needs that exist within Pioneer Square generally. Such a development is a very high priority for King County, the City of Seattle and the Pioneer Square neighborhood.

King County intends to continue to work with all of the stakeholders in this project and the successful developer to produce a development that will be compatible with all of our neighbors in Pioneer Square.

Thank you again for taking the time to write. If you have any questions, please contact Kathy Brown, Facilities Management Division Director for King County, at 206-296-0631. My staff and I look forward to working with you to accomplish this goal.

Sincerely,



Ron Sims
King County Executive

Enclosure

cc: The Honorable Greg Nickels, Mayor, City of Seattle
Ann Kawasaki Romero, Executive Director, Public Stadium Authority (PSA)
PSA Board Members
Kurt Triplet, Chief of Staff, King County Executive Office (KCEO)
Sheryl Whitney, Assistant County Executive, KCEO
Ryan Bayne, Director of Intergovernmental Affairs, KCEO
Paul Tanaka, County Administrative Officer, Department of Executive Services (DES)
Kathy Brown, Director King County Facilities Management Division, DES



April 11, 2006

Honorable Ron Sims
King County Executive
701 Fifth Avenue, Suite 3210
Seattle, WA 98104

Dear Executive Sims:

It is our understanding that the County will be issuing its Request for Proposals for development of the north half of the North Lot very shortly. As we have stated in the past, we are very mindful of the major public investment that has been made in Qwest Field and Event Center (QFEC). As the primary tenant and operator of QFEC, First & Goal Inc. (FGI) believes it is important that future North Lot development respect the operating parameters of our facilities, so QFEC can continue to function successfully and deliver the public benefits we are accountable for. We also believe that ensuring that North Lot development is informed by QFEC operational requirements will result in a development with the greatest potential for success. FGI is committed to being a good neighbor to the Pioneer Square, Chinatown/International District and SODO communities. Clear up-front communication and expectation-setting with the prospective developers is, we feel, essential to achieving that goal.

We would like to take this opportunity to revisit previous written communications to King County on this issue, and request that you provide copies of those and this communication to the prospective proposers.

We would also like to reiterate the strong concern we have heard from the promoters of some of our largest and most popular events, the Consumer Show Coalition Group (CSCG). These large flat shows draw hundreds of thousands of visitors from the Seattle area, greater Washington and out-of-state each year to QFEC -- visitors who also patronize retail and hospitality establishments in the surrounding neighborhoods and stay in nearby hotels. These major visitor attractions not only generate revenues for surrounding private businesses, they also generate tax revenues (hotel, restaurant, sales, etc.) and, accordingly, direct public benefit as well. In addition, the CSCG shows are the largest and most profitable shows that we host in the Event Center. By law, 20% of the net profit from Event Center operations is remitted annually to the State's Common School Fund. Through 2004, FGI has remitted approximately \$550,000 to the Common School Fund. These payments reflect yet another direct public benefit from the presence of the large flat shows at QFEC.

The CSCG has expressed strong reservations about the feasibility of off-site staging space as a replacement for the on-site staging for which the North Lot is presently used. Since the flat shows' move-ins and move-outs span several days, and generate a great deal of truck and trailer traffic, off-site staging will significantly increase traffic on surrounding surface streets. Off-site staging will also increase the duration of move-ins

and move-outs. These streets, especially to the south and west, are already very busy with Port, railroad-related and other industrial traffic. Occidental and streets in Pioneer Square do not have the capacity to accept many large vehicles, especially parked or waiting for QFEC access for extended periods of time. Off-site staging is likely to increase stress on surrounding surface streets and increase conflicts with neighboring residents and businesses.

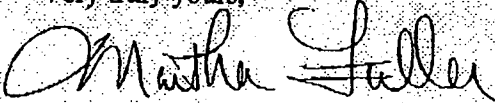
We have already made it clear that FGI and the PSA expect satisfactory replacement parking for the North Lot spaces to be lost as a result of proposed development, as well as replacement of (or compensation for) the related lost parking income. Replacement parking must be sufficiently accessible and convenient for the visitors and other users of QFEC. Please note that replacing the lost North lot parking capacity by expanding the existing QFEC parking garage effectively eliminates any expansion of the garage to accommodate growth in parking demand associated with new and growing events at QFEC. In view of proposed new City zoning changes intended to dramatically increase residential development surrounding QFEC, assurance of satisfactory long term solutions for replacement of parking and staging space is imperative.

Finally, the CSCG continues to reinforce to us that they are at capacity, utilizing all available space at QFEC for their large exhibit and displays. Some shows have gone so far as to convert space in our parking garage for additional display space. QFEC offers the largest expanse of finished, high-ceiling, unobstructed display space in Seattle. The CSCG shows have assured us that they can fill an additional 100,000 square feet of this type of space if it could be added to our facility. Development of the north half of the North Lot eliminates one of the few on-site expansion opportunities.

QFEC hosts well over 100 non-Seahawks events each year, some large, many small. Event traffic is often busiest in the evenings and on weekends. And, as previously noted, our concerts, flat shows, corporate meetings, civic and social events generate move-in and move-out traffic as well as traffic for the event itself. Safeco Field hosts over 80 home Mariner games each year, as well as dozens of events similar to ours. It is critical that future North Lot development, especially residential, is proposed based on a clear understanding of the level of activity in the neighborhood, and that proposed North Lot uses are compatible with these existing uses. It will be essential that satisfactory plans for mitigation of construction impacts, as well as ongoing operational impacts of the new development, be developed so that our facility operations and patrons' enjoyment of events here are not compromised. Please note that an important element of patrons' enjoyment of events at QFEC is the northward-looking view corridor from Qwest Field, which we expect will be protected as set forth in the 1998 Five Party Agreement. We appreciate that County staff have spent time and effort observing how QFEC functions, particularly during our large flat shows. We would be happy to provide additional facts and other information to further educate the staff on QFEC operations. We would also welcome any inquiries from the prospective developers themselves.

Thank you for your consideration. We hope to continue to work proactively with the County and prospective developers to assure that the needs of all public and private stakeholders are satisfied.

Very truly yours,



Martha Fuller
Chief Financial Officer
First & Goal Inc.

Cc: Kathy Brown, King County Facilities Management Division Manager
Bob Stier, Special Projects Manager, King County
Public Stadium Authority Boardmembers
Ann Kawasaki Romero, Executive Director, Public Stadium Authority



King County

Ron Sims

King County Executive

701 Fifth Avenue, Suite 3210
Seattle, WA 98104

206-296-4040 Fax 206-296-0194

TTY Relay: 711

www.metrokc.gov

May 26, 2006

Martha Fuller
Chief Financial Officer
First & Goal Inc.
800 Occidental Avenue South Suite 200
Seattle, Washington 98134

Dear Ms. Fuller:

Thank you for your letter of April 11, 2006, regarding King County's Request for Proposals (RFP) and the operation of Qwest Field and Event Center (QFEC). Thank you also for restating that First & Goal Inc. (FGI) is committed to being a good neighbor to the Pioneer Square, Chinatown/International District and South Downtown (SODO) communities.

Attached to this letter is a copy of the RFP released to the four teams of developers previously identified through a Request for Qualifications (RFQ) as qualified to submit proposals for the purchase and redevelopment of the north half of the old north Kingdome lot, which is owned by King County (the North Half Lot).

As you will see, King County has made every reasonable attempt to address FGI's concerns with regard to the impact that such redevelopment may have on the operations of QFEC, consistent with maintaining a viable development of the North Half Lot. King County, among many others, believes that this development is a critical component of the future evolution of the Pioneer Square neighborhood, in which both the county and QFEC reside.

The RFP also demonstrates again King County's policy of complying with its obligations under the various agreements executed by the parties involved in the creation of the stadium and exhibition hall.

Throughout this entire process, county staff has worked closely with representatives of the Washington State Public Stadium Authority (PSA). In fact, a PSA representative served on the evaluation board for the RFQ. King County appreciates the cooperation and good counsel we have received from the PSA representatives and the other stakeholders in this project. We believe the process benefited from their participation.



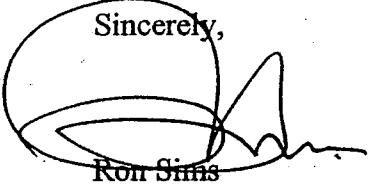
Martha Fuller
May 26, 2006
Page 2

As you will see, the RFP envisions a mixed-use development, emphasizing significant new housing, including affordable and market rate units, as the development's core use. It also includes the supporting infrastructure necessary to make such a new neighborhood work, as well as potentially filling in needs that exist within Pioneer Square generally. Such a development is a very high priority for King County, the City of Seattle and the Pioneer Square neighborhood.

King County intends to continue to work with all of the stakeholders in this project and the successful developer to produce a development that will be compatible with all of our neighbors in Pioneer Square. If you have any questions, please contact Kathy Brown, Facilities Management Division Director for King County, at 206-296-0631.

Thank you again for taking the time to write. My staff and I look forward to working with you to accomplish the goal of this redevelopment project.

Sincerely,



Ron Sims
King County Executive

Enclosure

cc: The Honorable Greg Nickels, Mayor, City of Seattle
Ann Kawasaki Romero, Executive Director, Public Stadium Authority (PSA)
PSA Board Members
Kurt Triplett, Chief of Staff, King County Executive Office (KCEO)
Sheryl V. Whitney, Assistant County Executive, KCEO
Ryan Bayne, Director of Intergovernmental Affairs, KCEO
Paul Tanaka, County Administrative Officer, Department of Executive Services (DES)
Kathy Brown, Director, Facilities Management Division, DES
Robert Stier, Special Projects Manager, Facilities Management Division, DES

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Gregory J. Nickels
 Mayor of Seattle

May 1, 2007

The Honorable Dow Constantine, Chair
 Capital Budget Committee
 King County Council
 516 Third Avenue, Room 1200,
 Seattle WA 98104-3272

Dear Councilmember *Dow* Constantine:

I'm writing to convey my strong support for Executive Sims' proposal to sell the north half lot at Qwest Field for mixed-use redevelopment. A strong component of housing on the North Lot has been a priority for the City of Seattle and the Pioneer Square neighborhood for decades. The selected proposal put forth by Nitze/Stagen, Opus and the Seattle Housing Authority, promises hundreds of critically needed housing units affordable to a range of income levels. This project will serve as a tipping point in conveying the viability of housing in the south downtown area, help address our city's affordable housing crisis and provide housing and jobs next to one of the prime transit-oriented development locations on the west coast.

I am aware that continued viability of large flat consumer show staging is an important issue. It is my understanding that the development partnership has agreed to fund a traffic circulation and staging study in order to help identify the need for off-site staging needs. We look forward to the results of that study which should inform the need for additional staging area.

The Seattle Department of Transportation (SDOT) will work with the PSA and its tenants on an agreement for street use permits that would provide event staging access along Occidental Avenue South for the key exhibition events throughout the year, which include the Seattle International Auto Show, the Seattle International Boat Show, the Seattle Home show, and the MHRV show.

We also stand by our commitment as stated in the original five-party agreement with the Public Stadium Authority, King County, the Washington State Department of Transportation, the City of Seattle and First and Goal, "if Phase II of SR519 is built and the Royal Brougham rail crossing is closed, the City shall designate Royal Brougham between the mainline railroad tracks and Occidental

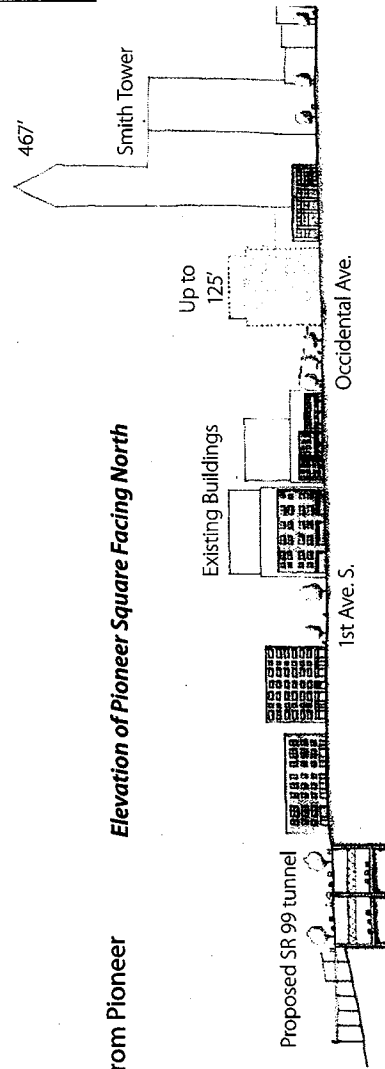
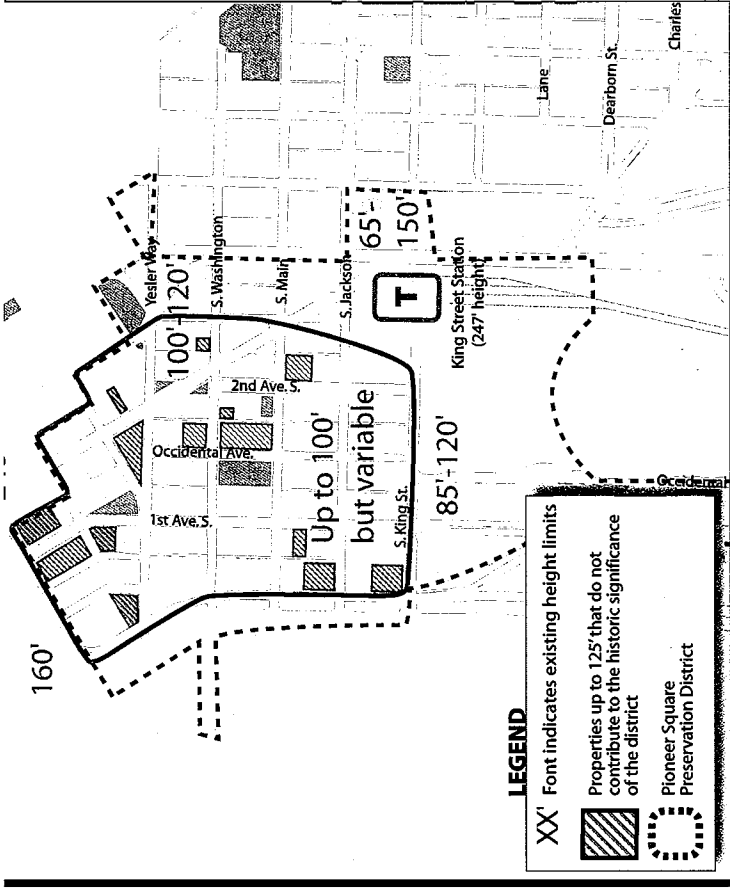


Pioneer Square

historic buildings and historic character
 complement, but not mimic, exist-
 ing for new development to support a
 community.
 redevelopment of vacant and under-
 connections.
 challenges that detract from Pioneer
 neighborhood.

**Preliminary Recommendations
 for Central Pioneer Square**

- Retain the Pioneer Square Historic Review Board's authority and process.
- Provide incentives for redevelopment of vacant properties and properties that do not contribute to the historic significance of the district. These may include allowing additional height only for new development on these properties within Pioneer Square, contingent upon historic review board evaluation.
- Support renovation of historic buildings in core neighborhood areas for residential uses while allowing greater commercial density in emerging areas in South Downtown through Transfer of Development Rights (TDR) and other programs.
- Explore the possibility of a predictable height standard throughout the district that is consistent with existing character.



Elevation of Pioneer Square Facing North

-129-



Aerial view of the Stadium North Lot

Southern Edge of Pioneer Square

Opportunities for Growth

Stadium North Lot

The parking lot between Qwest Field and Pioneer Square has long been recognized as a prime opportunity for infill development complementary to Pioneer Square. Achieving significant development of new housing at this key location is critical to meeting neighborhood plan objectives for a larger and better-balanced residential community. King County has identified new housing as a primary preferred use for the northern half of the lot, and is undertaking a process to identify a developer for this property.

Qwest Field's north parking lot is governed by zoning that limits commercial-oriented structures to 85 feet and structures containing primarily residential uses to 120 feet. In many locations around the city, this combination might be sufficient to design workable buildings. However, this area is subject to unique constraints that

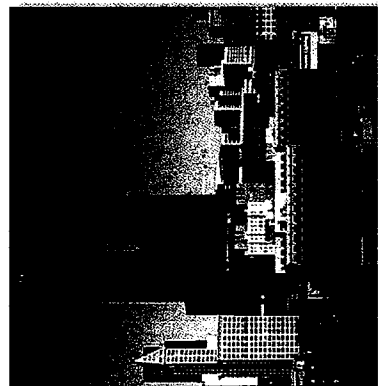
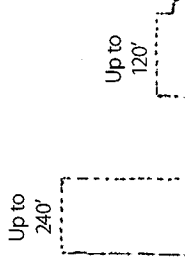
complicate good design and development planning. Complications include the presence of exceptionally high water tables and programmatic needs associated with transit service, the train station and the stadium/exhibition center complex. These factors, in combination with the importance of well-designed residential development in the vicinity, suggest that additional zoning flexibility may be necessary.

Increased maximum height limits could provide much-needed flexibility in design. However, this change should be permitted only within the context of a holistic zoning strategy that would allow flexibility in exchange for achieving neighborhood plan objectives. On the north parking lot, heights of future buildings along S. King Street should have a compatible relationship with Pioneer Square's historic scale of development. However, additional height up to 240 feet should be considered on this property in a form that preserves views of Downtown, Smith Tower (467 feet in height), and King Street Station (247 feet in height).

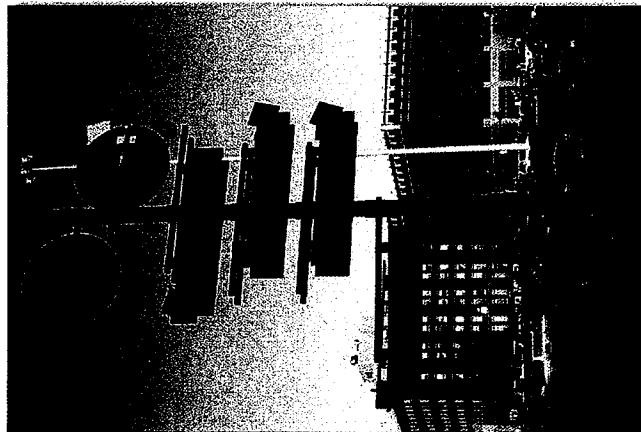
Elevation Facing West



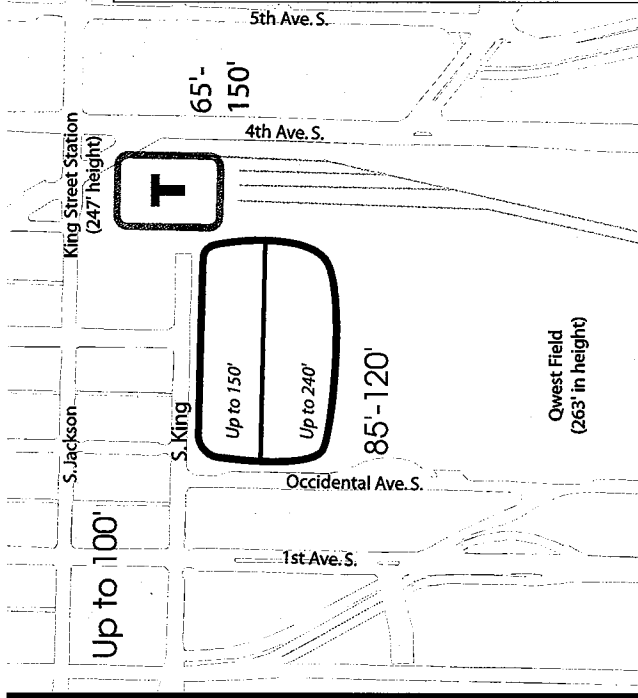
263'



dential development within a mixed-planning. public spaces and pedestrian features ll development. limits away from central Pioneer northern portion of the site relates well ar of the historic district. ique residential community, taking ite.



Stadium North Lot, view from southwest



LEGEND
 XX' Font indicates existing height limits
 Up to xx' Font indicates preliminary height recommendations

Preliminary Recommendations for Stadium North Lot

- Continue to require review by the Pioneer Square Historic Review Board.
- Heights of future buildings near S. King Street should maintain compatible height, bulk and scale relationships with adjacent buildings in Pioneer Square to the north.
- For locations away from the immediate S. King Street corridor, increase maximum height limits up to possibly 240 feet to allow a taller, slimmer building profile. Ensure adequate separation between towers to preserve public views of downtown and access to light. Allow additional height above existing levels through a master planning or rezoning process that will incorporate objectives for public spaces, a street-level environment, and affordable workforce housing.

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April 11, 2007

Pioneer Square
Community
Association

The Honorable King County Council
King County Courthouse
516 Third Ave., Room 1200
Seattle, WA 98104-3272

Dear King County Councilmembers:

The Pioneer Square Community Association (PSCA) with over 700 members representing 13 diverse stakeholder groups, urges your support of the North Lot project as defined in King County's RFQ/RFP and by developer Nitze-Stagen.

This long-anticipated project will bring many benefits to the Pioneer Square community and neighborhood, including the following:

Mixed-use development – By combining office, residential and retail, this project will help create a vibrant, safe neighborhood by attracting office workers during the day, residents at night and shoppers throughout the day. Mixed-use projects are proving to be a successful development model for creating healthy 24/7 neighborhoods.

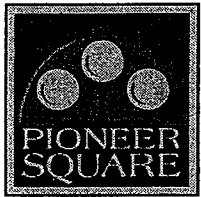
Diverse housing – The project will offer a mix of housing for people of various income levels, strengthening the diversity of the neighborhood and further establishing Pioneer Square as a great residential neighborhood. We are very excited that the project will include 100 units of affordable housing, an issue that is very important to us in Pioneer Square.

Good urban design – The project will be designed to reflect and respect the historic nature of the Pioneer Square neighborhood. The open design is pedestrian-friendly and human scale, encouraging walking, healthy street-level interactions and “eyes on the street” for safety. Nitze-Stagen has a track record of successful developments with good design that are sensitive to the neighborhood and community. Two good examples of Nitze-Stagen's restoration and development work are Union Station and Starbucks Center, which illustrate the firm's deep knowledge of south downtown and its effectiveness in developing complex projects that meet the needs of the community

Grocery store and other retail – Nitze-Stagen is working with the community to identify a grocery-store, which is a much-desired neighborhood amenity.

Transit-oriented development – This project's prime location is at the hub of several key public transportation services and systems, creating a transit-oriented development that meets many of the neighborhood's, city's and county's growth

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202 Yesler Way
Seattle, WA 98104

P 206-667-0687
F 206-667-9739

pioneersquare.org

management plans. Commuters, residents and shoppers can easily reach the project by bus, train, streetcar, bike and foot.

The Pioneer Square community has waited 17 years for the development of the northern portion of the North Lot site. The mission of the PSCA is to make Pioneer Square an even better place to live, work, tour and shop. The North Lot project is essential to the ongoing renaissance of the neighborhood, and we urge you to support it.

Sincerely,

Craig Montgomery
Executive Director



Location
120 Sixth Avenue North, Seattle, Washington
Mailing Address
P.O. Box 19028, Seattle, Washington 98109-1028
Telephone: 206 615-3300
TDD: 1-800-833-6384 www.seattlehousing.org

March 30, 2007

Honorable Members
King County Council
King County Courthouse
526 Third Avenue, Room 1200
Seattle, WA 98104-3272

Dear Councilmembers:

At the Seattle Housing Authority, our mission is to enhance the community by helping low-income people to find and maintain a home. The proposed project for the North Lot will help us do just that.

As Executive Director of the Seattle Housing Authority, I wholeheartedly support the development of the North Lot as proposed by Nitze-Stagen and Opus NW. Although more than 60 development companies were initially interested in the County's RFQ/RFP for the North Lot, only Nitze-Stagen approached Seattle Housing to become a partner in the project, to provide high quality work-force housing as an integral part of the development.

For Seattle Housing the proposal is a true touchdown. It meets a 17-year community priority to add housing in Pioneer Square; it creates housing with tremendous transit connections, which are important for lower-wage working families; and it provides new, affordable housing in downtown Seattle.

The North Lot project is a wonderful way to meet some of Seattle's affordable housing goals, and I strongly believe that it will greatly enhance the surrounding neighborhood by bringing a diverse mix of new residents to the community. The Seattle Housing Authority board and staff are very excited by the opportunity to expand Seattle's stock of affordable housing by participating in this project.

I urge your support for this project, to help those hard working individuals and families in Seattle for whom rising housing prices have created a hardship.

If you have questions for me, please do not hesitate to contact me at 206-615-3500.

Sincerely,

Tom Tierney
Executive Director



**Washington State
Department of Transportation**
Douglas B. MacDonald
Secretary of Transportation

Public Transportation and Rail
Seattle Office, Suite 230
401 Second Avenue South, Mailstop 560
Seattle, WA 98104-3850
206-464-1238 / Fax 206-464-1189
TTY: 1-800-833-6388
www.wsdot.wa.gov

April 2, 2007

The Honorable King County Council
King County Courthouse
516 Third Ave., Room 1200
Seattle, WA 98104-3272

Dear King County Councilmembers:

As the Urban Rail Program Manager for the Washington State Department of Transportation, recently joined by the City of Seattle Department of Transportation in a collaborative effort to renovate and redevelop King Street Station, I urge you to give thoughtful consideration of the planned North Lot development as proposed by Seattle developer Nitze-Stagen.

As our region's population increases, transit-oriented projects, such as the proposed the North Lot, will be key to managing our growth in a smart way not just for the City of Seattle but for the entire region. Quite simply, people are looking for alternatives to single-occupant vehicle travel, and by locating a mixed-use development next to a major transportation hub, the North Lot is ideally positioned to become a model for future developments that get people out of their cars.

The North Lot, with its proposed mix of housing, office, retail and a grocery store, sits next to King Street Station, served by the convergence of many major public transportation options; Amtrak intercity trains; Sounder commuter trains; Metro, Community Transit and Sound Transit local and regional transit buses; and soon Link light rail and a return of the Waterfront Streetcar. The proximity of these activities to one other offer a potential synergy for revitalizing a key portion of Seattle's South Downtown.

Plans for King Street Station, shared by Washington State Department of Transportation, Seattle Department of Transportation and Amtrak are to undertake initial improvements and restoration of the historic train station to meet the needs of rapidly growing rail travel. The longer term vision is to more effectively tie the various transportation modes together into a complex of multimodal facilities. The proposed North Lot development will contribute to this effort.

King County's solicitation of proposals for the North Lot required the developer to provide 70 parking spaces for use by patrons of the station. We are pleased to see that the Nitze-Stagen proposal incorporates that requirement. Other challenges that we all

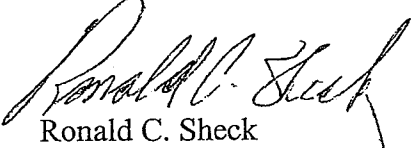
The Honorable King County Council
April 2, 2007
Page Two

face is maintaining traffic flows for station patrons and employees, others working in the area, and the new residents, employees and customers of the North Lot development, and to access sporting events and exhibition hall activities. We recognize this will require innovative cooperation among the various stakeholders including the North Lot developer, WSDOT, the City of Seattle, Amtrak, King County, the Public Stadium Authority and First and Goal. As part of improving traffic flow for automobiles, taxicabs, buses, vanpools, delivery vehicles, bicycles and pedestrians, we must work together. Our long time involvement with King Street Station and the issues of access has convinced us that a key element in improving circulation is the restoration of Second Avenue South, and of Third Avenue in front of the station; and construction of a new Weller Street to link the two. This is essential to serve the needs of both King Street Station and the North Lot as well as improving the access to the Public Stadium Authority's parking area to the north of the Stadium.

I thank the King County Wastewater Treatment Division for the close cooperation that we have achieved in working together to site an odor control facility on county owned land south of the station in what has been the historic Station Master's Garden. By carefully designing the odor control facility and working with our station design team, it will be possible to eventually have a new usable outdoor space at that site.

The North Lot development is exciting. It will be a significant asset to the area around King Street Station. Nitze-Stagen will bring new elements and activities which will contribute to the growing vibrancy of the area. Thank you for supporting this project.

Sincerely,



Ronald C. Sheck
Urban Rail Program Manager



RECEIVED

MAR 20 2007

March 15, 2007

NITZE-STAGEN & CO., INC.

The Honorable Larry Gossett, Chair
King County Council
King County Courthouse
526 Third Avenue, Room 1200
Seattle, WA 98104-3272

Dear Councilmember Gossett:

I am writing to urge your support for the development of the North Lot as proposed through the County's own RFQ/RFP issued in early 2006 and specifically developed by Nitze-Stagen and Opus Northwest.

Although the North Lot is considered part of the Pioneer Square community, its development has long been seen as a connection between the Seattle Chinatown International District and the Pioneer Square community. It will reconnect neighborhoods, residents and small businesses that today are cut off from one another by a mass of asphalt.

For the Seattle Chinatown International District Preservation and Development Authority, this project not only reconnects two unique neighborhoods but complements our work in the International District.

Founded in 1975 as a City-chartered community development agency, the Seattle Chinatown International District Preservation and Development Authority (SCIDPDA) has played an important role in revitalizing the Seattle Chinatown International District. Our mission is to "preserve, promote, and develop the Seattle Chinatown International District as a vibrant community and unique ethnic neighborhood." We foster neighborhood renewal by bringing new projects to the district that increase the economic viability and quality of life within the neighborhood. SCIDPDA encourages new projects that fit the existing historical and cultural characteristics of the multi-ethnic neighborhood.

In that role and as a champion for the Seattle Chinatown International District, we strongly urge you to support the development of the North Lot as proposed by Nitze-Stagen. The firm has a long record of working closely with the community and their proposal not only meets the County's goals listed in your own RFQ/RFP but more importantly meets the community's priorities of providing solutions to neighborhood-wide issues, such as a mix of market rate, work force and affordable housing; business development through office and retail space; active use to help address public safety concerns; a design that respects that character of Pioneer Square; retention of parking and staging for events.

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On behalf of the Seattle Chinatown International District Preservation and Development Authority, I urge your support for this long awaited and dynamic project. If you have any specific questions or concerns, please do not hesitate to contact me at 206.838.8233 or suet@scidpda.org.

Sincerely,



Sue Taoka
Executive Director
SCIDpda

cc: Councilmember Bob Ferguson
Councilmember Kathy Lambert
Councilmember Julia Peterson
Councilmember Peter von Reichbauer
Councilmember Larry Phillips
Councilmember Jane Hague
Councilmember Dow Constantine
Councilmember Reagan Dunn
Alan Cornell



409 Maynard Ave. S. # P-1, • Seattle, WA 98104
Tel: (206) 382-1197 • Fax (206) 382-9958
info@cidbia.org, www.cidbia.org.

April 6, 2007

The Honorable Larry Gossett, Chair
King County Courthouse
516 Third Avenue, Room 1200
Seattle, WA 98104-3272

Dear Councilmember Gossett,

The International District Business Development Authority is urging your support for the development of the North Lot as proposed through the County's own RFQ/RFP issued in early 2006 and specifically developed by Nitze-Stagen.

Although the North Lot is considered part of the Pioneer Square community, its development has long been seen as a connection between the Seattle Chinatown/International District and the Pioneer Square community. It will reconnect neighborhoods, residents and small businesses that today are cut off from one another by a mass of asphalt.

Our mission is "to support and promote the Seattle Chinatown International District as a vibrant business community and unique ethnic neighborhood." In that role, and as a champion for the International District, we strongly urge you to support the development of the North Lot as proposed by Nitze-Stagen.

Nitze-Stagen has a long record of working closely with the community, and their proposal not only meets the County's goals listed in your own RFQ/RFP but, more importantly, meets the community's priorities of providing solutions to neighborhood-wide issues, such as a mix of market-rate, workforce and affordable housing; business development through office and retail space; active use to help address public safety concerns; a design that respects the character of Pioneer Square; and retention of parking and staging for events.

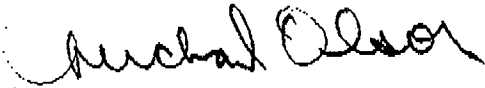
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-139-

The Honorable Larry Gossett, Chair
King County Courthouse
Page - 2 -

On behalf of the International District-Business Improvement Area (CID-BIA), I urge your support for this long awaited and dynamic project. If you have any questions, please do not hesitate to contact me at (206) 624-3426.

Sincerely,



Michael Olson
Board Chairman
Chinatown/International District-
Business Improvement Area (CID-BIA)

Cc: Councilmember Bob Ferguson
Councilmember Kathy Lambert
Councilmember Julia Patterson
Councilmember Peter von Reichbauer
Councilmember Larry Philips
Councilmember Jane Hague
Councilmember Dow Constantine
Councilmember Reagan Dunn



April 10, 2007

President, King County Council
The Honorable Larry Gossett
King County Courthouse
Room 1200
516 Third Avenue
Seattle, Washington, 98104

Dear Mr. Gossett:

Allied Arts of Seattle's Urban Environment Committee (UEC) has reviewed the proposed Qwest Field North Lot Re-development project, as described by the Pioneer Square Community, and more recently detailed in King County's 2006 Request for Proposal and the proposal by Seattle developer Nitze-Stagen and Opus NW.

Allied Arts joins others including, The Sierra Club, Sound Transit, WSDOT, The City of Seattle Housing Dept, Seattle Housing Authority, and King County Housing Authority among others in support of the Qwest Field North Lot Re-development project .

We strongly endorse and urge support for the re-development of the North Lot of Qwest Field for housing and retail in the interest of building a stronger, vibrant and secure Pioneer Square/International District.

We also endorse and urge support for the proposed increased housing capacity that this project will attract.

We fully understand the complexity of issues such as this, and the subtle nuances that will either make a project successful or a complete failure. In addition, we understand that this issue is not as simple as "build it and they will come," but rather a system of issues that must work together to create a great urban experience. With this in mind, we offer the following suggestions and recommendations regarding the plan:

- All sides of the project should be activated, including the south side facing Quest Field. The Weller right-of-way should have vibrant activity opening out into the remaining north lot of Quest Field. This should include sidewalks and landscaping to facilitate a more plaza type atmosphere than currently exists.
- Future plans for the remaining portion of the north lot of Quest Field should be focused on creating an open plaza like space that when needed can be used for parking, however when not used can double as open civic space for the down town residents and a more green friendly surface treatment.

- Neighborhood connections and way finding are paramount for any development. We would strongly support enhancement of connections between Pioneer Square, the International District, and our future waterfront. We also encourage any enhancement to way finding in the area. The Weller street pedestrian sidewalk should connect Occidental to the Weller Street overpass and should be lined with retail at least on the corners of Occidental and 2nd Ave S and have weather protection along the proposed length.
- In keeping with Seattle's desire to reduce vehicle traffic and promote alternative means of transportation, as well as keeping with the Kyoto Accords, we strongly urge the council to reduce the expectations for parking associated with this development for use by the Stadium Authority. It is our opinion that providing the current volume of parking is only encouraging SOV traffic flow into the city.
- More consideration should be given to creating open space within the project, and within the 2nd avenue right-of-way. As you know, approximately 40% of open space in Seattle is our streets, which comprise almost 75% of our public open space. As Seattle incurs more population growth, as predicted, these spaces such as this will become more valuable to us than ever before. Eventually the 2nd Ave S and Weller Street walkway intersection could become a very prominent pedestrian connection and should be enhanced from the current design.

Allied Arts would like to recognize the hard work and commitment that the King County Council, the Mayor, the Seattle City Council and the citizens of Seattle have invested regarding this issue, and thank all involved for instilling the desire to create a workable plan for a livable City Center.

Downtown Seattle is on the verge of becoming, not only a place to visit, but also a place to live for many people in the next coming years. The choices we make now will reverberate throughout our community for the next generation. That is why the citizens of Seattle and our leaders need to solve the difficult problem of making Seattle a more livable city.

Sincerely,

David M. Guthrie, Chair
Urban Environment Committee

CC:

Bob Ferguson, KCC District 1
Kathy Lambert, KKC District 3
Julia Patterson, KKC District 5
Pete von Reichbauer, KKC District 7
Reagan Dunn, KKC District 9
Sally J. Clark, SCC
Richard J. McIver, SCC
Jean Godden, SCC
David J. Della, SCC
Peter Steinbrueck, SCC

Sincerely,

Paul Byron Crane, Vice Chair
Urban Environment Committee

Ron Sims, KKE
Larry Phillips, KKC District 4
Jane Hague, KKC District 6
Dow Constantine, KKC District 8
Greg Nichols, Mayor, City of Seattle, Fax
Jan Drago, SCC
Richard Conlin, SCC
Tom Rasmussen, SCC
Nick Licata, SCC

State of
Washington
House of
Representatives



APPROPRIATIONS
EARLY LEARNING &
CHILDREN'S SERVICES
COMMERCE, ECONOMIC
DEVELOPMENT & TRADE
VICE CHAIR

March 28, 2007

The Honorable Larry Gossett, Chair
King County Courthouse
516 Third Ave., Room 1200
Seattle, WA 98104-3272

Dear Councilmember Gossett:

As a member of the State Legislature, representing the 37th District, I urge your support of the North Lot project as defined in King County's RFQ/RFP and by developer Nitze-Stagen and Opus Northwest.

This long-anticipated project will is precisely what the State and local officials imagined when developing the Growth Management Act, and it has been a priority for the community for over 25-years. This project is poised to bring many benefits to the Pioneer Square community and neighborhood, such as:

Mixed-use development – By combining office, residential and retail, this project will help create a vibrant, safe neighborhood by attracting office workers during the day, residents at night and shoppers throughout the day. Mixed-use projects are proving to be a successful development model for creating healthy 24/7 neighborhoods.

Diverse housing – The project will offer a mix of housing for people of various income levels, strengthening the diversity of the neighborhood and further establishing Pioneer Square as a great residential neighborhood. At the cornerstone of this project is the provision of over 100 units of affordable housing in downtown Seattle. Increasingly, we have seen a reduction of affordable and low-income housing in downtown Seattle, so this project is vital in adding new housing stock that is located within the City Center.

Good urban design – The project will be designed to reflect and respect the historic nature of the Pioneer Square neighborhood. The open design is pedestrian-friendly and human scale, encouraging walking, healthy street-level interactions and “eyes on the street” for safety.

Transit-oriented development – This project's prime location is at the hub of several key public transportation services and systems, creating a transit-oriented development that meets many of the neighborhood's, city's and county's growth management plans. Commuters, residents and shoppers can easily reach the project by bus, train, streetcar, bike and foot.

The Pioneer Square community has waited 25 years for the development of the northern portion of the North Lot site. The mission of the PSCA is to make Pioneer Square an even better place to live, work, tour and shop. The North Lot project is essential to the ongoing renaissance of the neighborhood, and I urge you to support it.

Sincerely,



Representative Eric Pettigrew
37th Legislative District

Cc: Councilmember Bob Ferguson
Councilmember Kathy Lambert
Councilmember Julia Peterson
Councilmember Peter von Reichbauer
Councilmember Larry Phillips
Councilmember Jan Hague
Councilmember Dow Constantine
Councilmember Reagan Dunn
Nitze-Stagen



March 28, 2007

King County Council
King County Courthouse
516 Third Avenue Room 1200
Seattle, WA. 98104-3272

Dear Councilmembers:

In November, F.X. McRory's Steak, Chop and Oyster House, will have been serving Seattle and its visiting sports fans in the heart of Pioneer Square for 30 years!

As I'm sure you're aware, the Pioneer Square community has awaited the development of the north lot for about 25 years now. Providing more housing in Pioneer Square has long been a top priority for the community and, from what I've heard, this project is very close to becoming a reality.

I am writing to urge your support for the proposed development of the stadium's north lot as submitted through the County's 2006 RFP process and proposed by developer Nitze-Stagen.

The wide range of housing proposed at the north lot would be a great addition to the Pioneer Square neighborhood, bringing support to local merchants and restaurateurs and putting more "eyes on the street" in this vibrant and unfortunately sometimes unruly neighborhood.

I personally would love to see more people living in Pioneer Square. I'm a firm believer in urban density, and the project's combination of affordable and market-rate housing would be a welcome addition to our neighborhood's already diverse population.

As a longtime proprietor of several restaurants throughout the city, I urge you to consider supporting development of the north lot.

I am happy to discuss with you my position on this matter. Please feel free to contact me if you have any specific questions.

Sincerely,

A handwritten signature in cursive script that reads 'Mick McHugh'.

Mick McHugh
Proprietor, F.X. McRory's Steak, Chop and Oyster House
mick@fxmcrorys.com
Direct Line : 206 447-0991



THE COMPASS CENTER

Where compassion creates community.

RECEIVED

MAR 22 2007

NITZE-STAGEN & CO., INC.

March 15, 2007

Board of Directors

- Shari Bitcon
- Verlon Brown
- Lisa Cunningham Roberts
- Willie J. Gregory
- Mike Halvorson
- Jill Higgins Hendrix
- Holly Jones
- Stacy Ekrom Kern
- Kacey Kroeger
- Robert Kuehn
- Marcus G. Lang
- Ron H. Lynch
- Paul Nordsletten
- Robert W. O'Neal
- Javier Ortiz-Aponte
- Paul M. Phillips
- Roger Shanafelt
- J. Peter Shapiro
- Thao Tiedt
- Paul Winterstein

King County Council
 King County Courthouse
 526 Third Avenue Room 1200
 Seattle, WA. 98104-3272

Dear King County Councilmembers:

On behalf of The Compass Center, I urge you to support Seattle's North Lot project proposed by Nitze-Stagen and Opus NW. The North Lot project brings with it the affordable housing that's long been desired in the Pioneer Square neighborhood. Today, this development is on the verge of becoming a reality – but we need your help and support to make it happen.

Safe and affordable housing is a fundamental human need. As neighborhoods across Seattle gentrify rapidly, it is essential that now, perhaps more than ever, we provide the necessary affordable housing to minimize the displacement of low-income residents.

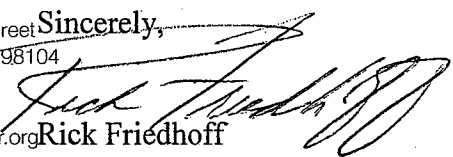
The Compass Center's Long-Term Housing Program helps provide our clients with stable, low-income housing so we can work together to toward independent living. The proposed project at North Lot would aid our efforts by providing an additional 100 units of affordable housing in a neighborhood that is greatly underserved. With its mix of market-rate and affordable housing, the project will also better integrate low-income households into the Pioneer Square community.

Pioneer Square has been anticipating this development for more than 17 years. This high-density project will not only serve as a catalyst for the residential mix that the neighborhood desires, but it will also make the area safer and more hospitable for both residents and workers in the area.

As Executive Director of The Compass Center in Pioneer Square, I ask you to join me in support of the proposed North Lot project.

Please feel free to contact me if you have any questions.

Sincerely,



Rick Friedhoff
 Executive Director

77 S. Washington Street
 Seattle, Washington 98104
 Ph: (206) 357-3100
 Fax: (206) 461-3874
 www.compasscenter.org



-146-



March 19, 2007

The Honorable King County Council
King County Courthouse
516 Third Ave., Room 1200
Seattle, WA 98104-3272

Dear King County Councilmembers:

Every day Sound Transit provides regional bus, commuter rail, and light rail services that improve mobility and provide alternatives for commuters in our region. All of these public transit choices, including King County Metro, Community Transit, and Amtrak, converge at the King Street Station – Union Station/International District Station transit hub. The King County North Lot adjacent to King Street Station presents an outstanding opportunity to link transportation and land use to create new residential and commercial development with a variety of public transit choices.

In 2003, Sound Transit partnered with the City of Seattle, the State Department of Transportation, the University of Washington, Vulcan, Nitze-Stagen and others to produce a King Street Station area study that advocated for transit-oriented, mixed use housing at the North Lot. Transit-oriented development projects such as the one proposed for the North Lot by King County's RFP/RFQ process strongly reflects Sound Transit's transit-oriented development policies.

Redevelopment of the North Lot will serve as an outstanding model for future smart-growth developments, providing residential choices where people can leave their cars at home – or simply live without them. This is a model that we need to support and implement throughout our region as congestion, air quality, and energy costs continue to deteriorate our quality of life.

I encourage your support of the project proposed by Nitze-Stagen and Opus NW as it will benefit the community for generations to come and serve as a national model for connecting transit and land use.

Sincerely,

Joni Earl
Chief Executive Officer

RECEIVED

MAR 21 2007

NITZE-STAGEN & CO., INC.

BOARD CHAIR

John W. Ladenburg
Pierce County Executive

BOARD VICE CHAIRS

Connie Marshall
Bellevue Councilmember

Mark Olson
Everett Councilmember

BOARD MEMBERS

Julie Anderson
Tacoma Councilmember

Mary-Alyce Burleigh
Kirkland Councilmember

Fred Butler
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Dow Constantine
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Dave Enslow
Sumner Mayor

Doug MacDonald
*Washington State Department
of Transportation Secretary*

Richard Marin
Edmonds Councilmember

Richard McIver
Seattle Councilmember

Greg Nickels
Seattle Mayor

Julia Patterson
King County Councilmember

Larry Phillips
Chair, King County Council

Aaron Reardon
Snohomish County Executive

Ron Sims
King County Executive

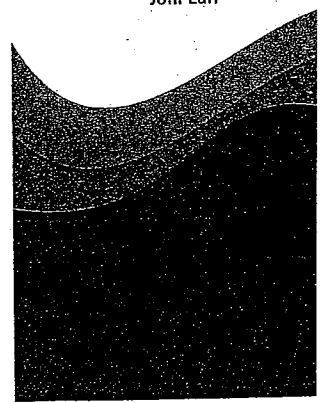
Claudia Thomas
Lakewood Mayor

Pete von Reichbauer
Vice Chair, King County Council

CHIEF EXECUTIVE OFFICER

Joni Earl

-147-



MARTIN SMITH INC

April 13, 2007

The Honorable King County Council
King County Courthouse
516 Third Ave., Room 1200
Seattle, WA 98104-3272

Dear King County Councilmembers:

As a Pioneer Square property owner, business located within the neighborhood, former resident, and member of the Pioneer Square Community Association Board of Directors, I urge your support Nitze-Stagen's North Lot project.

This long-anticipated project will bring many benefits to the Pioneer Square community and neighborhood, including the following:

Mixed-use development – By combining office, residential, and retail, this project will help create a vibrant, safe neighborhood by attracting office workers during the day, residents at night and shoppers throughout the day. Mixed-use projects are proving to be a successful development model for creating healthy 24/7 neighborhoods.

Good urban design – The project is being designed to reflect and respect the historic nature of the Pioneer Square neighborhood. The open design is pedestrian-friendly and human scale, encouraging walking, healthy street-level interactions and "eyes on the street" for safety. Nitze-Stagen has a track record of successful developments with good design that are sensitive to the neighborhood and community.

Grocery store and other retail – Nitze-Stagen is working with the community to identify a grocery-store, which is a much-desired neighborhood amenity.

Transit-oriented development – This project is located in the hub of several key public transportation services and systems, creating a transit-oriented development that meets many of the neighborhood's, city's and county's growth management plans. Commuters, residents and shoppers can easily reach the project by bus, train, streetcar, bike and foot.

The Pioneer Square community has waited a long time for the right opportunity to development of the northern portion of the North Lot site. Please support this important project and help make Pioneer Square an even better place to live, work, tour and shop.

Sincerely,



Ryan Smith
Martin Smith Inc
PSCA Board of Directors



April 11, 2007

The Honorable King County Council
King County Courthouse
516 Third Ave., Room 1200
Seattle, WA 98104-3272

Best Western
Pioneer Square Hotel
77 Yesler Way
Seattle, Washington 98104
Telephone: (206) 340-1234
Fax: (206) 467-0707
Email: info@pioneersquare.com

Dear King County Councilmembers:

As a business manager in the Pioneer Square neighborhood, I urge your support of the North Lot project as defined in King County's RFQ/RFP and by developer Nitze-Stagen.

This long-anticipated project will bring many benefits to the Pioneer Square community and neighborhood, including the following:

Mixed-use development – By combining office, residential and retail, this project will help create a vibrant, safe neighborhood by attracting office workers during the day, residents at night and shoppers throughout the day. Mixed-use projects are proving to be a successful development model for creating healthy 24/7 neighborhoods.

Diverse housing – The project will offer a mix of housing for people of various income levels, strengthening the diversity of the neighborhood and further establishing Pioneer Square as a great residential neighborhood. We are very excited that the project will include 100 units of affordable housing, an issue that is very important to us in Pioneer Square.

Good urban design – The project will be designed to reflect and respect the historic nature of the Pioneer Square neighborhood. The open design is pedestrian-friendly and human scale, encouraging walking, healthy street-level interactions and "eyes on the street" for safety. Nitze-Stagen has a track record of successful developments with good design that are sensitive to the neighborhood and community. Two good examples of Nitze-Stagen's restoration and development work are Union Station and Starbucks Center, which illustrate the firm's deep knowledge of south downtown and its effectiveness in developing complex projects that meet the needs of the community.

Grocery store and other retail – Nitze-Stagen is working with the community to identify a grocery-store, which is a much-desired neighborhood amenity.

Transit-oriented development – This project's prime location is at the hub of several key public transportation services and systems, creating a transit-oriented development that meets many of the neighborhood's, city's and county's growth management plans. Commuters, residents and shoppers can easily reach the project by bus, train, streetcar, bike and foot.

The Pioneer Square community has waited 17 years for the development of the northern portion of the North Lot site. The mission of the PSCA is to make Pioneer Square an even better place to live, work, tour and shop. The North Lot project is essential to the ongoing renaissance of the neighborhood, and I urge you to support it.

Sincerely,

Jo Thompson
General Manager

Best Western Hotels are independently owned and operated

-149-

Pioneer Square
Community
Association

April 11, 2007

The Honorable King County Council
King County Courthouse
516 Third Ave., Room 1200
Seattle, WA 98104-3272

Dear King County Councilmembers:

As the owner of the Elliott Bay Book Company in the Pioneer Square neighborhood, I urge your support of the North Lot project as defined in King County's RFQ/RFP and by developer Nitze-Stagen.

This long-anticipated project will bring many benefits to the Pioneer Square community and neighborhood, including the following:

Mixed-use development – By combining office, residential and retail, this project will help create a vibrant, safe neighborhood by attracting office workers during the day, residents at night and shoppers throughout the day. Mixed-use projects are proving to be a successful development model for creating healthy 24/7 neighborhoods.

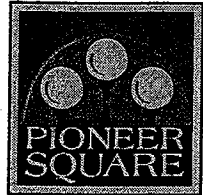
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Good urban design – The project will be designed to reflect and respect the historic nature of the Pioneer Square neighborhood. The open design is pedestrian-friendly and human scale, encouraging walking, healthy street-level interactions and "eyes on the street" for safety. Nitze-Stagen has a track record of successful developments with good design that are sensitive to the neighborhood and community. Two good examples of Nitze-Stagen's restoration and development work are Union Station and Starbucks Center, which illustrate the firm's deep knowledge of south downtown and its effectiveness in developing complex projects that meet the needs of the community

Grocery store and other retail – Nitze-Stagen is working with the community to identify a grocery-store, which is a much-desired neighborhood amenity.

Transit-oriented development – This project's prime location is at the hub of several key public transportation services and systems, creating a transit-oriented development that meets many of the neighborhood's, city's and county's growth

149a



202 Yesler Way
Seattle, WA 98104

P 206-667-0687
F 206-667-9739

pioneersquare.org

April 19, 2007

The Honorable Larry Gossett
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Gossett:

Enclosed for your consideration is an ordinance which will authorize the sale of the King County owned property known as the North Half of the Former Kingdome Parking Lot (North Half Lot) to North Lot Development, L.L.C. The sale allows for redevelopment of 3.85 acres of key, undeveloped county-owned land in the Pioneer Square area.

As you know, redevelopment of this site was promised to the community when the Kingdome was demolished, and the community has long awaited fulfillment of that commitment. The project brings new homes and ground level retail to the Pioneer Square community, transforming a sea of asphalt into a cutting edge urban village. This redevelopment will be instrumental in revitalizing the community, encouraging housing for future generations, and transforming this area into a vibrant neighborhood with unmatched amenities, including unprecedented multimodal public transportation, for residents.

The proposed legislation allows the development team of Opus and Nitze-Stagen, in association with the Seattle Housing Authority, to develop the North Half Lot property into a mix of residential and ownership units. At least 100 of those units will be affordable housing. Additionally, the new development will include commercial uses, bringing much desired retail to the area.

The Facilities Management Division will need to assist this process by participating in application for a master use permit for the site, coordinating with stakeholders, monitoring planning and implementation activities of the developer team, coordinating with other county agencies which have construction activities adjacent to the site, and solicitation and coordination of expert advice related to project activities. Accordingly, a supplemental appropriation request of \$144,000 is hereby being made, in addition to the proposed ordinance authorizing the sale. The costs associated with the appropriation ordinance would ultimately be reimbursed from sale proceeds.

King County and the development team have worked closely with community stakeholders such as the Pioneer Square Association and other regional partners like the City of Seattle, the Public Stadium Authority, and First and Goal, Inc., as the proposal process moved forward over the past two years. The project will help King County and the City of Seattle in meeting their growth targets under the Growth Management Act and Countywide Planning Policies.

Background

This property is a 3.85 acre (167,513 square feet) parcel of land paved with asphalt and generally level and rectangular in shape. It is owned by the Current Expense Fund and is adjacent to the King Street Center, the King Street Station, the Weller Street Pedestrian Bridge, and a surface parking lot owned by the Washington State Public Stadium Authority (PSA) and operated by First and Goal, Inc. (FGI). The King County Facilities Management Division (FMD) is the custodial agency.

Property History

The property was purchased by King County in 1971 from Burlington Northern, Inc. for the purpose of the Kingdome stadium development.

On September 8, 1998, Ordinance 13262 was passed in which the King County Council determined that the North Half Lot would become surplus to the county's needs upon transfer of use and control of the Kingdome parcel to the PSA. The King County Executive was authorized to execute a Property Transfer Agreement to convey the Kingdome parcel to the PSA.

On September 30, 1998 King County entered into an agreement on Stadium and Exhibition Center Property Contributions and Reservation of Possessory Rights with the PSA, as authorized by King County Ordinance 13262. Under that agreement, the county retained ownership of the North Half Lot, and the PSA relinquished all rights and interests in the North Half Lot with certain conditions. Conditions included the PSA having use of the North Half Lot for parking and event staging until it received notice of commencement of a mixed-use development on the North Half Lot, which was contemplated by the parties from the outset as a complement to the stadium and exhibition activities to be conducted on the adjacent property.

As called for by the agreement, King County conveyed the Kingdome parcel to the PSA by statutory warranty deed on March 15, 2000, and retained the North Half Lot.

Under a Special Use Agreement issued in 1998 by King County to the PSA and later assigned to FGI, the North Half Lot is currently used for the purpose of stadium and exhibition center parking and event staging at no charge until notice of commencement of the North Half Lot development is provided.

In accordance with K.C.C.4.56.070 and in addition to the surplus declaration in Ordinance 13262, the FMD has declared the property to be surplus to the foreseeable needs of the county.

K.C.C.4.56.070 states that, if the property is not needed for the provision of essential government services, the FMD shall then determine if the parcel is suitable for affordable housing. Suitable for affordable housing means the parcel is located within the Urban Growth Area, is zoned residential, and the housing development is compatible with the neighborhood. The FMD has determined that the property is not needed for the provision of essential governmental services and is suitable for affordable housing as part of a mixed-use development.

Competitive Process for Sale and Development

This parcel was advertised for sale nationally via a Request for Qualifications (RFQ) issued on July 14, 2005, with responses due on August 30, 2005. Four major private developers responded by submitting their qualifications to the county on August 30, 2005: Triad Development Corporation; City Investors L.L.C.; the joint venture of Wright Runstad & Company and The Murray Franklyn Family; and the joint venture of Opus Northwest, L.L.C and Nitze-Stagen & Company, Inc. in cooperation with the Seattle Housing Authority. All responders were determined to be qualified by a review panel that included representatives from King County, the City of Seattle, the Public Stadium Authority (PSA) and the Washington State Department of Transportation.

In April of 2006, King County issued a Request for Proposals (RFP) offering those four developers the opportunity to submit a purchase offer and a development proposal. King County retained the right to reject any purchase offer that was not at least \$10,110,000. The development was to provide quality mixed-uses containing no fewer than 400 market rate and affordable housing units - of which 100 units must be affordable - and community-friendly retail and commercial uses.

Following are some of the key points from the RFP. The development must:

- Reflect the zoning, land use, and neighborhood interests that exist for the property or that would be acceptable to the City of Seattle and the community.
- Be compatible with and accommodate the continuing operations of Qwest Field and the Exhibition Center.
- Be compatible and integrate well with existing and planned pedestrian corridors, transportation corridors, and intermodal transportation connectivity.
- Continue to stimulate and expand the economic base of the south downtown neighborhoods.
- Include exemplary site, landscape and building design, and foster environmental sustainability.
- Provide housing for multiple income levels and family sizes and produce an optimum housing mix reflecting economics, local government goals, and community interest.

Below are the specific housing requirements included in the RFP:

- 60% of the development's gross square footage, not including parking, must include housing.
- At a minimum, the development must include 350,000 gross square feet of housing, not including parking, and provide 400 housing units.
- At least 200 housing units must be provided for ownership.
- At least 100 housing units must be affordable housing and provided for rent, for ownership, or for a combination of rent and ownership.

The \$10,110,000 minimum purchase price was determined by appraisal and included adjustments for the RFP requirements that the developer provide affordable housing units and replace the existing PSA parking. Also considered in the sales price is the impact of easements encumbering the North Half Lot, including: the existing PSA easement connecting Second Avenue South to the PSA property; a county sewer line and access easement to support the new, below-grade Interbay odor control facility; easements conveyed to Sound Transit for the Weller Street Pedestrian Bridge access; and an easement retained by the county to support Metro Transit bus service for special events.

The RFP also required the development to replace existing parking spaces used by the PSA on the site, both during construction of the development and following completion, and also required that the PSA be permanently entitled to the revenue stream from the replacement parking. In addition, the RFP required the development to include sufficient pay-for-parking to support the King Street Station's needs for 70 parking spaces. An additional requirement was that the development retain a view corridor to and from Qwest Field along the PSA's existing Second Avenue South easement.

Bonus points were possible if the proposal included a full service food market, which is a retail service of particular interest to the Pioneer Square Community Association.

Proposals were due on June 28, 2006. Prior to the RFP deadline for submittal, Triad Development Corporation and City Investors L.L.C. withdrew from the RFP, citing a lack of capacity within the organizations to absorb a development of the scale of the North Half Lot in addition to their other projects.

A selection committee met twice in June 2006 to review the two proposals received by the County. The selection committee consisted of representatives from the King County Executive branch, the King County Council, the City of Seattle and the Pioneer Square Community Association. The committee selected the proposal from the joint venture of Opus Northwest, L.L.C. and Nitze-Stagen and Company, Inc. in cooperation with the Seattle Housing Authority (ONS) as satisfying the requirements of the RFP and addenda thereto and providing the best value to King County.

Purchase and Sale Agreement

Subsequent to the selection of ONS, the FMD team, in consultation with the Prosecuting Attorney's Office (PAO), commenced negotiations with ONS, which has resulted in the enclosed Purchase and Sale Agreement (Agreement) that incorporates the RFP's minimum requirements and provides protections in the form of contingencies and covenants running with the land to ensure that both prior to and following the closing of the sale, the development continues to comply with the RFP and the terms of the Agreement. Below are highlights of the Agreement:

- The Agreement establishes a minimum total housing requirement of 400 units, and provides housing for multiple income levels and family sizes through a mix of ownership and rental units. The Agreement requires a minimum of 100 units of affordable housing, and, if determined to be economically feasible by ONS, workforce housing. All housing will meet LEED or Built Green Certification.
- The Agreement requires ground level retail, row houses and shops, and, if determined by the ONS to be economically feasible, the provision of a full service food market. All retail and commercial uses will meet LEED Certification.
- The Agreement requires that ONS provide the PSA 491 spaces of replacement parking and 70 parking spaces to support the King Street Station.
- In order to ensure that the development is compatible with the continuing activities at the stadium and exhibition center, the Agreement requires that ONS prepare a traffic circulation and staging study designed to inform ONS of the traffic and circulation issues that arise during the staging of large events. This study will be prepared early in the design development process so that the staging needs of events at the stadium and the exhibition center can be understood, alternatives considered, and reasonable measures evaluated during the design process regarding lost clear-height staging.
- The Agreement requires that ONS take all reasonable steps to commence development of the Project by July 1, 2008, and that in no event shall it commence construction later than twenty four (24) months after the closing date. ONS shall complete construction of the Project no later than ten (10) years after commencement of construction.

In addition to provisions of the Agreement, my staff has obtained agreement from the City of Seattle to provide street use on Occidental Avenue South for staging activities associated with stadium and exhibition center events.

In order to ensure that the development complies with the above requirements, the county has inserted contingencies that must be satisfied prior to closing. The contingencies include ONS obtaining a Master Use Permit for the development and the King County Executive determining that conveyance is appropriate with or without additional or revised conditions consistent with and based on State Environmental Policy Act review, which review will be performed by the City of Seattle as the lead agency in conjunction with review of the development permit applications for the development.

Budget Considerations

Unlike most purchase and sale agreements, the Agreement governing the sale of the North Half Lot represents the fulfillment of significant commitments made to the community by King County government. It also implements the King County Comprehensive Plan, and achieves growth management goals of the region. As such, the Agreement contains detailed development criteria, above and beyond those normally specified prior to sale of King County property. Additionally, there are deadlines associated with the development related to past agreements between stakeholders. Accordingly, King County will continue to play a key role in ensuring successful development of the site, if council approves the enclosed legislation.

Continued activities of the FMD, in consultation with the PAO, will include:

- **Obtaining the Master Use Permit (MUP):** since the Agreement requires that ONS take all reasonable steps to commence development of the project by July 1, 2008, and that in no event shall it commence construction later than twenty four (24) months after the Closing Date, FMD will make every effort to ensure that development plans move forward expeditiously. King County, as the current property owner, will participate in application for, monitor and facilitate the MUP application process, as well as the environmental review process, prior to closing on the sale.
- **Coordination with Stakeholders:** As ONS moves forward with final design for the development, King County FMD will continue to play a role to ensure stakeholder interest and coordination.
- **Monitoring RFP Implementation:** Firm commitments were made in the developer's response to the RFP and the Purchase and Sale Agreement. King County will wish to actively monitor progress to ensure that the development moves forward according to plan.
- **Coordination with King County Activities:** King County activities on or adjacent to the site will have to be closely coordinated. For example, construction of the King County odor control facility will have to be done in concert with North Half Lot development activities.
- **Expert Advice:** As plans move forward, is likely that expert advice from consultants will be needed to secure permits, assist with environmental review, and to provide other technical information and services as needed.

Normally, activities required to negotiate a purchase and sale agreement are funded with existing appropriation authority, and reimbursed through proceeds of the property sale. In this case the activities listed above go beyond the normal pre-purchase/sale negotiation activities, and exceed the capacity of existing appropriation authority. To accomplish the tasks listed above, FMD will use a combination of in-house, term-limited temporary staff and consulting services. The enclosed appropriation ordinance provides up-front funding for these activities, to be repaid through the proceeds of the sale. A total of \$144,000 is requested for 2007. If required, an additional appropriation will be proposed in the 2008 budget.

Yesler/Courthouse Campus Current Expense Reserve

The almost ten million dollars in net proceeds provides King County with several unique and unprecedented opportunities to transform the sometimes troubled Yesler/City Hall Park area into a thriving and vibrant gateway to Pioneer Square and the North Lot development.

There are many important Executive and County Council initiatives in or around the Courthouse campus that are in various stages of analysis and implementation. These include:

- Securing development rights or title to properties immediately west of the New County Office Building;
- Potential housing, and redevelopment/improvement of the Courthouse campus itself, either on Goat Hill or in the Yesler area;
- Restoring a new south entrance to the Courthouse and linked improvements to City Hall Park;
- Replacing the existing King County Administration Building with a modern new office tower; and
- Removing the sky bridge from the jail to the Courthouse.

These options continue and support the initiatives set in motion with the development of the North Half Lot for making downtown a more livable and family friendly community. These options also preserve and enhance King County government services and real property investments in the downtown core.

As a result of our conversations with multiple parties such as the City of Seattle, the Seattle Housing Authority, private developers and others, it has become clear that each of these projects might be linked in ways that benefit all of them. For example, the public benefits of the potential housing projects and City Hall Park improvements may grant us more square footage in a new office tower, which in turn may allow us to generate sufficient revenues to restore the south entrance to the Courthouse or remove the sky bridge.

It is too soon to say exactly how they may all fit together, but what is clear is that this ten million dollars can be a catalyst for one or all of these projects. We should not lose this incredible opportunity by spending the money elsewhere, but rather set the proceeds aside until a clear path for achieving these multiple objectives is reached by both the council and the Executive.

Therefore I will establish a Yesler/Courthouse Campus reserve in the current expense fund. I recommend that the net proceeds of the sale, when available, (after the reimbursement described above) be set aside in this reserve for the potential capital purposes to address significant needs and achieve goals that have been identified for the King County campus in downtown Seattle. I further recommend that the sales proceeds be reserved in the current expense fund without a deposit in the arts and cultural development fund as would normally be required under K.C.C . 4.56.130.

Conclusion

The sale of the North Half Lot property is authorized under KCC 4.56.100A(7), because it is being sold through a request for proposals for on-site development of affordable housing that provides a public benefit. The sale of the property is also authorized under KCC 4.56.100A(1), because unique circumstances make a direct sale to ONS in the best interests of the public. Unique circumstances exist because ONS has demonstrated its singular ability to develop the North Half Lot consistent with the RFP and in a manner that harmonizes with the needs of the stakeholders for the North Half Lot and the adjacent stadiums, exhibition center and neighborhoods.

This proposal for the sale and development of the North Half Lot will provide for numerous public benefits. Specifically, this development:

- Is consistent with and helps implement the King County Comprehensive Plan, Countywide Planning Policies and the Growth Management Act, all of which call for concentrated infill development in Urban Areas which makes efficient use of existing and new public facilities and services.
- Will help meet the growing need for housing in King County, and will provide the opportunity for the county and the City of Seattle to obtain a minimum of 100 affordable housing units.
- Will help implement the City of Seattle's goals of stimulating housing and related development in Pioneer Square. The proposal is supported by the Pioneer Square Community Association.
- Is to be located within walking distance of one of the county's major employment centers, and within close proximity to local and regional transportation facilities, including Metro Transit; Sound Transit bus, commuter rail, and light rail; and Amtrak rail.

Passage of this legislation will conclude a thoughtful and deliberate process ending in a sale which represents an exceptional value to the citizens of King County. Through the Facilities Management Division's divestiture of the property, King County continues to show forward looking management of its real estate assets that partners with the private sector. Please contact Kathy Brown, Director of the Facilities Management Division, at 206-296-0631, or Robert Stier, Facilities Management Division, at 206-296-1815 or 206-263-7228 for any questions regarding the agreement with North Lot Development, L.L.C. Contact Bob Thompson, Leasing Supervisor, Real Estate Services Section, at 206-296-7494, regarding the surplus process.

The Honorable Larry Gossett

April 19, 2007

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Enclosed is a package of information for the property.

I recommend approval of this ordinance and certify that funds are available.

Sincerely,

Ron Sims

King County Executive

Enclosures

cc: King County Councilmembers

ATTN: Ross Baker, Chief of Staff

Shelley Sutton, Policy Staff Director

Mark Melroy, Lead Staff, Capital Budget Committee

Anne Noris, Clerk of the Council

Sally Bagshaw, Chief Civil Deputy, Prosecuting Attorney's Office (PAO)

Pete Ramels, Senior Deputy Prosecuting Attorney, PAO

Bob Cowan, Director, Office of Management and Budget

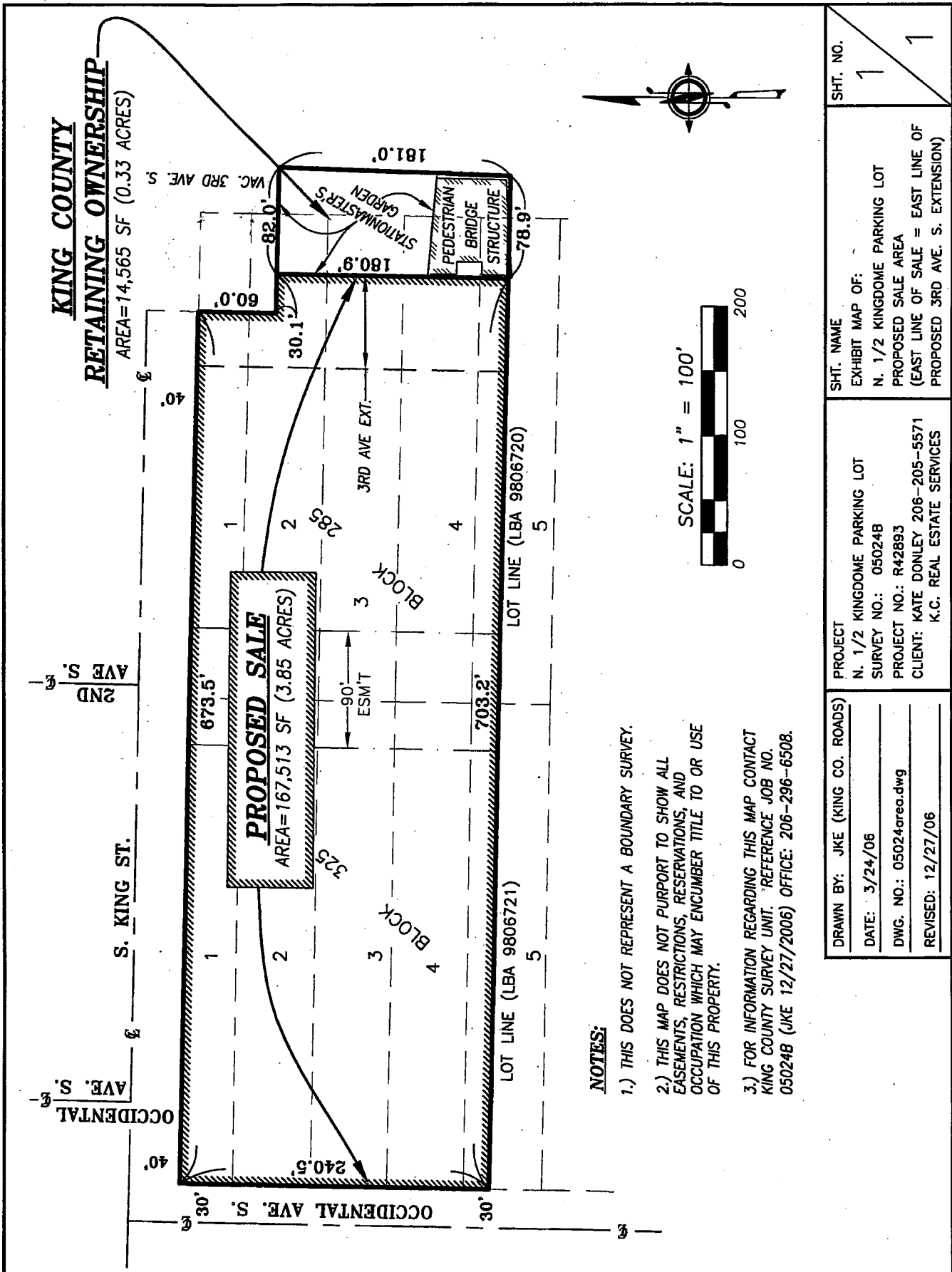
Paul Tanaka, County Administrative Officer, Department of Executive Services (DES)

Kathy Brown, Division Director, Facilities Management Division (FMD), DES

Robert Stier, Facilities Management Division, FMD, DES

Bob Thompson, Leasing Supervisor, Real Estate Services Section, FMD, DES

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NOTES:

- 1.) THIS DOES NOT REPRESENT A BOUNDARY SURVEY.
- 2.) THIS MAP DOES NOT PURPORT TO SHOW ALL EASEMENTS, RESTRICTIONS, RESERVATIONS, AND OCCUPATION WHICH MAY ENCUMBER TITLE TO OR USE OF THIS PROPERTY.
- 3.) FOR INFORMATION REGARDING THIS MAP CONTACT KING COUNTY SURVEY UNIT. REFERENCE JOB NO. 05024B (JKE 12/27/2006) OFFICE: 206-296-6508.

DRAWN BY: JKE (KING CO. ROADS) DATE: 3/24/06 DWG. NO.: 05024area.dwg REVISED: 12/27/06	PROJECT N. 1/2 KINGDOME PARKING LOT SURVEY NO.: 05024B PROJECT NO.: R42893 CLIENT: KATE DONLEY 206-205-5571 K.C. REAL ESTATE SERVICES	SHT. NAME EXHIBIT MAP OF: N. 1/2 KINGDOME PARKING LOT PROPOSED SALE AREA (EAST LINE OF SALE = EAST LINE OF PROPOSED 3RD AVE. S. EXTENSION)	SHT. NO. 1 / 1
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