



King County
Metropolitan King County Council
Committee of the Whole

STAFF REPORT

Agenda Item No.:	5	Date:	15 Oct 2012
Proposed No.:	2012-0390	Prepared by:	Nick Wagner
Invited:	Kathy Brown, Director, Facilities Management Division (FMD), King County Department of Executive Services (DES) Steve Salyer, Manager, Real Estate Services Section, FMD, DES Kate Donley, Project Program Manager, Real Estate Services Section, FMD, DES Randy Witt, Manager, Design and Construction Section, King County Department of Transportation		

SUMMARY

Proposed Ordinance 2012-0390 (pp. 7-9) would approve the sale of a parcel of surplus real property to the City of Auburn. The surplus property is a portion of the Auburn Park-and-Ride that is no longer needed for that purpose. The City of Auburn intends to sell the surplus property to Orion Industries (“Orion”), which is based in Federal Way. Orion has been described in Seattle Business Magazine as “a precision metal fabricator specializing in aerospace but with customers in defense, automotive, medical and marine industries.”

BACKGROUND

The Surplus Property

King County Metro operates a Park-and-Ride Transit Station in the City of Auburn at the intersection of 15 Street NE and A Street NW, next to the southwest corner of the City of Auburn Municipal Airport. See map at p. 83.

The King County Department of Transportation (DOT) determined in 2008 that a portion of the park-and-ride lot was no longer needed for its original transit purpose. Accordingly, DOT proposed to divide the lot into two parcels, one of which (consisting of the parcels labeled A, B1, and B2 on the diagram at p. 85) it intended to sell for commercial development. The remainder (labeled C on the diagram at p. 85) would continue to be used as a downsized commuter park-and-ride lot.

Pursuant to Chapter 4.56 of the King County Code, the Facilities Management Division (FMD) of the County's Department of Executive Services determined that no other county department had a need for the surplus property for government services and that the surplus property was unsuitable for affordable housing. A Declaration of Surplus was issued on 28 January 2008 (copy attached at pp. 87-90); however, the County was unable to sell the surplus property at that time.¹

The surplus property remained unsold and continued to be surplus to the County's needs until earlier this year, when the City of Auburn approached the County about buying part of the surplus property (labeled A in the diagram on p. 85) in order to sell it, at cost, to Orion, which intends to combine Parcel A with an additional, privately-owned parcel to the north.² This will provide Orion with space that it needs for relocation and expansion of its aerospace facility. According to the City of Auburn, "This relocation and expansion provides immediate benefits to the region's aerospace industry, to our regional jobs market, and due to Orion's unique business model, also provides training and job placement for disabled persons in our county."

Orion Industries

Orion describes its history as follows on its website³:

Orion was founded in 1957 by a group of parents whose vision was to provide vocational training to their children as they transitioned out of high school special education classes. . . . Their goal was to create an organization capable of sustaining itself on production revenues rather than on government grants, while preparing people with disabilities for competitive employment.

Over the years, the name was changed to Orion Industries, and the company endeavored with a variety of business enterprises including a commercial laundry and a reforestation program with Weyerhaeuser. Eventually the company transitioned into metal fabrication, developed a machine shop in the South Seattle neighborhood of Georgetown, and developed a relationship with the Boeing Company as part of Boeing's Community Manufacturing Partnership. Boeing remains a very important manufacturing partner for Orion. Since that time, Orion has developed a state of the art aerospace manufacturing enterprise and supplies precision machined parts and subassemblies from its headquarters in Federal Way, WA, to aerospace customers throughout the world.

Orion Industries has grown at 20% annually for the last several years, according to executive staff. In April 2012, Orion received the 2011 Boeing Supplier of the Year Award for Outside Manufacturing (p. 99). (Boeing gives awards in 16 supplier

¹ The portions of the Auburn Park-and-Ride lot that were surplus in 2008 were substantially, but not exactly, the same as the portions that are being sold today, in that there are slight differences in the boundaries.

² The City of Auburn also offered to buy the parcels labeled B1 and B2 in the diagram, for use in connection with the municipal airport, but recently delayed purchase of that parcel for about 18 months.

³ <http://www.orionworks.org/orionrehab/orion-history/>

categories.) In May, Orion received the 2012 Washington Nonprofit Manufacturer of the Year Award from Seattle Business Magazine (p. 101).

The Proposed Sale

The surplus real property that is proposed for sale, Parcel A in the diagram on p. 85, was appraised on 26 June 2012 at \$1,865,000. On 16 July 2012 the appraisal was revised downward to \$1,623,500 in light of new Federal Aviation Administration height and setback restrictions due to the adjacent municipal airport. On 17 July 2012 a new Declaration of Surplus Property was issued. On 27 August 2012 the appraisal was further reduced to \$1,564,500 on the basis of new information related to the parking lot paving and surface site improvements on the Surplus Property. The sale price negotiated between the County and the City of Auburn is \$1,566,500, which is \$2,000 higher than the latest appraisal. (See appraisal summaries at pp. 103, 105.) As described in the Executive's transmittal letter (pp. 139-40), the sale proceeds will be used for future Federal Transit Administration eligible projects in compliance with applicable regulations (FTA Circular 5010.1C, Chapter II, Paragraph 2.c.(1) and (2)).

The Real Estate Purchase and Sale Agreement (PSA) between the County and the City of Auburn (pp. 11-79) has been reviewed by both the King County Prosecuting Attorney's Office and the Council's Legal Counsel. The PSA requires a simultaneous closing of the County's sale to the City and the City's sale to Orion Industries. The target date for the closing is late November 2012. The deadline for closing is 31 January 2013, unless that date is extended by agreement.

The PSA also provides for easements to preserve existing transit access, lighting, and drainage rights to safeguard continued operation of the remaining Auburn Park-and-Ride facility.

A mandatory State Environmental Policy Act (SEPA) review was performed, and a determination of nonsignificance was issued on June 1, 2012 (pp. 107-23).

ANALYSIS

Process for Declaring County Property to Be Surplus

The process to be followed for the sale of surplus county property is prescribed in Chapter 4.56 of the King County Code (pp. 125-37). Briefly, if a county department identifies real property that is surplus to its needs, it is required to notify the Facilities Management Division (FMD), which then "shops" the property to all other county agencies. If no other agency expresses an interest in using the property to provide essential services, FMD must determine whether the property is suitable to be used for affordable housing. If the property is found unsuitable for use as affordable housing, FMD is authorized to declare the property to be surplus, as it did in this case.

Once property has been declared surplus, FMD is required to review other possible uses of the property before it is offered for sale. These other uses are listed in Section 4.56.070(D) of the county code (p. 128).

Sale of surplus property must be by public auction or by sealed bid, except in certain circumstances specified in the Section 4.56.100(A) of the county code (pp. 130-31). Those circumstances include:

1. "County property is sold to a government agency";
2. "[T]he county council, by ordinance, has determined that unique circumstances make a negotiated direct sale in the best interests of the public

The Process Followed for This Property

In surplusing and negotiating the proposed sale of Parcel A, FMD appears to have followed the steps required by the county code. It should be noted, however, that the sale was not conducted by public auction or by sealed bid, as contemplated in KCC 4.56.100(A). Instead, the sale was negotiated directly with the City of Auburn. This can arguably be justified on the ground that the sale is to a government agency (see KCC 4.56.100(A)(1)); however, it could also be argued that the City of Auburn is serving merely as an intermediary for Orion, which will be the eventual purchaser. The Council may, therefore, wish to rely also on the unique circumstances that appear to make a negotiated direct sale in the best interests of the public (see KCC 4.56.100(A)(2)). Those circumstances include:

1. FMD's unsuccessful efforts to sell or lease the Surplus Property for the past four years, beginning in 2008;
2. The proximity of the City of Auburn Municipal Airport, which entails certain Federal Aviation Administration height and setback restrictions that some potential purchasers might find undesirable (and which resulted in a downward adjustment of the property appraisal);
3. Orion's role as part of the region's aerospace industry, which King County is committed to supporting;
4. The unusual stature of Orion, which has received recent business awards from the Boeing Company and Seattle Business Magazine;
5. The unique mission of Orion, which is "[t]o enhance career opportunities for men and women with disabilities as well as other significant barriers to employment through successful business and rehabilitation services";
6. The City of Auburn's expressed intention to purchase an additional surplus portion of the Auburn Park-and-Ride (Parcels B1 and B2 in the diagram on p. 83); and
7. As the Executive describes in his transmittal letter, "The proposed sale:
 - a. "Furtheres the goals of the King County Strategic Plan by building lasting regional partnerships, supporting the County's park-and-ride program,

continuing to provide good customer service to our transit customers, and exercising sound financial stewardship for this real estate asset”;

- b. “[S]upports the mission of the King County Aerospace Alliance by providing land for aerospace development”; and
- c. “[F]urther a variety of unique economic opportunities that benefit King County and our customers, the City of Auburn and the local economy.”

Reasonableness

Since the proposed sale appears to meet applicable county code requirements and to benefit King County in a number of ways, adoption of Proposed Ordinance 2012-0390 would be a reasonable business decision.

AMENDMENT

To meet the requirements of KCC 4.56.100(A)(2), these “unique circumstances” should be noted in factual findings in the ordinance approving the sale. Amendment 1 (p. 81) would add a finding that “unique circumstances” exist that justify a negotiated, direct sale under KCC 4.56.100(A)(2).

ATTACHMENTS

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KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

October 12, 2012

Ordinance

Proposed No. 2012-0390.1

Sponsors von Reichbauer and Patterson

1 AN ORDINANCE approving the sale of a surplus
2 portion of the Auburn Park-and-Ride parking lot to
3 the city of Auburn.

4 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

5 **SECTION 1. Findings:**

6 A. The King County department of transportation, transit division is the
7 custodian of certain property located at and known as the Auburn Park-and-Ride ("the
8 Auburn PNR") parking lot.

9 B. Transit has determined that a portion of the Auburn PNR is surplus to their
10 needs and the needs of the public.

11 C. The King County executive has negotiated a purchase and sale agreement for
12 the sale of the surplus portion of the Auburn PNR to the city of Auburn for \$1,566,500.

13 D. Pursuant to K.C.C. 4.56.070 the facilities management division has circulated
14 surplus notices to King County agencies and none expressed interest. The facilities
15 management division has also determined that the property is not suitable for affordable
16 housing purposes and declared the property conditionally surplus on July 17, 2012.

17 E. The proposed sale to the city of Auburn is consistent with K.C.C. 4.56.100
18 regarding sale of county property. K.C.C. 4.56.080 provides that King County council
19 approval is required for the sale of county-owned real property valued in excess of ten

20 thousand dollars. K.C.C. 4.56.140 and chapter 39.33 RCW provide that the county may
21 dispose of real property to another governmental agency by negotiation, upon such terms
22 as may be agreed upon and for such consideration as may be deemed by the county to be
23 adequate.

24 SECTION 2. The King County council, having determined that the sale of the
25 subject property is in the best interest of the public, hereby authorizes the executive to
26 execute a purchase and sale agreement with the city of Auburn, substantially in the form
27 of Attachment A to this ordinance, and to execute any other documents necessary to
28 complete the transaction contemplated in Attachment A to this ordinance. All actions up
29 to now taken by county officials, agent and employees consistent with the terms and
30 purposes of the purchase and sale agreement are hereby ratified, confirmed and approved.

31 SECTION 3. If any provision of this ordinance is declared by any court of
32 competent jurisdiction to be contrary to law, then such provision is null and void and
33 shall be deemed separable from the remaining provisions of this ordinance and in no way
34 affect the validity of the

35 other provisions of this ordinance or of the transaction contemplated in Attachment A to
36 this ordinance.
37

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Larry Gossett, Chair

ATTEST:

Anne Noris, Clerk of the Council

APPROVED this ____ day of _____, _____.

Dow Constantine, County Executive

Attachments: None

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Attachment A to Ordinance

Real Estate Purchase and Sale Agreement

Auburn Park and Ride

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REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made and entered into by and between **KING COUNTY**, a home rule charter county and political subdivision of the State of Washington (the "Seller") and **THE CITY OF AUBURN**, a municipal corporation and noncharter code city with a council-mayor form of government organized pursuant to RCW Title 35A (the "Buyer"). Buyer and Seller are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

A. Seller is the owner of that certain real property located in the City of Auburn, County of King, State of Washington, commonly identified as a portion of the **AUBURN PARKAND-RIDE**, also known as Lot "A" of that certain subdivision recorded under King County Recording No. _____, the legal description of which is attached hereto as **Exhibit A** (the "Property") and incorporated herein by this reference.

B. Seller has for decades owned, operated and maintained a public transportation and mass transit facility at the Auburn Park-and-Ride.

C. Over many years Seller made significant investments in the Property for benefit of the Auburn Park-and-Ride, and Seller's historical and continuing use of the Park-and-Ride for public transportation and mass transit purposes are dependent on those improvements continuing to operate in a good and reliable condition.

D. Seller desires to sell the Property and Buyer desires to purchase the Property.

E. As a condition of the real estate transaction between Buyer and Seller regarding the Property, and in partial consideration of the promises, covenants, conditions and restrictions set forth herein, Seller requires easements over the Property so that Seller may continue to use and rely upon improvements located there that serve the Auburn Park-and-Ride, and Buyer is willing to grant the same.

F. As a condition of the real estate transaction between Buyer and Seller regarding the Property, and in partial consideration of the promises, covenants, conditions and restrictions set forth herein, Buyer desires to operate, maintain, and repair the improvements made by Seller upon the Property for benefit of the Auburn Park-and-Ride, as now existing or hereafter configured, and to do so consistent with all applicable laws, rules, and orders, and in addition Buyer is willing to allow Seller to perform such duties in the event that Buyer fails to do so.

G. As a condition of the real estate transaction between Buyer and Seller regarding the Property, and in further consideration of the promises, covenants, conditions and restrictions set forth herein, Seller requires that Buyer restrict and Buyer is willing to so restrict Buyer's use

of the Property to those uses and purposes that are compatible with Seller's continued use of and reliance on the improvements previously made by Seller and located thereon for benefit of the Auburn Park-and-Ride.

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, by bargain and sale deed substantially in the form of **Exhibit B-1** attached hereto, Seller shall sell, convey, assign, transfer and deliver to Buyer on the Closing Date (as 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:

(a) All the Seller's right, title and interest in the Property, as described in **Exhibit A**; **except** Seller's reserved easements for (1) continuous and uninterrupted public ingress and egress for transit purposes, and (2) storm water and surface water drainage system use and access, all as described in **Exhibit B-2**, attached hereto and incorporated herein by this reference;

(b) All of Seller's right, title and interest in improvements and structures located on the Property, if any;

(c) 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"); and

(d) 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.

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

1.3 EFFECTIVE DATE. The Effective Date of this Agreement shall be the date of the latest approval of this Agreement by the Parties' respective councils.

ARTICLE 2. PURCHASE PRICE AND OTHER CONSIDERATION

2.1. PURCHASE PRICE AND PAYMENT. In consideration of the sale, transfer, conveyance, assignment and delivery of the Purchased Assets, Buyer shall pay to Seller on the Closing Date a total purchase price of One million, five hundred sixty-six thousand, five hundred dollars (\$1,566,500.00) (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 Personal Property, if any, is *de minimis*.

2.3 BUYER'S POST-CLOSING OBLIGATIONS.

2.3.1. Security Fencing. In further consideration for the sale, transfer, conveyance, assignment and delivery of the Property, Buyer covenants to erect, at its sole expense, a security chain-link fence on the boundary between the Property and Seller's park and ride lot within thirty (30) days of the date of closing. Provided, that Buyer's security fence shall not interfere with Seller's right of ingress and egress as set forth in the Public Transportation Easement and Restrictive Covenant attached hereto as **Exhibit B-2**.

2.3.2 Lighting. In further consideration for the sale, transfer, conveyance, assignment and delivery of the Property, Buyer covenants to disconnect from Seller's electrical service, according to law and at Buyer's sole expense, power to all the light poles that are located north of the south boundary line of the Property (not including those that are located on the south boundary line) within ninety (90) days of the date of closing. Buyer further covenants that within the Easement Area as defined in **Exhibit B-2** attached hereto, Buyer shall preserve lighting equal to or better than that which exists on the Easement Area as of the Closing Date, and Buyer shall additionally grant an easement to Seller for purposes of maintaining the same. Buyer's covenant to preserve lighting in the Easement Area and Seller's lighting easement shall be included in the Public Transportation Easement and Restrictive Covenant attached hereto as **Exhibit B-2**.

2.3.3 Irrigation. In further consideration for the sale, transfer, conveyance, assignment and delivery of the Property, Buyer covenants to disconnect from the irrigation system that serves Seller's Park-and-Ride Lot the portion of the irrigation system that serves that landscaping located completely within the Property. Buyer shall complete this work within ninety (90) days of closing Buyer further covenants to maintain an operational irrigation system to serve the landscaping that is located completely within the Property. Buyer's covenant to disconnect Seller's irrigation system and maintain an operational irrigation system on the Property shall be included in the Public Transportation Easement and Restrictive Covenant attached hereto as **Exhibit B-2**.

2.3.4 Drainage.

(a) In further consideration for the sale, transfer, conveyance, assignment and delivery of the Property, Buyer shall grant Seller an easement over the Property to use, repair, maintain, and improve those portions of the existing stormwater or surface water drainage system located on the Property. The easement shall be included in the Public Transportation Easement and Restrictive Covenant attached hereto as **Exhibit B-2**.

(b) In further consideration for the sale, transfer, conveyance, assignment and delivery of the Property, Buyer, on behalf of itself and its successors and assigns, covenants and agrees as follows:

- (i) Buyer shall hold harmless, indemnify, and defend Seller from any and all cost, liability, claims, judgments, administrative actions, litigation, or other obligations arising out of or relating to the discharge of pollutants or Hazardous Substances (as defined in Section 3.1.9 of this Agreement) in any stormwater, surface water, runoff, or any other form of discharge or release from the Property into any of the stormwater facilities that serve the Auburn Park-and-Ride.
- (ii) Beginning eighteen (18) months after the Closing Date, and each calendar year thereafter for so long as Buyer owns the Property, upon Seller's written demand Buyer shall pay to Seller a share of Seller's annualized cost to maintain those certain stormwater facilities that serve both the Auburn Park-and-Ride and a portion of the Property (the "Joint Use Facilities"). Buyer's share of Seller's annualized cost shall be determined by multiplying Seller's annualized cost to maintain the Joint Use Facilities by a fraction, the numerator of which is the square footage of the Property area served by the Joint Use Facilities, and the denominator of which is the square footage of the Auburn Park-and-Ride area served by the Joint Use Facilities.
- (iii) If the Property area served by the Joint Use Facilities, which area is shown in **Exhibit B-3** attached hereto, is ever redeveloped or improved for any purpose other than a vehicle parking lot, then before commencing construction of such redevelopment or improvement Buyer or Buyer's successor, assign, or designee shall disconnect the Property's stormwater or surface water system from the Joint Use Facilities.
- (iv) If Seller ever redevelops the Auburn Park-and-Ride, then the City of Auburn shall limit its drainage review and approval (if any) to those surface water or storm water impacts arising out of or related to drainage from the Auburn Park-and-Ride, and without reference to or consideration of any surface water or stormwater discharge from the Property.

(c) The covenants in paragraph (b) of this Section 2.3.4 shall terminate and thereafter shall be of no further force or effect beginning upon such date as the King County Recorder's

Office may record a deed from Seller to Buyer conveying the real property on which is located the stormwater retention/detention pond serving the Auburn Park-and-Ride and the Property.

(d) The text of paragraphs (b)(i), -(ii), -(iii), -(iv), and (c) of this Section 2.3.4 shall be included in the Public Transportation Easement and Restrictive Covenant attached hereto as **Exhibit B-2**, which shall be binding on Buyer's successors and assigns, and shall also run with the land that makes up the Property.

2.3.5 Covenants Material. Buyer understands, acknowledges, and agrees that Buyer's covenants in Sections 2.3.1, 2.3.2, 2.3.3, and 2.3.4 are a material consideration for Seller's execution of this Agreement. Buyer further understands, acknowledges, and agrees that Buyer shall be in material breach of this Agreement if Buyer or Buyer's designee fails to timely perform the duties required under those covenants.

2.3.6 Seller Review and Approval of Buyer Work; Remedies for Nonperformance.

(a) Seller shall have final right of approval of Buyer's proposed plans to fulfill the covenants in Sections 2.3.1, 2.3.2, and 2.3.3, and Seller shall also have final right of approval of Buyer's actual constructed improvements to fulfill those covenants (together, Buyer's plans and constructed improvements to satisfy the covenants in Sections 2.3.1, 2.3.2, and 2.3.3 are referred to herein as the "Work"). Seller shall have the right to reject Work or to require repair or replacement of Work not meeting Seller's approval, but in any case Seller's approval shall not be unreasonably withheld.

(b) Buyer shall reimburse Seller for the cost and expense of Seller's staff time to review and approve Buyer's proposed plans for and construction of the Work, based on the actual hours expended at the rate charge then in effect for Seller's staff.

(c) Buyer and Seller agree to cooperate in good faith to complete, review, and inspect the plans for and construction of the Work.

(d) If Seller reasonably believes that Buyer will not timely undertake or complete the Work, then Seller shall notify Buyer in writing consistent with Section IV.E of this Easement ("Seller's Notice"). Seller's Notice shall specify the basis for Seller's belief that Buyer is in breach or is likely to breach its covenants under this Section 2.3.1. Buyer shall respond to Seller's Notice within fourteen (14) days. Buyer's response shall state whether Buyer intends to perform the Work and the estimated calendar date by which the Work will be undertaken and completed. If Buyer's response states that Buyer will not perform the Work, or if Seller reasonably believes that Buyer will not satisfactorily complete the Work within the time frames required by Sections 2.3.1, 2.3.2, and 2.3.2, respectively, then Seller may notify Buyer that Seller intends to perform the Work and invoice Buyer for Seller's cost to perform the Work. Seller shall provide such notice at least fourteen (14) days in advance of the date that Seller intends to begin the Work. Seller shall invoice Buyer for all fees, costs, and expenses associated with the Work, including but not limited to the cost of Seller's staff time to prepare Seller's Notice and to develop and implement any procurement, plans, permitting, or project documentation necessary

for the Work (collectively, the "Work Costs"). The invoice shall be accompanied by documents supporting and justifying the Work Costs. Buyer shall pay the Work Costs to Seller within forty-five (45) days of receipt of Seller's invoice. Seller shall add a late fee of five percent (5%) to any Work Costs invoice not timely paid. If any Work Costs invoice remains outstanding ninety (90) days after receipt, Seller may send it to collections.

2.4 COVENANT AGAINST RESALE FOR PROFIT. Buyer covenants that for a period of twenty-four (24) consecutive months from and after the Closing Date, Buyer shall not re-sell or otherwise convey the Property or the Purchased Assets in exchange for a cash amount greater than the Purchase Price, or any other consideration of greater value than the Purchase Price. During such 24-month period Buyer shall document the sale price of Property or the Purchased Assets or the appraised value of consideration received in exchange for the Property or the Purchased Assets and shall notify Seller of such price or value. If, during such 24-month period, Buyer sells or otherwise conveys the Property or the Purchased Assets in exchange for a cash amount greater than the Purchase Price, or any other consideration of greater value than the Purchase Price, then Buyer shall promptly pay to Seller an amount equal to the cash value of the difference between the price that Buyer paid to Seller and the price that Buyer received for the Property or the Purchased Assets.

2.5 SURVIVAL OF RIGHTS, DUTIES, AND OBLIGATIONS. The Parties' rights, duties, covenants, and obligations under Sections 2.3 and 2.4 shall survive Closing and the expiration or earlier termination of this Agreement.

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 home rule charter county and political 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 home rule charter county, (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 or award to which the Seller is a party 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 hereof.

3.1.3. Litigation. There is no pending, or to the best of Seller's knowledge, threatened lawsuit or material claim against or relating to Seller with respect to the Property, which shall impede or materially affect Seller's ability to perform the terms of this Agreement. There is no pending or, to the best of Seller's knowledge, contemplated condemnation or similar proceeding with respect to the Property or any part thereof.

3.1.4 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 below.

3.1.5 Full Disclosure. To the extent of Seller's knowledge as defined herein, 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 fails to state a material fact which is necessary to make the statements set forth therein not false or misleading. As used in this Agreement, the phrase "Seller's knowledge" or any derivation or variation thereof shall mean the actual knowledge of the following persons, based on their reasonable inquiry in the file locations where the relevant information would normally be filed:

(a) Steve Salyer, Manager, Real Estate Services Section, Facilities Management Division, King County Department of Executive Services;

(b) Kate Donley, Project Program Manager IV, Real Estate Services Section, Facilities Management Division, King County Department of Executive Services; and

(c) Paul Eng, P.E., Engineer VI, Transit Division, King County Department of Transportation.

3.1.6 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.

3.1.7 Contracts. To the extent of Seller's knowledge as defined in Section 3.1.5, there are no contracts or other obligations outstanding for the sale, exchange, transfer, lease, rental or use of the Property or any portion thereof.

3.1.8 Future Agreements. From and after the Effective Date, and unless this Agreement is terminated in accordance with its terms, Seller shall not without the prior written consent of Buyer:

(a) Enter into any agreement, contract, commitment, lease or other transaction that affects the Property in any way; or

(b) Sell, dispose of or encumber any portion of the Property.

3.1.9 Condition of the Property.

(a) Seller has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, contracts or guarantees of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning, or with respect to the value, nature, quality, or condition of the Property, including, without limitation:

- (i) The water, soil and geology;
- (ii) The income to be derived from the Property;
- (iii) The suitability of the Property for any and all activities and uses that Buyer or anyone else may conduct thereon;
- (iv) The compliance of or by the Property or its operation with any laws, rules, ordinances or regulations of any applicable governmental authority or body;
- (v) The habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Property;
- (vi) The manner or quality of the construction or materials, if any, incorporated into the Property; or
- (vii) Any other matter with respect to the Property.

(b) Seller has not made, does not make, and specifically disclaims any representations regarding compliance with any environmental protection, pollution, zoning or land use laws, rules, regulations, orders, or requirements, including the existence in or on the Property of hazardous materials or substances.

(c) Without limitation, Seller does not make and specifically disclaims any warranties, express or implied, 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. 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.

(d) All provisions of this Section 3.1.9 shall survive Closing and the expiration or earlier termination of this Agreement.

3.1.10. 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 an "Act of God," including, but not limited to, earthquakes, tremors, wind, rain or other natural occurrence.

3.1.11. 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, and Seller shall deliver to Buyer prior to the Closing an affidavit, as set forth in **Exhibit D**, evidencing such fact, and such other documents as may be required under the Code.

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

3.2.1. Organization. Buyer is a municipal corporation and noncharter code city duly organized, validly existing and in good standing under the laws of the State of Washington. Buyer 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.

3.2.2. 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 municipal corporation, (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 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. Litigation. There is no pending or, to the best of Buyer's knowledge, threatened lawsuit or material claim against or relating to Buyer that shall impede or materially affect Buyer's ability to perform the terms of this Agreement.

3.2.4. 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.

3.2.5. Condition of Property.

(a) Buyer acknowledges and accepts Seller's disclaimer of the Property condition in Section 3.1.9 of this Agreement.

(b) Buyer further acknowledges and agrees that, having been given the opportunity to inspect the Property, Buyer is relying solely on its own investigation of the Property and not on any information provided or to be provided by Seller. Buyer further acknowledges and agrees that any information provided or to be provided with respect to the Property was obtained from a variety of sources and that Seller has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information and no employee or agent of Seller is authorized otherwise. Buyer further acknowledges and agrees that Seller is not liable or bound in any manner by any verbal or written statements, representations, or information pertaining to the Property, or the operation thereof, furnished by any real estate broker, agent, employee, servant or other person, and, to the maximum extent permitted by law, the sale of the Property as provided for herein is made on an "AS-IS" condition and basis with all faults. It is understood and agreed that the sale price reflects that the Property is sold by Seller to Buyer subject to the foregoing.

(c) Buyer acknowledges that, within the Due Diligence Period as defined in Section 4.1.2 of this Agreement, Buyer will have conducted a physical inspection and made all investigations that Buyer deems necessary in connection with its purchase of the Purchased Assets, and that, as of the Effective Date hereof, Seller has provided Buyer with copies of all reports in Seller's possession that have been requested by Buyer. 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 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 representations and warranties in Section 3.1 of this Agreement, and to the extent of any fraud or deliberate 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 or Seller.

3.2.6. 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.

3.2.7. Indemnification. From and after Closing, Buyer shall indemnify, defend and hold Seller, its officers, agents and employees harmless from and against any and all claims and agency orders or requirements relating to or arising out of, directly or indirectly, the Property. This Section 3.2.7 shall survive Closing and the expiration or earlier termination of this Agreement.

ARTICLE 4. TITLE MATTERS

4.1. TITLE.

4.1.1. Title Commitment. Buyer or its designee 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, Inc. (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. At such time as the Title Company causes the Title Commitment to be furnished to Buyer, Buyer may in Buyer's sole discretion determine whether to cause the Title Company to furnish to Buyer legible copies of all instruments referred to in the Title Commitment as restrictions or exceptions to title to the Property.

4.1.2. Survey. Prior to the expiration of the Due Diligence Period as defined in this Section 4.1.2 of this Agreement, Buyer shall have the option, at its sole cost and expense, to conduct a survey (the "Survey") of the Property prepared by a licensed public surveyor. The Survey shall be certified to Buyer, Seller, and the Title Company, shall be satisfactory to the Title Company so as to permit it to issue an owner's title policy, identify the Property by legal description and shall set forth the number of square feet contained within the Property, show all natural monuments, existing fences, drainage ditches and/or courses, flood plain limits, any building or other site improvements and/or objects, any rights-of-way for streets, existing driveways, alleys or highways, easements and other restriction lines existing and/or proposed which shall affect any portion of the Property, and such other items as may be required by Buyer. For purposes of this Agreement, "Due Diligence Period" means the ninety (90) day period beginning on the day after the Effective Date of this Agreement.

4.1.3 Review of Title Commitment and Survey.

(a) Buyer shall have until the expiration of the Due Diligence Period in which to notify Seller of any objections Buyer has to any matters shown or referred to in the Title Commitment or Survey and of any title insurance endorsements required by Buyer. Any exceptions or other items that are set forth in the Title Commitment or the Survey and to which Buyer does not object shall be deemed to be permitted exceptions ("Permitted Exceptions"). Rights reserved in federal patents or state deeds, building or use restrictions general to the district, and building or zoning regulations or provisions shall also be deemed Permitted Exceptions.

(b) With regard to items to which Buyer does object, Seller shall notify Buyer within

ten (10) days after Seller receives Buyer's notice of objections of any exceptions to title or items on the Survey which Seller is not able to remove or otherwise resolve and any endorsements that Seller is not able to provide following Buyer's request, and Buyer may, at Buyer's option, either waive the objections not cured or Buyer may terminate this Agreement by notice to Seller.

4.2. OWNER'S TITLE INSURANCE POLICY. At Closing, Buyer shall cause an owner's policy of title insurance to be issued by the Title Company in the full amount of the total 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 Permitted Exceptions, to the usual printed exceptions contained in such title insurance policy, to the additional matters approved by Buyer as provided in Section 4.1.3, and to any other matters approved in writing by Buyer. The obligation of Buyer to provide the title policy called for herein shall be satisfied if, at the Closing, the Title Company has given a binding commitment, in a form reasonably satisfactory to Buyer, to issue the policies in the form required by this Section 4.2. Buyer shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company.

4.3. CONVEYANCE. At Closing, Seller shall convey to Buyer the title to the Property by bargain and sale deed in the form attached hereto as **Exhibit B-1**, subject only to the Permitted Exceptions, the further matters identified in Section 4.2, the easements and restrictive covenants set forth in **Exhibit B-2**, and such other encumbrances as may be created by Buyer or caused to be created by Buyer from and after the Effective Date.

ARTICLE 5. CONTINGENCIES

5.1. DUE DILIGENCE INSPECTION AND FEASIBILITY. Buyer shall satisfy itself by investigation and inspection, at its sole cost and expense and in its sole and absolute discretion, that the condition of the Property for Buyer's contemplated use meets with Buyer's approval. If Buyer approves of the condition of the Property, Buyer agrees to notify Seller, in writing, thereby removing this contingency. Buyer shall make such determination within the Due Diligence Period defined in Section 4.1.2. In the event Buyer does not waive this contingency or notify Seller that the contingency is satisfied within the Due Diligence Period, then Buyer may terminate this Agreement upon written notice to Seller on or before the expiration of the Due Diligence Period, and neither Party shall have any further rights or obligations to the other hereunder. If Buyer fails to provide Seller with any written notice regarding this Section 5.1 during the Due Diligence Period, then Buyer shall be deemed to have waived this contingency for all purposes and this contingency shall be deemed removed.

5.1.1. Inspections. During the Due Diligence Period, Buyer, its designated representatives or agents shall have the right at Buyer's expense to:

(a) Perform any and all tests, inspections, studies, surveys or appraisals of the Property deemed necessary, on any subject, by the Purchaser (subject to the limitations set forth below and Paragraph 5.1.2 Right of Entry);

(b) Obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all tests, inspections and studies deemed necessary therewith;

(c) Examine all Due Diligence materials that Buyer may reasonably request from Seller that are not subject to attorney-client privilege or that the Seller is not otherwise prohibited from disclosing by law;

(d) Determine to its satisfaction whether approvals, permits and variances can be obtained under applicable land use and zoning codes for Buyer's proposed use of the Property; and

(e) Determine whether Buyer's proposed development of the Property is economically feasible.

5.1.2. Conditional Right of Entry. Buyer and Buyer's designated representatives or agents shall have and Seller hereby grants to Buyer and Buyer's designated representatives a conditional license to enter the Property and to 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 and dates that will not substantially disrupt Seller's use of, or Seller's operations and activities on, the Property. Invasive tests of the Property, such as drilling or excavation, shall be subject to Seller's prior written approval. Buyer and Buyer's designated representatives may not undertake activities that would damage the Purchased Assets or any other King County-owned property or personalty. In connection with such inspections, Buyer agrees to hold harmless, indemnify and defend Seller, its officers, agents, or employees, from and against all claims, losses, or liability for injuries, sickness, or death of persons, including employees of Buyer, to the extent caused by or arising out of any act, error or omission of Buyer, its officers, agents, contractors, subcontractors or employees in entering the Property for the above purposes, except to the extent caused by or arising out of any act, error or omission of Seller, its officers, agents, or employees. Buyer shall repair any damage caused by invasive testing and shall restore the Property to its pre-existing condition.

5.2 THIRD PARTY SALE CONTINGENCY.

5.2.1 Simultaneous Closing on Third-Party Sale. Buyer has represented to Seller that Buyer intends to conduct a separate closing simultaneous with the Closing on the Property, and in that separate closing to sell the Property to a third party for cash, and to use the proceeds of that sale to pay the Purchase Price to Seller. Therefore, Seller's and Buyer's respective duty to close on the Property is contingent:

(a) On Buyer's successful simultaneous closing with a third party for the purchase and sale of the Property; and

(b) On Buyer's receipt of cash or cash equivalents sufficient to allow Buyer to pay the Purchase Price to Seller in cash at Closing.

5.2.2 No Duty to Close if Third Party Sale Fails. If either contingency 5.2.1(a) or (b) or both should fail then Seller and Buyer shall have no duty to proceed with Closing and this Agreement shall automatically terminate as of the Closing Date, all closing documents and funds shall be returned to the Party that provided them to escrow, each Party shall bear its own costs and expenses up to and including the Closing Date, and neither Party shall have any further right, duty, or obligation to the other under this Agreement.

5.3 SUBDIVISION CONTINGENCY.

5.3.1. Need for Division of Property. Buyer has represented to Seller that prior to Closing, and at Buyer's sole cost and expense, Buyer shall have received administrative approval of boundary line adjustments to divide the Auburn Park-and-Ride into two separate legal parcels and shall have obtained all necessary signatures on the mylar that will be recorded. Buyer has represented to Seller that the creation of two separate legal parcels is necessary to support Buyer's intended use of the Property and the third-party sale contemplated in Section 5.2. Therefore, Seller's and Buyer's respective duty to Close is contingent on Buyer receiving lawful approval of the boundary line adjustments of the Auburn Park-and-Ride into two separate legal parcels as illustrated in **Exhibit E** attached hereto.

5.3.2 No Duty to Close if Property Not Divided. Buyer shall complete the process to lawfully divide the Auburn Park-and-Ride into two separate parcels, receive administrative approval of the division, and perform all other tasks necessary for the division to be recorded with the King County Recorder's Office on the Closing Date, including all possible appeals or challenges to the proposed division of the Auburn Park-and-Ride. If Buyer is unable to complete the process to lawfully divide the Auburn Park-and-Ride by recording all necessary documents with the King County Recorder's Office on the Closing Date, then Seller and Buyer shall have no duty to proceed with Closing, and this Agreement shall automatically terminate as of the Closing Date, each Party shall bear its own costs and expenses up to and including the Closing Date, and neither Party shall have any further right, duty, or obligation to the other under this Agreement.

5.4 FTA APPROVAL CONTINGENCY.

5.4.1. Need for FTA Approval. Seller has represented to Buyer that the Federal Transit Administration (FTA) must approve Seller's proposed sale of the Property to Buyer. Seller has represented to Buyer that such FTA review and approval is necessary to proceed with the transaction contemplated in this Agreement. Therefore, Buyer's duty to Close is contingent on FTA review and written approval of the proposed transaction.

5.4.2 No Duty to Close Absent FTA Approval. Prior to Closing, and at Seller's sole cost and expense, Seller shall take such steps as may be necessary to secure FTA review and approval of the proposed transaction regarding the Property and provide Buyer written documentation of such approval reasonably acceptable to Buyer. Seller shall secure FTA approval not later than thirty (30) days prior to the Closing Date, including all possible appeals or challenges to FTA review and approval. Provided, that Seller and Buyer may agree in writing to

extend the Closing Date for such reasonable period or periods of time as may be required to complete FTA review and approval. If the FTA ultimately does not approve the proposed transaction regarding the Property, then Seller shall have no duty to proceed with Closing, this Agreement shall terminate upon written notice from Seller to Buyer, each Party shall bear its own costs and expenses up to and including the date of Seller's notice to Buyer, and neither Party shall have any further right, duty, or obligation to the other under this Agreement.

ARTICLE 6.
COVENANTS OF SELLER PENDING CLOSING

6.1 CONDUCT, NOTICE OF CHANGE. Seller covenants that between the Effective Date and the Closing, Seller shall take all such actions as may be necessary to assure that Seller's 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 shall have been performed at or prior to the Closing 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 by Seller 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 Effective Date and the Closing, Buyer shall take all such actions as may be necessary to assure that Buyer's 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 shall have been performed at or prior to the Closing as provided in this Agreement. Buyer shall give Seller prompt written notice of any material change in any of the information contained in Buyer's 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 Seller's fulfillment of each of the following conditions at or prior to the Closing, and Seller shall exert its best efforts to cause each such condition to be fulfilled:

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

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 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 Seller has notified Buyer that Seller will not cure, and Buyer has waived its objections.

8.5 APPROVAL OF COUNSEL. Seller's legal counsel shall have approved this document as to form as evidenced by such counsel's signature on this Agreement.

8.6. CONDEMNATION. No portion of the Purchased Assets shall have been taken or damaged by any public or quasi-public body, and Seller shall not have transferred any portion of the Purchased Assets to any such body in lieu of condemnation except with Buyer's written assent.

8.7. APPROVAL BY THE KING COUNTY COUNCIL. The Metropolitan King County Council shall have taken all legislative action necessary to authorize seller to enter into the transaction contemplated in this agreement.

ARTICLE 9. CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

All obligations of Seller to close on the Closing Date are subject to Buyer's fulfillment of each of the following conditions at or prior to the Closing, and Buyer shall exert its best efforts to cause each such condition to be so fulfilled:

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 shall have been properly performed in all material respects.

9.3. APPROVAL OF COUNSEL. Buyer's legal counsel shall have approved this document as to form as evidenced by such counsel's signature on this Agreement.

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

9.5. TITLE. Buyer shall have caused the Title Company to be committed to issue an 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 and such other matters as Buyer may authorize in writing.

9.6. APPROVAL BY THE AUBURN CITY COUNCIL. The Auburn City Council shall have taken all legislative action necessary to authorize Buyer to enter into the transaction contemplated in this Agreement.

ARTICLE 10. CLOSING

10.1. CLOSING/CLOSING DATE. "Closing" means the consummation of the transaction contemplated in this Agreement. The Closing shall take place thirty (30) days after expiration or waiver of the Due Diligence Period, as defined in Section 4.1.2, or such other date as may be mutually agreed upon by the Parties, but not later than January 31, 2013, unless extended pursuant to a separate written agreement executed by Buyer and Seller. Upon execution of this Agreement, the Parties agree to set up an escrow account with First American Title Insurance Company (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. Subject to the Permitted Exceptions and the easements and restrictive covenants set forth in **Exhibit B-2** attached hereto, all title, right of possession and interest to the Purchased Assets shall pass to Buyer upon Closing and thereafter the risk of loss thereof shall be the responsibility of Buyer.

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

10.2.1. Closing Costs. Seller shall pay the cost of one-half (1/2) of the escrow fee charged by the Escrow Agent for the sale of the Purchased Assets to Buyer, one-half (1/2) of any real estate excise or other transfer tax due on the sale of the Purchased Assets to Buyer, and all of its own attorneys' fees. Buyer shall pay one-half (1/2) of the escrow fee charged by the Escrow Agent for the sale of the Purchased Assets to Buyer, one-half (1/2) of any real estate excise or other transfer tax due for the sale of the Purchased Assets to Buyer, the full cost of the preliminary and binding title commitments from the Title Company, the full cost of all recording fees, and all of its own attorneys' fees. Except as otherwise provided in this Section 10.2, all other expenses hereunder shall be paid by the Party incurring such expenses.

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

(a) A Bargain and Sale Deed conveying the Property and substantially in the form of **Exhibit B-1** attached hereto;

(b) A Bill of Sale and Assignment duly executed by the Seller and

substantially in the form of **Exhibit C**, attached hereto for the Personal Property, if any; and

(c) Seller's Certificate of Non-Foreign status substantially in the form of **Exhibit D**, attached hereto.

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

- (a) Cash or immediately available funds in the full amount of the Purchase Price; and
- (b) A Public Transportation Easement and Restrictive Covenant substantially in the form of **Exhibit B-2** attached hereto.

ARTICLE 11. TERMINATION

11.1. TERMINATION BY EITHER PARTY. In addition to Buyer's right of termination during the Due Diligence Period, and in addition to termination for failure of any of the contingencies set forth in Sections 5.2, 5.3, and 5.4 of this Agreement, either Party may also terminate this Agreement effective upon written notice to the other Party if a condition to its obligation to consummate the transactions contemplated by this Agreement as set forth in Articles 8 and 9 has not been satisfied by 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, all documents and funds delivered into escrow shall be returned to the appropriate Party, and each Party shall bear its own costs and expenses up to and including the date of termination.

ARTICLE 12. MISCELLANEOUS PROVISIONS

12.1. NATURE AND SURVIVAL OF REPRESENTATIONS AND WARRANTIES. Subject to amendment pursuant to Section 12.5 of this Agreement, 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 a representation, warranty, indemnity, covenant and agreement between 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 or entities.

12.2. DEFAULT. In the event of default by either Party to this Agreement, the non-defaulting Party shall have the right to bring an action for specific performance or, in the alternative, actual damages, provided that any such cause of action shall be brought within twelve (12) months of the Effective Date, or be forever waived. The Parties shall have no right, claim, or cause of action for consequential damages or any other form or type of damages arising out of or relating to default under this Agreement, and each Party expressly and specifically waives any

claim or cause of action for the same, whether at law or in equity.

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

12.4. 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 three (3) days after deposit in the United States mail if by first class, certified or registered mail, return receipt requested. Notice may also be provided by email or other means of electronic transmittal, provided that receipt of the email or transmittal content can be confirmed by the sender, with time of receipt being the uniform time the e-mail or other transmittal enters the information processing system that the recipient has designated or uses for the purpose of receiving email or other form of transmittal. 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: Office of the Mayor
City of Auburn
25 West Main Street
Auburn, WA 98001

With a copy to: Auburn City Attorney's Office
City of Auburn
25 West Main Street
Auburn, WA 98001

If to Seller: Manager's Office
Transit Division
King County Department of Transportation
201 S King Street
Seattle WA 98104

With a copy to: Manager
Real Estate Services Section
500 4th Avenue, Room 830
Seattle, WA 98104

With a copy to: Chief Civil Deputy
King County Prosecuting Attorney's Office
516 3rd Avenue, Room W400
Seattle, WA 98104

12.5. 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 supersedes any prior agreement or understanding, whether written or oral. This Agreement may not be modified or amended except by a written agreement specifically referring to this Agreement and signed by all Parties hereto.

12.6 SEVERABILITY. In the event any portion of this Agreement shall be found to be invalid by any court of competent jurisdiction, then 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.

12.7 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.

12.8 BINDING EFFECT. Subject to Sections 12.12 and 12.14 below, this Agreement shall be binding upon and inure to the benefit of each Party hereto, its successors and assigns.

12.9 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 established by or construed from this Agreement. This Agreement creates no right, privilege, duty, obligation, or cause of action in any person or entity not a party to it.

12.10 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.

12.11 COOPERATION. Prior to and after Closing each Party 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.

12.12 GOVERNING LAW; VENUE. 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. The Superior Court of King County, Washington shall be the sole venue for any litigation between the Parties that arises under or relates to this Agreement or the transaction contemplated herein.

12.13 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.

12.14 ASSIGNMENT. Buyer shall not assign this Agreement or any rights hereunder without Seller's prior written consent, which may be withheld or conditioned at Seller's sole and absolute discretion.

12.15 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. Both 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 this Agreement.

TERMS AND CONDITIONS CONTINUE ON FOLLOWING PAGE

12.16 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-1	Bargain and Sale Deed
Exhibit B-2	Public Transportation Easement and Restrictive Covenant
Exhibit B-3	Illustration of Property Area served by Joint Use Facilites
Exhibit C	Bill of Sale and Assignment
Exhibit D	Certificate of Non-Foreign Status
Exhibit E	Illustration of Property Subdivision

EXECUTED by the Parties as of the dates set forth below.

SELLER:

Name: _____
Steve Salyer
Title: Manager, Real Estate Services Section
Date: _____

APPROVED AS TO FORM:

By _____
DEPUTY PROSECUTING ATTORNEY

BUYER:

Name: _____
Peter Lewis
Title: Mayor, City of Auburn
Date: _____

APPROVED AS TO FORM:

BY: _____
DEPUTY CITY ATTORNEY

NOTARY BLOCKS APPEAR ON FOLLOWING PAGE

STATE OF WASHINGTON }
COUNTY OF KING } ss.

On this day personally appeared before me _____, to me known to be the _____ of KING COUNTY, the home rule charter county and political subdivision of the State of Washington that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such county, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this _____ day of _____, 2012.

Printed Name _____
NOTARY PUBLIC in and for the State of Washington,
residing at _____
My Commission Expires _____

STATE OF WASHINGTON }
COUNTY OF KING } ss.

On this day personally appeared before me _____, to me known to be the _____ of the CITY OF AUBURN that executed the foregoing instrument, and acknowledged such instrument to be [his/her] free and voluntary act and deed of said city for the uses and purposes therein mentioned, and on oath stated that [he/she] was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this _____ day of _____, 2012.

Printed Name _____
NOTARY PUBLIC in and for the State of Washington,
residing at _____
My Commission Expires _____

EXHIBIT A.

Legal Description of Property

**LEGAL DESCRIPTION
PARCEL A**

THAT PORTION OF THE SOUTH HALF OF JOSEPH BRANNAN DONATION LAND CLAIM NO. 38, SITUATED IN THE WEST HALF OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 5 EAST, W.M.; AND THE EAST HALF OF SECTION 12, TOWNSHIP 21 NORTH, RANGE 4 EAST, W.M., IN THE CITY OF AUBURN, KING COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 3 INCH DIAMETER BRASS DISK IN CONCRETE, IN CASE, MARKING THE CENTERLINE RIGHT-OF-WAY OF 15TH STREET N.E. WITH THE CENTERLINE RIGHT-OF-WAY OF 'D' STREET N.E., AS SHOWN ON RECORD OF SURVEY, RECORDING NUMBER 7701179008, RECORDS OF SAID COUNTY, FROM WHICH, A 3 INCH DIAMETER BRASS DISK IN CONCRETE, IN CASE, MARKING THE CENTERLINE RIGHT-OF-WAY OF SAID 15TH STREET N.E. WITH THE CENTERLINE RIGHT-OF-WAY OF 'A' STREET N.E., BEARS NORTH 89°30'04" WEST, 980.32 FEET; THENCE ALONG THE CENTERLINE OF SAID 'D' STREET N.E., NORTH 00°41'08" EAST, 360.38 FEET TO A 1-1/2 INCH DIAMETER BRASS SURFACE MONUMENT; THENCE CONTINUING ALONG SAID CENTERLINE NORTH 00°41'08" EAST, 130.42 FEET TO THE SOUTH LINE OF AUBURN MUNICIPAL AIRPORT AS SHOWN ON SAID SURVEY; THENCE ALONG SAID SOUTH LINE NORTH 89°04'44" WEST, 691.73 FEET TO THE SOUTHWEST CORNER OF SAID AIRPORT PROPERTY AND THE **TRUE POINT OF BEGINNING**; THENCE ALONG THE SOUTHERLY EXTENSION OF THE WEST LINE OF SAID AIRPORT PROPERTY SOUTH 00°39'48" WEST, 143.93 FEET; THENCE SOUTH 89°30'49" EAST 40.36 FEET; THENCE SOUTH 00°30'04" WEST, 170.04 FEET; THENCE NORTH 89°42'06" WEST, 299.66 FEET TO THE EAST MARGIN OF 'A' STREET N.E.; THENCE ALONG SAID MARGIN NORTH 00°39'20" EAST, 614.85 FEET TO THE NORTHWEST CORNER OF THAT CERTAIN PARCEL OF LAND AS SHOWN ON SAID RECORD OF SURVEY; THENCE ALONG THE NORTH LINE OF SAID PARCEL SOUTH 89°30'04" EAST, 258.89 FEET TO THE WEST LINE OF SAID AIRPORT PROPERTY; THENCE ALONG SAID WEST LINE SOUTH 00°39'48" WEST 299.84 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 3.81 ACRES, MORE OR LESS

SUBJECT TO EASEMENTS, CONDITIONS, AND RESTRICTIONS

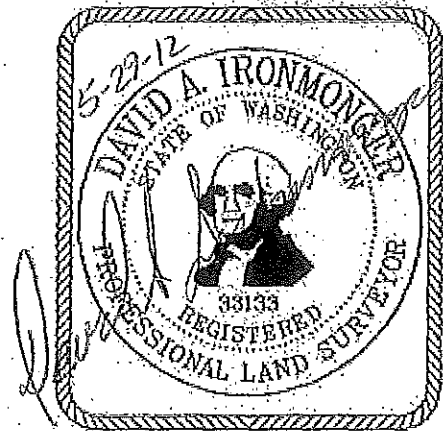


EXHIBIT B-1.

Bargain and Sale Deed

AFTER RECORDING RETURN TO:

Attn:

BARGAIN AND SALE DEED

Grantor -- King County, Washington

Grantee -- City of Auburn

Legal ----

Tax Acct. --

The Grantor, KING COUNTY, a home rule charter county and political subdivision of the State of Washington, for and in consideration of ten dollars (\$10.00) in hand paid and other consideration as set forth in that certain Real Estate Purchase and Sale Agreement dated _____ and authorized by King County Ordinance No. _____, does hereby bargain, sell and convey unto the Grantee, the CITY OF AUBURN, a municipal corporation of the State of Washington, the following described real estate situate in King County, Washington, and the Grantee hereby accepts the same:

Legal Description:

SUBJECT TO all rights, conditions, covenants, obligations, limitations and reservations of record for said real estate.

Executed by King County this _____ day of _____, 20__.

**GRANTOR
KING COUNTY**

**GRANTEE
CITY OF AUBURN**

BY _____

BY _____

TITLE _____

TITLE _____

Date _____

ACKNOWLEDGEMENTS APPEAR ON PAGE 3

NOTARY BLOCK FOR KING COUNTY

STATE OF WASHINGTON)
) SS
COUNTY OF KING)

I certify that Stephen L. Salyer signed this instrument, on oath stated that he was authorized by the King County Executive to execute the instrument, and acknowledged it as the Manager of Real Estate Services Section of King County, Washington to be the free and voluntary act of said County for the uses and purposes mentioned in the instrument.

Dated _____

NAME _____
NOTARY PUBLIC in and for the State of
Washington, residing at _____, Washington
My appointment expires _____, 20____

NOTARY BLOCK FOR CITY OF AUBURN

STATE OF WASHINGTON)
) SS
COUNTY OF KING)

I certify that _____ signed this instrument, on oath stated that she or he was authorized by _____ to execute the instrument, and acknowledged it as the _____ of the City of Auburn, Washington, to be the free and voluntary act of said City for the uses and purposes mentioned in the instrument.

Dated _____

NAME _____
NOTARY PUBLIC in and for the State of
Washington, residing at _____, Washington
My appointment expires _____, 20____

EXHIBIT B-2.

Public Transportation Easement and Restrictive Covenant

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Document Title:	Public Transportation Easement and Restrictive Covenant
Grantor(s):	City of Auburn
Grantee:	King County
Abbreviated Legal Description:	Lots A and B of BLA # _____
Additional Legal Description is on Page:	Exhibits "A" and "B"
Assessor's Tax Parcel Number(s):	

THIS PUBLIC TRANSPORTATION EASEMENT AND RESTRICTIVE COVENANT is granted by **THE CITY OF AUBURN**, a municipal corporation and noncharter code city with a council-mayor form of government organized pursuant to RCW Title 35A ("Grantor") to **KING COUNTY**, a home rule charter county and political subdivision of the State of Washington ("Grantee"). Grantor and Grantee are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

PUBLIC TRANSPORTATION EASEMENT AND RESTRICTIVE COVENANT

WHEREAS, Grantee is a home rule charter county and a political subdivision of the State of Washington; and

WHEREAS, Grantee for decades has owned, operated and maintained a public transportation and mass transit facility known as the Auburn Park-and-Ride Lot, with a street address of 101 15th St NE, Auburn, Washington (the "P&R Lot"); and

WHEREAS, in connection with the P&R Lot, and in furtherance of Grantee's mass transit system, safety and efficiency considerations require that Grantee's buses and other vehicles must enter and exit the P&R Lot from "A" Street NE, and be provided sufficient physical space and turning radius within the P&R Lot to safely maneuver around and

between vehicles parked there in order to enter and exit the P&R Lot from "A" Street NE, and

WHEREAS, the P&R Lot operates twenty-four hours a day, seven days a week, and as such requires sufficient and adequate lighting for public safety as well as safe operation of Grantee's buses and other vehicles; and

WHEREAS, in 2012, for Grantor's own purposes and uses, and with Grantee's permission, Grantor subdivided the P&R Lot into two (2) parcels pursuant to that certain boundary line adjustment illustrated in Exhibit C attached hereto; and

WHEREAS, Grantee retains title to what is now tax parcel _____, which is the reconfigured P&R Lot ("Lot B"), and Grantor has acquired tax parcel no. _____ ("Lot A") for its own separate purposes and uses; and

WHEREAS, Grantor acknowledges that over many years Grantee made significant investments in improvements to Lots A and B for benefit of the P&R Lot, and that Grantee's historical and continuing use of Lot B and a portion of Lot A for public transportation and mass transit purposes are dependent on those improvements continuing to function in a good and reliable condition; and

WHEREAS, as a condition of the larger real estate transaction between Grantor and Grantee, and in further consideration of the promises, covenants, conditions and restrictions set forth herein, Grantee requires an easement over a portion of Lot A so that the Grantee's buses and other vehicles may continue to access, enter, and exit Lot A from "A" Street NE and to safely maneuver upon Lot A, and so that Grantee may continue to use, maintain, repair, replace and upgrade lighting on a portion of Lot A in connection with Grantee's public transportation and mass transit access there, and Grantor is willing to grant the same; and

WHEREAS, as a condition of the larger real estate transaction between Grantor and Grantee, and in further consideration of the promises, covenants, conditions and restrictions set forth herein, Grantee requires that Grantor restrict and Grantor is willing to so restrict Grantor's use of a portion of Lot A to those uses and purposes that are compatible with Grantee's continued use of and reliance on bus and other vehicular access to and from "A" Street NE and over, across, and through Lot A for its public transportation and mass transit activities on and in connection with the P&R Lot; and

WHEREAS stormwater and surface water from a portion of the P & R Lot is collected in the existing storm drains on Lots A and B and is discharged from those drains into the existing retention/detention pond on Lot B, which pond discharges into Grantee's existing conveyance line that runs northerly over Grantor's separate property identified as tax parcel No. 000080-0011, which conveyance line is authorized under that certain easement recorded at King County Recording No. 7608310816, all as shown in that certain plan set numbered 111189 and dated February 10, 1978, as modified by pages C301

through C304 of that certain Contract No. C75134C, dated July 1997 (File Nos. E80, E81, E82), copies of which documents are on file with Grantor and Grantee; and

WHEREAS, as a condition of the larger real estate transaction between Grantor and Grantee, and in further consideration of the promises, covenants, conditions and restrictions set forth herein, Grantee requires an additional easement over a portion of Lot A so that Grantee may continue to use the existing drainage system improvements to drain stormwater and surface water from the P & R Lot as now or hereafter configured, and Grantor is willing to grant the same;

NOW, THEREFORE, as partial consideration for the overall real property transaction of which this Easement and Restrictive Covenant is an element, and in further consideration of the mutual covenants, conditions, restrictions, and agreements hereinafter set forth, the sufficiency and adequacy of which is hereby acknowledged, Grantor and Grantee hereby agree as follows:

I. EASEMENT

A. **Defined Terms.** In addition to the terms defined in the Recitals above, which Recitals are hereby incorporated as if fully set forth herein, and in addition to such other terms as may be defined in the body of this document:

1. The physical portion of Lot A legally described in **Exhibit A** is the "Easement Area." Lot A is described in **Exhibit B-1**.
2. Lot B together with Grantee's easement rights in that portion of Lot A described in **Exhibit B-2** are the "Benefitted Property."
3. This Public Transportation Access Easement and Restrictive Covenant is the "Easement."
4. "Lighting Improvements" means public transportation-related improvements on the P&R Lot situated within twenty (20) feet of the southern most boundary line of Lot A, including, but not limited to, overhead lights, light poles, footings, foundations, underground and overhead wires, utility ducts, vaults, manholes, access hatches, vents, meters, monitoring equipment, cabinets, containers, conduits, wires, and other necessary and convenient equipment and appurtenances, including, but not limited to, all lighting and other improvements and equipment servicing said lighting as shown in that certain plan set numbered 111189 and dated February 10, 1978, as modified by pages E101 through E103 of that certain Contract No. C65046C, dated October 1996, and as further modified by pages C301 through C304 of that certain Contract No. C75134C, dated July 1997 (File Nos. E80, E81, E82), copies of which documents are on file with Grantor and Grantee (hereinafter the "Plans").

5. "Purchase and Sale Agreement" means that certain purchase and sale agreement executed by King County and the City of Auburn regarding Lot A as authorized by King County ordinance no. _____ and City of Auburn ordinance no. _____

B. **Grant of Easement Rights.** Grantor hereby grants and conveys, confirms, and re-affirms to Grantee, the following perpetual easement rights in Lot A:

1. A permanent access easement in, on, over, across, and through the Easement Area for Grantee's continued public transportation and mass transit purposes in connection with the use and operation of the P&R Lot as now configured or hereafter modified, as more fully described in Paragraph 3 of this Section I.B. When on Lot A, Grantee's buses and other public transportation or mass transit vehicles shall have right of way over all other vehicles in the Easement Area. All other vehicles shall yield to Grantee's buses and other public transportation or mass transit vehicles when Grantee's vehicles are in motion. Grantee may paint, stripe, signalize, or otherwise improve the Easement Area to ensure that Grantee's buses and other public transportation or mass transit vehicles may freely enter and exit Lot A. PROVIDED, that nothing in this Section I.B.1 shall operate to relieve the drivers of Grantee's vehicles from the duty to drive with due regard for the safety of all persons on Lot A.
2. A permanent, non-exclusive construction easement through Lot A for ingress and egress to and from Lot A for personnel, vehicles and equipment as reasonably necessary or incidental to Grantee's maintenance, repair and replacement of the Lighting Improvements, all as more fully described in Paragraph 3 of this Section I.B.
3. Subject to the further terms and conditions of this Easement, Grantee shall have the right to use the Easement Area for all purposes necessary or incidental to public transportation or mass transit vehicle access over, ingress to, and egress from Lot A via "A" Street NE, including but not limited to Grantee's use, operation, maintenance, inspection, repair, replacement, of all or any paving, pavement marking, traffic signals or controls, curbs, curb cuts, gutters, sidewalks, crosswalks, pedestrian access routes, walkways, railings, or fences within Easement Area as Grantee may now or hereafter deem appropriate, including the removal or replacement of same, either in whole or in part with like size improvements or facilities. These improvements, together with the Lighting Improvements, are referred to herein as the "Transportation Improvements."
4. The following easement rights related to stormwater and surface water drainage improvements on Lot A:
 - (a) A permanent stormwater and surface water drainage easement in, on, over, under, across, and through Lot A for Grantee's use and

operation of the existing stormwater and surface water drainage system as shown in the Plans or hereafter modified;

- (b) A permanent, non-exclusive construction easement twenty (20) feet wide, centered on the alignment of the existing drainage system improvements, as shown in the Plans, together with a right of access in, on and through Lot A for ingress and egress to and from the Lot A for personnel, vehicles and equipment as reasonably necessary or incidental to Grantee's installation, construction, maintenance, repair and replacement of drainage system improvements.
- (c) Subject to the further terms and conditions of this Easement, Grantee shall have the right to use this easement for all purposes necessary or incidental to the drainage of stormwater and surface water from the Benefitted Property, including but not limited to Grantee's use, operation, maintenance, inspection, repair, replacement, reconstruction, and removal of all or any drainage-related Easement Improvements as Grantee may now or hereafter deem appropriate, including the addition, removal or replacement of same at Grantee's election, either in whole or in part with either like or different size improvements or facilities, and the installation of additional improvements, utilities and other facilities and equipment within the construction easement area.

5. Collectively, the easement improvements described in this Section I.B are referred to herein as the "Easement Improvements."

- C. **Benefit of Easement.** This Easement is appurtenant to and for the benefit of the Benefitted Property and all other land, real property or property interests now owned or hereafter acquired by Grantee and that constitutes a portion of or is served by the Easement Improvements or Grantee's public transportation and mass transit system as now configured or hereafter modified.
- D. **Ownership of Easement Improvements.** The Parties agree that the Easement Improvements on Lot A are owned by and belong to Grantor, including without limitation the Lighting Improvements. The Parties agree that any and all other Easement Improvements or future improvements or betterments to the Easement Improvements on Lot A, including but not limited to paving, curbs and gutters, fences, barriers, landscaping, shelters, cabinets, pipes or conduits, related structures, materials, facilities, mechanical and electrical systems, utilities, equipment, furnishings or improvements or betterments of any kind that are now or hereafter acquired, constructed or installed within the Easement Area for public transportation or mass transit purposes shall upon substantial completion become, and shall thereafter at all times remain, the property of Grantor. For purposes of this Easement the term "substantial completion" means:

1. Grantee has full and unrestricted use and benefit of the subject work for the purpose intended;
2. All the systems and parts of the subject work are functional;
3. Utilities are connected and operate normally;
4. Only minor incidental work or correction or repair remains to complete the subject work; and
5. To the extent applicable, all occupancy permits, inspection permits, and temporary construction easement releases have been provided.

E. Duty to Maintain Easement Improvements On Lot A.

1. Grantor covenants to maintain, repair, and replace the Easement Improvements in their existing locations so as to provide at least the level, extent, and quality of function specified in the Plans.
 - (a) Grantor further covenants that within the Easement Area as defined in **Exhibit B-2** attached hereto, Grantor shall preserve lighting equal to or better than that which exists on the Easement Area as of the Closing Date as defined in the Purchase and Sale Agreement ("Closing Date").
 - (b) Grantor covenants to erect, at its sole expense, a security chain-link fence on the boundary between Lot A and Grantee's P&R Lot within thirty (30) days of the date of closing. Provided, that Grantor's security fence shall not interfere with Grantee's right of ingress and egress under this Easement.
 - (c) Grantor covenants to disconnect from Grantee's electrical service, according to law and at Grantor's sole expense, power to all the light poles that are located north of the south boundary line of Lot A (not including those that are located on the south boundary line) within ninety (90) days of the Closing Date.
 - (d) Grantor covenants to disconnect from the irrigation system that serves the P&R Lot the portion of the irrigation system that serves that landscaping located completely within Lot A. Grantor shall complete this work within ninety (90) days of the Closing Date. Grantor further covenants to maintain an operational irrigation system to serve the landscaping that is located completely within Lot A.
 - (e) Grantor shall undertake and fulfill the duties imposed under this Section I.E.1 at Grantor's sole cost and expense; and such cost and expense shall never become a lien on or against the Benefitted Property or otherwise become Grantee's liability or obligation.

2. Grantor covenants that except as set forth in Section I.E.1, the existing Easement Improvements shall not be changed, modified, or relocated except with Grantee's prior written approval, which approval may be withheld in Grantee's sole and absolute discretion. Grantor further covenants that so long as this Easement is in effect, the Lighting Improvements shall never be relocated, altered, modified, or changed in any manner that would reduce the level, extent, or quality of lighting below that which is specified in the Plans.
3. Notwithstanding Paragraphs 1 and 2 of this Section I.E, if the Federal Aviation Administration ("FAA") or its successor requires Grantor to change the existing Lighting Improvements then the Parties shall negotiate as to how Grantor may accommodate such requirement while meeting the standard set forth in Section I.E.1, and such negotiation shall be subject to dispute resolution under Section III.B of this Agreement.

F. Grantee's Discretionary Right to Maintain Lighting Improvements.

1. Grantor and Grantee agree that the Lighting Improvements are critical to the safe and efficient operation of Grantee's public transportation system and mass transit activities upon the P&R Lot and the Easement Area. Grantor understands, acknowledges, and agrees that the Lighting Improvements must be maintained to meet the standard set forth in Section I.E at all times, and that any needed repairs or replacements shall be treated as a matter of public safety and shall be afforded the highest priority. To that end, Grantor covenants that Grantee shall have the right, but not the duty, to maintain, repair, or replace the Lighting Improvements pursuant to this Section I.F.
2. If Grantee, in its reasonable discretion, believes that Grantor has not met its duty to maintain the Lighting Improvements to the standard in Section I.E, then Grantee may notify Grantor of the work needed and the proposed maintenance, repair, or replacement (collectively, the "Work") in sufficient detail that Grantor could estimate the cost of the labor and materials needed to complete the Work. If within seventy-two hours Grantor has not either (a) initiated the work or provided Grantee a written proposal of equivalent maintenance, repair, or replacement, which Grantee may at its sole discretion approve or deny, or (b) completed the work, or approved equivalent, then Grantee may undertake such maintenance, repair, or replacement. PROVIDED, that Grantee shall make a good faith effort to provide Grantor with twenty-four (24) hours advance written notice of intent to perform the Work. Such notices may be by telephone, fax, email with confirmation of delivery, or any means specified in Section III.E of this Easement.
3. If Grantee performs the Work, it shall invoice Grantor for all fees, costs, and expenses associated with the Work, including but not limited to the cost of

Grantee's staff time to prepare Grantee's Notice and to develop and implement any procurement, plans, permitting, or project documentation necessary for the Work (collectively, the "Work Costs"). Grantor shall pay the Work Costs to Grantee within forty-five (45) days of receipt of Grantee's invoice. Grantee shall add a late fee of five percent (5%) to any Work Costs invoice not timely paid. If any Work Costs invoice remains outstanding ninety (90) days after receipt, Grantee may send it to collections.

G. Grantee's Discretionary Right to Maintain Other Easement Improvements.

1. Subject to the notice requirements set forth in this Section I.G, Grantor covenants that Grantee shall have the right, but not the obligation, to maintain, repair, or replace all Easement Improvements on or in the Easement Area. This Section I.G does not apply to the Lighting Improvements, which are addressed in Section I.F.
2. If Grantee believes that the Easement Improvements require substantial repair, maintenance, or replacement, then Grantee shall notify Grantor in writing consistent with Section III.E of this Easement ("Grantee's Notice"). Grantee's Notice shall specify the work needed in sufficient detail for Grantor to determine whether the proposed work is acceptable. Grantee need not provide advance written notice of minor or ordinary repair or maintenance work, and may perform such work in Grantee's sole discretion.
3. Grantor shall respond to Grantee's Notice within thirty (30) days. Grantor's response shall state whether the proposed work and schedule is acceptable to Grantor. If the work or schedule is not acceptable to Grantor then the Parties shall engage in dispute resolution under Section III.B of this Easement.

H. Emergency Work. In addition to Grantee's discretionary right to maintain, repair, or replace the Easement Improvements under Sections I.F and I.G of this Easement, Grantee shall also have the discretionary right, but not the duty, to perform emergency maintenance, repair, or replacement of the Easement Improvements. Grantee shall make a good faith effort to provide Grantor with twenty-four (24) hours advance written notice of such emergency work. Such notice may be by fax, email with confirmation of delivery, or any means specified in Section III.E of this Easement. To the extent feasible under the circumstances, Grantee's notice under this Section I.H shall describe the emergency and the proposed maintenance, repair, or replacement in detail. Grantee's emergency repairs to Easement Improvements on the Easement Area shall not be subject to dispute resolution under Section III.B.

I. Grantee's Discretionary Right to Propose Upgrades to Easement Improvements.

1. In addition to Grantee's rights under paragraphs E, F, G, and H of this Section I, Grantee shall have the right, but not the obligation or duty, to propose betterments or upgrades to the Easement Improvements on the Easement Area, and to construct and install such betterments or upgrades at its own expense; PROVIDED, that Grantee shall not undertake any such betterment or upgrade of the Easement Improvements without first submitting Grantee's proposal to Grantor for review and approval, and Grantor shall not unreasonably withhold, condition, or delay its approval.
2. If Grantor approves Grantee's proposed betterment or upgrade then Grantee may construct or install it, and the betterment or upgrade shall become Grantor's property upon substantial completion as defined in Section I.D of this Easement, and thereafter the Parties' respective rights, duties and obligations as to such betterment or upgrade shall be governed by this Easement. If Grantor does not approve Grantee's proposed betterment or upgrade then the Parties shall undertake dispute resolution pursuant to Section III.B of this Easement.
3. Grantor's review and approval of Grantee's plans and specifications under this Section I.G shall be strictly limited to the facilities and/or excavation shown on the plans and specifications submitted to Grantor and shall in no event constitute or be construed as a certification of the adequacy or sufficiency of Grantee's plans and specifications nor whether Grantee's construction, work or activity complies with other applicable laws, building codes and other governmental rules and regulations.

J. **Grantee's Restoration of Easement Area.** Whenever Grantee undertakes any maintenance, repair, replacement, betterment, or upgrade of any Easement Improvements pursuant to Sections I.F through I.I of this Easement, then upon completion of such work Grantee shall remove any debris and restore the surface of any disturbed portion of the Easement Area to a condition reasonably approximating that which existed at the commencement of such work.

K. **Grantee's Abandonment of Easement.**

1. Grantee may at any time, in its sole and absolute discretion, permanently abandon this Easement or any portion thereof, but only by recording an express written notice of such abandonment. Mere nonuse or disuse of the Easement Area, the Easement Improvements, or the rights granted in this Easement shall not constitute or be deemed to constitute legal abandonment.
2. In addition to recording a notice of abandonment, Grantee may, at its sole and absolute discretion, execute and record a full or partial reconveyance or release of this Easement, whereupon this Easement or the relevant portion thereof, and all related rights, duties and obligations of the Parties thereunder, in whole or in

part, shall automatically terminate. Such reconveyance shall be in the form of a quitclaim deed unilaterally executed by Grantee.

3. Grantee's actions under this Section I.K are not subject to dispute resolution under Section III.B.

- L. **Grantee to Comply with Applicable FAA Safety Requirements.** Grantee covenants that in exercising its rights and privileges as to the Easement Improvements on the Easement Area, Grantee shall comply with applicable FAA safety requirements, including but not limited to vertical height restrictions, horizontal setbacks or clearance requirements, and mandatory fencing, signage, marking, or lighting limitations or requirements, including, to the extent applicable, that certain clear zone (avigation) easement recorded at King County Recording No. 6696709.

II RESTRICTIVE COVENANTS

- A. **Grant of Restrictive Covenant.** Grantor hereby grants and conveys, confirms, and re-affirms to Grantee, the following perpetual restrictive covenants in the Lot A:

1. Grantor covenants that it shall use Lot A for no purpose that will impede, interfere with, obstruct or endanger Grantee's easement rights under Article I of this Easement.
2. Grantor covenants that Lot A shall not be subdivided, developed, demolished, redeveloped, reconfigured, modified, used, cleared or graded, or otherwise altered or improved in any manner that would interfere with Grantee's easement rights under Article I of this Easement, or be inconsistent with the purpose and intent of this Easement.
3. Grantor covenants that Grantee's buses and other public transportation or mass transit vehicles shall not be required to stop at, and shall have free passage through, over, under, around, and across any fencing, gate, guardhouse, checkpoint, chicane, or any other security feature that may be erected on, about, or in connection with Lot A. PROVIDED, that this Section II.A.3 shall not apply: In case of a specific, documented, credible threat to any facility or enterprise that may constructed or operated on Lot A; or if the Governor of the State of Washington declares a state of emergency or martial law; or as may be required by Federal law pertaining to national security.
4. Grantor shall not convey fee title to, or any lesser interest or privilege in, Lot A or any portion of it, except by instrument expressly referencing this Easement by its title ("Public Transportation Easement and Restrictive Covenant") and recording number.

5. Grantor shall hold harmless, indemnify, and defend Grantee from any and all cost, liability, claims, judgments, administrative actions, litigation, or other obligations arising out of or relating to the discharge of pollutants or Hazardous Substances (as defined in Section 3.1.9 of the Purchase and Sale Agreement) in any stormwater, surface water, runoff, or any other form of discharge or release from Lot A into any of the stormwater facilities that serve the P&R Lot.
 6. Beginning eighteen (18) months after the Closing Date, and each calendar year thereafter for so long as Grantor owns Lot A, upon Grantee's written demand Grantor shall pay to Grantee a share of Grantee's annualized cost to maintain those certain stormwater facilities that serve both the P&R Lot and a portion of Lot A (the "Joint Use Facilities"). Grantor's share of Grantee's annualized cost shall be determined by multiplying Grantee's annualized cost to maintain the Joint Use Facilities by a fraction, the numerator of which is the square footage of the Lot A area served by the Joint Use Facilities, and the denominator of which is the square footage of the P&R Lot area served by the Joint Use Facilities.
 7. If the Lot A area served by the Joint Use Facilities, which area is shown in **Exhibit D**, is ever redeveloped or improved for any purpose other than a vehicle parking lot, then before commencing construction of such redevelopment or improvement Grantor or Grantor's successor, assign, or designee shall disconnect Lot A's stormwater or surface water system from the Joint Use Facilities. The Parties agree that **Exhibit D** shall not be recorded but shall remain on file with the Parties.
 8. If Grantee ever redevelops the P&R Lot, then the City of Auburn shall limit its drainage review and approval (if any) to those surface water or storm water impacts arising out of or related to drainage from the P&R Lot, and without reference to or consideration of any surface water or stormwater discharge from Lot A.
- B. Run with the Land.** Grantor agrees that the benefit of these restrictive covenants runs with the land and real property interests that make up the Benefitted Property and with Grantee's estate in the Benefitted Property. Grantor agrees that the burden of these restrictive covenants runs with the land that makes up Lot A and with Grantor's estate in Lot A. The Parties agree that these restrictive covenants shall be binding upon and inure to their respective successors and assigns.
- C. Touch and Concern.** The Parties agree that the benefits of these restrictive covenants touch and concern Grantee's fee title in Lot B and Grantee's easement in Lot A, in that they perpetuate the existing public transportation and mass transit regime on the Benefitted Property and ensure Grantee's ability to continue to use

the Benefitted Property for public transportation and mass transit purposes. The Parties agree that the burdens of these restrictive covenants touch and concern Grantor's fee title in Lot A, in that they limit the uses to which Lot A may be put and the acts that may be done there.

- D. **Dispute Resolution.** Any disputes between the Parties regarding these restrictive covenants shall be subject to the dispute resolution process set forth in Section III.B.
- E. **Equitable Relief.** The Parties agree that if dispute resolution is not successful in resolving a dispute regarding these restrictive covenants, then either Party may seek any remedy at law or equity, including but not limited to temporary restraining orders or other forms of injunctive relief.
- F. **Termination of Covenants II.A.5-8 Upon Further Property Transaction.** The covenants in paragraphs numbered 5, 6, 7, and 8 of this Section II.A shall terminate and thereafter shall be of no further force or effect beginning upon such date as the King County Recorder's Office may record a deed from King County to the City of Auburn conveying the real property on which is located the stormwater retention/detention pond serving the P&R Lot and Lot A.

III. GENERAL TERMS AND CONDITIONS

A. **Grantor's Use of Property.**

1. Subject to Articles I and II of this Easement, Grantor reserves the right to use Lot A and/or to grant other easement, license or use rights to Lot A for any purpose not inconsistent with the rights herein granted to Grantee so long as such use or use rights do not interfere with, obstruct or endanger either or both of the following:
 - a. Grantee's use of the Benefitted Property for public transportation and mass transit access, ingress, and egress purposes; or
 - b. The maintenance, repair, replacement, improvement, or betterment of any Easement Improvements now or hereafter constructed, installed, used, operated or maintained in the Easement Area pursuant to this Easement.
2. Prior to any activity by Grantor in the Easement Area that extends to within ten (10) feet of any of Easement Improvements contained therein or which changes the compression loads on or to the lateral support for any such Easement Improvements, Grantor shall notify Grantee in writing and shall provide Grantee with a copy of all plans and specifications for such proposed activity for review at least forty-five (45) days prior to the commencement of such activity. Grantor shall not commence such activity

unless and until it has received Grantee's prior written consent that the Grantor's proposed construction, work or activity will not interfere with the Grantee's rights under this Easement, which Grantee hereby confirms will not be unreasonably withheld.

3. Grantee's review and approval of Grantor's plans and specifications shall be strictly limited to the facilities and/or excavation shown on the plans and specifications submitted to Grantee and shall in no event constitute or be construed as a certification of the adequacy or sufficiency of Grantor's plans and specifications nor whether Grantor's construction, work or activity complies with other applicable laws, building codes and other governmental rules and regulations.
- B. **Dispute Resolution.** Except as otherwise specified in this Easement, and subject to Paragraph 6 of this Section III.B, all disputes arising under or related to this Easement shall be subject to the following dispute resolution process:
1. Grantor and Grantee shall each within ten (10) business days, designate a senior officer or director to meet to attempt to resolve the dispute ("Management Escalation"). The designated individuals shall meet within twenty (20) business days after their designation. Any dispute resolved through the Management Escalation process shall be documented by appropriate written documentation executed by all participating parties.
 2. If Management Escalation fails to resolve the dispute, then mediation may be requested by either Party, and shall be attempted prior to any litigation arising under or related to this Easement. Within ten (10) days of a mediation request, each Party shall designate, in writing, not more than three (3) candidates to act as a non-binding mediator. Candidates shall be proposed from Judicial Arbitration and Mediation Services (JAMS) or Judicial Dispute Resolution (JDR) or their successors, or shall be a neutral, independent and recognized expert in the field in which the dispute arises. If the Parties cannot agree on one of the mediators from the combined list within five (5) days of exchanging lists, then the Parties shall promptly meet and select a mediator by blind draw from a pool consisting of all six candidates selected by the Parties.
 3. Upon selection of the mediator, the Parties shall within thirty (30) days, or as soon thereafter as practicable, meet and engage in a mediation of the dispute with the assistance of the mediator. Each Party shall be responsible for its own costs and expenses, including attorneys' fees, incurred pursuant to this section. Costs of the mediator and other common costs shall be divided equally between the Parties. The mediator shall determine reasonable procedures.

4. The Parties agree that if they are unable to resolve their dispute through Management Escalation or mediation, and for all matters not subject to dispute resolution, King County Superior Court shall have the authority to decide the dispute. Jurisdiction shall lie with the King County Superior Court and venue shall be King County Superior Court in Kent, Washington, unless the King County Superior Court local rules would place venue in Seattle, Washington, in which case venue shall be in Seattle, Washington.
5. The dispute resolution procedures shall not prejudice the Parties' legal or equitable rights. At the request of either party, the Parties shall enter into an agreement to toll the statute of limitations with respect to the subject matter of a dispute while the Parties pursue the dispute resolution process set forth in this Section III.B. Positions expressed, responses given, and information submitted in any dispute resolution process under this Section III.B shall not be admissible as evidence in any subsequent dispute resolution, litigation, or other legal proceeding.
6. If a Party reasonably determines that circumstances require immediate action to prevent or mitigate significant damage to or loss of the Benefitted Property, the Easement Area, or the Easement Improvements, or that delay in initiating or prosecuting a claim in litigation would irrevocably prejudice that Party, then after giving the other Party notice of the dispute the affected Party may immediately pursue any remedy available at law or in equity without following the dispute resolution procedures in this Section III.B.

C. Insurance.

1. The Parties shall each maintain commercially reasonable insurance to protect their respective interests. This insurance requirement may be met through a program of self-insurance or participation in a risk-sharing pool. Each Party shall provide written proof of commercially reasonable insurance upon demand of the other Party.
2. The Parties shall require their contractors and subcontractors of all tiers to name each of the Parties as additional insured on any insurance policy that may apply to any work performed on the Easement Area. The Parties may each request certificates of insurance or copies of insurance policies from any contractors and subcontractors of all tiers that perform work on the Easement Area.

3. The insurance-related obligations contained in this Section III.C shall survive the expiration, abandonment or termination of this Easement and the easement rights and restrictive covenants granted hereunder.

D. **Indemnification.**

1. Grantor and Grantee each agrees for itself, its successors, and assigns to protect, defend, indemnify and hold harmless the other, and the other's appointed and elected officials and employees from and against liability for all claims, demands, suits, and judgments, including costs of defense thereof, for injury to persons, death or property damage (collectively, "Claims") caused by or arising out of the Grantor's or Grantee's own acts or omissions, respectively, and those of their respective agents, employees or contractors within or about the Easement Area or that is otherwise caused by or arises out of their exercise of the rights and privileges respectively granted by or reserved under this Easement, including without limitation liability from the products contained in, transferred through, released or escaped from their respective improvements or otherwise introduced by Grantor or Grantee, respectively, or their respective agents, employees or contractors within or about the Easement Area. The Parties' obligations under this Section III.B shall include:
 - a. Indemnification for such Claims whether or not they arise from the Parties' own acts or omissions, the concurrent negligence of both Parties or a third party, or the acts or omissions of the Parties' own contractors, subcontractors, or the acts or omissions of one or more third parties under the direction or control of Grantor or Grantee, respectively;
 - b. The duty to promptly accept tender of defense and provide defense to the indemnified Party at the indemnifying Party's own expense;
 - c. Indemnification of Claims made by the Parties' own employees or agents;
 - d. Waiver of immunity under the industrial insurance provisions of Title 51 RCW, but only to the extent necessary for Grantor and Grantee to indemnify each other against Claims subject to Title 51 RCW, which waiver has been mutually negotiated by the Parties; and
 - e. Indemnification for Claims that are submitted by the indemnified Party's contractor or subcontractors and arise from the indemnifying Party's improvements within or about the Easement Area.
2. Notwithstanding Paragraph 1 of this Section III.D, Grantee shall have no

obligation under this Section III.D to indemnify and hold harmless Grantor for Claims arising from the sole negligence or willful misconduct of Grantor, its appointed and elected officials and employees; and Grantor shall have no obligation under this Section III.D to indemnify and hold harmless Grantee for Claims arising from the sole negligence or willful misconduct of Grantee, its appointed and elected officials and employees.

3. Grantor and Grantee agree that if a court of competent jurisdiction determines that RCW 4.24.115 applies to this Easement, or to any Claim arising hereunder, then Grantor and Grantee shall each defend, hold harmless and indemnify the other to the maximum extent permitted thereunder, and specifically for their own negligence concurrent with that of the other Party, to the full extent of Grantor's or Grantee's own negligence.
 4. Grantor and Grantee shall give each other timely written notice of the making of any Claim or of the commencement of any such action, suit, or other proceeding covered by the indemnity in this Section III.D. If any such Claim arises, then the indemnified Party shall tender the defense thereof to the indemnifying Party, and the indemnifying Party shall have the duty to defend, settle, or compromise any Claims arising hereunder; and the indemnified Party shall cooperate fully therein. The indemnified Party's failure to timely notify the indemnifying Party of such a Claim or action, however, shall not constitute a defense to the indemnity set out in this Section III.D, except to the extent of actual prejudice to the indemnifying Party.
 5. The indemnification, protection, defense and save harmless obligations contained in this Section III.D shall survive the expiration, abandonment or termination of this Easement and the easement rights and restrictive covenants granted hereunder.
- E. **Notices.** Except for Grantee's notice of work under Sections I.F and I.H, any notices required herein shall be in writing and shall be deemed to have been duly given and received on the date of personal service, or one day after deposit with a reputable national overnight delivery service, or two days after deposit with the United States Postal Service, sent by registered or certified mail, return receipt requested, postage prepaid. Notice may also be provided by email or other means of electronic transmittal, provided that receipt of the email or transmittal content can be confirmed by the sender, with time of receipt being the uniform time the e-mail or other transmittal enters the information processing system that the recipient has designated or uses for the purpose of receiving email or other form of transmittal. In all cases notice shall be sent to the addresses listed below or as hereafter updated by the Parties by written notice as set forth in this Section III.E:

TO GRANTOR:

Office of the Mayor
City of Auburn
25 West Main Street
Auburn, WA 98001

TO GRANTEE:

Manager's Office
Transit Division
King County Department of Transportation
201 S King Street
Seattle WA 98104

WITH A COPY TO:

Auburn City Attorney's Office
City of Auburn
25 West Main Street
Auburn, WA 98001

WITH A COPY TO:

King County Prosecutor's Office
King County Courthouse, W400
516 Third Avenue
Seattle, WA 98104-2388
Attn: Chief Civil Deputy

F. **Representations.** Grantor represents that it is the lawful owner of Lot A and has the legal authority to grant and convey this Easement to Grantee.

G. **Successors and Assigns; Legal Relations.**

1. Grantee may assign its rights under this Easement, in whole or in part, without approval or consent of Grantor. Grantor shall not convey or assign any right, title, interest, or license in Lot A except by instrument specifically referencing this Easement by its title and recording number as required under Section II.A.4.
2. Nothing in this Easement shall make, or be deemed to make, Grantor and Grantee a partner of one another. This Easement shall not be construed as creating a partnership or joint venture. This Easement shall create no right, privilege, duty, obligation, or cause of action in any person or entity not a party to it.
3. Nothing contained in this Easement shall diminish or be construed to diminish the governmental or police powers of Grantor or Grantee.

H. **Force Majeure.**

1. "Force Majeure Event" means any act or event that prevents a Party from performing its obligations under this Agreement, if such act or event is beyond the reasonable control, and not the result of the fault or negligence, of the affected Party and such Party is unable to overcome such act or event

with the exercise of due diligence (including the expenditure of reasonable sums). Subject to the foregoing definition, Force Majeure Event may include natural phenomena, such as storms, hurricanes, floods, lightning or earthquakes; explosions or fires arising from causes unrelated to the acts or omissions of the Party seeking to be excused from performance; acts of war, civil unrest, public disorder, sabotage, epidemic, rebellion, riot, or terrorism or war. Force Majeure Events shall not include equipment failures or acts or omissions of agents, suppliers, contractors or subcontractors of any tier, except to the extent that such acts or omissions arise from a Force Majeure Event as defined in this Paragraph III.H.1.

2. Except as provided in Paragraph III.H.1 or otherwise specifically provided in this Easement neither Party shall be considered in breach of this Easement or liable for any delay or failure to comply with this Easement, if and to the extent that such delay or failure is attributable to the occurrence of a Force Majeure Event. Provided, that the Party claiming relief based on a Force Majeure Event shall:
 - a. Promptly notify the other Party in writing of the existence and nature of the Force Majeure Event;
 - b. Exercise all reasonable efforts to minimize delay caused by such Force Majeure Event;
 - c. Notify the other Party in writing of the cessation of such Force Majeure Event; and
 - d. Resume performance of its obligations under this Easement as soon as practicable thereafter.
3. Obligations to pay for services already provided shall not be excused by a Force Majeure Event.

- I. **Construction.** All of the Recitals set forth above are incorporated into this Easement as though fully set forth herein. The headings contained in this Easement are for convenience of reference purposes only and shall not in any way affect the meaning or interpretation hereof, nor serve as evidence of the intention of the parties hereto. Whenever the context hereof shall so require the singular shall include the plural.
- J. **Entire Agreement.** This Easement sets forth the entire agreement of the Parties as to the subject matter hereof and supersedes all prior discussions and understandings between them. This Easement may not be modified, except by an instrument in writing signed by a duly authorized officer or representative of each party hereto.
- K. **Severability.** In case any one or more of the provisions contained in this Easement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision

hereof, and this Easement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

- L. **Waivers.** No waiver of any right under this Easement shall be effective unless contained in a writing signed by a duly authorized officer or representative of the party sought to be charged with the waiver and no waiver of any right arising from any breach or failure to perform shall be deemed to be a waiver of any future right or any other right arising under this Easement.
- M. **Governing Law; Venue for Litigation.** This Easement shall be governed by and construed and enforced in accordance with the laws of the State of Washington, without reference to its choice of law rules or conflicts of law provisions. The Superior Court of King County, Washington, shall be the sole venue for any litigation between the Parties that arises under or relates to this Easement.

TERMS AND CONDITIONS CONTINUE ON FOLLOWING PAGE

N. **Exhibits.** The following exhibits and record documents are incorporated by this reference as if fully set forth herein:

- Exhibit A Legal Description of Easement Area
 - Exhibit B-1 Legal Description of Lot A
 - Exhibit B-2 Legal Description of Benefitted Property
 - Exhibit C Illustration of Boundary Line Adjustment
 - Exhibit D Illustration of Property Area Served by Joint Use Facilities (not recorded; copies on file with the Parties)
- Plan Set No. 111189, dated February 10, 1978, as modified by pages E101 through E103 of that certain Contract No. C65046C, dated October 1996, and as further modified by pages C301 through C304 of that certain Contract No. C75134C, dated July 1997 (File Nos. E80, E81, E82), (not attached or recorded; copies on file with the Parties)

EXECUTED AND EFFECTIVE as of the date last signed below.

FOR GRANTOR:

FOR GRANTEE:

Peter Lewis, Mayor
City of Auburn

Steve Salyer, Manager
Real Estate Services Section
King County Dep't of Executive Services

DATE: _____

DATE: _____

Approved as to Form:

Approved as to Form:

By _____
Deputy City Attorney

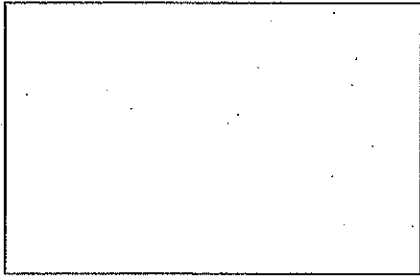
By _____
Deputy Prosecuting Attorney

NOTARY BLOCKS APPEAR ON FOLLOWING PAGE

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me _____,
to me known to be the _____ of **KING COUNTY**, the
_____ that executed the within and foregoing instrument, and acknowledged the said
instrument to be the free and voluntary act and deed of **KING COUNTY**, for the uses and purposes
therein mentioned, and on oath stated that he/she was authorized to execute the said instrument.

Dated: _____



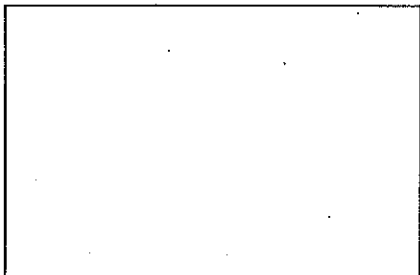
(Use this space for notarial stamp/seal)

Notary Public
Print Name _____
My commission expires _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me _____,
to me known to be the _____ of **THE CITY OF AUBURN**, the
_____ that executed the within and foregoing instrument, and acknowledged the said
instrument to be the free and voluntary act and deed of **THE CITY OF AUBURN**, for the uses and
purposes therein mentioned, and on oath stated that he/she was authorized to execute the said
instrument.

Dated: _____



(Use this space for notarial stamp/seal)

Notary Public
Print Name _____
My commission expires _____

EXHIBIT A

Legal Description of Easement Area

THAT SOUTH PORTION OF PARCEL "A" OF BLA NO. _____, THE TRUE POINT OF BEGINNING COMMENCING AT THE SOUTH-EASTERLY CORNER OF PARCEL "A", THENCE N 89° 42' 06" W 299.66 FT, THENCE N 00° 39' 20" E 170.04 FT, THENCE S 89° 42' 06" E APPROXIMATELY 299.60 FT, THENCE S 00° 30' 04" W 170.04 FT TO THE TRUE POINT OF BEGINNING, CONTAINING APPROXIMATELY 50,954 SQ FT.

EXHIBIT B-1

Legal Description of Lot A

LEGAL DESCRIPTION

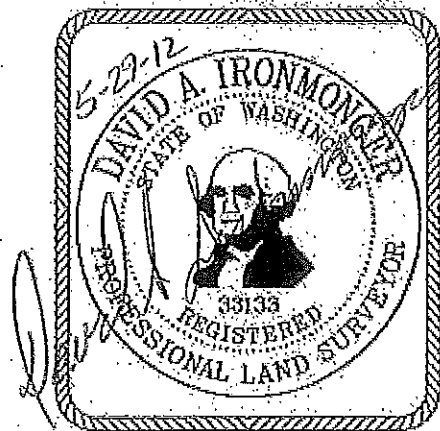
PARCEL A

THAT PORTION OF THE SOUTH HALF OF JOSEPH BRANNAN DONATION LAND CLAIM NO. 38, SITUATED IN THE WEST HALF OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 5 EAST, W.M.; AND THE EAST HALF OF SECTION 12, TOWNSHIP 21 NORTH, RANGE 4 EAST, W.M., IN THE CITY OF AUBURN, KING COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 3 INCH DIAMETER BRASS DISK IN CONCRETE, IN CASE, MARKING THE CENTERLINE RIGHT-OF-WAY OF 15TH STREET N.E. WITH THE CENTERLINE RIGHT-OF-WAY OF 'D' STREET N.E. AS SHOWN ON RECORD OF SURVEY, RECORDING NUMBER 7701179008, RECORDS OF SAID COUNTY, FROM WHICH, A 3 INCH DIAMETER BRASS DISK IN CONCRETE, IN CASE, MARKING THE CENTERLINE RIGHT-OF-WAY OF SAID 15TH STREET N.E. WITH THE CENTERLINE RIGHT-OF-WAY OF 'A' STREET N.E., BEARS NORTH 89°30'04" WEST, 980.32 FEET; THENCE ALONG THE CENTERLINE OF SAID 'D' STREET N.E., NORTH 00°41'08" EAST, 360.38 FEET TO A 1-1/2 INCH DIAMETER BRASS SURFACE MONUMENT; THENCE CONTINUING ALONG SAID CENTERLINE NORTH 00°41'08" EAST, 130.42 FEET TO THE SOUTH LINE OF AUBURN MUNICIPAL AIRPORT AS SHOWN ON SAID SURVEY; THENCE ALONG SAID SOUTH LINE NORTH 89°04'44" WEST, 691.73 FEET TO THE SOUTHWEST CORNER OF SAID AIRPORT PROPERTY AND THE TRUE POINT OF BEGINNING; THENCE ALONG THE SOUTHERLY EXTENSION OF THE WEST LINE OF SAID AIRPORT PROPERTY SOUTH 00°39'48" WEST, 143.93 FEET; THENCE SOUTH 89°30'49" EAST 40.36 FEET; THENCE SOUTH 00°30'04" WEST, 170.04 FEET; THENCE NORTH 89°42'06" WEST, 299.66 FEET TO THE EAST MARGIN OF 'A' STREET N.E.; THENCE ALONG SAID MARGIN NORTH 00°39'20" EAST, 614.85 FEET TO THE NORTHWEST CORNER OF THAT CERTAIN PARCEL OF LAND AS SHOWN ON SAID RECORD OF SURVEY; THENCE ALONG THE NORTH LINE OF SAID PARCEL SOUTH 89°30'04" EAST, 258.89 FEET TO THE WEST LINE OF SAID AIRPORT PROPERTY; THENCE ALONG SAID WEST LINE SOUTH 00°39'48" WEST 299.84 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 3.81 ACRES, MORE OR LESS

SUBJECT TO EASEMENTS, CONDITIONS, AND RESTRICTIONS



Public Transportation Easement
Auburn Park-and-Ride
Lot "A" of BLA # _____

EXHIBIT B-2

Legal Description of Benefitted Property

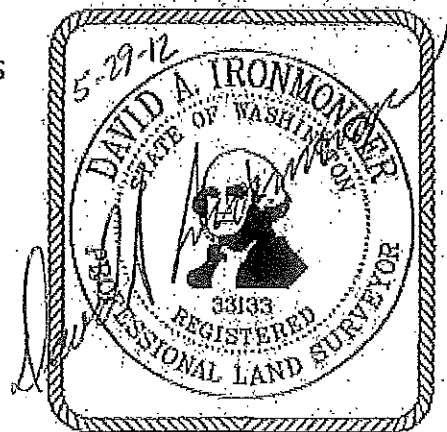
**LEGAL DESCRIPTION
OF A PORTION OF KING COUNTY METRO
PARK AND RIDE TO CITY OF AUBURN AIRPORT**

THAT PORTION OF THE SOUTH HALF OF JOSEPH BRANNAN DONATION LAND CLAIM NO. 38, SITUATED IN THE WEST HALF OF SECTION 7, TOWNSHIP 21 NORTH, RANGE 05 EAST, OF THE WILLAMETTE MERIDIAN, CITY OF AUBURN, KING COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 3 INCH DIAMETER BRASS DISK IN CONCRETE, IN CASE, MARKING THE CENTERLINE RIGHT-OF-WAY OF 15TH STREET N.E. WITH THE CENTERLINE RIGHT-OF-WAY OF 'D' STREET N.E. AS SHOWN ON RECORD OF SURVEY, RECORDING NUMBER 7701179008, RECORDS OF SAID COUNTY, FROM WHICH, A 3 INCH DIAMETER BRASS DISK IN CONCRETE, IN CASE, MARKING THE CENTERLINE RIGHT-OF-WAY OF SAID 15TH STREET N.E. WITH THE CENTERLINE RIGHT-OF-WAY OF 'A' STREET N.E., BEARS NORTH 89°30'04" WEST, 980.32 FEET; THENCE ALONG THE CENTERLINE OF SAID 'D' STREET N.E., NORTH 00°41'08" EAST, 360.38 FEET TO A 1-1/2 INCH DIAMETER BRASS SURFACE MONUMENT; THENCE CONTINUING ALONG SAID CENTERLINE NORTH 00°41'08" EAST, 130.42 FEET TO THE SOUTH LINE OF AUBURN MUNICIPAL AIRPORT AS SHOWN ON SAID SURVEY; THENCE ALONG SAID SOUTH LINE NORTH 89°04'44" WEST, 325.23 FEET TO THE NORTHEAST CORNER OF PARCEL 'C' AS SHOWN ON CITY OF AUBURN SHORT PLAT 15-77, RECORDING NUMBER 7709280757 RECORDS OF SAID COUNTY AND THE TRUE POINT OF BEGINNING; THENCE SOUTH 00°39'48" WEST ALONG THE EAST LINE OF SAID PARCEL C, 208.72 FEET; THENCE LEAVING SAID EAST LINE NORTH 89°20'06" WEST, 246.11 FEET; THENCE NORTH 00°17'57" EAST, 66.81 FEET; THENCE NORTH 89°30'49" WEST, 119.96 FEET TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF SAID AIRPORT PROPERTY; THENCE NORTH 00°39'48" EAST ALONG THE EXTENSION OF SAID WEST LINE, 143.93 FEET TO THE CENTER OF A 5/8 INCH HOLE IN A 6 INCH SQUARE CONCRETE MONUMENT, SAID MONUMENT BEING ACCEPTED AS THE SOUTHWEST CORNER OF SAID AIRPORT PROPERTY; THENCE ALONG THE SOUTH LINE OF SAID PROPERTY SOUTH 89°04'44" EAST, 366.50 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO EASEMENTS, CONDITIONS AND RESTRICTIONS

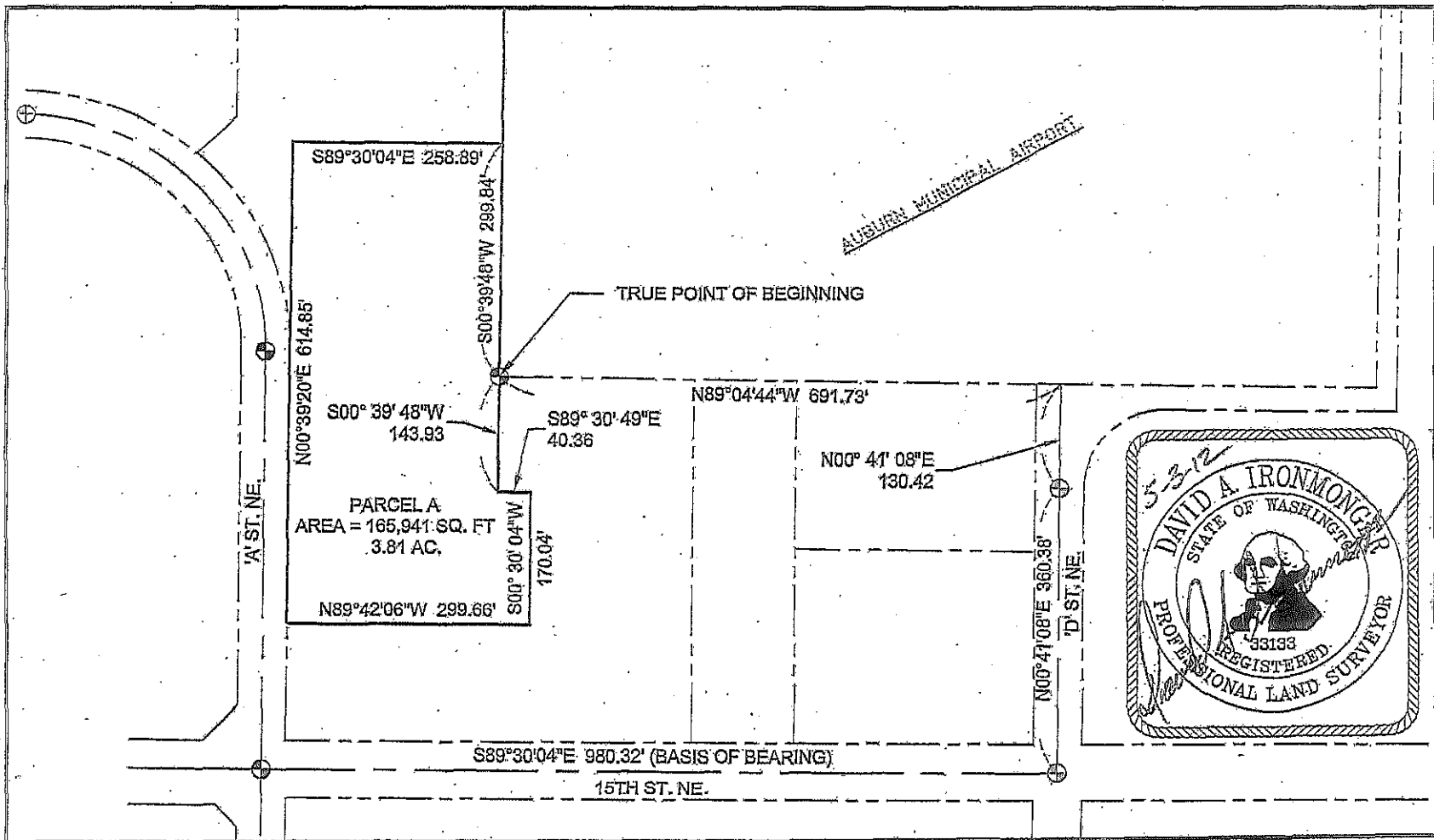
CONTAINING 68,790 SQUARE FEET OR 1.58 ACRES, MORE OR LESS



Public Transportation Easement
Auburn Park-and-Ride
Lot "A" of BLA # _____

EXHIBIT C

Illustration of Boundary Line Adjustment



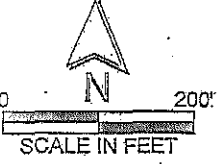
S89°30'04"E 258.89'
 S00°39'48"W 299.84'
 N00°39'20"E 614.85'
 S00°39'48"W 143.93'
 S89°30'49"E 40.36'
 N89°04'44"W 691.73'
 N00°41'08"E 130.42'
 N00°41'08"E 360.38'
 S00°30'04"W 170.04'
 N89°42'06"W 299.66'
 S89°30'04"E 980.32' (BASIS OF BEARING)
 15TH ST. NE.

PARCELA
 AREA = 165,941 SQ. FT
 3.81 AC.

AUBURN MUNICIPAL AIRPORT



Parametrix DATE: May 3, 2012 FILE: NEWLOT1EXH



CITY OF AUBURN - KING COUNTY METRO B.L.A.
 PARCELA

EXHIBIT D

Illustration of Property Area Served by Joint Use Facilities

Parcel "A"

The image is an aerial photograph of a property. A large rectangular area is outlined with a yellow dashed border. Inside this area, a long, narrow, U-shaped paved path or driveway is visible, labeled "Parcel 'A'". To the right of this path is a large, mostly empty green field. Below the yellow dashed border, there is a yellow rectangular area with a purple and white checkered border, labeled "Property Served by Joint Use Facilities". This area contains a parking lot with several cars and some buildings. To the right of this yellow area is another parking lot, labeled "Parcel 'B'", which is filled with many cars. A red vertical line runs through the right side of the image, possibly indicating a boundary or easement.

Property Served
by Joint Use
Facilities

Parcel "B"

EXHIBIT B-3.

Illustration of Property Area served by Joint Use Facilities

Parcel "A"

**Property Served
by Joint Use
Facilities**

Parcel "B"

EXHIBIT C.

Form of Bill of Sale and Assignment.

BILL OF SALE AND ASSIGNMENT

THIS BILL OF SALE is made as of this _____ day of _____, 20____, by KING COUNTY ("Seller"), in favor of CITY OF AUBURN, a municipal corporation of the State of Washington ("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 (the "Personalty") 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, the Personalty, 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.

The sale of the Personalty is made on an "AS-IS" condition and basis with all faults. It is understood and agreed that the sale price reflects that the Personalty is sold by Seller to Buyer subject to the foregoing sentence.

Seller expressly and specifically disclaims and negates any guarantee or warranty of the Personalty for any use or purpose, whether expressed or implied, and whether in writing or otherwise, and including but not limited to any warranty of merchantability or habitability.

Upon Buyer's acceptance of the Personalty, Buyer will be deemed to have accepted the Personalty "AS IS, WHERE IS," with all faults and defects.

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

SELLER:

By: _____

Its: _____

EXHIBIT D.

Certificate of Non-Foreign Status.

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

Transferor's United States employer identification number is 91-6001327; and

2. Transferor's office address is King County Facilities Management Division, Real Estate Services Section, Room 800 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 _____, 20__.

TRANSFEROR:

KING COUNTY

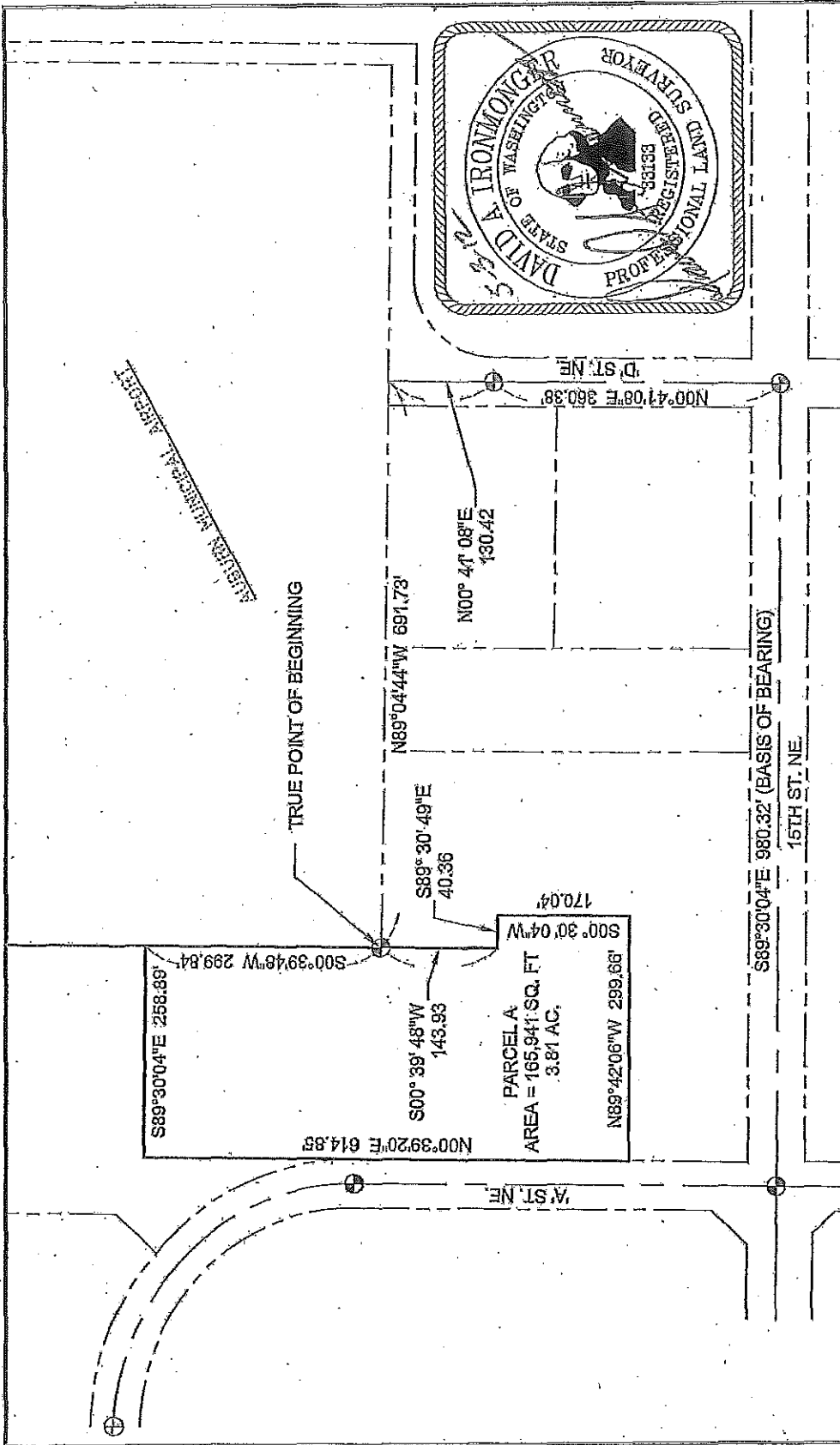
By _____

Title _____

Print Name: _____

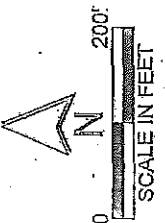
Exhibit E.

Illustration of Auburn Park-and-Ride Subdivision



**CITY OF AUBURN - KING COUNTY METRO B.L.A.
PARCEL A**

Parametrix DATE: May 3, 2012 FILE: NEWCOTEXH



[Blank Page]

Oct. 15, 2012

1

nw

Sponsor: von Reichbauer

Proposed No.: 2012-0390

1 **AMENDMENT TO PROPOSED ORDINANCE 2012-0390, VERSION 1**

2 On page 2, beginning after line 23, insert:

3 "F. Unique circumstances make a negotiated direct sale in the best interests of the
4 public."

5 On page 3, add, as Attachment A, "Real Estate Purchase and Sale Agreement – Auburn
6 Park and Ride"

7 **EFFECT:**

- 8 **1. Adds a finding that “unique circumstances” exist that justify a**
9 **negotiated, direct sale under KCC 4.56.100(A)(2).**
10 **2. Adds Attachment A, which is referred to in the ordinance.**

[Blank Page]



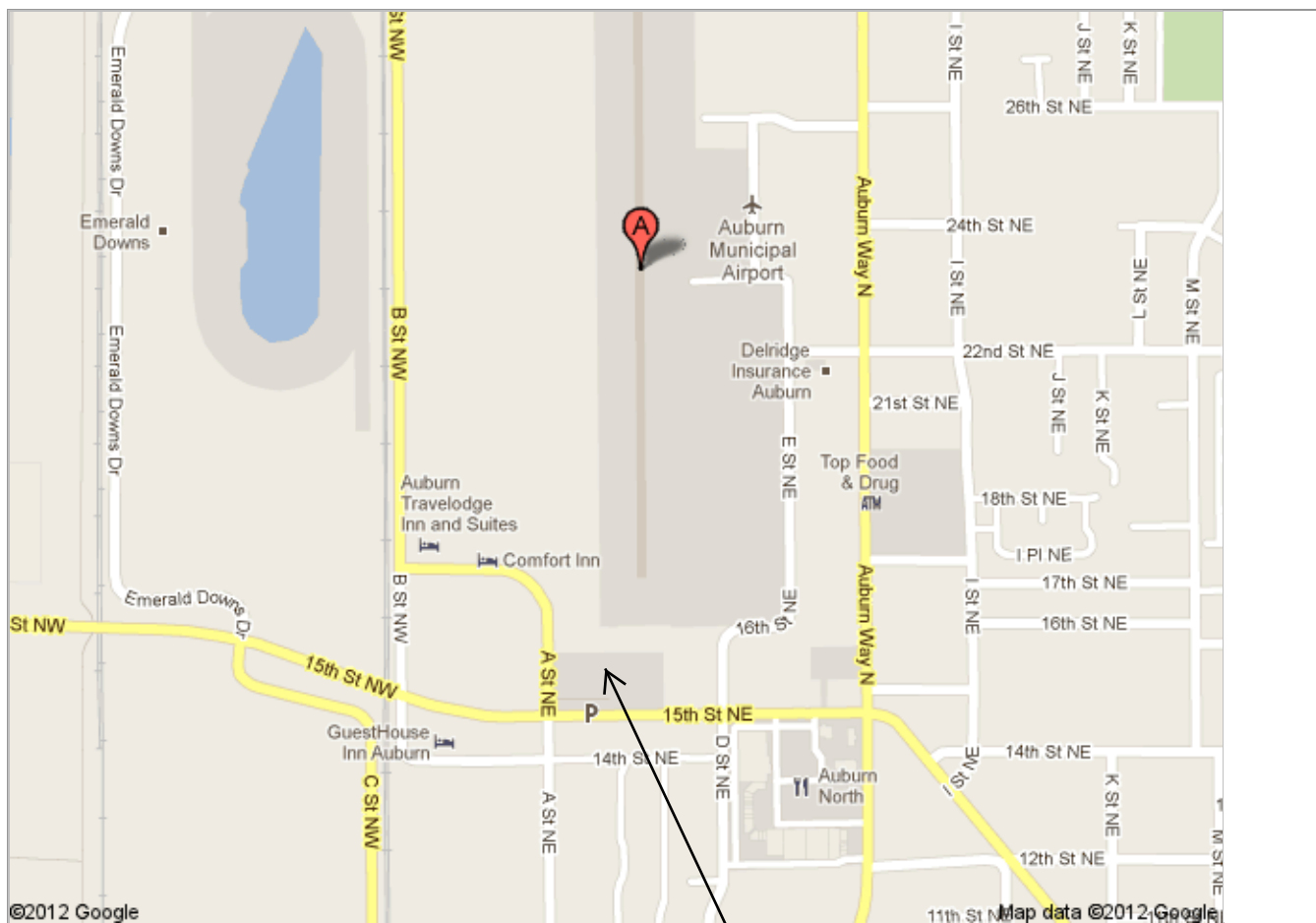
airport near Auburn, King, Washington

Get Google Maps on your phone

Text the word "GMAPS" to 466453



A. Auburn Muni
WA
(253) 931-3000



Approximate location of subject property

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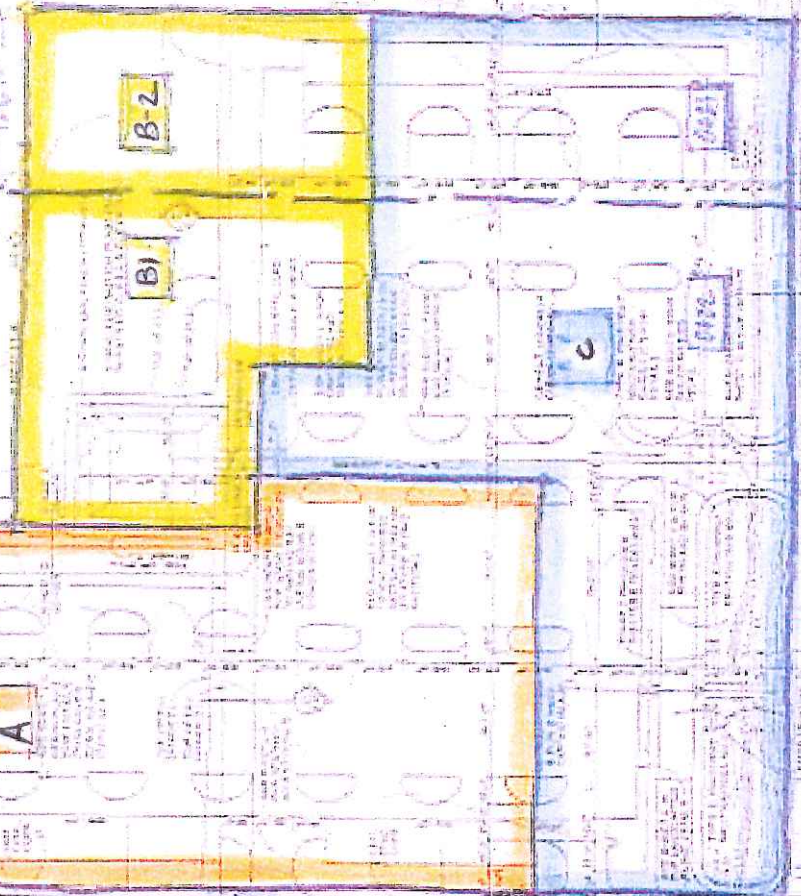
PROJECT NO. 1000000000

NO.	DESCRIPTION	DATE	BY
1	ISSUED FOR PERMITS	10/15/10	JL
2	ISSUED FOR PERMITS	10/15/10	JL
3	ISSUED FOR PERMITS	10/15/10	JL
4	ISSUED FOR PERMITS	10/15/10	JL
5	ISSUED FOR PERMITS	10/15/10	JL
6	ISSUED FOR PERMITS	10/15/10	JL
7	ISSUED FOR PERMITS	10/15/10	JL
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9	ISSUED FOR PERMITS	10/15/10	JL
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45	ISSUED FOR PERMITS	10/15/10	JL
46	ISSUED FOR PERMITS	10/15/10	JL
47	ISSUED FOR PERMITS	10/15/10	JL
48	ISSUED FOR PERMITS	10/15/10	JL
49	ISSUED FOR PERMITS	10/15/10	JL
50	ISSUED FOR PERMITS	10/15/10	JL



Revised based on Parametrix's Survey (6-29-2012)

Area (SF)	Area (Ac)	Remarks
155,941	3.81	75' wide by level enclosure
42,307	0.97	Construction 270' x 20,403'
26,403	0.61	Construction 153' x 5,597'
125,831	2.90	Construction Area (A+B)
367,062	8.29	U.C. Bay Freeway Right-of-Way
Total		



- 1. THIS DRAWING IS THE PROPERTY OF THE ARCHITECT AND SHALL REMAIN HIS PROPERTY.
- 2. NO PART OF THIS DRAWING IS TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF THE ARCHITECT.
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- 4. THE ARCHITECT'S LIABILITY IS LIMITED TO THE DESIGN AND CONSTRUCTION OF THE PROJECT DESCRIBED IN THIS DRAWING. THE ARCHITECT DOES NOT WARRANT THE ACCURACY OF ANY INFORMATION PROVIDED BY OTHERS.
- 5. THE ARCHITECT'S LIABILITY IS LIMITED TO THE DESIGN AND CONSTRUCTION OF THE PROJECT DESCRIBED IN THIS DRAWING. THE ARCHITECT DOES NOT WARRANT THE ACCURACY OF ANY INFORMATION PROVIDED BY OTHERS.

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
OFFICE OF THE ASSISTANT ATTORNEY GENERAL
STATE LABOR RELATIONS BOARD

STATE LABOR RELATIONS BOARD
OFFICE OF THE ASSISTANT ATTORNEY GENERAL
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DECLARATION OF SURPLUS PROPERTY

COMMON PROPERTY NAME: AUBURN PARK & RIDE

COMMON ADDRESS/LOCATION: 101 -15th Street NW, in the City of Auburn

TAX ACCOUNT NUMBER: APN #000080-0022

CUSTODIAL AGENCY COMMENTS: A portion of the 7.01 acre, 358-stall Auburn Park and Ride Lot, located at 101 -15th Street NW, in the City of Auburn, is no longer needed for its original transit purpose. The Department of Transportation has divided the lot into two parcels. The larger parcel of 4.83 acres will be sold for commercial development. The remainder will be used as a downsized commuter park and ride until it is no longer needed for transit purposes. At this time, the 4.83 acres are being surplussed. Transit has defined a separate site in downtown Auburn that it is coordinating with that city for Transit Oriented Development in which it is reserving 30% space for affordable housing. Therefore, an original interest expressed by Department of Community and Human Services for purposes of Affordable Housing in the Auburn Park & Ride has been released. And as no other agencies expressed interest, Real Estate Services will proceed with marketing for commercial development.

PROPERTY SERVICES DETERMINATION: SURPLUS TO COUNTY NEEDS

By: Wayne Richards

Date: 1/28/08

Inventory status Changed: By: _____

Date: _____

Council Motion / Ordinance: No. _____

Date: _____

Surplus Property Disposition: To: _____

Date: _____

File/Application: No. _____

DATE: December 12, 2007

TO: King County Councilmembers, King County Department Directors
King County Division Directors/Managers

FROM: Wayne Richardson, Manager _____
Real Estate Services Section, Facilities Management Division

RE: **Surplus Property Notice: A Portion of the Auburn Park & Ride**
APN #000080-0022
RESPONSES DUE BY MONDAY, JANUARY 14th, 2007

A portion of the 7.01 acre, 358-stall Auburn Park and Ride Lot, located at 101 -15th Street NW, in the City of Auburn, is no longer needed for its original transit purpose. The Department of Transportation intends to divide the lot into two parcels. The larger parcel of 4.83 acres will be sold for commercial development (Transit-Oriented Development Property). The remainder will be used as a downsized commuter park and ride until it is no longer needed for transit purposes. At this time, the 4.83 acres are being surplussed.

Pursuant to King County Code 4.56, prior to the public sale or trade of surplus property, the Facilities Management Division must first determine whether any other County department has a need for the property for government services. Priority is given to uses related to the provision of essential government services. Essential government services is defined as services for public health, public safety, or services related to transportation, water quality, surface water or other utilities. If not needed for essential government services, the property is reviewed for its suitability for affordable housing.

Please circulate this notice within your department or division to determine if the property is needed for government services or if there are any comments or concerns regarding the surplussing of these parcels.

Please return responses to Real Estate Services by Monday, January 14th, 2007.

If you have any questions, please call Anne Lockmiller, Surplus Properties Agent, Real Estate Services Section, at 206.205.5638.

Attachments

NOTICE OF INTEREST

NECESSARY ONLY IF YOUR DEPARTMENT / DIVISION HAS INTEREST OR COMMENT !!

DATE: _____

TO: Wayne Richardson, Manager
Real Estate Services Section, Facilities Management Division
Mail Stop-- ADM-ES-0500

RE: Surplus Property Notice – PORTION OF AUBURN PARK & RIDE

THIS DEPARTMENT/DIVISION HAS THE FOLLOWING INTEREST/COMMENTS/
CONCERNS:

INTEREST/INTENDED USE: _____

COMMENTS/CONCERNS: _____

DEPARTMENT/DIVISION _____

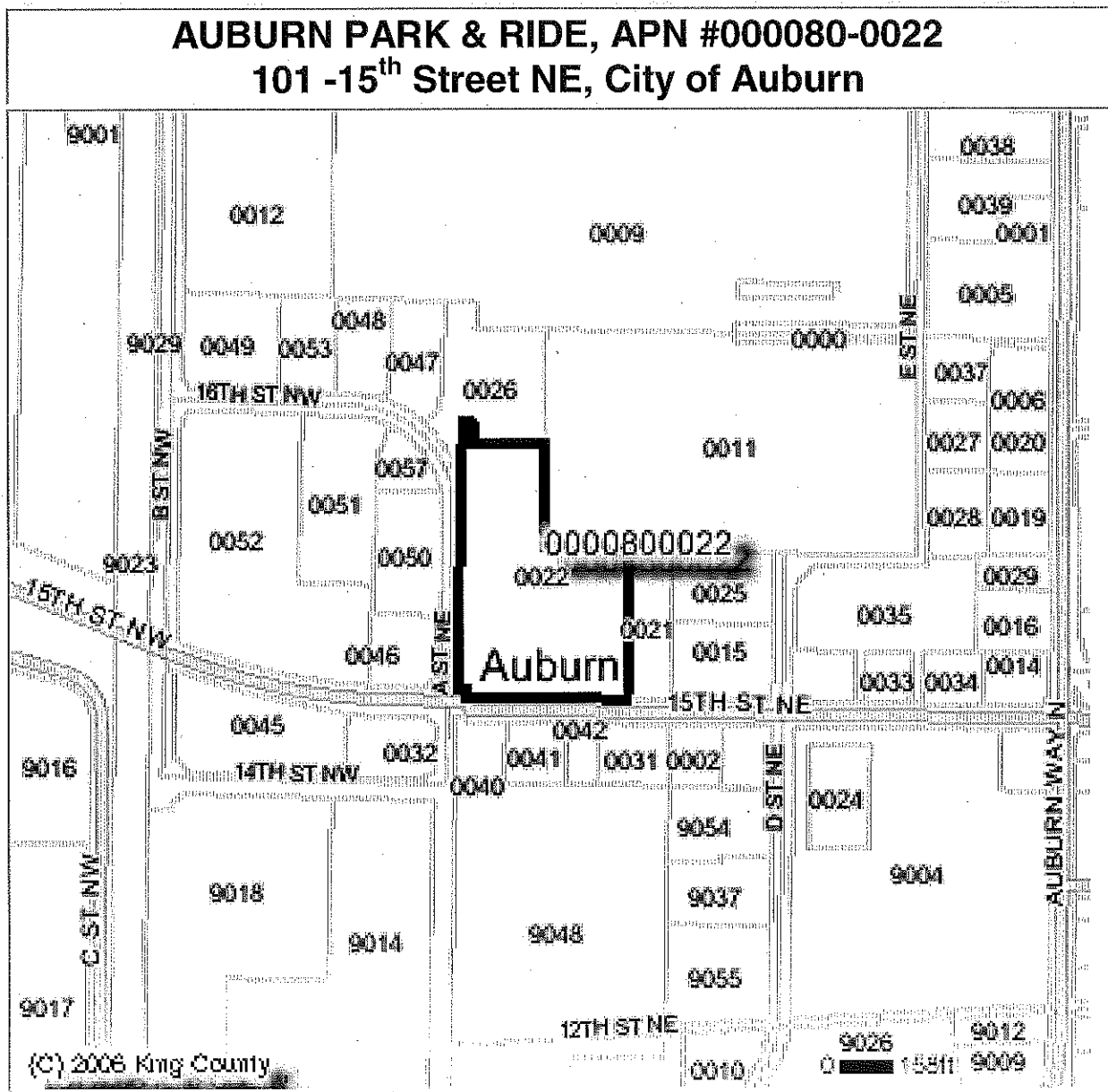
BY _____

TITLE _____

DATE _____

Property Name	Tax Number	Size	Jurisdiction	Zoning	Owner	Appraised Value
AUBURN PARK & RIDE	#000080-0022	210,337 square feet 4.83 acres	King County	P-1 / C-3	Dept of Transportation	\$2,400,000 as vacant land

A portion of the 7-acre (+/-), 358-stall Auburn Park & Ride lot, located at 101 -15th Street NE within the City of Auburn, is no longer needed for its original transit purpose. An intended boundary line adjustment of the original 7-acres (+/-) would leave a smaller portion for the remaining park-and-ride and allow 4.83 acres to be released for sale. Those 4.83 acres are the subject of this surplussing. Commercial development is determined to be the highest and best use, with the currently-appraised value based on unimproved land.



DECLARATION OF SURPLUS PROPERTY

COMMON PROPERTY NAME: AUBURN PARK & RIDE

TAX ACCOUNT NUMBERS: 000080-0021 & 000080-0022

CUSTODIAL AGENCY COMMENTS: 5.35 acres of the Auburn Park-and-Ride Lot, located at 101 15th Street NE, Auburn, have been determined to be surplus to the county's needs. This includes 0.72 acres of Tax Parcel 000080-0021 and 4.63 acres of Tax Parcel 000080-0022 .

The remainder of the two parcels will continue to operate as a downsized Auburn Park-and-Ride Lot. The county will reserve permanent easements for access and operation of Metro Transit buses and commuter automobiles and access, operation and maintenance of a county-owned storm water pond located within the sale area.

However, this surplus status is conditional, based upon the following: (1) King County Council approval of a negotiated Real Estate Purchase and Sale Agreement (REPSA) between the County and the City of Auburn; (2) the King County Executive's subsequent execution of the agreement; and (3) the recording of all necessary legal documents in the Recorder's Office of King County.

Should the above conditions not be fulfilled, the 5.35 acres will be returned to operating status.

REAL ESTATE SERVICES DETERMINATION: SURPLUS TO COUNTY NEEDS

By: 

Date: 7/17/12



King County

June 15, 2012

SURPLUS PROPERTY NOTICE - FACILITIES MANAGEMENT DIVISION

TO: The Honorable Dow Constantine, King County Executive
The Honorable Larry Gossett, King County Councilmember, Chair
The Honorable Bob Ferguson, King County Councilmember
The Honorable Kathy Lambert, King County Councilmember
The Honorable Larry Phillips, King County Councilmember
The Honorable Julia Patterson, King County Councilmember
The Honorable Jane Hague, King County Councilmember
The Honorable Pete von Reichbauer, King County Councilmember
The Honorable Joe McDermott, King County Councilmember
The Honorable Reagan Dunn, King County Councilmember
The Honorable Lloyd Hara, King County Assessor
The Honorable Sherril Huff, Director of King County Elections
The Honorable Sue Rahr, King County Sheriff
The Honorable Daniel T. Satterberg, King County Prosecuting Attorney
The Honorable Barbara Linde, Presiding Judge, District Court
The Honorable Richard F. McDermott, Presiding Judge, Superior Court
Department and Division Directors/Managers

FROM: Kathy Brown, Director Facilities Management Division

RE: **Surplus Property Notice – 5.35 Acres of Auburn Park-and-Ride Lot**

The purpose of this notification is to determine if your organization has a business need for 5.35 acres of the Auburn Park-and-Ride Lot, located at 101 15th Street NE, Auburn. It has been determined that 0.72 acres of Tax Parcel 000080-0021 and 4.63 acres of Tax Parcel 000080-0022 are no longer necessary to the needs of the County. The remainder of the two parcels will continue to operate as a downsized Auburn Park-and-Ride Lot.

Surplussing of the 5.35 acres is conditioned on: (1) King County Council approval of a negotiated Real Estate Purchase and Sale Agreement (REPSA) between the County and the City of Auburn; (2) the King County Executive's subsequent execution of the agreement; and (3) the recording of all necessary legal documents in the Recorder's Office of King County. The attached project map shows the area to be sold to the City (B, C-1, and C-2).

The County will reserve permanent easements for access and operation of Metro Transit buses and commuter automobiles and access, operation and maintenance of a county-owned storm water pond located within the sale area.

The Auburn Park-and-Ride was purchased with Federal Urban Mass Transportation Administration and State funds in 1976. KCDOT will follow the Federal Transit Administration (FTA) rules regarding disposition of excess real property. Sale proceeds will be used in future FTA eligible project.

Pursuant to King County Code section 4.56, prior to the public sale or trade of surplus property, the Facilities Management Division must first determine whether any other county department has a need for the surplus property for government services. Priority is given to uses related to the provision of essential government services. Essential government services are defined as services for public health, public safety, or services related to transportation, water quality, surface water or other utilities.

Please circulate this notice within your department or division to determine if the 5.35 acres is needed for government service or if you have any comments or concerns regarding their surplussing. Should you wish to respond, a "Notice of Interest" form is attached.

**Please return responses by FRIDAY, JULY 13, 2012
to Anne Lockmiller, Real Estate Services**

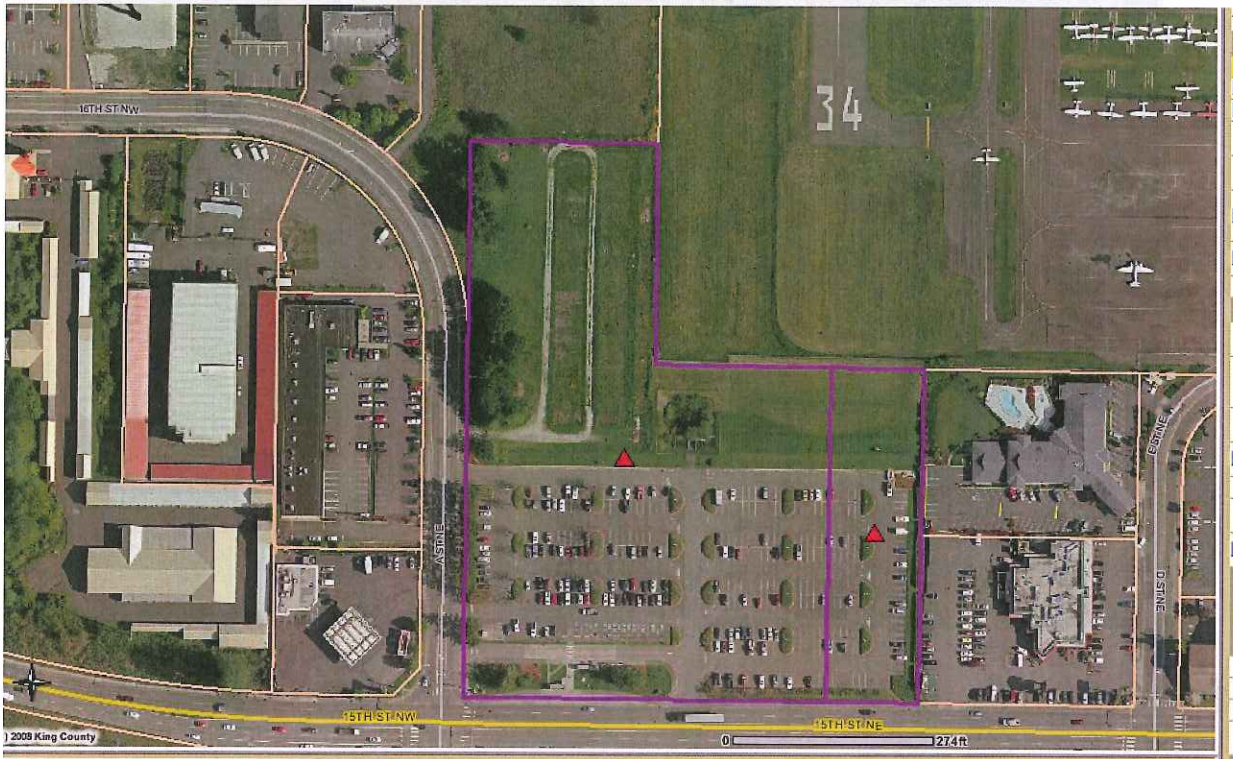
Attachments: **Information Summary and Parcel View Map**
 Vicinity Map
 Proposed Project Map

INFORMATION SUMMARY

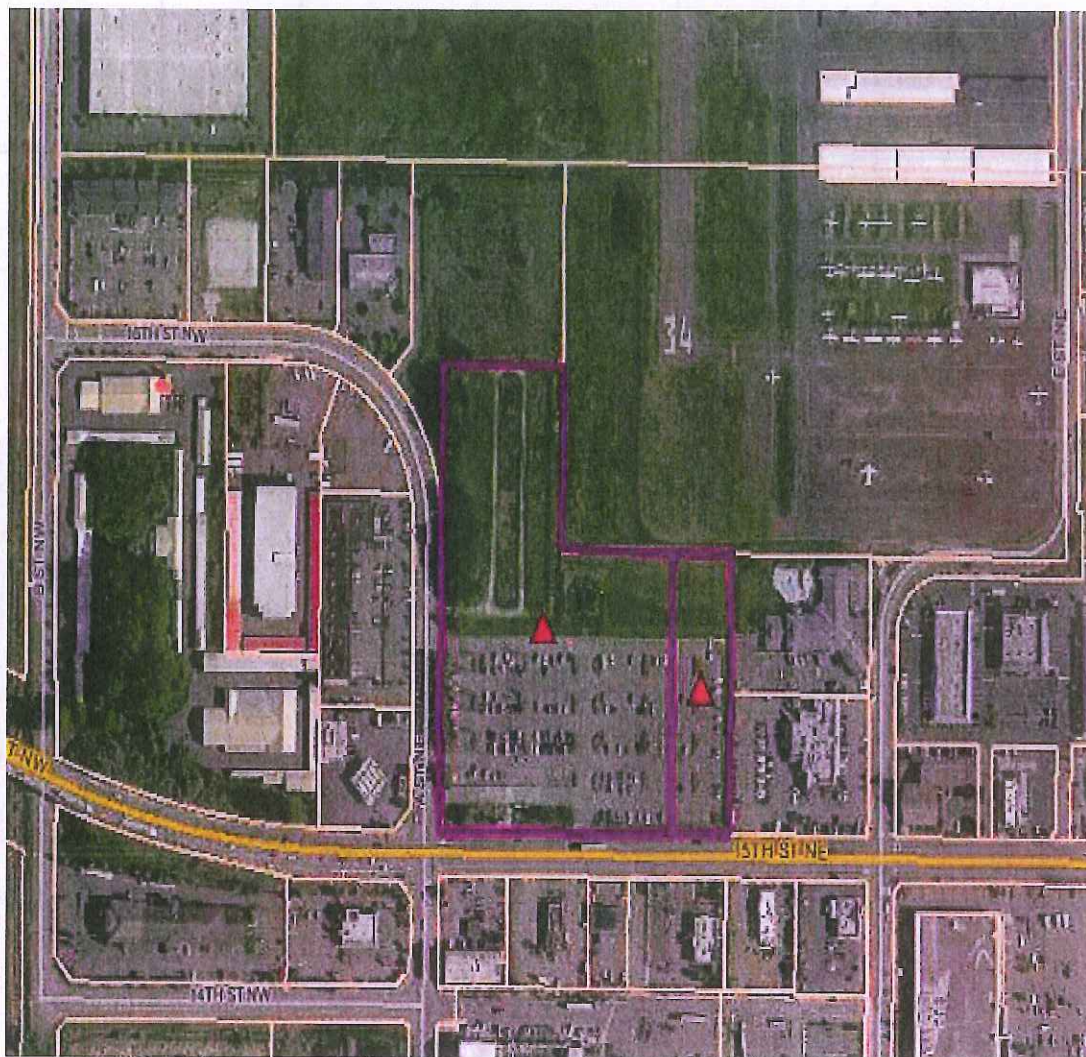
AUBURN PARK-AND-RIDE LOT

Property Location	Tax Numbers	Size	Jurisdiction	Zoning	Custodian
101 15 TH Street NE, Auburn, WA	000080-0021 000080-0022	Total of 361,062 sq ft	Auburn	P-1 (Public Use District)	Metro Transit Division

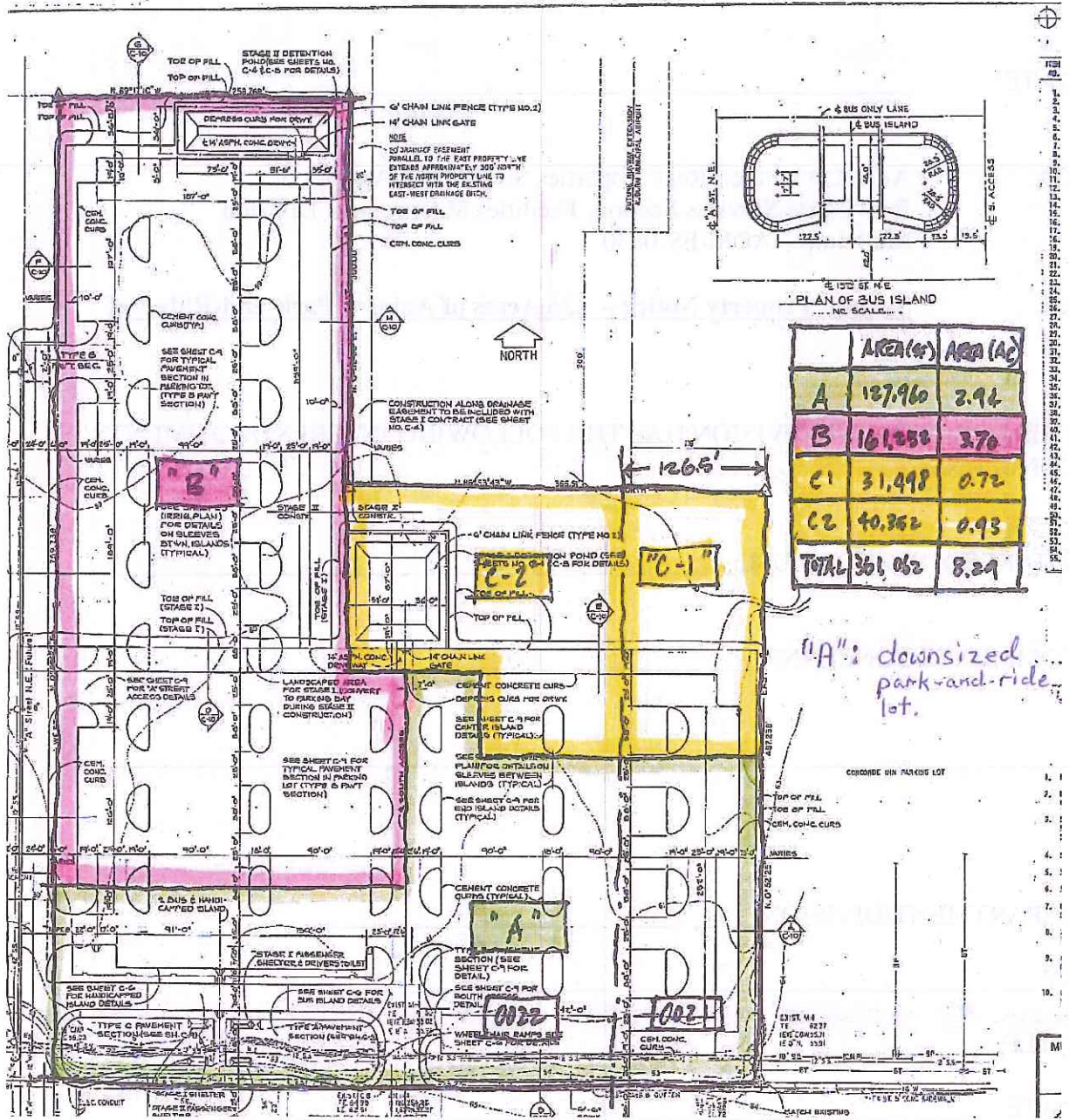
PARCEL VIEW MAP



VICINITY MAP



PROPOSED PROJECT MAP



NOTICE OF INTEREST

NECESSARY ONLY IF YOUR DEPARTMENT / DIVISION HAS INTEREST OR COMMENT!

DATE: _____

TO: Anne Lockmiller, Real Properties Surplussing Agent
Real Estate Services Section, Facilities Management Division
Mail Stop – ADM-ES-0830

RE: Surplus Property Notice – 5.35 Acres of Auburn Park-and-Ride Lot

THIS DEPARTMENT/DIVISION HAS THE FOLLOWING INTEREST/COMMENTS/
CONCERNS:

INTEREST/INTENDED USE: _____

COMMENTS/CONCERNS: _____

DEPARTMENT/DIVISION _____

BY _____

TITLE _____

DATE _____

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Boeing Honors 16 Suppliers of the Year for Exceptional Performance



CHICAGO , April 19, 2012 /PRNewswire/ -- Boeing (NYSE: BA) honored 14 companies and two academic institutions Wednesday evening at the Boeing Supplier of the Year event, recognizing their exceptional performance and contributions to the company's overall success during 2011.

(Photo <http://photos.prnewswire.com/prnh/20120419/CG90173>)

The Supplier of the Year awards are based on quality, on-time delivery, post-delivery support, and cost and demonstrated ability to anticipate and respond to changing requirements.

"These supplier-partners excelled in delivering results, performance and customer satisfaction in 2011, and they play a key role in enabling Boeing to be a global leader in technology and innovation," said Jim McNerney , chairman, president and CEO of The Boeing Company. "We are grateful to have them as key members of our team."

Boeing annually purchases more than \$50 billion in goods and services from a global network of more than 28,000 suppliers that collectively employ more than 1.2 million people.

"In today's challenging business environment, an agile supply chain that continuously delivers excellent performance is critical," said Jack House , vice president of Supplier Management for Boeing Defense, Space and Security and leader of Boeing's companywide Supplier Management program. "These partners have demonstrated outstanding commitment to providing our customers with the best-value, highest-quality products and services, while meeting the customers' requirements and anticipating their needs for the future."

The list of award categories and recipients follows below. For more information on each supplier, click on the link. Each supplier is also profiled in [this video gallery](#).

Aerospace Support

[All Points Logistics LLC](#) – Huntsville, Ala.

Avionics

[Frontier Electronic Systems Corp.](#) – Stillwater, Okla.

Common Aerospace Commodities

[Harper Engineering Co.](#) – Renton, Wash.

Diversity

[Integral Products Inc.](#) – Harbor City, Calif.

Interiors

[GM Nameplate Inc.](#) – Seattle

International

[Ferra Engineering](#) – Brisbane, Australia

Non-Production

[D3 Technologies](#) – Mulkiteo, Wash.

Major Structures

[Aerospace Dynamics International Inc.](#) – Santa Clarita, Calif.

Outside Manufacturing

[Orion Industries](#) – Federal Way, Wash.

Propulsion

[Exotic Metals Forming Co. LLC](#) – Kent, Wash.

Technology

[Rensselaer Polytechnic Institute](#) – Troy, N.Y.

Leader's Choice Awards

Academia (outstanding performance as a strategic university)

[Georgia Institute of Technology](#) – Atlanta

Advantage (exceeding cost performance goals and objectives)

[Airgas, Inc.](#) – Germantown, Wis.



Featured Video

Creating a Sustainable Cocoa Industry for Farmers Will Require Billions in Investments

Journalists and Bloggers



Visit [PR Newswire for Journalists](#) for releases, photos, ProfNet experts, and customized feeds just for Media.

View and download archived video content distributed by MultiVu on [The Digital Center](#).

Alliance (sharing risks in introduction of new products)
[TEAGUE](#) – Seattle

Pathfinder (outstanding performance improvements)
[BAE Systems Controls Inc.](#) – Endicott, N.Y.

[Fuji Heavy Industries Ltd](#) – Tochigi, Japan

Contact:
Kelli Blue
The Boeing Company
314-232-2361 (office)
314-566-2047 (cell)
kelli.j.blue@boeing.com

Follow us on Twitter [@Boeing](#)
For more information: www.boeing.com

Photo and caption are available here: <http://boeing.mediaroom.com/index.php?s=13&depth=2&item=1911>

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[Home](#) > Nonprofit Manufacturer of the Year

Nonprofit Manufacturer of the Year

May 2012

Nonprofit Manufacturer of the Year

Orion Industries

Bill Virgin

Courtesy Charles Cotugno/Orion Industries

 [0512_ORION.jpg](#)

Orion Industries technicians in training

Orion Industries, Federal Way

Orion Industries is a precision metal fabricator specializing in aerospace but with customers in defense, automotive, medical and marine industries. Just as important for Orion as the products it makes are the people who makes them. As a social enterprise, Orion provides job training and opportunities for those with disabilities and other barriers to employment: Of its 205 employees, 143 are permanent and 62 are in rotating training positions. Last year, Orion had 182 employees in its manufacturing training program, and helped land 104 in jobs in the community, many of those in aerospace. Program participants are paid minimum wage (\$9.04 per hour) as they rotate through departments, production processes and with different pieces of equipment. They do so under the one-to-one tutelage of a mentor and with vocational counselors who can identify and aid in resolving employment barriers, helping to hone the skills and abilities that will lead to full-time, living-wage employment.

Not that the attention to job training means Orion skimps on attention to operational performance. "On time is part of everything that Orion does," the company says. "People arrive at work on time, meetings start on time, suppliers are paid on time; it naturally follows that product moves through production and ships on time. Excellent processes throughout the organization assure consistent results." Consistently improving results, that is. Orion says it has seen a 50 percent improvement in revenue per employee, a 30 percent reduction in flow time and a 20 percent reduction in defects during the past three years. Additionally, it has reduced its product costs each year for the past four years.

Manufacturing

More information: [2012 Washington Manufacturing Awards Home](#)

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Auburn Park-and-Ride – Appraisal

Appraisal, 6/26/12	\$1,865,000
Revised Appraisal, 7/16/12	\$1,623,500
Addendum to Revised Appraisal, 8/27/12	\$1,564,500
County/City agreement on purchase price:	\$1,566,500

Appraisal Adjustments were based on the following:

- Discussion meetings between county, city, and appraiser
- Review of new city input by the county's appraiser

Summary of Adjustments:

- Revised Appraisal, 7/16/12: Adjustments to reflect new FAA height and set back restriction information provided by City.
- Addendum, 8/27/12: Adjustment of the value of 114 existing parking spaces. The appraiser lowered the per stall value from \$2,000 to \$1,500 based on new information provided by the City's Engineer.

Other:

- Sale is subject to approval by FTA and FAA.
- Appraisal specifications comply with FTA guidelines.

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APPRAISAL GROUP OF THE NORTHWEST LLP

Rockwood Office Park
1409 140th Pl. N.E., Suite 105
Bellevue, WA 98007
www.AppraisalGroupNW.com

(425) 453-9292
(800) 453-4408
FAX: (425) 455-9740
jprice@appraisalgroupnw.com

August 27, 2012

David Blum
King County DOT
Metro Transit Div. KSC-TR-0431
201 S. Jackson St.
Seattle, WA 98104

Re: Addendum to Appraisal A-4410 (Revised July 16, 2012) of Commercial Property Located at 101 15th Street NE, Auburn, WA

Dear Mr. Blum:

Based on a revised estimate of 25% depreciation of the parking lot paving and surface site improvements, we have revised our estimate of the value of the subject parcels as follows:

Parcel A

114 Parking Spaces @ \$2,000	\$228,000
Depreciated at 25%	<u>57,000</u>
Depreciated Value	171,000
Site Fill	15,000
Land Value	<u>\$1,378,500</u>
Total Value	\$1,564,500

Parcel B

45 Parking Spaces @ \$2,000	\$90,000
Depreciated at 25%	<u>22,500</u>
Depreciated Value	67,500
Land Value	<u>320,775</u>
Total Value	\$388,300 (R)

Sincerely Yours,

James B. Price, MAI, SR/WA
Certified General Real Estate Appraiser, WA
Certification No. 1100229

Sally A. Strickland, MAI, SRA
Certified General Real Estate Appraiser, WA
Certification No. 1100445

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DETERMINATION OF NONSIGNIFICANCE (DNS)

Auburn Park-and-Ride Property Sale

PROJECT DESCRIPTION: On June 1, 2012, King County's Metro Transit Division, Department of Transportation, issued a Determination of Nonsignificance for the Auburn Park-and-Ride Property Sale. The project includes the sale of a 5.4 acre portion of the Auburn Park-and-Ride lot at 101 15th St. NE in Auburn, Washington. Metro has determined that the 5.4 acre area is surplus to its needs. The City of Auburn intends to purchase the property for airport-related uses, and there will be subsequent adjustments to the park-and-ride lot to accommodate the change (minor adjustments to landscaping, curbs, lighting, striping, and fencing). King County Metro Transit will have access easements on the property to be sold and will continue to own and operate the remaining 2.9 acres for park-and-ride use with a capacity of about 240 stalls which is sufficient for the maximum use observed at the lot over the past several years.

PROPONENT: King County Metro Transit Division

LOCATION OF PROPOSAL, INCLUDING STREET ADDRESS, IF ANY: 101 15th St. NE in Auburn, King County, Washington, in SW 7, Township 21 N, Range 5 E.

LEAD AGENCY: King County Metro Transit Division

The lead agency for this proposal has determined that it does not have a probable significant adverse impact on the environment. An environmental impact statement (EIS) is not required under RCW 43.21C.030(2)(c). This decision was made after review of a completed environmental checklist and other information on file with the lead agency. This information is available to the public on request.

There is no comment period for this DNS.

This DNS is issued under WAC 197-11-340 (2); the lead agency will not act on this proposal for 14 days from the date below. Comments must be submitted by June 15th, 2012.

DATE: June 1st, 2012

RESPONSIBLE OFFICIAL: Kevin Desmond

POSITION/TITLE: General Manager, Metro Transit Division

CONTACT: Gary Kriedt, Senior Environmental Planner, (206) 684-1166

ADDRESS: 201 South Jackson Street, MS KSC-TR-0431, Seattle, Washington 98104-3856

SIGNATURE: 

Send written comments on this project to Gary Kriedt, Senior Environmental Planner, at King County, Metro Transit Division, Real Estate/Land Use/Environmental Planning - 201 South Jackson Street, MS KSC-TR-0431, Seattle, Washington 98104-3856.

This information is available on request in accessible formats for people with disabilities by calling (206) 689-3113 (voice) or by calling (206) 689-3116 (TTY).



ENVIRONMENTAL CHECKLIST

A. BACKGROUND

1. **Name of proposed project, if applicable:**
Auburn Park-and-Ride Property Sale
2. **Name of applicant:**
King County Department of Transportation, Metro Transit Division
3. **Address and phone number of applicant and contact person:**
King County Metro Transit
201 South Jackson Street, MS KSC-TR-0431
Seattle, WA 98104-3856
CONTACT: Gary Kriedt, Telephone: (206) 684-1166
4. **Date checklist prepared:**
May 21, 2012
5. **Agency requesting checklist:**
King County Metro Transit
6. **Proposed timing or schedule (including phasing, if applicable):**
King County Council approval of sale: July, 2012
7. **Do you have any plans for future additions, expansions, or further activity related to or connected with this proposal? If yes, explain.**
No.
8. **List any environmental information you know about that has been prepared, or will be prepared, directly related to this proposal.**
None.
9. **Do you know whether applications are pending for governmental approvals of other proposals directly affecting the property covered by your proposal? If yes, explain.**
None.
10. **List any government approvals or permits that will be needed for your proposal, if known.**

The property sale will require approval by the King County Council.

11. **Give brief, complete description of your proposal, including the proposed uses and the size of the project and site. There are several questions later in this checklist that ask you to describe certain aspects of your proposal. You do not need to repeat those answers on this page. (Lead agencies may modify this form to include additional specific information on project description).**

King County Metro Transit intends to sell a 5.4 acre portion of the Auburn Park-and-Ride lot at 101 15th St. NE in Auburn, Washington. Metro has determined that the 5.4 acre area is surplus to its needs. The City of Auburn intends to purchase the property for airport-related uses, and there will be subsequent adjustments to the park-and-ride lot to accommodate this (minor adjustments to landscaping, curbs, lighting, striping, and fencing). King County Metro Transit will have access easements on the property to be sold and will continue to own and operate the remaining 2.9 acres for park-and-ride use with a capacity of about 240 stalls which is sufficient for the maximum use observed at the lot over the past several years.

12. **Location of the proposal. Give sufficient information for a person to understand the precise location of your proposed project, including a street address, if any, and section, township, and range, if known. If a proposal would occur over a range of area, provide the range or boundaries of the site(s). Provide a legal description, site plan, vicinity map, and topographic map, if reasonably available. While you should submit any plans required by the agency, you are not required to duplicate maps or detailed plans submitted with any permit applications related to this checklist.**

The site is located at 101 15th St. NE in Auburn, King County, Washington, in SW 7, Township 21 N, Range 5 E.

B. ENVIRONMENTAL ELEMENTS

1. Earth

- a. **General description of the site (circle one):** Flat, rolling, hilly, steep slopes, mountainous, other.
- b. **What is the steepest slope on the site? (approximate percent slope)?**
The site is flat.
- c. **What general types of soils are found on the site? (for example, clay, sand, gravel, peat, muck)? If you know the classification of agricultural soils, specify them and note any prime farmland.**
Urban fill. Native soil is Alderwood series sandy loam underlain with glacial till.
- d. **Are there surface indications or history of unstable soils in the immediate vicinity? If so, describe.**

No indications or history of unstable soils in the immediate vicinity.

- e. **Describe the purpose, type, and approximate quantities of any filling or grading proposed. Indicate source of fill.**

The project may involve minor grading to facilitate drainage; no filling is expected.

- f. **Could erosion occur as a result of clearing, construction, or use? If so, generally describe.**

The project will not result in erosion.

- g. **About what percent of the site will be covered with impervious surfaces after project construction (for example, asphalt or buildings)?**

The portion of the lot that will remain in King County ownership will have approximately the same level of impervious surface area as current conditions (roughly 85%).

- h. **Proposed measures to reduce or control erosion, or other impacts to the earth, if any:**

Best management practices will be employed during construction to minimize any potential impacts to earth.

2. Air

- a. **What types of emissions to the air would result from the proposal (i.e., dust, automobile emissions, odors, industrial wood smoke, greenhouse gases) during construction and when the project is completed? If any, generally describe and give approximate quantities if known.**

Emissions would include those from construction equipment related to the changes that are necessary to accommodate the property sale (for example, adjustments to landscaping, curbs, lighting, striping, and fencing). After construction, the remaining park-and-ride site will have no change in emissions from current conditions.

The project is not expected to adversely impact the climate. Construction related to park-and-ride adjustments after sale of the property is expected to result in roughly 5,000 metric tons of CO₂ emissions over the lifetime of the project.

- b. **Are there any off-site sources of emissions or odor that may affect your proposal? If so, generally describe.**

No.

- c. **Proposed measures to reduce or control emissions or other impacts to air, if any:**

Construction equipment will have standard emission control features.

3. Water

a. Surface:

- 1) **Is there any surface water body on or in the immediate vicinity of the site (including year-round and seasonal streams, saltwater, lakes, ponds, or wetlands)? If yes, describe type and provide names. If appropriate, state what stream or river it flows into.**

There is no known water body in the vicinity of the project site. However, there may be wetland-like conditions in an unpaved portion of the property to be sold.

- 2) **Will the project require any work over, in, or adjacent to (within 200 feet) the described waters? If yes, please describe and attach available plans.**

No.

- 3) **Estimate the amount of fill and dredge material that would be placed in or removed from surface water or wetlands and indicate the area of the site that would be affected. Indicate the source of fill material.**

None.

- 4) **Will the proposal require surface water withdrawals or diversions? Give general description, purpose, and approximate quantities if known.**

No.

- 5) **Does the proposal lie within a 100-year floodplain? If so, note location on the site plan.**

No.

- 6) **Does the proposal involve any discharges of waste materials to surface waters? If so, describe the type of waste and anticipated volume of discharge.**

No.

b. Ground:

- 1) **Will ground water be withdrawn, or will water be discharged to groundwater? Give general description, purpose, and approximate quantities if known.**

Not applicable.

- 2) Describe waste material that will be discharged into the ground from septic tanks or other sources, if any (for example: Domestic sewage; industrial, containing the following chemicals...; agricultural; etc.). Describe the general size of the system, the number of such systems, the number of houses to be served (if applicable), or the number of animals or humans the system(s) are expected to serve.

Not applicable.

c. **Water Runoff (including storm water):**

- 1) Describe source of runoff (including storm water) and method of collection and disposal, if any (include quantities, if known). Where will this water flow? Will this water flow into other waters? If so, describe.

Runoff from the site is from impervious pavement. Runoff flows into the local storm drain system. The project will not result in any changes to the storm drain system.

- 2) Could waste materials enter ground or surface waters? If so, generally describe.

No.

d. **Proposed measures to reduce or control surface, ground and runoff impacts, if any:**

The project will implement best management practices.

4. **Plants**

a. **Check or circle types of vegetation found on the site:**

deciduous tree: alder, maple, aspen, other

evergreen tree: fir, cedar, pine, other

shrubs

grass

pasture

crop or grain

wet soil plants: cattail, buttercup, bullrush, skunk cabbage, other

water plants: water lily, eelgrass, milfoil, other

other types of vegetation: _____

b. What kind and amount of vegetation will be removed or altered?

The property sale will result in changes to the park-and-ride lot which may include the loss of a small landscaped 'island' in the remaining park-and-ride area. The project is not expected to result in the loss of any trees.

c. List threatened or endangered species known to be on or near the site.

None.

d. Proposed landscaping, use of native plants, or other measures to preserve or enhance vegetation on the site, if any:

The project will meet City of Auburn landscaping requirements.

5. Animals

a. Circle any birds and animals which have been observed on or near the site or are known to be on or near the site:

birds: hawk, heron, eagle, other: _____

mammals: deer, bear, elk, beaver, other: _____

fish: bass, salmon, trout, herring, shellfish, other: _____

b. List any threatened or endangered species known to be on or near the site.

None.

c. Is the site part of a migration route? If so, explain.

No.

d. Proposed measures to preserve or enhance wildlife, if any:

None.

6. Energy and Natural Resources

a. What kinds of energy (electric, natural gas, oil, woodstove, solar) will be used to meet the completed project's energy needs? Describe whether it will be used for heating, manufacturing, etc.

The site has electricity available. The park-and-ride uses electricity for lighting.

b. Would your project affect the potential use of solar energy by adjacent properties? If so, generally describe.

No.

- c. **What kind of energy conservation features are included in the plans of this proposal? List other proposed measures to reduce or control energy impacts, if any:**

No special energy conservation features are being considered at this time.

7. Environmental Health

- a. **Are there any environmental health hazards, including exposure to toxic chemicals, risk of fire and explosion, spill, or hazardous waste, that could occur as a result of this proposal? If so, describe.**

No.

- 1) **Describe special emergency services that might be required.**

None.

- 2) **Proposed measures to reduce or control environmental health hazards, if any:**

None necessary.

b. Noise

- 1) **What types of noise exist in the area which may affect your project (for example: traffic, equipment, operation, other)?**

Noise in the immediate area includes local street traffic.

- 2) **What types and levels of noise would be created by or associated with the project on a short-term or a long-term basis (for example: traffic, construction, operation, other)? Indicate what hours noise would come from the site.**

The project will result in short-term additional noise from construction related to park-and-ride changes needed to accommodate the property sale. The completed project will not result in additional noise.

- 3) **Proposed measures to reduce or control noise impacts, if any:**

Construction-related noise will meet City of Auburn noise code requirements. No other measures are necessary.

8. Land and Shoreline Use

a. What is the current use of the site and adjacent properties?

The current use of the site is a park-and-ride. Properties immediately south, east and west of the site are commercial. The property north/northeast is in use as a municipal airport.

b. Has the site been used for agriculture? If so, describe.

Unknown.

c. Describe any structures on the site.

The site does not have any permanent structures other than transit-related features such as passenger shelters and light poles.

d. Will any structures be demolished? If so, what?

The project will not result in the demolition of any structures other than replacement of light poles.

e. What is the current zoning classification of the site?

The project site is zoned P1 Public Use District. Properties surrounding the site are zoned C3 Heavy Commercial District as well as LF Airport Landing Field District (north of site), and the Auburn North Business District (south of 15th St. NE).

f. What is the current comprehensive plan designation of the site?

Same as zoning.

g. If applicable, what is the current shoreline master program designation of the site?

Not applicable.

h. Has any part of the site been classified as an "environmentally sensitive" area? If so, specify.

No portion of the site has been classified as environmentally sensitive. However, there may be wetland-like conditions in an unpaved portion of the property to be sold.

i. Approximately how many people would reside or work in the completed project?

Not applicable.

j. Approximately how many people would the completed project displace?

Not applicable.

- k. **Proposed measures to avoid or reduce displacement impacts, if any:**

Not applicable.

- i. **Proposed measures to ensure the proposal is compatible with existing and projected land uses and plans, if any:**

The project is consistent with King County Metro Transit plans for the site, and the property sale will need to be approved by the King County Council. The City of Auburn intends to purchase the property for airport-related uses which is compatible with their plans and policies.

9. Housing

- a. **Approximately how many units would be provided, if any? Indicate whether high, middle, or low-income housing.**

Not applicable.

- b. **Approximately how many units, if any, would be eliminated? Indicate whether high, middle, or low-income housing.**

None.

- c. **Proposed measures to reduce or control housing impacts, if any:**

None.

10. Aesthetics

- a. **What is the tallest height of any proposed structure(s), not including antennae; what is the principal exterior building material(s) proposed?**

Not applicable.

- b. **What views in the immediate vicinity would be altered or blocked?**

None.

- c. **Proposed measures to reduce or control aesthetic impacts, if any:**

None.

11. Light and Glare

- a. **What type of light or glare will the proposal produce? What time of day would it mainly occur?**

The project will not result in any new light or glare.

- b. **Could light and glare from the finished project be a safety hazard or interfere with views?**

No.

- c. **What existing off-site sources of light or glare may affect your proposal?**

None.

- d. **Proposed measures to reduce or control light and glare impacts, if any:**

Not applicable.

12. Recreation

- a. **What designated and informal recreational opportunities are in the immediate vicinity?**

There are no designated or informal recreational opportunities in the immediate vicinity of the project.

- b. **Would the proposed project displace any existing recreational uses? If so, describe.**

No.

- c. **Proposed measures to reduce or control impacts on recreation, including recreation opportunities to be provided by the project or applicant, if any:**

Not applicable.

13. Historic and Cultural Preservation

- a. **Are there any places or objects listed on, or proposed for, national, state or local preservation registers known to be on or next to the site? If so, generally describe.**

There are no places or objects listed, or proposed, on or next to the site.

- b. **Generally describe any landmarks or evidence of historic, archaeological, scientific or cultural importance known to be on or next to the site.**

None.

- c. **Proposed measures to reduce or control impacts, if any:**

Not applicable.

14. Transportation

- a. **Identify public streets and highways serving the site, and describe proposed access to the existing street system. Show on site plans, if any.**

The site is served by 15th Street NE and A Street NE. The project will not result in any significant changes to access to the site. Bus circulation and automobile access will remain mostly unchanged.

- b. **Is site currently served by public transit? If not, what is the approximate distance to the nearest transit stop?**

Yes. The site is currently a park-and-ride lot with direct transit access. The lot is served by Routes 152, 919 (DART), 952, and 566 (Sound Transit).

- c. **How many parking spaces would the completed project have? How many would the project eliminate?**

The park-and-ride current has approximately 358 parking stalls. After sale of the property and adjustment to the remaining park-and-ride facility, the Auburn Park-and-Ride will have approximately 240 to 250 parking stalls for transit patrons.

- d. **Will the proposal require any new roads or streets, or improvements to existing roads or streets, not including driveways? If so, generally describe (indicate whether public or private).**

The project will not result in any significant changes to access to the site. Bus circulation and automobile access will remain mostly unchanged.

- e. **Will the project use (or occur in the immediate vicinity of) water, rail, or air transportation? If so, generally describe.**

No.

- f. **How many vehicular trips per day would be generated by the completed project? If known, indicate when peak volumes would occur.**

The project will not generate any new peak hour vehicular trips.

- g. **Proposed measures to reduce or control transportation impacts, if any:**

None.

15. Public Services

- a. **Would the project result in an increased need for public services (for example: fire protection, police protection, health care, schools, other)? If so, generally describe.**

The project will not result in a need for additional public services.

- b. Proposed measures to reduce or control direct impacts on public services, if any:

None.

16. Utilities

- a. Circle the utilities currently available at the site: electricity, natural gas, water, refuse service, telephone, sanitary sewer, septic system, other.
- b. Describe the utilities that are proposed for the project, the utility providing the service, and the general construction activities on the site or in the immediate vicinity which might be needed.

The project will not result in the need for additional utilities. The project will require construction activities such as the relocation of a light pole, changes to curbs and a landscaped area, adjustments to signage, and restriping.

C. SIGNATURE

The above answers are true and complete to the best of my knowledge. I understand that the lead agency is relying on them to make its decision.

Signature: _____

Gary Kuntz, Sr. Environmental Planner

Date Submitted: _____

May 23, 2012

This information is available on request in accessible formats for people with disabilities by calling (206) 684-2046 (voice) or by calling (206) 689-3413 (TDD).

LOCALLY OWNED. UNIQUELY NORTHWEST.

The Seattle Times

seattletimes.com

PO Box 70, Seattle, WA 98111

Kc Metro Transit

201 S Jackson St Ms Ksc-Tr-0431

Seattle, WA 98104

Re: Advertiser Account # 150352

Ad #: 197380

Affidavit of Publication

4109261 / 1

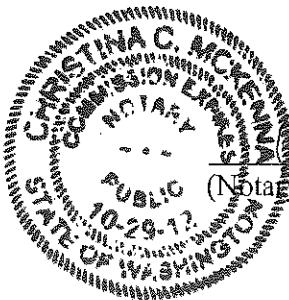
STATE OF WASHINGTON
Counties of King and Snohomish

The undersigned, on oath states that he/she is an authorized representative of The Seattle Times Company, publisher of The Seattle Times of general circulation published daily in King and Snohomish Counties, State of Washington. The Seattle Times has been approved as a legal newspaper by others of the Superior Court of King and Snohomish Counties.

The notice, in the exact form annexed, was published in the regular and entire issue of said paper or papers and distributed to its subscribers during all of the said period.

Newspaper and Publication Date(s)	
Seattle Times	06/01/12

Agent MARILEEN E. DEGGAN Signature Marleen E. Deggan



Subscribed and sworn to before me on June 13, 2012
DATE

Christina C. McKenna
(Notary Signature) Notary Public in and for the State of Washington, residing at Seattle
Christina C. McKenna

LOCALLY OWNED. UNIQUELY NORTHWEST.

The Seattle Times

seattletimes.com

Re: Advertiser Account # 150352

Ad #: 197380

AD TEXT

NOTICE OF ISSUANCE DETERMINATION OF NONSIGNIFICANCE

Auburn Park-and-Ride Property Sale

On June 1, 2012, King County's Metro Transit Division, Department of Transportation, issued a SEPA Determination of Nonsignificance for the Auburn Park-and-Ride Property Sale. The project includes the sale of a 5.4 acre portion of the Auburn Park-and-Ride Lot of 101 15th St. NE in Auburn, Washington. Metro has determined that the 5.4 acre area is surplus to its needs. The City of Auburn intends to purchase the property for airport-related uses, and there will be subsequent adjustments to the park-and-ride lot to accommodate the change (minor adjustments to landscaping, curbs, lighting, striping, and fencing). King County Metro Transit will have access easements on the property to be sold and will continue to own and operate the remaining 2.7 acres for park-and-ride use with a capacity of about 240 stalls which is sufficient for the maximum use observed at the lot over the past several years.

DATE OF ISSUANCE: June 1, 2012

END OF COMMENT PERIOD: June 15, 2012

FOR MORE INFORMATION CONTACT:
Gary Kriedt, Senior Environmental Planner,
(206) 684-1166,
gary.kriedt@kingcounty.gov.

ADDRESS COMMENTS TO:
Gary Kriedt, Senior Environmental Planner
King County Transit Division
Real Estate/Land Use/Environmental Planning
201 South Jackson Street, MS KSC-TR-0431
Seattle, Washington 98104-3856

STATE OF WASHINGTON, COUNTY OF KING }
AFFIDAVIT OF PUBLICATION

PUBLIC NOTICE

Linda M Mills, being first duly sworn on oath that she is the Legal Advertising Representative of the

Auburn Reporter

a weekly newspaper, which newspaper is a legal newspaper of general circulation and is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a weekly newspaper in King County, Washington. The Auburn Reporter has been approved as a Legal Newspaper by order of the Superior Court of the State of Washington for King County.

The notice in the exact form annexed was published in regular issues of the Auburn Reporter (and not in supplement form) which was regularly distributed to its subscribers during the below stated period. The annexed notice, at:

Public Notice

was published on June 1, 2012.

The full amount of the fee charged for said foregoing publication is the sum of \$112.00.

Linda M Mills
Linda M. Mills

Legal Advertising Representative, Auburn Reporter
Subscribed and sworn to me this 1st day of June, 2012.

Kathleen C. Sherman
Kathleen C. Sherman, Notary Public for the State of Washington,
Residing in Buckley, Washington

**NOTICE OF ISSUANCE
DETERMINATION OF
NONSIGNIFICANCE
Auburn Park-and-Ride
Property Sale**

On June 1, 2012, King County's Metro Transit Division, Department of Transportation, issued a SEPA Determination of Non-significance for the Auburn Park-and-Ride Property Sale. The project includes the sale of a 5.4 acre portion of the Auburn Park-and-Ride Lot at 101 15th St. NE in Auburn, Washington. Metro has determined that the 5.4 acre area is surplus to its needs. The City of Auburn intends to purchase the property for airport-related uses, and there will be subsequent adjustments to the park-and-ride lot to accommodate the change (minor adjustments to landscaping, curbs, lighting, striping, and fencing). King County Metro Transit will have access easements on the property to be sold and will continue to own and operate the remaining 2.9 acres for park-and-ride use with a capacity of about 240 stalls which is sufficient for the maximum use observed at the lot over the past several years.

DATE OF ISSUANCE:

June 1, 2012

END OF COMMENT

PERIOD: June 15, 2012

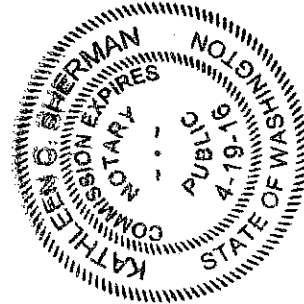
FOR MORE INFORMATION

CONTACT:

Gary Kriedt, Senior Environmental Planner, (206) 684-1166, gary.kriedt@kingcounty.gov

ADDRESS COMMENTS TO:

Gary Kriedt,
Senior Environmental Planner
King County Transit Division
Real Estate/Land Use/
Environmental Planning
201 South Jackson Street,
MS KSC-TR-0431
Seattle, Washington 98104-3856
Published in Auburn Reporter
on June 1, 2012. #631288.



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Districts are required annually to submit the following information regarding their tax levies for the ensuing year as part of a formal resolution of the Board of Commissioners.

THE KING COUNTY ASSESSOR HAS NOTIFIED THE COMMISSIONERS OF THAT THE ASSESSED VALUATION OF PROPERTY LYING WITHIN THE BOUNDARIES OF SAID DISTRICT FOR THE YEAR IS

REGULAR (STATUTORY) LEVY:	\$
EXPENSE FUND	\$
RESERVE FUND	\$
COUPON WARRANT FUND	\$
OTHER (SPECIFY)	\$
G.O. BOND FUND LEVY	\$
SPECIAL LEVIES (SPECIFY YEAR AND PURPOSE OF LEVY)	\$
.....	\$
.....	\$
TOTAL TAXES REQUESTED	\$

THE ABOVE IS A TRUE AND COMPLETE LISTING OF LEVIES FOR SAID DISTRICT FOR THE YEAR AND THEY ARE WITHIN THE MAXIMUMS ESTABLISHED BY LAW." (Ord. 2152 § 2, 1974).

4.48.030 Resolution forwarded to council clerk and assessor. Copies of the resolution shall be forwarded by registered mail to the clerk of the King County council and the King County assessor. (Ord. 2152 § 3, 1974).

4.48.040 Assessed property valuation certified. The King County assessor shall annually certify to junior taxing districts in King County the assessed valuation of property lying within the boundaries of the district for the ensuing year's tax levy by the third Monday after the first Friday in September, except for 1978 levies only, the certification shall be made on or before October 17, 1977. (Ord. 3432 § 2, 1977: Ord. 2152 § 4, 1972).

4.52 DELINQUENT LOCAL IMPROVEMENT ASSESSMENT FORECLOSURE

Sections:

4.52.010 Procedure.

4.52.010 Procedure. Whenever, on the first day of January of any year, two installments of any local improvement assessment are delinquent, or the final installment thereof has been delinquent for more than one year, the manager of the finance and business operations division, shall, on or before the first day of October of such year, proceed with foreclosure of such assessments or installments thereof in accordance with state law. (Ord. 14199 § 88, 2001: Ord. 12076 § 51, 1995).

4.56 REAL AND PERSONAL PROPERTY

Sections:

- 4.56.010 Fair market rental value defined.
- 4.56.020 Property sale authorized generally.
- 4.56.030 Inventory documentation and surplus personal property sales procedures.
- 4.56.035 Accountability for county personal property.
- 4.56.040 Sales of personal property - Value exceeding five thousand dollars.
- 4.56.050 Responsibilities and powers.
- 4.56.060 Real property - Responsibilities.
- 4.56.070 Facilities management division, county departments - responsibilities and powers in declaring county real property surplus.
- 4.56.075 Financial investment properties.
- 4.56.080 Sale of surplus real property - council approval required.
- 4.56.085 Public/private development projects on or with county property.

- 4.56.090 Notice of sale.
- 4.56.095 Emergency waiver of advertisement.
- 4.56.100 Sale of property - Public auction or sealed bid.
- 4.56.103 Electronic equipment sales by county - functioning and good working order required.
- 4.56.105 Distribution during budget process.
- 4.56.110 Cash sales of personal property.
- 4.56.115 Easements - temporary and permanent easements on county property - approval by ordinance - fees.
- 4.56.120 Property trade-ins.
- 4.56.130 Disposition of sale proceeds.
- 4.56.140 Intergovernmental sales and leases of real property.
- 4.56.150 Authority to lease or rent county real property.
- 4.56.152 Acquisition of real property.
- 4.56.160 Manner of awarding lease or rental agreement.
- 4.56.170 Applications for lease.
- 4.56.180 Lease terms.
- 4.56.186 Leasing real property for use by the county.
- 4.56.190 Execution of lease agreement.
- 4.56.195 Disposition of surplus vanpool vehicles from the metropolitan public transportation function by negotiated direct sales.
- 4.56.200 Reservation of powers.
- 4.56.250 Exemption - sales of emission credits offsets or allowances or renewable energy certificates, credits, benefits, environmental air quality credits and similar rights, title or interests held by county in unique circumstances - executive negotiation and council approval required.

4.56.010 Fair market rental value defined. "Fair market rental value" is defined as an amount in the competitive market that a well-informed and willing lessor, who desires but is not required to lease, would accept, and which a well-informed and willing lessee, who desires but is not required to lease, would pay for the temporary use of the premises, after due consideration of all the elements reasonably affecting value. (Ord. 2622 § 2, 1976).

4.56.020 Property sale authorized generally.

A. Whenever it is for the best interests of King County, taxing districts and the people thereof that any part or parcel of property, whether real, personal or mixed, belonging to the county, including tax title land, should be sold, the county shall sell and convey such property under the limitations and restrictions and in the manner provided in this chapter.

B. In making such sales, the county may sell any timber, mineral or other resources on any land owned by the county separate and apart from the land in the same manner and upon the same terms and conditions as provided in this chapter for the sale of real property. However, any such timber, mineral or other resources not exceeding twenty-five hundred dollars in value may be sold as personal property, in the manner provided by this chapter. (Ord. 2622 § 3, 1976).

4.56.030 Inventory documentation and surplus personal property sales procedures. The fleet administration division of the department of transportation shall keep documentation of the county personal property inventory.

A. The fleet administration division shall review the department and agency inventory reports and investigate any large or unusual lost, stolen or unlocatable inventory amounts. The division shall compare current year amounts with previous years and to what is currently on hand. "Large" shall mean any dollar amount equal to, or in excess of, the current capitalization rate.

B. The personal property inventory shall include all items with a capitalization rate equal to or greater than the current capitalization threshold for equipment established in the federal Office of Management and Budget Circular No. A-87, Cost Principles for State, Local, and Indian Tribal Governments. All weapons shall continue to be tracked countywide by the fleet administration division, personal property section. Other below-threshold items that individual departments want to control may be managed at the department level in accordance with guidelines established by the fleet administration division, personal property section.

C. One employee in each department or agency shall be designated as the department's or agency's inventory contact. Property disposal in any department or agency shall be initiated by the inventory contact and approved by the department director or agency head. Documentation shall require the signatures of both the inventory contact and the department director or agency head, as applicable, on the disposition forms sent to the fleet administration division. No transactions will be valid without both signatures.

D. The employees in the fleet administration division who are involved in the inventorying and disposing of county personal property, as designated by the manager of the fleet administration division, and members of their immediate families shall be prevented from purchasing or otherwise participating in the purchase of surplus personal property.

E. At each sale a bidder sign-up sheet shall be posted to indicate whether the bidder is employed by the county, and, if so, in which department or agency, or whether any member of their immediate family is employed by the county and, if so, in which department or agency.

F. The fleet administration division will maintain comprehensive documentation of all personal property sales, including those items specified in RCW 36.32.210, as amended, and will document each deletion or change that is made to the final property sale listing. (Ord. 16225 § 1, 2008: 14199 § 89, 2001: Ord. 12045 § 21, 1995).

4.56.035 Accountability for county personal property. County employees shall be held accountable and responsible for all of the various personal property assigned to them during the course of their employment with the county.

A. Written documentation, by employee, of all changes in assigned capitalized items from the department or agency inventory reports will be recorded at the time of the occurrence and kept in each county department or agency.

B. The fleet administration division shall provide a report of losses to the county council, county administrative officer and office of risk management.

C. The fleet administration division shall recommend to the department or agency director or manager corrective action for all capitalized items lost or misplaced due to employee negligence or misconduct.

D. If the director or manager determines an employee to be negligent in his or her care of the property assigned to him or her or if a terminated employee fails to return personal property assigned to him or her, then the county may pursue any remedy available at law for recovery of loss of property. If a career service employee is disciplined, that employee has the right to the full protection of the county disciplinary-grievance process as established by applicable union bargaining agreements and the county code provisions and administrative guidelines for the career service.

E. The fleet administration division shall be the sole agency responsible for inventorying and disposing of county personal property. (Ord. 14199 § 90, 2001: Ord. 12045 § 20, 1995).

4.56.040 Sales of personal property - Value exceeding five thousand dollars. If the item or lot of surplus personal property carries a depreciated value of not less than five thousand dollars and not more than two hundred fifty thousand dollars in the current inventory, a survey committee will be convened to estimate the market value of an item of personal property, and the committee shall then advise the date, location and manner of sale that is likely to be the most advantageous to the county. The originating department, the manager of the fleet administration division, and the director of the department of transportation are to be represented on each survey committee that is convened. When the survey committee determines that an item or lot of surplus personal property carries a depreciated value of two hundred fifty thousand dollars or more, the county executive shall not dispose of said personal property without prior approval by motion of the council. The motion approved by the council shall state concisely a description of the item or lot of surplus personal property and procedures to be followed by the executive in disposing of the personal property through sale. (Ord. 14199 § 91, 2001: Ord. 12045 § 3, 1995).

4.56.050 Responsibilities and powers. The managers of the fleet administration and facilities management divisions shall have the responsibilities and powers assigned to their respective divisions in K.C.C. chapter 4.56, as amended. (Ord. 14199 § 92, 2001: Ord. 12045 § 2, 1995).

4.56.060 Real property - Responsibilities.

A. Except as otherwise provided in this chapter, the facilities management division, acting under the supervision of the county administrative officer, shall be the sole organization responsible for the administrative processes of acquiring, disposing, inventorying, leasing and managing real property, the legal title of which rest in the name of the county, or which the county manages in a trust capacity.

B. Open space, trail, park, agriculture and other natural resource real properties shall be acquired by the department of natural resources and parks, unless the executive directs the facilities management division to make such acquisitions.

C. Real property and interests in real property necessary for the metropolitan public transportation and metropolitan water pollution abatement functions shall be acquired and managed by the departments of transportation and natural resources and parks, respectively, as set forth in this chapter, unless the executive directs the facilities management division to make such acquisitions and/or manage such properties.

D. County departments shall be responsible for maintaining all real property for which they are the custodian. (Ord. 14199 § 93, 2001: Ord. 12394 § 1, 1996: Ord. 12045 § 4, 1995).

4.56.070 Facilities management division, county departments - responsibilities and powers in declaring county real property surplus.

A. The facilities management division shall, no later than the end of the first quarter of the calendar year, maintain and update a current inventory of all county titled real property with detailed information as to current departmental custodianship and as to the characteristics that determine its economic value and potential uses. However, all county roads shall be excluded from this section.

B. No later than April 1 of each calendar year, each department shall submit a report to the facilities management division on the status of all real property for which the department is the custodian and include in the report any change in use or status since the previous year's report.

C. County departments shall be required to report no later than April 1 of every year to justify departmental retention of all real property for which the department is the custodian to the facilities management division.

1. If in the judgment of the facilities management division a county department cannot justify the retention of real property for which it is the custodian or if a department determines that real property is surplus to its needs, the facilities management division shall determine whether any other county department has a need for the property that is related to the provision of essential government services, including, but not limited to, services for the public health, public safety or services related to transportation, water quality, surface water or other utilities. If the property is not needed for the provision of essential government services, the facilities management division shall then determine if the parcel is suitable for affordable housing. If it is deemed suitable for housing the county shall first attempt to make it available or use it for affordable housing in accordance with K.C.C. 4.56.085 or 4.56.100. Suitable for affordable housing for the purpose of this section means the parcel is located within the Urban Growth Area, zoned residential and the housing development is compatible with the neighborhood. If the property is not deemed suitable for the purposes described in this subsection C.1., then it shall be determined whether any other department has a need for the parcel.

2. If another department can demonstrate a need for the real property, custodianship of the real property shall be transferred to that department without any financial transaction between present and future custodial organizations, except as required by RCW 43.09.210, as amended, or under grants.

3. If another department cannot demonstrate a need for the real property, the real property shall be declared surplus to the future foreseeable needs of the county and may be disposed of as set forth in this chapter.

D. The facilities management division shall review and make recommendations to the executive for uses other than the sale of surplus real property before a decision by the executive to dispose of such properties through sale. Other possible uses that shall be considered by the division in accordance with this chapter are:

1. Exchanges for other privately or publicly owned lands that meet the county's land needs;
2. Lease with necessary restrictive covenants;
3. Use by other governmental agencies;
4. Retention by the county if the parcel is classified as floodplain or slide hazard property;
5. Use by nonprofit organizations for public purposes; and
6. Long-term lease or sale for on-site development of affordable housing.

E. The facilities management division in consultation with the department of community and human services shall, no later than July 1 of each year, submit a report to the council identifying surplus county real property suitable for the development of affordable housing. Affordable housing for the purpose of this chapter means residential housing that is rented or owned by a person:

1. Who is from a special needs population and whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household's monthly income; or
2. Who qualifies as a very low-income, low-income or moderate-income household as those terms are defined in RCW 43.63A.510.

F. A park or recreational facility located in a potential annexation area may be transferred to the city designated to annex the area in which the park or recreational facility is located without being subject to this section, but any such a transfer must require that the park or recreational facility shall be used in perpetuity for park or recreation purposes unless other equivalent lands or facilities within the county or the city are received in exchange therefore and the replacement lands or facilities are used in perpetuity for park or recreation purposes.

G. The facilities management division shall review and make recommendations to the county executive regarding the surplus of any property, property rights and rights in property that are acquired by the department of natural resources and parks in accordance with Ordinance 14699, Section 2, 4 or 7*, no more than thirty days after receiving a written notice from the department of natural resources and parks that the property is surplus to the needs of siting or constructing the Brightwater wastewater treatment

plant. Upon approval by the council of an ordinance authorizing the disposal of property acquired in accordance with Ordinance 14699, Section 2, 4 or 7*, the facilities management division shall consult with the department of natural resources and parks to determine the timing for disposal of this property. (Ord. 14699 § 6, 2003: Ord. 14561 § 23, 2002: Ord. 14431 § 1, 2002: Ord. 14199 § 95, 2001: Ord. 12394 § 2, 1996: Ord. 12045 § 5, 1995).

*Reviser's note: Ordinance 14699, Section 7, amended K.C.C. 4.56.080.

4.56.075 Financial investment properties.

A. The facilities management division shall determine which real properties within the inventory of county-owned properties are defined by this section. These properties are currently not needed for county use but are held to provide a financial return to the county. It is the ultimate objective of the county to dispose of this type of property. Disposal should not occur until optimal market conditions exist for maximizing financial return to the county.

B. All properties within this category shall have an initial value established by an appraisal or, in lieu of this appraisal, a value shall be established by the facilities management division.

C. Except as provided in subsection E. of this section, all properties with values of less than five hundred thousand dollars shall be revalued by the facilities management division every three years from when the initial value was established until the property is disposed of. If a property increases in value to more than \$500,000 it is subject to the provisions in subsection D. of this section.

D. All properties with values of greater than five hundred thousand dollars shall be valued by an independent appraiser. Except as provided in subsection E. of this section, these properties shall be revalued every three years from when the initial value was established.

E. When existing leases provide for rental adjustments at greater than three year intervals, the reevaluations required by subsections C. and D. of this section shall be performed no more than one year prior to the scheduled rental adjustment.

F. All appraisals shall address the following factors:

1. Current market conditions and trends which affect the value of the property;
2. Potential market conditions;
3. Value of any improvements on the property;
4. Impact on property value of temporary and permanent encumbrances upon the property such as leases, easements and any other arrangement which encumbers any portion of the property; and
5. Any other factors which, in the professional judgment of the appraiser, affect the value of the property.

G. A proposal to dispose of a property in this category shall be based upon an appraisal which has been performed within the past twelve months. A property shall be sold if analysis of its income producing potential and current market sales conditions demonstrates that a greater return to the public will be provided through sale of this property.

H. Properties in this category shall be disposed of in accordance with Ordinance 12045 [and] K.C.C. 4.56.100. In no case shall a property be sold for less than its appraised value or a value that reflects the income producing analysis required in subsection G. of this section, whichever is higher. The appraised value shall be established by an independent appraisal which has been completed within six months of the sale of this property.

I. In order to ensure that properties in this category that are retained by the county provide the optimal return, all lease renewals and extensions shall be authorized by ordinance. Any financial investment property that is under consideration for sale or exchange shall be evaluated by the executive for suitability to support transportation, and for each parcel that is proposed to be sold, a report containing the evaluation for transportation purposes shall be transmitted to the council with the necessary legislation authorizing disposal of the property. (Ord. 15569 § 1, 2006: Ord. 14199 § 95, 2001: Ord. 12045 § 6, 1995).

4.56.080 Sales of surplus real property - council approval required.

A. The approval of the council by ordinance is required before the executive disposing of county-titled real property through sale, the sale being recommended as a result of real property having been declared as surplus in compliance with the provisions of this chapter; though property with an apparent value of less than ten thousand dollars shall be excluded from this section.

B. If any property, property rights or rights in property are acquired by the department of natural resources and parks in accordance with Ordinance 14699, Section 2, 4 or 7*, and are later determined to be surplus to the department of natural resources and parks's needs, the council shall take action on a proposed ordinance authorizing the disposal of this property within sixty days of transmittal by the executive. (Ord. 14699 § 7, 2003: Ord. 12045 § 7, 1995).

*Reviser's note: Ordinance 14699, Section 7, amended K.C.C. 4.56.080.

4.56.085 Public/private development projects on or with county property.

A. The office of business relations and economic development shall assist the department of executive services to determine the potential public/private uses of county owned real and personal property.

B. The department of executive services shall assist county departments in capital facilities planning and, in collaboration with the office of business relations and economic development, investigate the feasibility of, and when feasible, facilitate, public/private partnerships in the use of county property, in accordance with K.C.C. 4.56.070. These investigations shall include such actions as:

1. Preparing market and financial feasibility studies, holding public meetings and preparing recommendations;

2. Briefing the executive and council;

3. Soliciting developer proposals;

4. Selecting the developer;

5. Obtaining council approval;

6. Negotiating the developer agreement; and

7. Monitoring the development and use of assets.

C. The office of business relations and economic development shall provide assistance to other county departments to determine if real property or other assets may be managed for economic development purposes or administered in a manner that will provide revenue to the county. (Ord. 14561 § 24, 2002; Ord. 14199 § 96, 2001; Ord. 12394 § 3, 1996).

4.56.090 Notice of sale. Except as provided in paragraphs A.1 through A.6 of Section 4.56.100, when the county elects to sell property, the county shall advertise to the extent which the county deems necessary to effect an advantageous sale. Such advertising for real or personal property with a value in excess of one thousand dollars shall include publishing a notice in a legal newspaper at least once a week for two consecutive weeks, the last notice to appear no more than five days prior to the date of the auction or bid opening. An advertisement of sale of county property must particularly describe the property to be sold and designate the day, hour, and place of sale. When real property is to be sold, the advertisement of sale must contain both the street address, if available, and the legal description of the part and parcel. If real property is offered for sale on other than a cash basis, the terms must be stated in the advertisement. (Ord. 12045 § 8, 1995).

4.56.095 Emergency waiver of advertisement.

A. In the event of an emergency when the public interest or property of the county would suffer material injury or damage by delay, upon declaring the existence of such emergency and reciting the facts constituting the same the executive may waive the requirements of Section 4.56.090 with reference to any sale provided, that such exemption shall only apply to property having a value of less than fifty thousand dollars. The executive shall report, in detail, such emergency sale to the council within thirty days of declaring an emergency.

B. Should an emergency require the sale of property in excess of fifty thousand dollars, any such sale shall be approved by motion of the council, accompanied, if necessary, by ordinance declaring an emergency, following the executive's recommendation. The executive's recommendation shall include such statements as are necessary to fully explain the emergency. All sales of property involving an emergency circumstance shall be approved by the county executive. (Ord. 12045 § 9, 1995).

4.56.100 Sale of property - public auction or sealed bid.

A. All sales of real and personal property shall be made to the highest responsible bidder at public auction or by sealed bid except when:

1. County property is sold to a governmental agency;

2. The county executive has determined an emergency to exist; or the county council, by ordinance, has determined that unique circumstances make a negotiated direct sale in the best interests of the public;

3. County real property is traded for real property of similar value, or when county personal property is traded for personal property of similar value;

4. The facilities management division has determined that the county will receive a greater return on real property when it is listed and sold through a residential or commercial real estate listing service;

5. County personal property is traded in on the purchase of another article;

6. Property has been obtained by the county through the proceeds of grants or other special purpose funding from the federal or state government, wherein a specific public purpose or purposes are set forth as a condition of use for the property, that purpose or purposes to be limited to the provision of

social and health services or social and health service facilities as defined in chapter 43.83D RCW, and it is deemed to be in the best interest of the county, in each instance, upon recommendation by the county executive and approval by the county council, that in order to fulfill the condition of use, the county may sell or otherwise convey the property in some other manner consistent with the condition of use; however, the county may only convey the property to private, nonprofit corporations duly organized according to the laws of the state of Washington, which nonprofit corporations are exempt from taxation under 26 U.S.C. Sec. 501(c) as amended, and which nonprofit corporations are organized for the purpose of operating social and health service facilities as defined by chapter 43.83D RCW;

7. The county property is sold for on-site development of affordable housing which provides a public benefit, provided that the developer has been selected through a request for proposals;

8. It is deemed to be in the public interest to restrict the use of the project for provision of social or health services or such other public purposes as the county deems appropriate;

9. The facilities management division for real property and the fleet administration division for personal property, in consultation with the county executive and the county council, may, in the best interests of the county, donate or negotiate the sale of either county surplus personal property or real property, or both, with bona fide nonprofit organizations wherein the nonprofit organizations provide services to the poor and infirm or with other governmental agencies with whom reciprocal agreements exist. Such transactions shall be exempt from the requirements of fair market value, appraisal, and public notice. Where a department has identified personal property that is appropriate for surplus to nonprofit organizations, the department shall utilize the fleet administration division to manage the surplus process, and fleet administration shall ensure that the personal property is in good working order, that county data and inventory tags are removed and that consistent records of donations and sales are retained. The facilities management division or fleet administration division, as applicable, also may, in the best interest of the county, procure services to support King County in lieu of payment with nonprofit organizations who provide services that will benefit the public. Such transactions are based upon the recommendation of the facilities management division or fleet administration division, as applicable, and the department having custodianship of the property. The facilities management division or fleet administration division, as applicable, shall maintain a file of appropriate correspondence or such information which leads to a recommendation by the division to the county executive and the county council to undertake such transactions, and such information shall be available for public inspection at the facilities management division or fleet administration division, as applicable. The facilities management division or fleet administration division, as applicable, may also seek reimbursement from the benefiting organization for the administrative costs of processing the surplus property;

10. The county property is a retired passenger van being made available in accordance with subsection D. of this section; or

11. The county property is located in a historic preservation district within the Urban Growth Area and is sold to a nonprofit corporation or governmental entity for one-site mixed use development consistent with historic preservation requirements, which includes affordable housing and which may also include market rate housing, retail or other uses, and which is selected after a competitive request for proposal process.

B. The county may, if it deems such action to be for the best public interest, reject any and all bids, either written or oral, and withdraw the property from sale. The county may then renegotiate the sale of withdrawn property, providing the negotiated price is higher than the highest rejected bid.

C. In any conveyance of real property that requires construction of affordable housing in development of the property, the executive shall include covenants so that:

1. At least with respect to that construction, the prevailing rate of wage, as defined in RCW 39.12.010, shall be required to be paid to all worker classifications for which the state Department of Labor and Industries has established a prevailing rate of wage; and

2. At least with respect to that construction, state-certified apprentices for construction shall be required to be used across the trades, including women, at-risk youth or people of color, with a fifteen percent apprentice utilization goal.

D. Whenever the procedures of a grant agency having an interest in real or personal property requires disposition in a manner different from the procedures set forth in this chapter, the property shall be disposed of in accordance with the procedures required by this chapter unless the grant agency specifically requires otherwise.

E. Each year, the transit division shall make available retired passenger vans for exclusive use by nonprofit organizations or local governments that are able to address the mobility needs of low-income, elderly or young people or people with disabilities. Each agency selected to receive a van must enter into an agreement with King County that provides that the agency will accept the van "as is" without guarantee or warranty expressed or implied and shall transfer title as prescribed by law before use. The council shall allocate the vans by motion to nonprofit organizations or local governments based upon the following criteria:

1. Demonstrated capacity to support ongoing van operation, including assured funding for

licensing, insuring, fueling and maintaining the van;

2. Ability to provide qualified and trained drivers;

3. Specific plans for use of the van to transport low-income, elderly or young people or people with disabilities, and assurance that the use shall be available to those persons without regard to affiliation with any particular organization;

4. Geographic distribution of the van allocations in order to address the mobility needs of low-income, elderly or young people or people with disabilities countywide; and

5. Ability to support county's public transportation function by reducing single occupancy vehicle trips, pollution and traffic congestion; supplementing services provided by the county's paratransit system and increasing the mobility for the transit-dependent for whom regular transit might not always be a convenient option. (Ord. 17085 § 3, 2011: Ord. 16659 § 1, 2009: Ord. 15546 § 2, 2006: Ord. 15044 § 3, 2004: Ord. 14199 § 97, 2001: Ord. 12989 § 1, 1998: Ord. 12394 § 4, 1996: Ord. 12045 § 10, 1995).

4.56.103 Electronic equipment sales by county - functioning and good working order

required. In any sale by the county of electronic equipment, including, but not limited to, monitors, televisions, central processing units, circuit boards, power supplies, laptop computers, peripherals, video cassette recorders, digital video discs, cables, keyboards, mice, fax machines, printers, cell phones, telephones and stereos, the equipment shall be functioning and in good working order. (Ord. 17085 § 1, 2011).

4.56.105 Distribution during budget process. K.C.C. 4.56.100A.9 shall not preclude the council from directing the distribution of surplus real and/or personal property during the county's annual budget process. (12989 § 3, 1998).

4.56.110 Cash sales of personal property. Sales of personal property must be for cash, certified check or cashier's check, except when it is transferred to a governmental agency, traded in on the purchase of another article, or traded for another article of similar value. (Ord. 2622 § 12, 1976).

4.56.115 Easements - temporary and permanent easements on county property - approved by ordinance fees.

A. The executive is authorized to execute utility easements, bills of sale or related documents necessary for the installation, operation and maintenance of utilities to county property, provided that the documents are reviewed and approved by the custodial department or agency and the real estate services section of the facilities management division. Temporary and permanent easements for utility purposes other than service to county property may be granted by the executive if the easements will not interfere with or hinder the use of the property by the custodial department or agency though the utility easements that exceed fifty thousand dollars in value shall be subject to prior approval by ordinance. Any other permanent easements granted by the county shall be subject to prior approval by ordinance when the value of the easement would exceed fifty thousand dollars. A party requesting a new easement, amended easement or easement transfer shall pay an easement application fee of three thousand dollars as reimbursement to the real estate services section for the administrative costs and expenses incurred in the processing of the easement. The easement application fee is payable at the time the easement is requested from the real estate services section. The easement application fee and other fees are not refundable, even if the application is disapproved or not executed by the applicant. In addition, the real estate services section shall have the authority to require applicants to reimburse the real estate services section for the actual costs incurred by the real estate services section as a result of the grant, issuance or renewal of amendment of an easement, to the extent the costs exceed the costs of processing the easement application recovered by the applications fee. The payment of actual costs balances shall be made at the time of the easement issuance.

B. The executive is authorized to relinquish any easements granted to the county which are determined to be surplus to the county's foreseeable needs or to trade an easement for real property or easements of a similar nature and value, though relinquishments of easements where the county spent more than \$50,000 in their acquisition shall be subject to prior approval by ordinance. (Ord. 16295 § 2, 2008: 14199 § 98, 2001: Ord. 12045 § 11, 1995).

4.56.120 Property trade-ins.

A. King County may trade in property belonging to the county or to any taxing district within King County when purchasing other property. If the county elects to trade in property, it shall include in its call for bids on the property to be purchased a notice that the county has for sale or trade-in property of a specified type, description and quantity which will be sold or traded in on the same day and hour that the bids on the property to be purchased are opened. Any bidder may include in its offer to sell, an offer to accept the designated county property in trade by setting forth in the bid the amount of such allowance.

B. In determining the lowest and best bid, the county shall consider the net cost to the county after trade-in allowances have been deducted. The county may accept the bid of any bidder without trade-in of the county property, but may not require any such bidder to purchase the county property without awarding the bidder the purchase contract. Nothing in this section shall bar anyone from making an offer for the purchase of the used equipment independent of a bid on the new equipment, and the county shall consider such offers in relation to the trade-in allowances offered to determine the net best sale and purchase combination for the county. (Ord. 2622 § 13, 1975).

4.56.130 Disposition of sale proceeds.

A. The county organizations responsible for conducting sales shall be reimbursed for advertising, postage and selling fees, if any, from the proceeds of the sale. The manager of the finance and business operations division is authorized to establish such funds and accounts necessary to deposit sale proceeds until final disposition. The balance of the proceeds shall be deposited into the proper county fund or account, as directed by the facilities management division, the fleet administration division or the county council, as applicable. On transactions with gross sale proceeds of two hundred fifty thousand dollars or greater that are to accrue to the current expense fund, ten percent of the gross sale proceeds are to be deposited into the arts and cultural development fund.

B. In no case shall the title be transferred until the purchase price has been fully paid. (Ord. 14260 § 1, 2001: Ord. 14199 § 99, 2001: Ord. 12045 § 12, 1995).

4.56.140 Intergovernmental sales and leases of real property.

A. The county may dispose of or lease county real property to another governmental agency and may acquire property for the county from another governmental agency by negotiation, upon such terms as may be agreed upon and for such consideration as may be deemed by the county to be adequate.

B. Prior to intergovernmental disposal of real property with an estimated value greater than the amount set forth in RCW 39.33.020, as amended, public notice and hearing shall be provided in accordance with such statute. (Ord. 14199 § 100, 2001: Ord. 12045 § 13, 1995).

4.56.150 Authority to lease or rent county real property.

A. If it appears that it is in the best interests of the county, the county may lease any county real property and its appurtenances for a year or a term of years under the limitations and restrictions and in the manner provided in this chapter.

B. The county may lease county real property and its appurtenances in accordance with subsection A of this section whether the property was acquired by tax deed under foreclosure proceedings for nonpayment of taxes or the property is held or acquired in any other manner.

C. Any lease executed under this section creates a vested interest and a contract binding upon the county and the lessee.

D. The county may enter into rental agreements for a term less than one year, including month-to-month rental agreements, on terms and conditions that are in the best interest of the county. All rental agreements for a term less than one year are subject to approval by the executive based on recommendations of the facilities management division. Rental agreements for a term less than one year are exempt from the appraisal, and notice requirements pertaining to leases for a year or more. The facilities management division shall maintain a file of appropriate correspondence or other information that leads to a recommendation by the facilities management division to the county executive to enter into such an agreement. The information shall be available for public inspection at the facilities management division for one year after termination of the tenancies.

E.1. The county may enter into agreements for the use of county property with bona fide nonprofit organizations or with another governmental agency if the property is to be used in any one or more of the following ways:

- a. for a medical training and research facility connected with a county hospital; or
- b. by the nonprofit organization or governmental agency for affordable housing;
- c. by the nonprofit organization or government agency to make improvements to the county property; or
- d. by the nonprofit organization or government agency to provide services that will benefit the public.

2. The agreements are exempt from the requirements of fair market value, appraisal and notice. The agreements are subject to the approval of the executive, based upon recommendation of the facilities management division and the department having custodianship of the property subject to the agreement. The facilities management division shall maintain a file of appropriate correspondence or other information that leads to a recommendation by the division to the county executive to enter into such an agreement. The information shall be available for public inspection at the facilities management division for one year after termination of the tenancies.

F. For rental or lease agreements for parks and recreation facilities, the natural resources and

parks department shall have the authorities and responsibilities specified in subsections D and E of this section for the facilities management division. County council approval is not required for rental or lease agreements for parks and recreational facilities with an original term of five years or less. For the purposes of this subsection, "original term" includes extensions that could be effective without county approval. Revenue derived from rentals and leases of parks and recreation facilities shall be applied solely to parks and recreation purposes. (Ord. 14509 § 35, 2002: Ord. 14199 § 101, 2001: Ord. 12394 § 5, 1996: Ord. 12045 § 14, 1995).

4.56.152 Acquisition of real property. In acquiring real property or interests in real property, county departments and agencies shall comply with requirements as may be established from time to time by the council and with state and federal laws and regulations as they may apply. The provisions of chapter 8.26 RCW related to acquisition and relocation assistance shall apply to such acquisitions unless for a project or program the council determines otherwise by ordinance. (Ord. 12045 § 18, 1995).

4.56.160 Manner of awarding lease or rental agreement.

A. Except as provided in K.C.C. 4.56.150 D and E, and subsections D and E of this section, fair market rental value, as defined in K.C.C. 4.56.010, shall be the basis for all leases of county real property. All leases will be awarded upon the best terms and conditions available to the county.

B. Except as provided in subsections D and E of this section, when the county authorizes a new lease, or the renewal of a lease once executed and delivered, the facilities management division shall make an appraisal of the fair market rental value of such property, and such fair market rental value will serve as the basis for the new lease or renewal. After the review, the manager of the facilities management division shall determine whether the new lease, or renewal of an existing lease, is to be awarded by competitive bidding or by negotiation with interested parties without bidding. New leases shall be awarded by competitive bidding unless the manager of the facilities management division determines it is advantageous to the county to negotiate without bidding. In the event the county negotiates the award of lease contracts, the facilities management division shall submit to the executive the reasons for recommending award through negotiation rather than competitive bidding. At the option of the executive, competitive bidding may be required. The county shall give notice of its intention to execute a lease by publishing a notice in a legal newspaper at least once a week for the term of two weeks. The notice so published shall adequately describe the property to be leased and shall contain a notice that a copy of the lease is available for public inspection at the facilities management division. Such notice requirement shall not apply to leases or renewals awarded through competitive bidding or in accordance with subsections D and E of this section. Every new lease, or extension, modification or renewal of a lease, once executed and delivered, shall be signed or caused to be signed by the county executive, in accordance with Section 320.20 of the King County Charter, following analysis and recommendations of the manager of the facilities management division and the county department having custodianship of the property. After awarding of the new lease, modification, extension or renewal, a copy of the instrument as executed and delivered shall be available for public inspection at the facilities management division.

C. When the county elects to lease its property pursuant to public bidding, the county shall advertise to the extent which the county deems necessary to effect an advantageous lease. Such advertising shall include publishing a notice in a legal newspaper at least once a week for three consecutive weeks, the last notice to appear no more than five days prior to the date of the auction or bid opening. When a lease of county real property is awarded through competitive bidding, the lease shall be awarded to the highest responsible bidder; provided, that whenever there is reason to believe that the highest acceptable bid is not the best rental obtainable, all bids may be rejected and the county may call for new bids or enter into direct negotiations to achieve the best possible rental. Each bid, with the name of the bidder, shall be recorded by the facilities management division, and each record, with the name and address of the successful bidder and the amount of the successful bid, shall, after the awarding of the lease, be open to public inspection at the facilities management division. In determining the highest responsible bidder, in addition to rental, the following elements shall be given consideration:

1. The financial responsibility of the bidder, and references therefor;
2. The previous and existing compliance by the bidder with the terms of other leases of county real property and the laws relating thereto; and
3. Such other information as may be secured relevant to the decision to award the lease.

D. If property was obtained by the county through the proceeds of grants or other special purpose funding from either the federal or state government, or both, in which a specific public purpose or purposes are set forth as a condition of use for such property, the purpose or purposes are to be limited to the provision of social and health services or social and health services facilities as defined in chapter 43.83D RCW, and upon recommendation by the county executive and approval by the county council, the facilities management division may obtain and lease out the property pursuant to such terms and conditions as are consistent with said purposes; provided, that in the event such property is leased pursuant to the provisions of this subsection, the lessee(s) shall be limited to private, nonprofit

corporations duly organized according to the laws of the state of Washington, which are exempt from taxation under 26 U.S.C. Section 501(b) as amended and which are organized for the purpose of operating social and health services facilities as defined by chapter 43.83D RCW.

E. If the county desires to have a building for its use erected on land owned or to be acquired by the county, the facilities management division may lease the land for a reasonable rental; provided, that the county shall lease back the building or a portion thereof for the same term as established for the land lease. The leases shall include the following provisions:

1. No part of the cost of construction of the building shall ever be or become an obligation of King County;

2. King County shall have a prior right to occupy any or all of the building upon payment of rent as agreed upon by the parties, which rent shall not exceed prevailing rates for comparable space;

3. During any time that all or any portion of the building is not required for occupancy by King County, the lessee of the land may rent the unneeded portion to suitable tenants approved by King County; and

4. Upon expiration of the leases, all buildings and improvements on the land shall become the property of King County. (Ord. 14199 § 102, 2001: Ord. 13125 § 1, 1998: Ord. 12394 § 7, 1996: Ord. 12045 § 15, 1996).

4.56.170 Applications for lease.

A. Applications to lease county real property shall be submitted to the facilities management division.

B. The right is reserved by the county to require that a deposit of a reasonable amount accompany all applications or bids to lease county real property. If a deposit is required, all deposits upon the same lease shall be of equal amount. The deposit shall be in the form of a certified check or cashier's check, or may be paid in cash. In case the lands applied for are leased at the time of application, the deposit shall be returned to the applicant; but if the party making application fails or refuses to comply with the terms of his/her application and to execute the lease, the deposit shall be forfeited to the county, and deposited in the current expense fund. (Ord. 14199 § 103, 2001: Ord. 12045 § 16, 1995).

4.56.180 Lease terms.

A. The county may lease real property for a term of years and upon such terms and conditions as may be deemed in the best interests of the public and the county. A lease shall not be for a longer term in any one instance than ten years, except as follows:

1. If the county determines it to be in the best interest of the county, real property necessary to the support or expansion of an adjacent facility may be leased to the lessee of the adjacent facility for a term to expire simultaneously with the term of the lease of the adjacent facility, but not to exceed thirty-five years;

2. If the county determines it to be in the best interest of the county, if the property to be leased is improved or is to be improved and the value of the improvement is or will be at least equal to the value of the property to be leased, the county may lease the property for a term not to exceed thirty-five years;

3. If the property to be leased is to be used for public recreation and police training purposes, for parks and recreation purposes, for a hospital or a medical training and research facility, for a childcare facility to be improved with full or partial funding from a government-sponsored childcare bonus program, for the county's own use in accordance with a lease or leaseback arrangement entered into under K.C.C. 4.56.160.E. or for major airport, industrial, office or other commercial purposes or transit-oriented development, requiring extensive improvements, the county may lease the property for a term equal to the estimated useful life of the improvements, but not to exceed fifty years; unless the property is leased to a public housing authority or nonprofit organization in accordance with RCW 36.34.135, in which case the term may extend to seventy-five years; and

4. Leases entered into under K.C.C. 4.56.160.D. may extend for the period of years necessary to amortize the special purpose funds, not to exceed twenty-five years.

B. The lessee shall not improve or alter the leased property in any manner without the prior written consent of the county, but shall, before making improvements or alterations, submit plans and designs for the improvement or alteration to the county for approval. If the plans and designs are disapproved, the improvements or alterations shall be made only with such changes as may be required by the county. Unless otherwise stipulated, all improvements or alterations erected or made on the leased property shall, on expiration or sooner termination of the lease, belong to the county without compensation to the lessee, but the county shall have the option, to be exercised on expiration or sooner termination of this lease, to require the lessee to remove any or all of the improvements or alterations. If the lessee fails substantially to make the improvements or alterations required by the lease, the lease shall be terminated and all rentals paid shall be forfeited to the county.

C. Except for lease or leaseback arrangements entered into under K.C.C. 4.56.160.E., any lease made for a period longer than five years shall contain provisions requiring the lessee to permit the rents to be adjusted and fixed by the county every five years, but any lease may provide for more frequent readjustments. If the lease permits the county to adjust the rent, the county shall give the lessee written notice of the adjusted rent, in accordance with the terms of the lease. The rent as adjusted shall take effect thirty days after the date of the notice unless the lessee, within thirty days following the receipt of the notice from the county, gives the county written notice of the lessee's rejection of the adjusted rent. If the lessee and the county cannot agree upon the rental readjustment, the rent shall be adjusted by arbitration. For arbitration, the lessee and the county shall each select one disinterested arbitrator and the two selected arbitrators shall select a third. If the two arbitrators have not selected a third arbitrator within thirty days after the selection of the last selected of the two, either the lessee or the county shall apply to the presiding judge of the superior court for King County for the appointment of a third arbitrator. Each arbitrator must be a member of the American Institute of Real Estate Appraisers, the Society of Real Estate Appraisers or other appraisal society or association having equivalent ethical and professional standards. If a licensing requirement for real estate appraisers is imposed by any legislative body, each arbitrator shall also be so licensed. The three arbitrators shall determine a fair rent for the premises based upon the fair market rental value of the property, as defined in K.C.C. 4.56.010. The decision of a majority of the arbitrators shall bind both the lessee and the county. At the conclusion of the arbitration, the arbitrators shall submit written reports to the lessee and the county. The cost of the arbitration shall be divided equally between the lessee and the county.

D. Except as provided in K.C.C. 4.56.150.D. and E. and 4.56.160.D., the rent of all leases of county real property shall be based upon fair market rental value, as defined in K.C.C. 4.56.010.

E. No lease shall be assigned or subleased without the assignment or sublease being first authorized by the county in writing. All leases, when drawn, shall contain this provision.

F. Notwithstanding the other provisions of this chapter and following such procedures as may be determined appropriate by the council, the executive may enter into long-term master leases of county property under which developers: would develop the property into office and other space required or approved by the county; would lease some of space back to the county and may lease space unneeded by the county to private or public entities for private or public uses as approved by the county council; and would convey all leasehold improvements to the county at the expiration or termination of the master leases. A master lease shall be subject to approval by the council. (Ord. 16745 § 4, 2010: Ord. 14509 § 36, 2002: Ord. 13599 § 1, 1999: Ord. 13125 § 2, 1998: Ord. 12045 § 17, 1995).

4.56.186 Leasing real property for use by the county. The executive is authorized to lease real property for use by the county consistent with the applicable provisions of the King County Charter and K.C.C. 4.04 and as may be authorized within appropriations approved by the council. In leasing real property for use by the county, the executive shall assess the needs of county departments and agencies and determine which real property best accommodates such needs. (Ord. 12045 § 19, 1995).

4.56.190 Execution of lease agreement.

A. Upon the decision of the county to lease the lands applied for, a lease shall be executed in duplicate to the lessee by the county executive or his designee, which lease shall also be signed by the lessee. The lease shall describe the property conveyed, and the terms of payment.

B. The request for proposal or invitation to bid documents, for all new leases of real property for a term exceeding five years, must be approved by the King County council, prior to the advertisement and issuance of the request for proposal or invitation to bid.

C. For all leases having an original term exceeding five years, amendments which would extend the term by more than five years, or increase the area leased by more than twenty percent, or require construction of improvements which would cost at least fifty percent of the estimated value of the property leased, or substantially change the overall use of the leased property, must be approved by the King County council prior to execution by the King County executive. (Ord. 7724, 1986: Ord. 7579, 1986: Ord. 2622 § 20, 1976).

4.56.195 Disposition of surplus vanpool vehicles from the metropolitan public transportation function by negotiated direct sale. In addition to disposing of surplus vanpool vehicles from the metropolitan public transportation function by public auction or sealed bid as provided elsewhere in this chapter, the county may dispose of such vehicles by negotiated direct sale if the fleet administration division determines such disposition method will likely yield higher returns to the county than the public auction or sealed bid methods.

A. The county may use the services of a broker under contract to the county to conduct such negotiated direct sales. If such sale will be conducted by a broker, the broker shall be selected and a contract awarded in accordance with the negotiated procurement policies set forth in K.C.C. chapter 4.16. The provisions of the broker contract shall include the following:

1. The broker shall provide notice to the public of the availability of the vehicles;
2. The broker shall receive a commission as negotiated with the county and set forth in the broker contract;
3. The term of the broker contract may be for greater than one year but shall not exceed three years; and
4. The county reserves the right to transfer or sell vehicles outside of the broker contract to governmental, quasi-governmental and social service agencies and other parties selected by the executive or the council, as applicable, and in the event of such transfers or sales, shall owe no commission or other payments to the broker except to the extent the broker has incurred costs related to vehicles provided to the broker but subsequently withdrawn from the broker by the county.

B. Drivers of vanpool vehicles, as consideration for driving the vehicles, shall receive a credit against the purchase price of vanpool vehicles. The credit for drivers shall not exceed one thousand dollars based on a credit of twenty dollars for each month as a driver. The manager of the transit division of the department of transportation shall determine the credit earned by each driver and submit such determination to the manager of the fleet administration division. (Ord. 14199 § 104, 2001: Ord. 12192 § 1, 1996).

4.56.200 Reservation of powers. King County reserves all powers now or hereafter granted to counties by RCW Chapter 36.34. (Ord. 2622 § 21, 1976).

4.56.250 Exemption - sales of emission credits offsets or allowances or renewable energy certificates, credits, benefits, environmental air quality credits and similar rights, title or interests held by county in unique circumstances - executive negotiation and council approval required. Sales of rights, title or interests in emissions credits, offsets or allowances or renewable energy certificates, credits, benefits, environmental air quality credits and any similar rights, title or interests held by the county are exempt from the real and personal property requirements of this chapter when unique circumstances are present. Such sales may be made in the best interests of the public to a person or entity through a direct agreement negotiated by the county executive and approved by the county council. (Ord. 17022 § 2, 2011).

4.57 CONCESSION CONTRACTS FOR RECREATIONAL FACILITIES

Sections:

- 4.57.005 Definitions.
- 4.57.010 Authorization to negotiate and enter into contracts, general authority.
- 4.57.020 Terms of contract.
- 4.57.030 Maintenance and capital improvements.
- 4.57.040 Compliance with laws and regulations.
- 4.57.050 Prices and fees.
- 4.57.060 Public use of facility.
- 4.57.070 Insurance.
- 4.57.080 Indemnity and hold harmless.
- 4.57.090 Limited provision.

4.57.005 Definitions. For the purposes of this chapter, unless the context clearly requires otherwise:

- A. The definitions in K.C.C. 7.01.010 apply; and
 - B. "Concessionaire" means a person who has entered into a concession contract with the county.
- (Ord. 14509 § 37, 2002).

4.57.010 Authorization to negotiate and enter into contracts, general authority. The executive or the director of the department of natural resources and parks, if designated by the executive may on behalf of the county negotiate and enter into concession contracts with any person. The contract should provide that the person receiving the concession has the primary responsibility for operating, managing and maintaining any facility used during the term of the contract. (Ord. 14509 § 38, 2002: Ord. 14199 § 105, 2001: Ord. 12076 § 52, 1995).

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September 20, 2012

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

Dear Councilmember Gossett:

This letter transmits an ordinance recommending approval of a sale to the City of Auburn (Auburn) of a surplus 3.81 acre portion of the 8.3 acre Auburn Park-and-Ride (Auburn PNR) parking lot. The property is located at 101 15th Street NE, which is the southwest corner of 15th Street NE and A Street NW in Auburn (District 7). The 3.81 acre portion that was declared surplus on July 12, 2012, is in the northwest area of that lot and is part of parcel 000080-0022.

As we understand the transaction, Auburn plans to simultaneously resale the acreage to an aircraft parts supplier, Orion Industries, for development of a manufacturing plant. Orion was recently recognized by Boeing as its 2011 Outside Manufacturer of the Year. We also understand that Auburn will reserve drainage easements for its own use and possibly aviation-related “clear zone” easements over portions of the acreage.

The King County Department of Transportation, Transit Division (Transit) confirms that the remaining downsized Auburn PNR will adequately serve current and anticipated future demand. The Auburn PNR was originally purchased with Federal Urban Mass Transportation Administration and State funds in 1976. Sale proceeds from this transaction will be utilized for future Federal Transit Administration eligible projects in compliance with applicable regulations (FTA Circular 5010.1C, Chapter II, Paragraph 2.c.(1) and (2)).

The purchase price for the proposed sale to Auburn is \$1,566,500, based on the appraised fair market value of the property. The purchase and sale agreement, drafted with the assistance of the Prosecuting Attorney’s Office, provides for easements to preserve existing transit access, lighting, and drainage rights to safeguard continued operation of the remaining Auburn PNR facility.

A mandatory State Environmental Policy Act (SEPA) review was performed and a determination of nonsignificance issued on June 1, 2012. No comments were received during the comment period.

In addition to the purchase of this parcel, the City of Auburn has committed to the purchase of an additional 1.58 acres of land within the Auburn PNR for the purpose of extending Auburn's Municipal Airport Runway. Auburn advises that it will likely move forward with that purchase request within the next 18 months, allowing time for the Auburn Airport Master Plan to be completed and a new Capital Improvement Project to be agreed to by the Federal Aviation Administration. Auburn chose to move forward with the purchase of the 3.81 acre site at this time to allow Orion Industries to begin construction as quickly as possible.

The proposed sale furthers the goals of the King County Strategic Plan by building lasting regional partnerships, supporting the County's park-and-ride program, continuing to provide good customer service to our transit customers, and exercising sound financial stewardship for this real estate asset. The sale also supports the mission of the King County Aerospace Alliance by providing land for aerospace development. In summary, the proposed sale furthers a variety of unique economic opportunities that benefit King County and our customers, the City of Auburn and the local economy.

Thank you for your consideration of this ordinance. If you have any questions, please feel free to contact Kathy Brown, Director, Facilities Management Division, at 206-296-0630.

Sincerely,

Dow Constantine
King County Executive

Enclosures

cc: King County Councilmembers
ATTN: Michael Woywod, Chief of Staff
Anne Noris, Clerk of the Council
Fred Jarrett, Deputy County Executive, King County Executive Office (KCEO)
Carrie S. Cihak, Chief Advisor Policy and Strategic Initiatives, KCEO
Dwight Dively, Director, Office of Performance, Strategy and Budget
Harold Taniguchi, Director, Department of Transportation (DOT)
Kevin Desmond, Manager, Transit Division, DOT
Caroline Whalen, County Administrative Officer, Department of Executive Services (DES)
Kathy Brown, Director, Facilities Management Division, DES

FISCAL NOTE A

Ordinance/Motion No. 00-	
Title: Sale of a Portion of the Auburn Park-and-Ride Lot (portion of Parcel 000080-0022)	
Affected Agency and/or Agencies:	Metro Transit Division & FMD - Real Estate Services
Note Prepared By:	Kate Donley - Real Estate Services
Note Reviewed By:	Carolyn Mock - Real Estate Services & Libby Krochalis - Metro Transit

Impact of the above legislation on the fiscal affairs of King County is estimated to be:

Negotiated Sale Price	\$1,566,500
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Revenue To:

Fund/Agency	Fund Code	Revenue Source	Current Year	1st Year	2nd Year	3rd Year
RES	0010	Sale of Real Property	47,593.95	0	0	0
Metro Transit	3641	Sale of Real Property	1,518,906.05	0	0	0
TOTAL			1,566,500	0	0	0

Expenditures From :

Fund/Agency	Fund	Department	Current Year	1st Year	2nd Year	3rd Year
Metro Transit (deducted from sale proceeds)			48,736.58	0	0	0
TOTAL			48,736.58	0	0	0

Expenditures Categories:

Details of Costs to be Deducted from Sale Proceeds:

	Current Year	1st Year	2nd Year	3rd Year
<u>Sale Marketing Expense</u>	46,995.00	0	0	0
<u>Miscellaneous Fees</u>				
First American Title escrow & recording fees (includes \$75 est. for recording fees)	1,142.63	0	0	0
title report - RES original report	598.95	0	0	0
TOTAL		48,736.58	0	0