

ORDINANCE No. 111745

COUNCIL BILL No. 104210

AN ORDINANCE relating to the City's Westlake properties; authorizing the execution of a contract of sale with Rouse-Seattle, Inc., for the disposition of the City's Westlake properties.

Decd # 19039-5ec^{Abc} Ord # 111352

June 6, 1984 - HOLD
June 15, 1984 - DO PASS

COMPTROLLER FILE No.

Introduced: APR 16 1984	By: EXECUTIVE REQUEST
Referred: APR 16 1984	To: Urban Redevelopment
Referred:	To:
Referred:	To:
Reported: JUN 18 1984	Second Reading: JUN 18 1984
Third Reading: JUN 18 1984	Signed: JUN 18 1984
Presented to Mayor: JUN 19 1984	Approved: JUN 28 1984
Returned to City Clerk: JUN 28 1984	Published:
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

Law Department

The City of Seattle--Legislative Department

REPORT OF COMMITTEE

Honorable President:

Your Committee on URBAN REDEVELOPMENT

to which was referred the within Council Bill No. 104210

report that we have considered the same and respectfully recommend that

DO PASS

REC'D OMB JUN 16 1984

Committee Chair

The City of Seattle--Legislative Department

REPORT OF COMMITTEE

URBAN REDEVELOPMENT

referred the within Council Bill No. 104210
have considered the same and respectfully recommend that the same:

PASS

Committee Chair

The City of Seattle--Legislative Department

Date reported
and Adopted

REPORT OF COMMITTEE

Ident: URBAN REDEVELOPMENT
on

referred the within Council Bill No. 104210
have considered the same and respectfully recommend that the same:

PASS

Committee Chair

ORD. 111745 -AMENDMENTS & RE TO ...

ORD. 111984 -Re to Dept. of Community Development, makes reimbursable approp. from the Emergency Fund to pay the cost of establishing preliminary design, performance standards & the current costs of relocating the monorail terminal, etc.

111745

ORDINANCE

AN ORDINANCE relating to the City's Westlake properties;
authorizing the execution of a contract of sale with
Rouse-Seattle, Inc., for the disposition of the City's
Westlake properties.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. As requested by the Mayor in the attachments
hereto, the Mayor is hereby authorized for and on behalf of
The City of Seattle to execute a contract of sale with
Rouse-Seattle, Inc., for the disposition of the City's
Westlake properties, i.e.:

Fee Simple Estates in:

Lot 1, Block 1, Addition to the Town of Seattle as
laid off by the Heirs of Sarah A. Bell, deceased
(commonly known as Heirs of Sarah A. Bell's
Addition to the City of Seattle), according to plat
recorded in Volume 1 of Plats, page 103, in King
County, Washington;

EXCEPT the Westerly 12 feet of said lot condemned
by the City of Seattle in King County Superior
Court Cause No. 52280, for the widening of Fourth
Avenue, as provided by Ordinance 13778 of said
City; and

EXCEPT the Southeasterly 7 feet of said lot con-
demned by the City of Seattle, in King County
Superior Court Cause No. 57057 for the widening of
Pine Street as provided by Ordinance 14500 of said
City; and

EXCEPT the portion of said lot condemned by the
City of Seattle, in King County Superior Court
Cause No. 36118 for the establishing of Westlake
Avenue as provided by Ordinance No. 7733 of said
City.

Lot 3, Block 1, Addition to the Town of Seattle as
laid off by the Heirs of Sarah A. Bell, deceased
(commonly known as Heirs of Sarah A. Bell's
Addition to the City of Seattle), according to plat
recorded in Volume 1 of Plats, page 103, in King
County, Washington;

EXCEPT the Westerly 12 feet of said lot condemned
by the City of Seattle in King County Superior
Court Cause No. 52280 for the widening of Fourth
Avenue, as provided by Ordinance 137376 of said
City;

1 All those portions of Lots 8, 9, 10 and 11, Block
2 1, Addition to the Town of Seattle as laid off by
3 the Heirs of Sarah A. Bell, deceased (commonly
4 known as Heirs of Sarah A. Bell's Addition to the
5 City of Seattle), according to plat recorded in
6 Volume 1 of Plats, page 103, in King County,
7 Washington; lying Westerly of the West line of
8 Westlake Avenue, as condemned by the City of
9 Seattle in King County Superior Court Cause No.
10 36118 for the establishing of Westlake Avenue as
11 provided by Ordinance 7733 of said City.

12 Those portions of Lots 10, 11 and 12, Block 1,
13 Addition to the Town of Seattle as laid off by the
14 Heirs of Sarah A. Bell, deceased (commonly known as
15 Heirs of Sarah A. Bell's Addition to the City of
16 Seattle), according to plat recorded in Volume 1 of
17 Plats, page 103, in King County, Washington, lying
18 Easterly of the East line of Westlake Avenue as
19 condemned by the City of Seattle in King County
20 Superior Court Cause No. 36118 for the establishing
21 of Westlake Avenue as provided by Ordinance 7733 of
22 said City;
23 EXCEPT the Southeasterly 7 feet of said Lot 12 con-
24 demned by the City of Seattle in King County
25 Superior Court Cause No. 57057 for the widening of
26 Pine Street as provided by Ordinance 14500 of said
27 City.

28 Leasehold interest (Ground Lease) in:

Lot 2, Block 1, Addition to the Town of Seattle as
laid off by the Heirs of Sarah A. Bell, deceased
(commonly known as Heirs of Sarah A. Bell's
Addition to the City of Seattle), according to plat
recorded in Volume 1 of Plats, page 103, in King
County, Washington;
EXCEPT the Westerly 12 feet of said lot condemned
by the City of Seattle in King County Superior
Court Cause No. 52280 for the widening of Fourth
Avenue, as provided by Ordinance 13776 of said
City; and
EXCEPT the portion of said lot condemned by the
City of Seattle in King County Superior Court Cause
No. 36118 for the establishing of Westlake Avenue
as provided by Ordinance No. 7733 of said City

substantially in the form attached hereto as Exhibit 1 and
entitled "Contract For Sale of Property."

Section 2. The disposition of the Westlake properties
is not subject to the procedures identified in Resolution
26358, such disposition having been the subject of intensive
review and deliberation by the City Council's special
Westlake Committee.

(To be used for all Ordinances except Emergency.)

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

Passed by the City Council the 18th day of June, 1984,
and signed by me in open session in authentication of its passage this 18th day of June, 1984.

Harmond R...
President of the City Council.

Approved by me this 28th day of June, 1984.

Charles Royer
Mayor.

Filed by me this 28th day of June, 1984.

Attest: *Jim Hill*
City Comptroller and City Clerk.

(SEAL)

Published _____ By *Theresa Dunbar*
Deputy Clerk.

City of Seattle

Executive Department-Office of Management and Budget

Gary Zarker, Director
Charles Royer, Mayor



April 11, 1984

The Honorable Douglas Jewett
City Attorney
City of Seattle

Dear Mr. Jewett:

The Mayor is proposing to the City Council that the enclosed legislation be adopted.

REQUESTING
DEPARTMENT: Community Development

SUBJECT: An ordinance relating to the City's Westlake properties; authorizing the execution of a contract of sale with Rouse-Seattle, Inc., for the disposition of the City's Westlake properties.

Pursuant to the City Council's S.O.P. 100-014, the Executive Department is forwarding this request for legislation directly to your office for review and drafting.

After reviewing this request and drafting appropriate legislation:

- File the legislation with the City Clerk for formal introduction to the City Council as an Executive Request.
- Do not file with City Council but return the proposed legislation to OMB for our review. Return to _____.

Sincerely,

Charles Royer
Mayor

By

Handwritten signature of Gary Zarker in black ink.

GARY ZARKER
Budget Director

GZ/gk/cbb

Enclosure

cc: Director, DCD

CONTRACT FOR SALE OF PROPERTY

THIS AGREEMENT made on or as of the _____ day of _____, by and between The City of Seattle, a municipal corporation of the State of Washington, having its office at the Seattle Municipal Building, 600 Fourth Avenue, in The City of Seattle, Washington (hereinafter called "City"), and Rouse-Seattle, Inc., a Maryland corporation (hereinafter called "Purchaser").

I. RECITALS

WITNESSETH:

WHEREAS, the "Westlake Project" as defined and authorized by Seattle City Council Ordinance 108591 in October, 1979, could not proceed due to judicial invalidation of the City's exercise of its condemnation powers for such a project; and

WHEREAS, in its efforts to implement the project authorized by Ordinance 108591 the City acquired through negotiated sale a significant amount of property in the Westlake area of Seattle, Washington, between Pine Street and Olive Way and Fourth and Fifth Avenues (hereinafter called "Westlake Property"); and

WHEREAS, any further action in the Westlake area must not only be compatible with the City's goals for the area but must also recognize both fiscal and legal constraints; and

WHEREAS, pursuant to Resolution 26780 establishing a procedure for disposing of the Westlake Property an ad hoc citizens' advisory committee reviewed responses to the City's Request for Proposal as contained in the Prospectus issued _____, a copy of which is attached hereto as Exhibit A; and

WHEREAS, pursuant to Resolution 26883, directing the Mayor, through the Seattle Department of Community Development, to explore further two of the proposals submitted in response to the City's Request for Proposal, the ad hoc citizens' advisory committee recommended to the Mayor and the City Council acceptance of the Proposal of Purchaser, a copy of which is attached hereto as Exhibit B (hereinafter called "Proposal") to develop the Westlake Property; and

WHEREAS, the Mayor, having reviewed the recommendation of the ~~ad hoc citizens' advisory committee~~, has likewise recommended to the City Council its acceptance of Purchaser's Proposal; and

WHEREAS, after full deliberation, including a public hearing and review of the Final Environmental Impact Statement prepared for and in anticipation of the Seattle Executive Department's proposed disposition and control of development of the Westlake Property, the City Council determined that the disposition of the Westlake Property pursuant to this Agreement and as set forth herein would be responsive to the above-referenced goals and restraints; and

WHEREAS, the City Council therefore authorized the sale and conveyance of Westlake Property pursuant to this Agreement;

NOW, THEREFORE, the parties hereto, for and in consideration of the promises and the mutual obligations herein undertaken, do hereby agree as follows:

II. CONVEYANCE OF PROPERTY

Section 1. The Property. Subject to all of the terms and conditions of this Agreement, the City agrees to sell to Purchaser and Purchaser agrees to purchase from the City all of the City's

right, title and interest in and to that certain real property located in The City of Seattle more particularly described as follows:

Fee Simple Estates in:

Lot 1, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 103, in King County, Washington;
EXCEPT the Westerly 12 feet of said lot condemned by the City of Seattle in King County Superior Court Cause No. 52280, for the widening of Fourth Avenue, as provided by Ordinance 13778 of said City; and
EXCEPT the Southeasterly 7 feet of said lot condemned by the City of Seattle, in King County Superior Court Cause No. 57057 for the widening of Pine Street as provided by Ordinance 14500 of said City; and
EXCEPT the portion of said lot condemned by the City of Seattle, in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance No. 7733 of said City.

Lot 3, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to the plat recorded in Volume 1 of Plats, page 103, in King County, Washington;
EXCEPT the Westerly 12 feet of said Lot condemned by the City of Seattle in King County Superior Court Cause No. 52280 for the widening of Fourth Avenue, as provided by Ordinance 137376 of said City;

All those portions of Lots 3, 9, 10 and 11, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, Page 103, in King County, Washington; lying Westerly of the West line of Westlake Avenue, as condemned by the City of Seattle in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance 7733 of said City.

Those portions of Lots 10, 11 and 12, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 1203, in King County, Washington, lying easterly of the east line of Westlake Avenue as condemned by the City of Seattle in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance 7733 of said City; EXCEPT the southeasterly 7 feet of said Lot 12 condemned by the City of Seattle in King County Superior Court Cause No. 57057 for the widening of Pine Street as provided by Ordinance 14500 of said City.

Also subject to all of the terms and conditions of this Agreement, the City agrees to sell and assign to Purchaser and Purchaser agrees to purchase and take from the City all of the City's right, title and interest in and to that certain Statement of Lease Agreement dated November 15, 1945 by and between F. S. Stimson Corporation, as lessor, and Edison Washington Stores, Inc., as lessee, as assigned to the City by [describe assignment agreement] dated _____ by and between _____ and the City (herein collectively called "Ground Lease"), a copy of which is attached hereto as Exhibit C, which Ground Lease has a term expiring on July 31, 1998 (subject to extension by the lessee thereunder to a term expiring on July 31, 2028) and _____ conveys to the City a leasehold interest in and to that certain real property located in the City of Seattle and more particularly described as follows:

Lot 2, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 103, in King County, Washington; EXCEPT the Westerly 12 feet of said lot condemned by the City of Seattle in King County Superior Court Cause No. 52280 for the widening of Fourth

Avenue, as provided by Ordinance 13776 of said City; and EXCEPT the portion of said lot condemned by the City of Seattle in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance No. 7733 of said City.

The property described in this Section 1, together with any and all other rights, interests and property to be conveyed by the City to Purchaser pursuant to this Agreement, and hereinafter collectively called "Property".

Section 2. The City's Representations and Warranties as to Title. The City represents and warrants that:

A. Except for the property leased to the City under the Ground Lease, the City owns the property described in Section 1 of this Agreement in fee simple, free and clear of all adverse claims, liens, encumbrances, covenants, restrictions, defects or clouds on title, other than the matters shown in Exhibit D, and that the City alone has the right, power and authority to convey to Purchaser good and marketable title to the same pursuant to this Agreement; and

B. The City owns the Ground Lease and a valid and indefeasible leasehold interest in the property covered thereby (as more particularly described in Section 1 hereof), which Ground Lease (i) is in full force and effect without amendment or default by any party thereto and (ii) has a current term which extends to July 31, 1998 with a validly existing right in the City to extend such term to July 31, 2028; that the Ground Lease and all rights of the lessee thereunder are assignable to Purchaser upon the conditions set forth

therein; that the property covered by the Ground Lease is free and clear of all adverse claims, liens, encumbrances, covenants, restrictions, defects or clouds on title, other than the matters shown on Exhibit D-1; that no party to the Ground Lease has any right of offset or defense against the full enforcement of the Ground Lease and that the City alone has the right, power and authority to sell and assign to Purchaser the Ground Lease and the City's entire leasehold interest in the property covered thereby subject to the conditions of the Ground Lease and pursuant to this Agreement; and

C. That Purchaser's purchase, development and use of the Property pursuant to this Agreement (and subject to Purchaser's obtaining necessary master use permits and building permits) is consistent with and not in violation of any and all applicable Federal, State, Municipal, governmental agency or quasi-governmental agency statutes, charters, laws, codes, rules, rulings, ordinances, orders, programs, guidelines and/or regulations.

Section 3. Consideration. The City will sell and Purchaser will buy the Property for the consideration consisting of:

A. The covenants, promises and undertakings of the Purchaser contained in Article III, and;

B. Payment to the City of the sum of Seven Million Eight Hundred Thousand Dollars (\$7,800,000.00) payable as follows:

- (1.) One Hundred Thousand Dollars (\$100,000.00) paid by certified check or other form of immediately useable funds within seven (7) days of written notification of selection by the Council of the City of Seattle of Purchaser as the party to purchase and develop the Property pursuant to this Agreement. This amount is in addition to the Twenty-five Thousand Dollars (\$25,000.00) paid responsive to the Prospectus and applied to the purchase of the Property.

(2.) An additional Six Hundred Fifty-five Thousand Dollar (\$655,000.00) payment made either by certified check, an irrevocable letter of credit or other form of immediately useable funds or any combination thereof upon execution of this Agreement; and

(3.) The remainder of said purchase price at time of conveyance of the Property as provided in Section 4. Payment shall be made either in cash, by certified check, or other form of immediately useable funds.

C. Payment to the City of the sum of One Million Dollars (\$1,000,000) as consideration for the City's relocation of utility facilities pursuant to Section 8C below.

Section 4. Conveyance.

A. Upon payment of the amounts set forth in Section 3B and 3C above on or prior to settlement as herein provided, and subject to all of the conditions of sale set forth in Article III, the City shall convey title to the Property by statutory warranty deed (hereinafter called "Deed") and Assignment of Ground Lease in form satisfactory to Purchaser (hereinafter called "Assignment") free and clear of all adverse claims, liens, encumbrances, covenants, restrictions, defects or clouds on title, except those set forth in Exhibits D or D-1, respectively or referred to elsewhere in this Agreement. The grantee of the Deed and the assignee of the Ground Lease shall be Rouse-Seattle, Inc., or its assignee pursuant to Section 18 hereof.

B. Upon payment at settlement hereunder of the purchase price the City shall provide Purchaser with a commitment for the issuance by _____ or such other title insurer as is acceptable to Purchaser (in Purchaser's sole discretion) of an ALTA

Form B Owner Policy of title insurance in the amount of \$8,800,000, acceptable to Purchaser and insuring at regular rates Purchaser's good and marketable fee simple and, if applicable, leasehold title to Property, and the City shall pay the costs of said title insurance commitment and policy and for the necessary State Revenue Stamps. A preliminary title report respecting the Property is attached hereto as Exhibit E, and the above-referenced title insurance commitment and policy shall be subject only to the matters shown on Exhibits D and D-1 and such other matters as Purchaser shall approve in writing.

C. By reason of the requirements of RCW 65.08.095, which provides as follows:

"Conveyance of fee title by public bodies. Every conveyance of fee title to real property hereafter executed by the state or by any political subdivision or municipal corporation thereof shall be recorded by the grantor, after having been reviewed as to form by the grantor, at the expense of the grantee at the time of delivery to the grantee, and shall constitute legal delivery at the time of filing for record."

the procedure for delivery of the Deed by the City and for payment to the City by Purchaser of that portion of the consideration set forth in Sections 3B and 3C consisting of cash, certified check or other immediately useable funds, shall be as follows:

1. The Deed shall be prepared by the City and submitted to Purchaser for approval, which Deed shall be substantially in conformance with a Deed which is attached hereto and incorporated herein by reference and marked as Exhibit F.

2. Upon agreement by the City and Purchaser as to the form and content of the Deed, Purchaser shall endorse its approval thereupon and return the same to the City.

3. The City shall cause the Deed and Assignment to be executed and thereupon delivered to the _____ or such other party as is mutually acceptable to the City and Purchaser (hereinafter "Escrow Agent") with instructions to record the same on behalf of the grantor City when:

- a) Schematic Plans and Design Development Plans Plans (as hereinafter defined) are submitted by the Purchaser and approved by the City as provided in Section 10; and
- b) Satisfactory evidence of equity capital and/or commitments for construction financing are submitted to the City as provided for in Section 12; and
- c) Satisfactory evidence of Purchaser's acquisition or control of long-term outstanding property interests is submitted to the City as provided in Section 7B; and
- d) The City shall have obtained the grant of the petition for the vacation of Westlake Avenue as provided for in Section 8B; and
- e) The City shall have completed the relocation of utilities as provided in Section 8C; and
- f) The City shall have delivered to Purchaser the title insurance commitment referenced in Section 4B above and evidence satisfactory to Purchaser that, as of the date of recordation of the Deed, there is no litigation pending or threatened against the City challenging the right and/or authority of the City and/or Purchaser to cause the acquisition and development of the Property pursuant to this Agreement (including but not limited to any litigation challenging the City's execution of this Agreement, the performance of its obligations hereunder, the validity of any Environmental Impact Statement or other Federal, state or local environmental requirements, or compliance therewith); and
- g) Purchaser has deposited with the Escrow Agent certified check(s) or made available immediately useable funds payable to the City of Seattle in a sum representing (i) the full amount of the letter of credit, if any,

identified in Section 3B(2) (in which event such letter of credit shall be returned to Purchaser) and (ii) the remainder of the amounts set forth in Sections 3B and 3C (\$8,020,000.00) less interest credited against such sum pursuant to Section 5B;

- h) Purchaser and the City shall have executed and delivered to the Escrow Agent for recordation immediately following recordation of the Deed, the Monorail Easement as provided for in Section 7C1; and
- i) The Board of Directors of Purchaser shall have ratified Purchaser's execution of this Agreement pursuant to Section 47.

The conditions set forth in clauses a) through i) above are for the mutual benefit of the City and Purchaser and cannot be waived by either of them unless waived by both. In addition to the foregoing, at Purchaser's option, the following shall be conditions of recordation and the Escrow Agent shall not record the Deed and Assignment until:

- j) Construction Plans (as hereinafter defined) are submitted by Purchaser and approved by the City as provided in Section 10, unless Purchaser shall fail to submit Construction Plans within four hundred fifty (450) days following Purchaser's acquisition of long-term outstanding property interests as provided in Section 7B in which event the condition set forth in this clause j) shall no longer apply; and
- k) Purchaser shall have obtained all governmental permits and/or approvals necessary for Purchaser to construct the Improvements.

4. The Escrow Agent shall be instructed to instruct in turn the King County Office of Records and Elections (County Recorder) to mail the original of the Deed and Assignment, following recording, to Purchaser. All instructions to the Escrow Agent pursuant to this Section 4 shall be in writing, executed by the City, Purchaser and

the Escrow Agent and shall contain such additional terms and conditions as are mutually agreeable to the City and Purchaser. The escrow fee and any other amounts charged by or reimbursed to the Escrow Agent in connection with this closing shall be paid one-half each by the Purchaser and City.

5. Prior to conveyance of the Property by recordation of the Deed and Assignment, the City shall pay, as applicable, any and all taxes, assessments, license fees, and public charges levied or imposed on the Property. After such conveyance the Purchaser shall pay all such charges. All such charges shall be adjusted between the City and Purchaser as of the date of recordation of conveyance.

Section 5. Good Faith Deposit.

A. The payments identified in Sections 3B1 and 2 shall be known as the Deposit and shall be security for the performance of the obligations of Purchaser to be performed prior to either (i) the return of the Deposit to Purchaser, (ii) its retention by the City as liquidated damages, or (iii) its application on account of the purchase price, as the case may be, in accordance with the terms of this Agreement.

B. Any portion of the Deposit that is made in the form of cash will be placed by the City in an interest bearing savings account mutually acceptable to the City and Purchaser, and such interest when received by the City shall be credited to Purchaser's obligation to purchase or otherwise disposed of as provided herein.

C. In the event of termination of this Agreement as provided in Section 27A-D herein, the Deposit, including all interest payable thereon shall be retained by City.

D. In the event Purchaser notifies the City as provided in Section 47 that the Board of Directors of Purchaser has failed or refused to ratify Purchaser's execution of this Agreement or in the event of termination of this Agreement as provided in Section 26A, B, C, E, or F or 27E, G or H herein, the Deposit including all interest payable thereon shall be returned to Purchaser by the City.

E. In the event of termination of this Agreement solely for the reasons as provided in Section 26D, or Section 27F herein, the Deposit, including all interest payable thereon, shall be divided between Purchaser and the City Two Hundred Twenty-five Thousand Dollars (\$225,000.00) to the City and the remainder of the Deposit to Purchaser.

III. CONDITIONS OF SALE

Section 6. Restrictions on Land Use. For a period of not less than fifty (50) years following the date of this Agreement, Purchaser agrees for itself, its successors and assigns, and for every successor in interest to the Property, or any part thereof, and the Deed shall by condition or covenant so require, to abide by the restrictions in the development of the Property specified in Exhibit G, "Permitted Uses", attached hereto and by this reference incorporated herein.

Section 7. Obligations of Purchaser. As part of the consideration for the conveyance of the Property to Purchaser, Purchaser shall:

A. Use its reasonable efforts to enter into an agreement with the Seattle Department of Community Development within one hundred eighty (180) days following execution of this Agreement, respecting Purchaser's construction of a permanent monorail terminal for use by the public at a location south of Olive Way. The agreement shall include a mutually acceptable scope of work and performance standards for design and shall provide for demolition of the existing station, piers, and columns; new track and supports; installation of a switching device; new station platform; associated pedestrian access; and a temporary monorail terminal (if necessary as hereinafter provided). The agreement shall further provide: (i) that Purchaser shall bear the cost of constructing such permanent monorail terminal (and temporary monorail terminal, if necessary), until such time as the total cost of such construction (including but not limited to design and engineering cost to be reimbursed by the City as provided below) exceeds \$2,128,000; (ii) that Purchaser and the City shall bear equally all such construction cost, if any, in excess of \$2,128,000 until such time as the cost exceeds \$2,500,000, with Purchaser having no cost obligation thereafter; and (iii) that, to the extent Urban Mass Transit Administration funds are available to the City for such purpose, the City shall reimburse Purchaser for 80% of the cost, as certified by an officer of Purchaser, which is incurred by Purchaser in connection with design and engineering work associated with construction of the permanent monorail terminal and its incorporation into the Improvements, as hereinafter defined, provided that the City's total reimbursement to Purchaser for such work pursuant to this clause (iii) shall not exceed \$263,000. Pursuant to such agreement, Purchaser shall use reasonable efforts to undertake such construction of the permanent terminal (including construction of a temporary terminal, if necessary) in a manner so as not to interrupt monorail service to the Property for any period of more than fifteen (15) consecutive days and to minimize interruption of service during peak ridership days. The agreement shall further provide that the specific location of the terminal shall be approved by the City, and that design and construction of the permanent monorail terminal shall be sufficient to accommodate twenty-four (24) hour access by monorail riders. The Agreement shall also provide that Purchaser shall keep adequate books and records with respect to the cost of construction of the permanent public monorail terminal and any temporary monorail terminal, and that the City shall have the right to inspect such books and records at Purchaser's regular place of business, during Purchaser's regular business hours and upon reasonable prior notice to Purchaser, and provided that Purchaser shall not be required to

maintain separate books and records regarding such monorail costs.

- B. Within one hundred eighty (180) days following execution of this Agreement Purchaser shall use its reasonable efforts to acquire at a reasonable cost an interest in both the fee simple interest in Lot 2 of Block 1 and the long-term lease to which Lot 1 of Block 1 is subject, or to obtain control of such interests (by the acquisition of purchase options or otherwise) sufficient to ensure the use of such properties in the development of the Property by Purchaser. The adequacy of the interests acquired and evidence of such acquisition shall be subject to the approval of the City, which approval shall not be unreasonably withheld or delayed. If it acquires such interests Purchaser shall undertake to provide the City with a right of first refusal to acquire such interests itself in the event of termination of this Agreement pursuant to Section 26 or 27 or in the event of reversion of the Property to the City pursuant to Section 28.
- C. In order to provide for the maintenance, use and operation of the public monorail terminal to be constructed by Purchaser pursuant to the agreement referenced in Section 7A above, and to provide that such terminal will serve effectively as part of the existing monorail system serving downtown Seattle, Purchaser agrees that, within one hundred twenty (120) days following execution of the agreement referenced in Section 7A, Purchaser shall:
1. use its reasonable efforts to enter into an easement agreement (the "Monorail Easement") with the City (to be delivered to the Escrow Agent for recordation as provided in Section 4C3), whereby Purchaser, as owner of the Property shall grant to the City and its invitees and users of the monorail system an easement for access to the public monorail terminal for the purpose for which such monorail terminal is designed during all hours of operation of the monorail system and for so long as the monorail system shall be in operation, subject to (a) the reasonable maintenance and operational requirements of Purchaser and (b) termination of the Monorail Easement should the City discontinue operation of the monorail system for reasons other than those necessary for the repair and maintenance of such monorail system, for a continuous period in excess of sixty (60) days; and

2. use its reasonable efforts to enter into an agreement with the City setting forth (i) Purchaser's maintenance, repair and security obligations respecting the public monorail terminal (excluding the tracks, switching equipment or other equipment located within the monorail terminal or constituting part of the monorail system and necessary or appropriate for the regular operation of monorail trains), (ii) the obligations of the City respecting regular reimbursement to Purchaser for costs and expenses incurred by Purchaser pursuant to such maintenance, repair and security obligations, (iii) respecting the use, maintenance, repair and operation (including security) by the City of the monorail system, all portions thereof outside the monorail terminal and all track, switching equipment and other equipment within such monorail terminal as is necessary or appropriate for the regular operation of monorail trains, and (iv) setting forth the respective insurance obligations of Purchaser and the City regarding the permanent monorail terminal and monorail system and the liability of Purchaser and the City in the event of damage to property and/or personal injury in connection with the use and operation of such permanent monorail terminal and monorail system.

Section 8. Obligations of City.

A. Upon execution of this Agreement, Purchaser and its agents shall have the right but not the obligation to enter upon the Property to conduct engineering tests and complete surveys thereon or to engage in any other preliminary activity approved by the City which approval shall not be unreasonably withheld or delayed, all at the sole cost and expense of the Purchaser, and subject to such permits as may be required. The City shall not be liable for any damages to Purchaser, its agents, or property which may result from such activities, and Purchaser will hold the City harmless from any loss or damage resulting from injury to agents and/or invitees of Purchaser with respect to such activities.

B. The City shall, consistent with all applicable statutes, ordinances, and procedures, promptly review the petition submitted by the Seattle Department of Community Development for the vacation of Westlake Avenue abutting the Property as identified in Section 1 and the alley portion between Lots 2 and 3 and 10 of Block 2 as identified in Exhibit H attached hereto and by this reference incorporated herein. The City shall use reasonable efforts to complete such review not later than one hundred twenty (120) days following execution of this Agreement. If the vacation petition is granted, such vacated portion shall be included in the conveyance to Purchaser in consideration for the amounts set forth in Section 3B and 3C.

C. The City shall, upon execution of this Agreement, begin the process for the relocating of all utilities other than telephone facilities presently located in Westlake Avenue which relocation is necessary for the City's conveyance of an unfragmented parcel including the Property and that portion of Westlake Avenue to be vacated pursuant to Section 8B above. The City shall commence construction necessary for such relocation within one hundred eighty (180) days following execution of this Agreement and shall complete such relocation prior to conveyance or that date which is eighteen (18) months following execution of this Agreement, whichever is earlier. Such relocation shall be compatible with Purchaser's development of the Property and its relationship with adjacent properties, including but not limited to underground pedestrian connections with the three (3) department stores presently located adjacent to the Property.

D. The City assumes sole responsibility for the obligations set forth in Sections 8B-C above, and the City shall pay all costs associated with the relocation of persons or businesses necessitated by the City's acquisition of its Westlake Property with Federal funds (included but not limited to any duties and/or payments to persons displaced by development of the Property and imposed pursuant to Federal, state, or local relocation assistance regulations).

E. Promptly following execution of the Monorail Easement by Purchaser, the City shall execute such Monorail Easement and return it to Purchaser for delivery to the Escrow Agent. In addition the City shall reimburse Purchaser for those design and engineering costs associated with construction of the permanent monorail terminal and any temporary monorail terminal and shall bear its portion of any costs of construction of such permanent and/or temporary monorail terminal in excess of \$2,128,000, as more fully identified and provided in Section 7A above.

F. Purchaser and the City recognize that the City intends to construct a public park on the property south of Pine Street and including lots 1, 4 and 5 of Block 19, and the City and Purchaser shall use reasonable efforts to cooperate with each other to cause such public park to be constructed on or prior to completion of Purchaser's construction of the Improvements, provided that neither party shall have any obligation hereunder with respect to the construction or completion of such public park. Without limiting the generality of the foregoing, the parties recognize and agree that the City has no obligation under this Agreement to acquire, through condemnation or otherwise, the fee interests in said lots 1, 4 and 5

of Block 19 for the construction of such public park, and a failure on the part of the City to do so shall not constitute a breach or default under this Agreement or give rise to any right of termination or other rights hereunder.

Section 9. Effect of Covenants; Period of Duration.

A. The Deed shall be worded so as to effectuate the intent of the parties hereto that the covenants or conditions provided in Section 6 shall run with the land for a period of not less than fifty (50) years following execution of this Agreement and such covenants and conditions shall inure to the benefit and shall be enforceable by, the City, its governmental successors and permitted assigns, against and to the burden of Purchaser, its successors and permitted assigns, and every successor in interest to the Property or to any part thereof or to any interest therein, and any party in possession or occupancy of the Property or any part thereof.

B. In the event Purchaser or its successors or assigns, and the City or its governmental successors and assigns agree, the covenants or conditions contained in Article III, may be amended or deleted, and the agreement of no other person or entity shall be required for such amendment or deletion. The City's agreement to such amendment or deletion shall be by ordinance and not otherwise.

IV. IMPLEMENTATION OF PROPOSAL

Section 10. Plans for Construction of Improvements. Plans and specifications of the redevelopment of the Property and the construction of improvements thereon shall be in substantial conformity with this Agreement, the Prospectus, the Proposal and all applicable State and local laws and regulations. Following execution

of this Agreement, and as specified in Subsections A, B, C and G below, Purchaser shall submit to the City for its approval, plans, drawings, specifications (which plans, drawings and specifications, together with any and all changes therein that may thereafter be made and submitted to the City are hereinafter collectively called "Schematic Plans", "Design Development Plans", and "Construction Plans"), the proposed construction schedule and such related documents as the City may reasonably request with respect to the improvements to be constructed by Purchaser on the Property, in sufficient completeness and detail at each design phase to show that such improvements and construction thereof will be in accordance with the provisions of this Agreement.

Submission of Schematic Plans, Design Development Plans and Construction Plans by Purchaser and approval of such plans by City shall be undertaken as follows:

A. Schematic Plans

Following execution of this Agreement and Purchaser's acquisition of outstanding long-term property interests pursuant to Section 7B, and in any event no later than one hundred fifty (150) days after Purchaser's acquisition of such property interests, Purchaser shall submit to the City its Schematic Plans. Such plans shall be deemed approved unless the Purchaser is notified of the contrary within 15 days from Schematic Plans submission. If the City disapproves the Schematic Plans, the City shall so notify Purchaser of its rejection in writing and state the specific reasons therefor. Purchaser shall either resubmit corrected Schematic Plans to the City within 30 days following such notification from the City, for City

approval, or incorporate such corrections as are requested by the City in Design Development Plans, but in either case will promptly inform the City of its intent in writing.

B. Design Development Plans

As promptly as reasonably practicable after approval of the Schematic Plans and in any event no later than one hundred eighty (180) days after approval of Schematic Plans, Purchaser shall submit to the City its Design Development Plans. Such plans shall be deemed approved unless Purchaser is notified of the contrary within 15 days from the Design Development Plans submission. If the City disapproves the Design Development Plans, the City shall so notify Purchaser in writing and state the specific reasons thereof. Following such notification, Purchaser shall either resubmit corrected Design Development Plans to the City for approval or incorporate such corrections as are requested by the City in Purchaser's Construction Plans.

C. Construction Plans

The Purchaser shall submit its Construction Plans to the City within one hundred twenty (120) days following the City's approval of Design Development Plans. If the Construction Plans submitted conform to the provisions of Section 10D below, the City shall approve in writing such Construction Plans and no further submittal of plans by the Purchaser or approval by the City thereof shall be required except with respect to any material change therein. Such Construction Plans shall, in any event, be deemed approved unless disapproved in writing by the City in whole or in part, setting forth in detail the reasons therefor, within fifteen (15)

days after the date of receipt by the City of the Construction Plans. If the City disapproves the Construction Plans in whole or in part, the City shall so notify Purchaser in writing and state the specific reasons therefor, in which event Purchaser shall submit new or corrected Construction Plans for approval by the City within thirty (30) days after written notification to Purchaser of the disapproval. The provisions of this Section relating to approval, disapproval and resubmission of corrected Construction Plans hereinabove provided with respect to the original Construction Plans shall continue to apply until the Construction Plans have been approved by the City; provided, that in any event, Purchaser shall submit Construction Plans which are in conformity with the requirements of Section 10D below no later than ninety (90) days after the date Purchaser receives written notice from the City of the City's first disapproval on the original Construction Plans submitted to it by Purchaser. All work with respect to the improvements to be constructed or provided by Purchaser on the Property shall be in substantial conformity with the Construction Plans as approved by the City.

D. The City's right to disapprove Schematic Plans, Design Development Plans and/or Construction Plans shall be exercised in a reasonable fashion and shall be limited to matters (1) which do not conform, from an architectural or design standpoint, to the proposed improvements described in the Prospectus and/or the Proposal, (2) which are not consistent developments of the proposed improvements described in the Prospectus and/or Proposal or other plans and specifications previously approved by the City or (3) which are new architectural or design elements not depicted in the Prospectus, the

Proposal or in plans or specifications previously approved by the City. If there shall be a bona fide dispute between the City and Purchaser as to whether the City's disapproval of any plans or any amendment or modification thereof is permitted hereunder, such dispute shall be submitted for arbitration to _____, or if such person shall refuse or be unable to serve as such arbitrator, then to some impartial member of the American Institute of Architects mutually satisfactory to the parties, or, if the parties shall fail to agree on such person, then to some member of the American Institute of Architects selected by the President of that organization. The decision of the arbitrator in such dispute shall be final and binding on the parties and shall be enforceable in a court of law.

E. The term "Improvements", as used in this Agreement, shall be deemed to have reference to the improvements as provided and specified in the Construction Plans as so approved.

F. "Approval" by the City as used in this Section is limited to the specific obligations imposed by this Agreement and shall not constitute approval by the City as may be required under any applicable law or ordinance.

G. Purchaser may, at its option and upon twenty (20) days prior written notice to the City, modify the schedules for submission of Schematic, Design Development and Construction Plans set forth in Subsections A, B and C above, so long as such modification does not (i) extend the time for submission of Schematic Plans as set forth in Subsection A above, or (ii) extend the time for submission of Design Development Plans beyond that date which is three hundred thirty

(330) days following Purchaser's acquisition of long-term outstanding property interests pursuant to Section 7B, or (iii) extend the time for submission of Construction Plans beyond that date which is four hundred fifty (450) days following Purchaser's acquisition of such long-term outstanding property interests. In addition, in the event Purchaser fails to submit or revise Schematic Plans, Design Development Plans or Construction Plans within the time periods set forth in this Section 10, the same shall not give rise to the City's right to terminate this Agreement or otherwise pursue its remedies hereunder so long as Purchaser diligently and in good faith endeavors to submit such plans or revisions within such time frames.

Section 11. Changes in Construction Plans or Improvements.

If, prior to the issuance of a Certificate of Completion, the Purchaser desires to make any material change in the Construction Plans after their approval by the City, the Purchaser shall submit the proposed change to the City, for its approval. If the Construction Plans, as modified by the proposed change, conform to the requirements of Section 10 hereof with respect to such previously approved Construction Plans, the City shall approve the proposed change and notify the Purchaser in writing of its approval. Such change in the Construction Plans shall, in any event, be deemed approved unless disapproved by written notice thereof by the City to the Purchaser setting forth in detail the specific reasons therefore, within fifteen (15) days after the date of the City's receipt of the notice of such change. In addition, for a period of not less than twenty (20) years following issuance of a Certificate of Completion (as hereinafter defined), Purchaser shall not materially alter or

modify the Improvement in a manner which is not substantially consistent with the provisions of Exhibit H-1 (derived from Section V of the Prospectus) attached hereto and by this reference incorporated herein, without the prior written consent of the City, and the City shall be entitled to enjoin any such material alterations or modifications.

In addition and without limiting the generality of the foregoing, for a period of Fifty (50) years following issuance of a Certificate of Completion, Purchaser will use its reasonable efforts, consistent with the then existing character and nature of downtown Seattle in the vicinity of the Property, applicable zoning and land use laws and regulations and Purchaser's reasonable economic and/or design goals and expectations, to recognize and accommodate the standards set forth in Exhibit H-1, and during such period Purchaser shall consult with the City in connection with any anticipated material alterations or modifications of the Improvements which are not substantially consistent with such standards.

Section 12. Evidence of Equity Capital and Mortgage Financing. As promptly as reasonably practicable, and, in any event no later than one hundred twenty (120) days after the date of receipt of the City's written notice to Purchaser of approval of the Design Development Plans, Purchaser shall submit to the City evidence satisfactory to the City that Purchaser has the equity capital and/or commitments for mortgage (as hereinafter defined) financing necessary for the construction of the Improvements. Delivery of a copy of Purchaser's executed construction financing commitment or commitments, together with a statement from Purchaser's chief

financial officer (or, in the event Purchaser is a partnership such a statement from the chief financial officer of a general partner of Purchaser) to the effect that such commitment or commitments, together with such sources of equity capital, if any, as are described in reasonable detail in such statement, will provide sufficient funds for the construction of the Improvements in accordance with Purchaser's then current development budget, shall constitute evidence satisfactory to the City that Purchaser has such necessary equity capital and/or commitment for mortgage financing pursuant to this Section 12. Purchaser shall not be obligated to provide such statements, however, if it otherwise provides the City with such evidence satisfactory to the City of such necessary equity capital and/or commitments for mortgage financing. Notwithstanding the foregoing, in the event holder (as hereinafter defined) of Purchaser's mortgage requires completion of Purchaser's Construction Plans prior to the issuance of a commitment for mortgage financing, Purchaser shall not be required to provide evidence of financing pursuant to this Section 12 until ninety (90) days following the City's approval of the Construction Plans.

Section 13. Commencement and Completion of Construction.

A. Subject to the terms and conditions of this Agreement, the Purchaser agrees for itself, its successors and assigns, and every successor in interest to the Property, or any part thereof, (i) that the Purchaser, and such successors and assigns, shall promptly begin and diligently pursue completion of the redevelopment of the Property through the construction of the Improvements thereon, and (ii) that subject to delay beyond the control of Purchaser as set

forth in Section 30, such construction, shall in any event be begun not later than six (6) months after the date of the City's approval of Purchaser's Construction Plans, and Purchaser shall use reasonable efforts to cause such construction to be completed within thirty-six (36) months after such date. For the purposes of this Section 13A construction shall be deemed to begin on the date Purchaser first commences demolition, grading, leveling, site preparation work or other construction activity on the Property. Purchaser shall use its reasonable efforts to coordinate development of the Property and construction of the Improvements, to the extent practicable, with the implementation of such downtown public transportation plan as is approved by the City and the Metro public transit governing body.

B. If Purchaser fails to complete construction because of termination of this Agreement pursuant to Sections 26D, 27A-G, or because of reversion of title to the City pursuant to Section 28, the City shall have, upon payment to Purchaser of Purchaser's Development Costs (as certified by an officer of Purchaser) to the date of termination, proprietary rights in the Construction Plans sufficient to permit another entity selected by the City to complete construction; provided that should the City desire to obtain proprietary rights only in those Construction Plans relating to the construction of the monorail terminal referenced in Section 7A, the City shall only be required to pay that portion of Purchaser's Development Costs as is related to such monorail terminal. Otherwise, such Construction Plans shall be and remain the sole property of Purchaser, and the City shall have no rights thereto, and upon termination of this Agreement all copies thereof shall promptly

be returned to Purchaser. Notwithstanding any of the foregoing, the City's rights to Construction Plans shall at all times be subject to the rights of the holder of any mortgage as provided in Article VI.

Section 14. Progress Reports. Subsequent to conveyance of the Property, or any part thereof, to Purchaser, and until construction of the Improvements has been completed, Purchaser shall make reports in such detail and at such times (not more frequently than once per month) as may reasonably be requested by the City, as to the actual progress of Purchaser with respect to the design, construction and financing of the Improvements.

Section 15. Certificate of Completion; Maintenance and Operation of Improvements.

A. Promptly after completion of the Improvements in accordance with those provisions of the Agreement (including the dates for beginning and completion thereof), the City will, upon the request of Purchaser, furnish the Purchaser with an appropriate instrument (hereinafter called "Certificate of Completion") so certifying. Such Certificate of Completion shall be (and it shall be so provided in the Deed and in the Certificate of Completion itself) a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement relating to the obligations of Purchaser, and its successors and assigns, to construct the Improvements, including the dates for the beginning and completion thereof. Any Certificate of Completion provided for shall be in such form as will enable it to be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Property, including the Deed. If the City shall refuse or fail to

provide any Certificate of Completion in accordance with the provisions of this Section, the City shall, within thirty (30) days after written request by Purchaser provide Purchaser with a written statement, indicating in adequate detail in what respects Purchaser has failed to complete the Improvements in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts will be necessary, in the reasonable opinion of the City, for Purchaser to take or perform in order to obtain such Certificate of Completion. If the City fails to provide such written statement within such thirty (30) day period, Purchaser shall be entitled to the Certificate of Completion, and such Certificate of Completion shall be deemed to have been delivered to Purchaser for all purposes of this Agreement, and Purchaser shall be entitled to record a statement to such effect in the proper office for the recordation of deeds in which event the Certificate of Completion shall be deemed to have been recorded for all purposes of this Agreement.

B. Purchaser agrees that following completion of construction of the Improvements and issuance of a Certificate of Completion:

1. The Property and Improvements will at all times be maintained in a first-class condition and, with respect to the retail portions of the Improvements, consistent with the prevailing standards of maintenance observed by Affiliates of The Rouse Company at the date of execution of this Agreement in the operation of urban retail centers at Harborplace in Baltimore, Maryland, Faneuil Hall Marketplace in Boston, Massachusetts, Santa Monica Place in Santa

Monica, California, The Grand Avenue in Milwaukee, Wisconsin, and South Street Seaport in New York City.

2. Purchaser will use reasonable efforts to cause the public space (as described in the Proposal) within the retail portion of Improvements to be accessible to the general public on an average, calculated annually, of not less than seventy (70) hours per week (except during periods of renovation and/or repair) in a manner consistent with the prevailing standards of operation observed by Affiliates of The Rouse Company at the date of execution of this Agreement in the operation of urban retail centers at Harborplace in Baltimore, Maryland, Faneuil Hall Marketplace in Boston, Massachusetts, Santa Monica Place in Santa Monica, California, The Grand Avenue in Milwaukee, Wisconsin and South Street Seaport in New York City.

3. The Improvements will be operated, consistent with the standards of operation referenced in Section 15B2 above, in a manner intended to cause the aforesaid public space within the retail portion of the Improvements to be inviting to the general public.

4. Purchaser will use reasonable efforts to involve members of the Seattle community and/or Seattle civic organizations in community events (such as Purchaser's present "Arts in the Marketplace" program) which may be scheduled by Purchaser from time to time within the Improvements.

V. PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER

Section 16. Representations as to Redevelopment. Purchaser represents and agrees that its purchase of the Property, and its use or other undertakings pursuant to this Agreement, are, and will be,

for the purpose of redevelopment of the Property as specified in the Proposal and not for speculation in land holding.

The qualifications and identity of Purchaser are of particular concern to the community and the City. Purchaser further recognizes that it is because of such qualifications and identity that the City is entering into this Agreement with Purchaser and, in so doing, is further willing to accept and rely on the obligations of Purchaser for faithful performance hereunder without requiring in addition a surety bond or similar undertaking for such performance of all undertakings and covenants in this Agreement. Purchaser further recognizes that, in view of such reliance, except as provided in this Agreement, a transfer of Purchaser's interests, or any other act or transaction involving or resulting in a significant change in the ownership of such Purchaser's interests or with respect to the identity of the parties in control of Purchaser is for practical purposes a transfer or disposition of the Property then owned by Purchaser.

Section 17. Prohibition Against Transfer or Change of Ownership. For the reasons set forth in Section 16, Purchaser agrees that prior to completion of the Improvements as set forth above, and prior to delivery of the Certificate of Completion by the City, there shall be no change made in the ownership of Purchaser, except in connection with Purchaser's financing (including but not limited to equity financing) of construction of the Improvements and/or development of the Property, leasing of space within the Improvements, or as a result of partnership dissolution or death of a partner, or due to trading in any stock of Purchaser, or a partner thereof in the

event Purchaser is a partnership, or its or their parents or Affiliates (as hereinafter defined) listed for trading purposes on a securities exchange or publically traded over the counter, without the prior written approval of the City, which approval shall not be unreasonably withheld or delayed. Nothing contained in this Section 17 or elsewhere in this Agreement shall prohibit the assignment by Purchaser of this Agreement or its interest in the Property pursuant to Section 18B to any of the entities described therein.

Section 18. Prohibition Against Transfer of Property and Assignment of Agreement. Purchaser represents and agrees for itself and its respective successors and assigns that

A. Purchaser (except as authorized herein) has not made or created or suffered to be made or created any assignment, conveyance of lease, trust, power or transfer, of any sort, of this Agreement or any interest therein or entered into any agreement or contract with any person or entity other than those identified in clause (i) of Section 18B below to do any of the same.

B. From the execution of this Agreement through a period of two (2) years from the date of issuance of a Certificate of Completion pursuant to Section 15, Purchaser will not assign or convey any interest in this Agreement or any part of the Property, except for (i) such assignment or conveyance to an Affiliate or Affiliates of Purchaser or to a partnership in which Purchaser or an Affiliate of Purchaser is a general partner (and one or more limited partners may thereafter from time to time be admitted to such partnership) for the purpose of acquiring and developing the Property

pursuant to this Agreement, provided, however, that in the event of such assignment or conveyance to a partnership Purchaser and/or its Affiliate retains control of partnership decisions affecting development and operation of the Property (except that in the event of assignment or conveyance to a partnership comprised of Purchaser and/or any of its Affiliates and Koehler, McFadyen & Company, Stephen Koehler and/or Douglas McFadyen, which assignment or conveyance is the intent of Purchaser, Koehler, McFadyen & Company, Stephen Koehler and/or Douglas McFadyen, as the case may be, may share in the control of such partnership decisions), (ii) leases or similar agreements with occupants of portions of the Improvements (including, but not limited to equity arrangements with principal tenants) or (iii) in connection with financing by mortgage, assignment of rents, equity financing or otherwise of the construction of the Improvements and/or development of the Property, or in connection with the exercise or threatened exercise of the rights of the holder of any mortgage of Purchaser due to Purchaser's default thereunder, without the prior written approval of the City, which approval shall not be unreasonably withheld or delayed.

C. In the event City approval is required the City shall be entitled to require that:

1. Any proposed transferee shall have the qualifications and financial responsibility of its predecessor as reasonably determined by the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by Purchaser (or, in the event the transfer, other than an occupancy lease or similar

agreement, is of or relates to part of the Property, such obligations to the extent that they relate to such part).

2. Any proposed transferee, by instrument in writing satisfactory to the City and in recordable form, shall, for itself and its successors and assigns, and expressly for the benefit of the City, have expressly assumed all of the obligations of Purchaser as required under this Agreement and agreed to be subject to all the conditions and restrictions applicable to Purchaser, in which event Purchaser shall be released from all obligations hereunder.

3. There shall be delivered to the City for review copies of all instruments and other legal documents which effect the transfer, which shall be deemed to have been approved by the City unless, within thirty (30) days of Purchaser's delivery of such documents to the City, the City shall have notified Purchaser of its disapproval thereof in writing specifying the reasons for such disapproval. As a condition of approval by the City of the transfer, the City may require the transferee to comply with such other reasonable conditions the City may deem necessary in order to achieve and safeguard the purposes of this Agreement.

D. In the event of any transfer of the entire Property or assignment of this Agreement prior to completion of the Improvements (except in connection with Purchaser's financing), the consideration payable to Purchaser for the transfer by the transferee or on its behalf shall not in total exceed an amount representing the actual cost (including but not limited to Purchaser's Development Costs, as certified by an officer of Purchaser, and all amounts paid to the City pursuant to this Agreement) of the Property and Improvements, if

any, made thereon. It is the intent of this provision to preclude assignment of this Agreement or transfer of the Property for profit prior to the completion of the Improvements. In the event any such assignment or transfer is made the City shall be entitled to increase the purchase price for the Property payable by Purchaser by the amount that the consideration payable for the assignment or transfer is in excess of the amount that may be authorized pursuant to this Section 18D.

E. In the event City approval is required, in the absence of specific written agreement by the City to the contrary, no such transfer or approval thereof by the City shall be deemed to relieve Purchaser, or any other party bound in any way by this Agreement or otherwise with respect to the construction of the Improvements, from any of its obligations with respect thereto, unless the transferee shall be approved by the City as provided herein and expressly agrees to be bound by all of the obligations of Purchaser under this Agreement, in which event Purchaser shall be released from all obligations hereunder.

F. No provision in this Section shall in any way impair the rights of Purchaser, its successors or assigns, to sell, lease or otherwise dispose of the Property or any part thereof following that date which is two (2) years after the Certificate of Completion has been issued.

VI. MORTGAGE FINANCING

Section 19. Limitation Upon Encumbrance of Property.

A. Prior to the completion of the Improvements and delivery of a Certificate of Completion by the City, neither Purchaser, nor

any successor in interest to the Property or any part thereof shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Property, except for the purposes of obtaining (a) funds only to the extent necessary for the construction, development and operation of the Improvements and Property (including but not limited to Purchaser's Development Costs in the amount certified by an officer of Purchaser) and (b) additional funds, if any, in an amount not to exceed the amounts payable by Purchaser to the City in consideration for the purchase of the Property or otherwise pursuant to this Agreement.

B. Prior to completion of the Improvements and delivery of the Certificate of Completion, Purchaser shall notify the City in advance of any financing, secured by mortgage or other type of security agreement, which Purchaser proposes to enter into with respect to the Property, or any part thereof.

C. For the purposes of any financing made consistent with this Agreement or in connection with Purchaser's construction of the Improvements and/or development of the Property, the Property may be divided into two or more parts or parcels.

D. Purchaser shall promptly notify the City of any mechanic's lien or similar encumbrance that has been created on or attached to the Property, whether by voluntary act of Purchaser, or otherwise. Within thirty (30) days following demand by the City, Purchaser, at its option, shall elect to take one or more of the following actions--payment, bonding, deposit, guaranty, or

otherwise--which will guarantee to the satisfaction of the City that in the event the lien claimant is successful in enforcing the lien, the party charged will pay the lien and/or claim.

E. "Purchaser's Development Costs" means an amount, certified in reasonable detail to the City by an officer of Purchaser, equal to the aggregate of all costs and expenses actually incurred by Purchaser in connection with the construction of the Improvements and/or development of the Property, determined pursuant to accounting practices applied by Purchaser and/or its Affiliates with regard to other development projects of Purchaser and/or its Affiliates, and including, without limitation, all costs and expenses incurred in performing Purchaser's obligations under this Agreement (other than amounts paid to the City under this Agreement). The City shall accept such certification, if made in good faith by an officer of Purchaser, as a valid determination as to the amount of Purchaser's Development Costs for financing purposes or otherwise.

F. "Affiliate" means any individual, partnership, corporation, trust, unincorporated organization, or association or other entity which, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Purchaser or the partners, if any, which form Purchaser.

Section 20. Mortgagee Not Obligated to Construct.

A. Notwithstanding any of the provisions of this Agreement, including but not limited to those which are or are intended to be covenants or conditions running with the land, the holder of any mortgage authorized by this Agreement shall in no way be obligated by the provisions of this Agreement to construct or complete the

Improvements or to guarantee such construction or completion, nor shall any covenant or any other provision in the Deed be construed to so obligate such holder.

B. Nothing in this Section or any other Section or provision of this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses, or to construct any improvements thereon, other than those uses or Improvements provided or permitted by this Agreement.

Section 21. Copy of Notice of Default to Mortgagees.

Whenever the City shall deliver any notice or demand to Purchaser, with respect to any breach or default by Purchaser, in its obligations or covenants under this Agreement, the City shall at the same time forward a copy of such notice or demand to each holder of any mortgage authorized by this Agreement at the last address of such holder as furnished from time to time to the City by such holder.

Section 22. Mortgagee's Option to Cure Defaults.

A. After any breach or default by Purchaser, each holder of a mortgage shall have the right, at its option, as hereinafter provided, to cure or remedy the breach or default and to add the cost thereof to the mortgage debt and the lien of its mortgage. If the breach or default is with respect to construction of the Improvements, nothing contained in this Section or any other Section of this Agreement shall be deemed to permit the holder, either before or after foreclosure or action in lieu thereof, to undertake completion of the Improvements without first having expressly assumed the obligation to the City to complete such Improvements in accordance with this Agreement, by written agreement satisfactory to the City.

B. The City agrees that following any breach or default by Purchaser hereunder and the expiration of any cure period within which Purchaser may cure the same it will take no action to terminate this Agreement or exercise its rights to cause title to the Property to revert in the City pursuant to Section 28 unless it shall first give the holder of each mortgage notice after the expiration of any such cure period specifying such breach or default by Purchaser and stating its intention to terminate this Agreement and/or exercise its rights under Section 28 on a date specified in such notice. Notwithstanding such notice this Agreement shall not be terminated nor shall the City exercise its rights under Section 28 if (i) such default or breach by Purchaser can be cured by the payment of a fixed monetary amount and within thirty (30) days after the date such notice is given the holder of any mortgage shall make such payment, or (ii) such breach or default can be cured with the exercise of reasonable diligence by a holder of such mortgage after obtaining possession of the Property and such holder, within sixty (60) days after the date such notice is given commences such proceedings (including, without limitation, the filing of a petition for the appointment of a receiver) as it may deem necessary to obtain such possession and thereafter diligently prosecutes such action and promptly upon obtaining such possession commences (and thereafter diligently pursues) the curing of such default, or (iii) such default or breach by Purchaser is not capable of being cured by the holder of a mortgage, even if possession of the Property were obtained, and a holder, within sixty (60) days after the date such notice is given, institutes foreclosure proceedings and thereafter prosecutes the same

with diligence or acquires Purchaser's interest in the Property, such breach or default by Purchaser thereupon shall be deemed to have been waived. In the event of the City's termination of this Agreement or revesting in the City of title to the Property pursuant to Section 28, the City shall give the holders of any mortgages notice of such termination or revesting and, at the request of any such holder, shall reinstitute this Agreement with, and convey the Property to, such holder or its assignee, designee or nominee effective as of the date of such termination and/or revesting of title, as the case may be, upon the same terms and conditions as are contained herein (but without payment of any additional consideration by such holder or its assignee and subject only to the unperformed obligations of Purchaser hereunder at the time of such reinstatement of this Agreement and conveyance of the Property to such holder or its assignee), provided (x) such holder makes written request upon the City to such effect within sixty (60) days after the giving of such notice of termination or revesting and such request is accompanied by payment to the City of all amounts then due to the City of which the City shall have given the holder notice, (y) such holder pays or causes to be paid to the City at the time of reinstatement of this Agreement and conveyance of the Property any and all additional sums which would at such time be due under this Agreement but for such termination and/or revesting, as the case may be, and pays or causes to be paid any and all expenses including reasonable counsel fees, court costs and costs and disbursements incurred by the City in connection with any such termination or revesting or in connection with the reinstatement of this Agreement

and/or reconveyance of the Property, as the case may be, less the net income from the Property collected by the City subsequent to the date of termination of this Agreement and prior to the reinstatement thereof, and (z) such holder agrees to cure, within thirty (30) days after reinstatement of this Agreement and reconveyance of the Property to such holder, all incurred breaches or defaults of Purchaser of which the City shall have given such holder notice or if any such breaches or defaults are not capable of being cured within such thirty (30) days, such holder agrees to commence, within such period, to cure any such breach or default which is capable of being cured by such holder and thereafter pursues the same with due diligence. If the City receives written requests in accordance with the provisions of this Section 22B from more than one holder of a mortgage, the City shall only be required to reinstate this Agreement with, and reconvey the Property to, the holder of the most junior mortgage, provided that such holder shall, not later than the date of such reinstatement and reconveyance, pay in full all sums secured by all mortgages which are prior in lien to the mortgage held by such holder. Any reinstatement of this Agreement or reconveyance of the Property pursuant to this Section 22B shall be prior to any other mortgage or other lien, charge or encumbrance on the Property or Improvements and shall have the same relative priority in time and in right as this Agreement and any conveyance of the Property to Purchaser pursuant hereto. At Purchaser's request, the City will enter into an agreement with the holder of any mortgage granting to such holder the rights set forth in this Section 22B. This Agreement shall not be modified, amended, cancelled or terminated by Purchaser,

nor shall any waiver of Purchaser's rights hereunder or any approval or consent of Purchaser required hereunder be effective without the written consent of the holder of each mortgage whose name and address shall have been furnished to the City in writing.

C. Any holder who shall properly complete the Improvements or any part thereof in accordance with this Agreement shall be entitled to a Certificate of Completion to such effect in the manner provided in Section 15 of this Agreement.

Section 23. City Option to Cure Mortgage Default.

Prior to the completion of Improvements, in the event of a default or breach by Purchaser or any successor in interest of its obligations under any mortgage or other instrument creating an encumbrance or lien upon the Property or part thereof, the City, after having received written notice of such breach or default from the holder of such mortgage or other instrument and after having given such reasonable notice to Purchaser and the holder of such mortgage or other instrument as such holder may require, may at its option cure such default or breach within such time period as such holder may reasonably require. In such case the City shall be entitled to reimbursement from Purchaser or its successor in interest of all costs and expenses incurred by the City in curing the default or breach and to a lien upon the Property (or the part thereof to which the mortgage, encumbrance, or lien relates) for such reimbursement. Any such lien shall be subject always to the lien of any then existing mortgages on the Property authorized by this Agreement.

Section 24. "Mortgage"; "Holder". For the purposes of this Agreement: The term "mortgage" means any one or more mortgages,

deeds of trust, deeds to secure debt, loan deeds, trust indentures, security agreements, or any similar security or title retention device (including, without limitation, the legal title and reversionary interest held by the grantee/lessor in a sale-leaseback transaction) which shall, from time to time, create a lien upon or convey title to or create an interest or estate in the Property or any part thereof and which shall be security for the payment of any debt or the performance of an obligation. The term "holder" in reference to a mortgage means the person or entity in whose favor a mortgage shall have been created, together with any successor or assignee of such person or entity, and includes the trustee under any deed of trust or trust indenture and the grantee/lessor in any sale-leaseback transaction. Prior to the completion of the Improvements and delivery of a Certificate of Completion by the City the limitations set forth in Section 19A shall apply to all mortgages, except that any mortgagee may include in mortgage financing any costs incurred in connection with foreclosure.

VII. REMEDIES

Section 25. In General. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement or any of its terms or conditions by any party hereto, or any successor to such party, such party (or successor) shall, upon written notice from the other party, proceed promptly to cure or remedy such default or breach, and, in any event, within sixty (60) days after receipt of such notice, unless such default or breach cannot, with due diligence, be cured or remedied within such sixty (60) day period, in which event such party (or successor) shall

proceed to cure or remedy such default as promptly as is reasonably practicable, provided, however, if the City defaults in its obligations to convey to Purchaser title to the Property as provided in Section 4A and otherwise in accordance with this Agreement, the City shall have a maximum of one hundred eighty (180) days following notice as aforesaid within which to cure such default. In case such action is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within such sixty (60) days or a reasonable time (in the case of default or breach which cannot be cured or remedied within such sixty (60) days) but, in any case within one hundred eighty (180) days in the event of a default with respect to the conveyance of title to the Property as aforesaid, then, in addition to any other remedies at law or in equity or as otherwise provided in this Agreement, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including but not limited to proceeding to compel specific performance (by writ of mandamus or otherwise) by the party in default or in breach of its obligations. The defaulting party shall pay to the aggrieved party any and all cost and expense incurred by the aggrieved party (including reasonable attorneys' fees) in curing any such default or breach, and the aggrieved party shall be entitled to deduct the amount of such cost and expense from any amounts otherwise payable hereunder to the defaulting party.

Section 26. Termination by Purchaser.

In the event that

A. The City does not tender conveyance of the Property and satisfy the conditions of conveyance to be satisfied by the City

pursuant to Section 4 in the manner and condition provided in this Agreement, and if any such failure is not cured in the manner provided in Section 25; or

B. The City fails to carry out the terms and conditions of Section 8 and if such failure shall not be cured in the manner provided in Section 25; or

C. The street vacation petition identified in Section 8B is not granted within one hundred twenty (120) days following execution of this Agreement; or

D. After a diligent effort for a period of one hundred twenty (120) days after approval by the City of the Design Development Plans (or ninety (90) days after approval of the Construction Plans if Purchaser certifies to the City that submission of Construction Plans is necessary to obtain a financing commitment as contemplated by Section 12), Purchaser furnishes to the City a statement of Purchaser's chief financial officer (or, if Purchaser is a partnership such a statement from the chief financial officer of a general partner) to the effect that Purchaser has been unable to obtain mortgage financing for the construction and development of the Improvements on a basis and on terms that would generally be considered satisfactory by developers of improvements of the nature and type provided in such Design Development Plans (or Construction Plans, if required), and if Purchaser, after having submitted such statement, and if so requested by the City, continues to make diligent efforts to obtain such financing for an additional period of ninety (90) days, after such request, but without success; or

E. Purchaser is unable, after diligent effort, within one hundred eighty (180) days following execution of this Agreement to acquire or obtain control over (through purchase options or otherwise) on terms satisfactory to Purchaser the property interests identified in Section 7B sufficient to ensure the use of such properties in the implementation of the Proposal; or

F. Purchaser is unable, after diligent effort, to enter into the agreements referenced in Section 7A or 7C;

Then, in any of such events, this Agreement shall, at the option of Purchaser, be terminated by written notice thereof to the City, and, neither the City nor Purchaser shall have any further rights against or liability to the other under this Agreement, except as provided in Section 5. This Agreement may also be terminated pursuant to Section 47.

Section 27. Termination by City.

In the event that

A. Prior to conveyance Purchaser (or any successor in interest) assigns or attempts or assign this Agreement or any rights therein, or in the Property, in violation of this Agreement; or

B. There is any change in the ownership of Purchaser in violation of this Agreement; or

C. Purchaser does not submit Schematic Plans, Design Development Plans and, if applicable, Construction Plans prior to conveyance as required by this Agreement; or

D. Purchaser does not give the consideration for and take title to the Property, or any portion thereof, upon tender of conveyance by the City pursuant to this Agreement; or

E. Purchaser fails to comply with the conditions recited in Sections 7A or 7C; or

F. Purchaser does not submit evidence that it has the necessary equity capital or mortgage financing in satisfactory form and in the manner and by the dates respectively provided in this Agreement therefor; or

G. Purchaser fails, after diligent effort, within one hundred eighty (180) days after execution of this Agreement, to acquire or obtain control over (through purchase options or otherwise) the property interests identified in Section 7B sufficient to ensure the use of such properties in the implementation of the Proposal; or

H. In the event the street vacation petition identified in Section 8B is denied; and if any such failure or default (as set forth in Section 27A-G above) shall not be cured as provided in Section 25 after the date of written demand by the City, then in any of such events this Agreement and any rights of Purchaser, or of any assignee or transferee, in this Agreement, or arising therefrom with respect to the City or the Property, shall, at the option of the City, be terminated by the City. In such event neither Purchaser, (or assignee or transferee) nor the City shall have any further rights against or liability to the other under this Agreement, except as provided in Section 5.

Section 28. Revesting Title in City Subsequent to Conveyance to Purchaser. In the event that, subsequent to conveyance of the Property, or any part thereof, to Purchaser,

A. Purchaser (or its successor in interest) shall default in or violate its obligations with respect to the construction of the Improvements or shall abandon for a period of thirty (30) consecutive days, construction work following commencement thereof, and if any such default, violation or abandonment, shall not be cured, ended, or remedied within one hundred eighty (180) days, after written demand by the City to do so; or

B. There is, in violation of this Agreement, any transfer of the Property or any part thereof, or any change in the ownership of Purchaser, and such violation shall not be cured within sixty (60) days after written demand by the City to Purchaser;

Then, in either of said events, the City shall have the right to re-enter and take possession of the Property and to terminate (and revert in the City) the estate conveyed by the Deed to Purchaser, it being the intent of the parties that the conveyance of the Property to Purchaser shall be subject to the provisions of this Section 28 as a condition subsequent. Notwithstanding the foregoing such condition subsequent and any reversioning of title as a result thereof in the City shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way, (i) the lien of any mortgage authorized by the Agreement, and (ii) any rights or interests provided in the Agreement for the protection of the holders of such mortgages.

Section 29. Other Rights and Remedies. Each party shall have the right to institute such legal actions or proceedings as it may deem appropriate in order to enforce the other party's obligations under this Agreement, or to recover damages as a result

of default in such obligations, provided, that any delay by a party in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Agreement shall not operate as a waiver of such rights or to deprive it of or limit such rights in any way, nor shall any waiver in fact made by a party with respect to any specific default by the other party under this Agreement be considered or treated as a waiver of the rights of such non-defaulting party with respect to any other defaults by the defaulting party under this Agreement or with respect to the particular default except to the extent specifically waived in writing.

Section 30. Delays Beyond Control of Parties. Neither the City nor the Purchaser, nor any successor of any of them, shall be considered in breach of or in default under its obligations with respect to the conveyance of the Property, or the beginning and/or completion of the Improvements, or progress in respect thereto, or the fulfillment of any other duties or obligations pursuant to the terms of this Agreement, in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence. These shall include, but not be restricted to, acts of God; any lawsuits brought affecting this Agreement or the rights to develop, purchase, or convey pursuant to this Agreement; delays in obtaining land use approval or building permit or permits; acts of public enemy, fire; earthquake; flood; explosion; action of the elements; war; invasion; insurrection; riot; mob violence; sabotage; malicious mischief; inability to procure or general shortage or rationing or regulation of labor, equipment,

facilities, sources of energy (including, without limitation, electricity, gas, gasoline or steam), materials or supplies in the open market; failure of transportation; strikes; lockouts; action of labor unions; condemnation; requisition; order of government or civil or military or naval authorities; acts of the other party or failure of the other party to perform its obligations hereunder in a timely manner; litigation involving a party or others relating to zoning, subdivision, or other governmental action or inaction pertaining to the Property or any portion thereof; inability to obtain government permits or approvals; or any other cause, whether similar or dissimilar to the foregoing, not within the control of such party. It is the purpose and intent of this provision that, in the event of the occurrence of any such delay, the time or times for performance with respect to the construction of the Improvements and the other obligations of the parties under this Agreement, as applicable, shall be extended for the period of the delay; provided, that the party seeking the benefit of the provisions of this Section shall, within twenty (20) days after the beginning of any such delay, notify the other party in writing of the cause or causes thereof. In addition to and without limiting the generality of the foregoing, if at the time of execution of this Agreement or at any time thereafter prior to the issuance of a Certificate of Completion, (a) there is threatened or pending any litigation affecting this Agreement or the rights to purchase, convey or develop the Property pursuant to this Agreement, including but not limited to litigation relating to any Environmental Impact Statement or other Federal, state or local environmental requirements, or compliance therewith, or (b) there is

any adverse claim, lien, encumbrance, covenant, restriction, defect, cloud on title or other matter encumbering or adversely affecting title to the Property other than those matters shown on Exhibits D and D-1 or otherwise permitted under this Agreement, then and in any of such events Purchaser may, upon written notice to the City, delay its compliance with any or all of its obligations under this Agreement (including but not limited to its obligations under Sections 7, 10, 12 and/or 13 hereof) until such time as such litigation or matter affecting title shall have been resolved in a manner which, in the reasonable judgment of Purchaser, is sufficient to enable Purchaser to purchase, develop and operate the Property in the manner contemplated in this Agreement.

Section 31. Rights and Remedies Cumulative. The rights and remedies of the parties to this Agreement, whether provided by law, by the Deed contemplated by this Agreement or by this Agreement itself, shall be cumulative, and the exercise by any party of any one or more of such remedies shall not preclude the exercise by it, at the same time or different times, or any other such remedies for the same default or breach by the other party. No waiver made by any party with respect to the performance, or manner or time thereof, of any obligations of the party or any condition to its obligation under this Agreement shall be considered a waiver of any other obligations of the other party. No such waiver shall be valid unless it shall be made in writing duly signed by the party waiving the right or rights.

VIII. MISCELLANEOUS PROVISIONS

Section 32. Conflict of Interest. No member, official, or employee of the City shall have any personal interest, direct or

indirect, in the subject matter of this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is, directly or indirectly, interested. No member, official, or employee of the City shall be personally liable to the Purchaser or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Purchaser or its successors or assigns on any obligations under the terms of this Agreement.

Section 33. Notices. A notice, request, approval or communication under this Agreement by either party to the other shall be in writing and shall be sufficiently given or delivered if dispatched by registered mail, postage prepaid, return receipt requested, and

A. In the case of a notice or communication to Purchaser, if the same is addressed as follows:

Rorse-Seattle, Inc.
c/o The Rouse Company
10275 Little Patuxent Parkway
Columbia, Maryland 21044
Attention: General Counsel

B. In the case of a notice or communication to the City if the same is addressed as follows:

Director, Department of Community Development
The City of Seattle
400 Yesler Way
Seattle, Washington 98104

or is addressed in such other way in respect to either party as that party may, from time to time, designate in writing dispatched as

provided in this Section. Either party may require, at any time, that additional copies of any notice be sent to such person(s), not, as to each notice, in excess of three (3) copies at any one time, as shall from time to time be designated in any notice from such party as to such requirement.

Section 34. City Approval and Consent. Any City approval required by this Agreement shall not be unreasonably withheld. The Director of the Seattle Department of Community Development is authorized to act for and on behalf of the City in such connection and to act for and on behalf of the City in determining Purchaser's compliance with its obligations under this Agreement and with the conditions of conveyance, and to extend the time for the performance of any obligations of Purchaser under this Agreement, except where another person is required by law or by this Agreement. Whenever the consent of a party hereto is required by this Agreement, such consent will not be unreasonably withheld.

Section 35. City Attorney Opinion. An opinion, reasonably acceptable to counsel for Purchaser, from the City Attorney shall be provided to Purchaser as to the validity and legal authorization, execution and delivery by the City of this Agreement, the documents required herein and as to the effectuation of the conveyance contemplated hereby within thirty (30) days after execution of this Agreement and the documents required herein.

Section 36. No Oral Representations. All of the terms and conditions of the agreement between the parties hereto are stated herein.

Section 37. Attorney's Fees. In the event of any litigation between the parties arising out of or in connection with this Agreement, the nonprevailing party shall pay all reasonable costs including but not limited to reasonable attorneys' fees of the prevailing party, all as determined by a court. The term "nonprevailing party" shall mean the party against whom a final judgment is entered.

Section 38. Cooperation. The parties agree to use their reasonable efforts diligently and promptly to take all actions necessary and appropriate in order to satisfy the conditions set forth in this Agreement.

Section 39. Time. Time is of the essence of this Agreement.

Section 40. Partial Invalidity. Any provision of this Agreement which shall prove to be invalid, void or illegal shall in no way affect, impair, or invalidate any other provision hereof, and such other provisions shall remain in full force and effect.

Section 41. Agreement Survives Conveyance. It is the intent of the parties hereto that none of the provisions of this Agreement shall be merged by reason of any deed transferring any interest in said property, and, except as provided in the following sentence or otherwise provided in this Agreement, any such deeds shall not be deemed to in any way affect or impair any of the provisions, conditions, covenants, or terms of this Agreement. Notwithstanding the foregoing, in the event of any conflict between the provisions of any such deed and the provisions of this Agreement,

the provisions set forth in such deed shall, in all respects, prevail.

Section 42. Affirmative Action; Targeted Employment; Leasing Opportunities.

A. Purchaser agrees to comply with the applicable requirements of Seattle Municipal Code Chapter _____ (Women and Minority Business Enterprises) in connection with Purchaser's construction of the public monorail terminal pursuant to the agreement referenced in Section 7A.

B. Although the aforesaid Seattle Municipal Code Chapter _____ does not apply to Purchaser's construction of the remainder of the Improvements, Purchaser recognizes the importance of involving members of minority groups and women in development of the Property. Purchaser shall seek such involvement by minorities and women in its construction of the Improvements and management and operation of the Property upon completion of such construction, and Purchaser shall also seek to afford to qualified women and members of minority groups an opportunity to lease retail space within the Improvements. In so doing, Purchaser intends to draw upon the experience and demonstrated success of Affiliates of Purchaser in developing and implementing programs to promote and achieve substantial participation by minorities and women in urban projects such as Harborplace in Baltimore, Maryland. In this connection, Purchaser shall seek as a goal to extend at least ten percent (10%) of the total value of its construction contracts and/or subcontracts to businesses owned or controlled by women or minorities. In addition, Purchaser shall work with local minority and women's groups and associations to develop a

program for the achievement of this goal respecting construction of the Improvements and describing goals for further involvement of women and minorities in management and operation of the Improvements and in retail leasing opportunities. Within one hundred eighty (180) days following execution of this Agreement, Purchaser shall deliver to the City a preliminary affirmative action plan setting forth such goals for involvement by minorities and women. Purchaser will consult with the City regarding the preliminary affirmative action plan and shall update the same from time to time prior to conveyance of the Property. Purchaser shall seek to finalize its affirmative action plan prior to conveyance.

C. Purchaser shall include the following language in each of its contracts respecting the construction of the Improvements, and such contracts shall obligate Purchaser's contractors to include such language in all subcontracts:

"The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, age, or national origin, unless based upon bona fide occupational qualification. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their creed, race, color, sex, age or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause."

D. Purchaser recognizes the desirability of encouraging the business tenants who will occupy the Improvements to participate in the Targeted Employment program administered under the supervision of the Seattle Department of Community Development. Purchaser will inform such business tenants of the Targeted Employment program and cooperate with the City in encouraging participation in such program.

E. Purchaser will also use its reasonable efforts to include among its business tenants independently operated and locally owned businesses of high quality and good reputation, and will also discuss tenanting opportunities with persons who were operating businesses on the Property as of May of 1977.

Section 43. Titles of Articles and Sections. Any titles of the several parts, Articles or Sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 44. Governing Law. This Agreement shall be governed by the laws of the State of Washington and the United States of America as applicable.

Section 45. Heirs and Successors. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns, provided that the City shall not assign its interest in this Agreement without the prior written consent of Purchaser.

Section 46. Amendments. Amendments to this Agreement may be made only after written approval by the City and by Purchaser, provided that the Director of the Department of Community Development is authorized to consent to and execute, for and on behalf of the

City, amendments which are fairly within the scope of Ordinance _____ . The City Attorney shall identify those amendments which are not within the scope of Ordinance _____ , and such amendments shall require authorization by ordinance. Any amendments which would affect the amount of the purchase price on its schedule of payment and any amendments which would alter the land use restrictions identified in Section 6 shall require authorization by ordinance.

Section 47. Ratification. Purchaser's execution of this Agreement is subject to and in all respects conditioned upon:

(a) ratification by the Board of Directors of Purchaser on or before December 15, 1983, and (b) execution by The Rouse Company on or before January 15, 1984 of a guaranty whereby The Rouse Company shall guarantee the obligations of Purchaser hereunder until the earlier to occur of (i) completion of the Improvements or (ii) termination of this Agreement by Purchaser. The aforesaid December 15, 1983 and/or January 15, 1984 dates may be extended by mutual agreement of Purchaser and the Director of the Seattle Department of Community Development, who is authorized to act for and on behalf of the City in such respect and to determine the adequacy of any instrument of guaranty delivered by The Rouse Company. Purchaser shall have no obligations hereunder until such ratification and the execution by The Rouse Company of such instrument of guaranty, provided that the time for the performance of Purchaser's obligations hereunder shall not be extended by virtue of the necessity of such ratification by Purchaser's Board of Directors and/or execution of such instrument of guaranty by The Rouse Company. In the event the Board of Directors

of Purchaser fails so to ratify execution of this Agreement on or prior to December 15, 1983, or in the event The Rouse Company fails to execute an instrument of guaranty on or before January 15, 1984 (as such dates may be extended as herein provided), the City may, upon payment to Purchaser of the entire Deposit, together with any interest accrued thereon, terminate Purchaser's rights under this Agreement whereupon the parties shall have no further obligations hereunder. In addition, upon notification to the City by Purchaser subsequent to December 15, 1983 (as such date may be extended as herein provided) to the effect that the Board of Directors of Purchaser has failed or refused to ratify Purchaser's execution of this Agreement, or upon such notification to the City subsequent to January 15, 1984 (as such date may be extended as herein provided) to the effect that the Board of Directors of The Rouse Company has failed to execute such instrument of guaranty, the City, promptly upon demand by Purchaser, shall pay to Purchaser the entire Deposit, together with any interest accrued thereon, whereupon Purchaser shall have no further rights under this Agreement.

Section 48. No Partnership. Nothing herein shall be deemed or construed by the parties hereto, nor by any third party, as creating or authorizing the creation of the relationship of principal and agent or of partnership or joint venture between the City and Purchaser.

This instrument is being executed in six (6) originals and an executed original thereof is being delivered to each of the parties signatory.

EXHIBIT A

WASTELAND
PROJECT PROSPECTUS



**The Westlake Project:
An Offering To Sell
The City of Seattle's
Westlake Area Properties**

Offered By:

The City of Seattle
Charles Royer, Mayor

Department of Community Development
I. Dean Mosier, Director

August 1982

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I. Summary of Offering

Objective

The City of Seattle will sell its downtown Westlake area properties to the purchaser who is experienced in development and who submits the best proposal for achieving certain long-standing public goals. The major goals are to create an attractive public open space and focal point that will also enhance retail activity in the downtown area.

Location

Approximately two-thirds of a block located between Pine and Olive Streets and Fourth and Fifth Avenues, in the heart of Seattle's downtown retail core.

Parcel Size

Approximately 56,600 square feet.

Price

Fixed Sale Price	\$7,800,000
Reimburse City for Utility Work (estimate)	1,000,000
Monorail Terminal Redevelopment (estimate)	1,800,000
	<hr/>
* Total Price	\$10,600,000

*See page 9 for details.

Permitted Uses

A minimum of 100,000 square feet of small retail shops and restaurants, a redeveloped monorail terminal, and a minimum of 15,000 square feet of ground level public space are required. Allowable discretionary uses are: department stores, commercial offices, residences, hotels, cultural facilities, a subterranean garage, pedestrian linkages to surrounding department stores, additional shops and restaurants, additional public space and other public facilities. The maximum floor area ratio (FAR) permitted on the subject property is 5.3, but may be increased to a maximum of 6.5 if additional public space is provided.

Summary Legal Description

Lots 1, (2), 3, 8, 9, 10, 11 and 12 of Block 1 of the "Heirs of Sarah A. Bell's Addition" to the town of Seattle, Washington. The City has applied for the vacation of some 25,500 square feet of the Westlake Avenue right-of-way and a portion of an adjoining alley, both of which shall be added to the property for sale upon approval of the vacation.

Selection Process

The Seattle Department of Community Development is implementing a two stage selection process for the disposal of the property. The Department is initially requesting interested purchasers to forward their qualifications along with a \$25,000 good faith deposit (see page 12 for details). Subsequently, three to five finalists will be selected to develop full proposals, including conceptual designs. The ultimate selection will be based mainly on the nature and quality of the proposed development and the technical and financial capability of the purchaser.

Deadlines

Qualifications will be accepted at the offices of the Department of Community Development until 5:00 p.m. on September 13, 1982.

Full proposals from finalists must be received within 90 days of receiving notification of selection as a finalist.

Further Information

For further information, please contact:

The Seattle Department of Community Development
Development Division
Attention: Barry Getzel
400 Yesler Way
Seattle, WA 98104

II. The Site

The City's Westlake area properties, now being offered for purchase, comprise some 56,600 square feet of land in the heart of downtown Seattle (see aerial photo on the cover of this document and the map in Exhibit B). The site is surrounded on three sides by the city's major department stores. To the west of the site, across Fourth Avenue, is The Bon Marche (a division of Allied Stores, a retail department store with 900,000 gross square feet. To the east of the site, across Fifth Avenue, is Frederick & Nelson (a division of Batus, Inc.), a retail department store of 700,000 gross square feet. To the south of the site, across Pine Street, is Nordstrom, an apparel store of 220,000 gross square feet.

The site is characterized by heavy daytime pedestrian use. The northeast corner of Fourth Avenue and Pine Street has the greatest daily pedestrian count (nearly 10,000 in 1975) of any block in the city. Approximately 116,000 downtown workers plus individuals from throughout the Seattle-Everett SMSA and tourists come to this area to shop and sight-see. In addition, there is a grade differential of approximately eighteen (18) feet between the Fourth and Fifth Avenue sides of the site, thereby allowing for two levels of a project to have ground level access. The monorail, with a direct connection to Seattle Center (a major cultural, recreational, retail and entertainment center), terminates at the site. Current annual monorail patronage is some 2.5 million. Local and regional bus routes have stops on the edge of the site and across Pine Street. The City and METRO, the operator of area-wide public transit, are now studying Pine Street as a potential east-west downtown transit mall, connecting with a north-south transit mall on Third Avenue. The site is also within four blocks of Seattle's renowned Pike Place Market, (see chart of "Pedestrian Pathways" in Exhibit J). The City currently has plans to construct a park of 20,000 to 25,000 square feet south of the site across Pine Street.

The City acquired properties, hereby offered for sale are:

1) Lots 1, (2), 3, 8, 9, 10, 11 and 12 of Block 1. Addition to the town of Seattle, as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle) according to plat recorded in Volume I of Plats page 103, King County, Washington; and 2) the City's Department of Community Development has applied for a permanent street vacation for some 25,500 square feet of Westlake Avenue right-of-way and a portion of the alley which bisect the site. The vacated right-of-way and a portion of the alley will be included in the properties for sale at the time the vacation is granted (the cost of this property and its size are already included in the figures cited in this document).

The following is a summary of the status of property rights connected with the lots offered for sale:

1. **Lot 1**
 - Fee simple owned by City
 - Tenants: Edison Bros. (expires 2028)
 - (sub) Walden Books (expires Dec. 1982)
 - Leeds Shoe Store, a division of Edison Brothers (expires June 1988)
 - Fred Bennett Creations (month to month)
2. **Lot 2**
 - Fee simple owned by F.S. Stimson Corporation Trust
 - Ground lease until 2028 owned by City
 - Building is unoccupied
3. **Lot 3**
 - Fee simple estate owned by City
 - Tenancies are subject to termination upon sale by the City
4. **Lots 8, 9, 10, 11**
 - Fee simple owned by City
 - Tenancies are subject to termination upon sale by the City

5. **Lots 10, 11, 12** - Fee simple owned by City
- Tenants: Weisfields (expires March 1984)
 - (sub) First Interstate Bank (expires March 1984)

In order to expeditiously redevelop the site, as required by the City, the selected developer is obligated to negotiate the early termination of the Edison Brothers and Leeds' leases, and purchase the City's option on the fee simple estate in Lot 2, currently being negotiated with the F.S. Stimson Corporation Trust, at the City's cost of such option (to be added to the property purchase price when identified). The Stimson Corporation Trust is constrained by law from guaranteeing the sale of its fee interest in Lot 2 at this time. The Trust has committed to the City that it is currently exploring, on behalf of its beneficiaries, whether or not a sale of the fee is in their best interest (see Exhibit Q). In making that decision the Trust will consider, at a minimum, that: (1) the fee interest is encumbered by a ground lease, owned by the City, with a remaining term of 46 years; (2) over the past 12 months the total revenue from that lease was only approximately \$21,000; and (3) such revenues are unlikely to increase appreciably over the lease term without redevelopment of the site.

The owner of Lot 4 (immediately adjacent to the project site; see map in Exhibit B) has committed to the sale of its property to the selected purchaser on terms to be negotiated (see Exhibit R). Interested parties should look on this commitment as a potential opportunity for project expansion, within the site requirements and design standards set forth herein. However, the City does not guarantee that such a purchase can be consummated. For purpose of this property disposition the City will only consider proposals that present a redevelopment project (or the portion thereof) which results in construction only on the site described above. The purchase or lease of adjoining lots by proposers, although such may ultimately afford greater design flexibility, will not be considered a factor in the selection of the best proposal.

III. Goals

The selected purchaser of the City's Westlake properties is expected to develop a project that achieves the following goals, which are the result of extensive studies and planning by the City of Seattle (see "Project History" in Exhibit A):

1. To provide an aesthetically satisfying public open space. This space should become a center for general pedestrian-oriented amenities, both in the daytime and at night; a place where people can pause and relax and enjoy the natural mix of people away from the rush of the City. It should also potentially provide a gathering spot for public events and celebrations. Therefore, the project should become a point of public pride to local residents.
2. To strengthen the retail core. The project should encourage additional investment in the retail core and strengthen the identity of the area. It should further encourage an appropriate mix of quality businesses, have a pedestrian orientation, minimize vehicular/pedestrian conflict, encourage day and night downtown utilization and improve the urban design quality and general quality and amenity of the area.
3. To redevelop the downtown monorail terminal in a manner compatible with the above goals. The new terminal should be a functional, aesthetically pleasing facility that: provides for easy handicapped access, provides for efficient circulation of monorail patrons, interrelates well with downtown public transit, meets the highest standards of safety and comfort and provides for the most efficient utilization of underlying and adjoining land areas.

For a project to achieve these goals, all project elements must be complementary.

IV. Permitted Uses

Permitted uses may be categorized as (a) the minimum requirements of the project; and (b) allowable discretionary uses proposed by the developer.

A. Required Uses

1. 15,000 square feet of ground level public space, as defined in Design Principles for Public Amenities (published by the Seattle Department of Construction and Land Use on January, 1982; see Exhibit O).
Attractive and easily accessible covered public space such as a skylighted atrium, sheltered parks or plazas will also meet this requirement.
2. 100,000 square feet of gross leaseable area devoted to small shops and restaurants.
3. A redeveloped monorail terminal.

B. Allowable Discretionary Uses

1. Additional public space, as defined above.
2. Additional retail shops and restaurants.
3. Cultural facilities including: museums, galleries, libraries and theatres (cinemas or legitimate).
4. A retail department store.
5. Underground parking as permitted by Seattle Municipal Code, (Title 24, Subtitle I, Chapter 24.64).
6. Commercial offices.
7. A hotel.
8. Residential units.
9. Below grade pedestrian linkages to surrounding department stores to the east, west and south of the project site, and in conformance with City Ordinance 109740 (see Exhibit M).
At the purchaser's option, such below grade linkages may be merchandised.
10. Other readily accessible public space, such as an ice skating rink, roller skating rink, roof gardens, and elevated plazas or terraces.

V. Siting Requirements and Design Standards

1. The overall character of the project must satisfy the project goals (as described on page 5).
2. The only permitted street level uses are: small shops and restaurants, a retail department store, public space, and vertical conveyances.
3. All project elements must afford easy access by the handicapped.
4. A majority of the public space should be located at the south end of the project and provide for easy physical and visual access to and from Pine Street and contribute to a desirable street environment.
5. A minimum of 15,000 square feet of ground level public space is required. The inclusion of additional public space is encouraged, recognizing the following order of priority (also see numbers 14 and 15 below) for its location:
 - a. ground level;
 - b. above grade but in relation to the monorail terminal; and
 - c. other above grade public space.
6. In general, public spaces should provide ample seating capacity, maximize use of natural light, offer some protection from wind and rain and be usable in the evening, as well as daylight hours.
7. The maximum height of the project at Pine Street shall be no greater than that of Frederick & Nelson (i.e., 150 feet). Towers (i.e., structures greater in height than 150 feet) if proposed, shall be set back a minimum of 100 feet north of Pine Street. In light of project goals, it is assumed that project density will be limited as much as possible.
8. Subsequent to selection, the purchaser's architect shall design the southerly end of the project in coordination with that of the City park (i.e., the forthcoming "Westlake Park") south of Pine Street, especially in terms of building materials, landscaping and similarity of access along Pine Street.
9. The design of the project must respect the character of The Bon Marche, Frederick & Nelson and Nordstrom buildings, as well as the historic nature of the Times Square Building.
10. Pedestrian circulation patterns must be designed to encourage: use of open spaces north and south of Pine Street; easy and clearly defined access at all hours to the monorail; and street level retail activity of interest for pedestrians at the sidewalk level and around plazas and open spaces.
11. Service and garage access (if a garage is proposed) must be on Olive Way and/or the northerly half of 4th or 5th Avenue between Pine Street and Olive Way.
12. The redeveloped monorail must be located on the proposed project site and/or in the Fifth Avenue right-of-way south of Olive Way.

13. All elements of the project must be developed so as not to conflict with the construction and near continuous operation of the City's relocated monorail terminal. The monorail terminal must be developed to the highest standards of safety, with the capability of serving long-term projected monorail patronage.
14. The maximum allowable floor area ratio (FAR) for a project proposed to be located only on the subject property (i.e., not including adjoining lots 4, 5, 6 and 7, if purchased or leased from private owners) shall be 5.3.
15. A density bonus of .1 FAR will be given for each 1,700 sq. ft. of additional ground level public space up to a maximum of 6.5 FAR on the subject property. A density bonus of .07 FAR will be given for each 1,700 sq. ft. of above grade public space up to a maximum of 6.5 FAR on the subject property.
16. In order to encourage the generous provision of public amenities, the calculation of a proposal's resulting FAR will exclude the space devoted to: cultural facilities, public space (covered and uncovered), and the monorail terminal.
17. No bonuses resulting in a FAR above the stated maximums, other than those described above, will be granted.
18. The project design shall be compatible and complementary to the operation of public transportation in the area (for a description of current and potential future public transit service, (see Exhibits G and H).
19. Continued service access to surrounding properties must be assured.
20. Sidewalk and landscaping treatment along Fifth Avenue should be compatible with that of the existing Fifth Avenue Local Improvement District.
21. Weather protection along major pedestrian routes, to increase the comfort for the high level of pedestrian traffic, is desirable.
22. Above grade pedestrian linkages (i.e., skybridges) are prohibited. Visual access from exterior spaces into subterranean linkages is encouraged.
23. Use of water or other methods of masking City noise in a portion or portions of the project is encouraged.
24. A design that somehow recognizes the existing orientation of the Westlake Avenue right-of-way is encouraged.
25. Project signing shall be subdued and tasteful.

VI. Summary of Purchaser's Obligations

Below is a summary of the major obligations which must be met by the selected purchaser in order to effect the property sale and the redevelopment. The details associated with each of these are contained in the Contract of Sale (see pages 20-50). The obligations are as follows:

1. Within 7 days of selection of the purchaser, increase the existing good faith deposit by a total of \$100,000 (i.e., to a total of \$125,000 good faith deposit) in the form of a cashier's check.
2. Execute a Contract of Sale, substantially in accord with that contained herein, within thirty (30) days subsequent to a request by the City to do so. By the point of execution, the selected purchaser will provide an irrevocable letter of credit, acceptable in form to the City, for \$655,000 (i.e., the cash deposit, plus the letter of credit will be equivalent to 10% of the property sale price).
3. Acquire through negotiation, the outstanding property rights within the site, in order to effect redevelopment (see page 4).
4. Complete design work, and obtain necessary financing according to a specified schedule(see page 10).
5. Present the City with the remaining 90% due on the purchased property (i.e., \$7,020,000 less interest, if any, accrued on the deposit) plus the cost of the City's option on the fee interest in Lot 2 (now being negotiated) by the time of property conveyance.
6. Reimburse the City for all utility relocation construction work done prior to property conveyance, at the cost of such work (estimated at \$1 million).
7. Demolish existing buildings and redevelop the site according to site requirements and design standards and the project design and specifications approved by the City.
8. Demolish the existing monorail terminal and construct a new terminal at the full cost of such work (estimated at \$1.8 million) according to operating, safety and accessibility standards set by the City. The monorail and terminal will continue to be owned by the City and operated by METRO, the regional operator of public transit.

Fulfillment of the above does not waive the developer's obligation to comply with all laws, rules and regulations applicable to the development of the site.

VII. Required Implementation Schedule

- **Provide a Deposit** — within 7 days of selection of the purchaser, increase the \$25,000 good faith deposit by an additional \$100,000.
- **Execution of “Contract of Sale”** — within 30 days after being requested by the City to do so, immediately preceded by the delivery of an irrevocable letter of credit for \$655,000, acceptable in form to the City.
- **Completion of Design (acceptable to the City)** — within 270 days from contract execution.
- **Secure control of the outstanding property rights within the site** — within 270 days from contract execution.
- **Secure Construction Financing** — within 90 days from design completion.
- **Close on Property Purchase** — present the City with the remaining 90% of the purchase price of the property plus reimbursement for utility relocation work and the cost of the City's option on Lot 2 at the point of conveyance (conveyance to occur immediately after all of the above requirements are met).
- **Start Construction** — within 90 days from securing financing.
- **Completion Construction** — within 2 years of construction start.

VIII. Selection Process

The City of Seattle's Westlake area properties are being offered publicly through local and nation-wide advertisements. All interested parties will be provided copies of this prospectus at a cost of \$35.00. Other available information (see list in Exhibit P) will be forwarded to purchasers of the prospectus upon request, at no additional charge. Checks should be made out to: "The Westlake Project Construction Fund" and forwarded to:

The Seattle Department of Community Development
Development Division
Attention: Barry Getzel
400 Yesler Way
Seattle, WA 98104

In order to facilitate the selection of the best proposal and to reasonably limit the non-reimbursable, up-front costs of prospective proposers, a two stage selection process is being implemented. Stage one of that process involves a Request for Qualifications (RFQ). The RFQ is designed to solicit interest from numerous development teams and result in the pre-selection of three to five of those who will be asked to complete full proposals. Stage two involves a Request for Proposals (RFP), whereby those teams selected in stage one will be asked to submit complete proposals.

IX. Request for Qualifications (RFQ)

Each prospective purchaser of the subject property that responds to the RFQ shall provide the following information (10 copies of all materials listed in A, C and D below, 2 copies of the materials in B).

A. Purchaser's Development Experience

1. Identification of the type of legal entity with whom the City would contract.
2. Identification of the corporation or partnership, including all joint venture or limited partners and their percentage of interest.
3. The entity's previous relevant development experience (including joint venture partners) including brief descriptions of projects (date completed, location, concept, land uses, size, construction cost, role of the developer, etc.) and photographs or brochures on such projects.
4. The entity's previous experience in ongoing management and operation of facilities with uses similar to that contemplated in the Westlake Project (include experience of each joint venture partner).
5. The entity's organizational and management approach, and role of each development partner and major consultant, in the implementation of the development.
6. Identification of key individuals in the team who would be involved in project implementation, including their background experience.
7. A description of all other projects, (including a general description of their respective commitments of personnel and financial resources) which the entity or its principal participants are currently involved in planning, construction or operating.

B. Financial Capability of the Purchaser

Evidence that the entity (including joint venture partners) has the financial capability to carry out the proposed commitments. The financial stability of the prospective purchaser will be evaluated, as well as its ability to raise equity/debt capital. At a minimum, the entity's (or that of its principals, if the entity is a new firm) two most recent annual financial statements, each including a balance sheet and "profit and loss" statement prepared in accordance with generally accepted accounting principles, must be submitted. The Seattle Department of Community Development will withhold these financial statements from public inspection and copying in accordance with the provisions of the public disclosure act, Chapter 42.17 RCW.

A good faith deposit of \$25,000 in the form of a cashier's check is required to be submitted at this time. The cashier's checks will be held by the City as evidence of a good faith commitment to perform under the rules of this competition. The good faith deposit will immediately be returned to those entities not selected as finalists in the competition and later to those finalists not selected as the purchaser of the property. Furthermore, good faith deposits may be returned upon request prior to proposal submittal. However, those finalists who submit proposals and voluntarily drop out of the competition prior to selection, will forfeit their deposits.

C. Project Architecture/Planning/Design Experience

Identification and experience of key consultants, with emphasis on planning, architecture and urban design. Provide previous relevant experience, description of comparable projects (including photographs, drawings and/or brochures) and role of the consultant.

D. Evidence of Local (Seattle Area) Participation

Preference will be given to those entities that show evidence of participation of Seattle area firms in the planning, design, construction and/or ownership of the project.

Submittal of three references, at least one of which is from a lending institution that has transacted business with the developer.

Any additional information that the prospective purchaser wishes to submit may be attached in the form of appendices. Statements should be completed, but as brief as possible. *No physical planning, architectural or program material relating to the Westlake area will be accepted by the City during this stage of the selection process.*

Responses to the Request for Qualifications (10 copies of all materials except 2 copies of financial statements) must be received no later than 5:00 p.m., September 13, 1982. Responses should be submitted to:

The Seattle Department of Community Development
Development Division
Attention: Barry Getzel
400 Yesler Way
Seattle, WA 98104

Prospective purchasers may submit written questions or comments to Department of Community Development (DCD) staff regarding this RFQ. Questions should be directed to Barry Getzel at the above address. Responses to such questions, as well as clarifying information and possible revisions to this document will be forwarded to all purchasers of the prospectus.

All responses to the RFQ, received by the prescribed deadline, will be reviewed and evaluated by an evaluation committee. This committee shall be composed of individuals who are knowledgeable in the fields of mixed-use development, architectural design and finance. After considering its evaluation, the committee will select no more than five finalists which will be asked to respond to a Request for Proposals (i.e., stage 2 of the Selection Process).

The City reserves the right to reject any and all responses to the RFQ without any liability or responsibility on its part. It is expected that this selection and notification will occur within two to three weeks after the RFQ submittal deadline.

Evaluation of Qualifications

All entities submitting the required background information by the prescribed deadline will be evaluated according to the following criteria (total of 100 points maximum score):

A. Purchaser's Development Experience — Maximum of 30 Points

1. Previous experience with retail development projects.
2. Previous experience with major development projects in urban settings.

3. Previous experience with projects that contain public open space or recreational space.
4. Success of comparable undertakings in terms of: design quality, economic success and quality maintenance and operation.
5. Timeliness of performances in prior projects and likelihood of meeting schedule requirements of the Westlake Project, in view of present resource commitments to other projects.

B. Financial Capability of the Purchaser — Maximum of 30 Points

1. Financial stability of the principal development firm(s).
2. Ability to raise equity/debt dollars.

C. Project Architecture/Planning/Design Experience — Maximum of 30 Points

1. Previous retail project design.
2. Previous experience with projects in urban settings.
3. Previous experience with projects that have included a major public element.
4. Experience in adapting design to local settings.
5. Overall architecture and landscape design quality.

D. Evidence of Local (Seattle Area) Participation — Maximum of 10 Points

Letters of agreement, contracts, or other evidence of participation of Seattle area firms in the planning, design, construction and/or ownership of the project.

X. Request For Proposal (RFP)

Those entities selected as finalists through the RFQ stage, will be requested to submit complete proposals.

A complete proposal shall include all of the items listed below. Proposals which are incomplete can be rejected and returned to the purchaser in their entirety.

1. Offer to Purchase

Each proposal represents an offer to purchase the subject property at the established fixed sale price of \$7,800,000 plus the cost of other obligations listed below.

Within seven (7) days of selection, the purchaser will be required to increase its existing good faith deposit by an additional \$100,000 in the form of a cashier's check. By the point of execution of the Contract of Sale the purchaser will deliver an irrevocable letter of credit for \$655,000, acceptable in form to the City. Upon conveyance of title to the property by the City, the purchaser will provide the following:

- a. The remaining 90% (i.e., \$7,020,000) of the sale price.
- b. Reimbursement of the City's cost of utility relocation (estimated at \$1 million).
- c. The cost of the City's option to purchase Lot 2 (currently being negotiated).

The purchaser further commits to financing the redevelopment of the City's monorail terminal at the full cost of such work (estimated at \$1.8 million). Proposers are advised to carefully read the enclosed Contract of Sale for detailed terms. ***The City's intention in making this a fixed price offering is to encourage a development of limited density in order to achieve the project goals rather than one that maximizes the property sale price. Offers above the fixed price will not result in the City favoring that proposal over any other.***

2. Development Concept

- a. The proposal shall contain a written program describing the development concept and how it achieves the project goals and follows the site requirements and design standards.
- b. The development concept shall be illustrated by conceptual drawings indicating building volumes, architectural character, pedestrian circulation and relationship to the surrounding environment. The following design work is required:
 - ① a site plan (1/8" scale)
 - ② a north-south section (1/8" scale)
 - ③ an east-west section (1/8" scale)
 - ④ a prospective view of the south facade from the west side of Fourth Avenue, midway between Pike and Pine Streets.
 - ⑤ an internal prospective sketch of the public open space(s).

- ⊗ A conceptual floor plan for the first floor off of Fifth Avenue and the first floor off of Fourth Avenue (1/8" scale).
 - ⊗ A bird's eye isometric (at 45° angle) of the proposed project looking due north from south of Pine Street, showing its relationship to structures that will remain on the same block and those blocks immediately surrounding the project site (1"=30' scale).
- c. The proposal shall include calculations and analysis of the proposal to demonstrate conformance to the established design standards.

3. Contract of Sale

The authorized officer of the proposing entity must clearly indicate in the proposal a willingness to execute a contract for sale, substantially in accord with that shown on pages 20-50, after selection and within thirty days of being requested to do so by the City.

The City hopes that the small number of existing tenants in the project area, who were also tenants of record as of May, 1977 (see Exhibit N), will be given an opportunity to lease retail space in the redevelopment. Therefore, proposals that express such a commitment as a recommended amendment to the contract of sale will be given some preference (see proposal evaluation criteria on pages 17 and 18).

4. Demonstration of Financial Feasibility

Proposals must include a demonstration of the purchaser's capability to finance the complete project, showing the following information:

- a. A project proforma showing development costs, operating costs, and revenue projections by functional use (i.e., retail, office, etc.). Financing and equity requirements must also be shown.
- b. Evidence of available sources of equity capital sufficient to complete the project.
- c. A statement from a financial institution(s) which will demonstrate its willingness to provide construction and/or long-term financing.

5. Expansion of the Project Site

The owner of Lot 4 (immediately adjacent to the project site) has stated that it will consider the sale of its property to the selected purchaser on terms to be negotiated (see Exhibit R). Proposers should look on this commitment as a potential opportunity for project expansion, within the site requirements and design standards set forth herein. However, the City does not guarantee that such a purchase will be consummated. The purchase or lease of other adjoining lots (i.e., lots 5, 6 and 7) by proposers, although such may ultimately afford greater design flexibility, will not be considered a factor in the selection of the best proposal.

Ten copies of each proposal must be received by the City no later than 90 days from the receipt of notification of being a finalist. It is now estimated that proposals will be required by the end of December, 1982. Proposals should be submitted to:

I. Dean Mosier, Director
 The Seattle Department of Community Development
 400 Yesler Way
 Seattle, WA 98104

Questions raised during the development of proposals should be directed to Barry Getzel at the above address. Responses to such questions, as well as clarifying information and possible revisions to this document will be forwarded to all finalists.

All responses to the RFP, received by the prescribed deadline, will be reviewed and evaluated by an evaluation committee. The committee shall be similar to the one established for the RFQ evaluation. The evaluation committee reserves the right to request additional information, clarification and personal interviews prior to arriving at a final recommendation.

After consideration its evaluation, the committee will make a recommendation to the Mayor and the City Council. The evaluation committee will recommend contracting for the sale of the City's Westlake properties with the entity that is best suited to develop the project in accordance with project goals. It is expected that the selection notification to the winning proposer will occur within 45 days after the RFP submittal deadline. Each team submitting a proposal will be notified in writing of the name(s) of the team finally selected.

The City reserves the right to reject any or all proposals without any liability or responsibility on its part. Acceptance of a proposal by the City does not waive the purchaser's obligation to comply with all laws, rules and regulations applicable to the development of the site. Should the selected purchaser fail to increase the good faith deposit within 7 days of selection or enter into the contract of sale within 30 days subsequent to a request by the City to do so, the City reserves the right to retain the deposit(s) and either offer the property to another finalist who has submitted a proposal, offer the property to another entity that submitted its qualifications but was not a finalist, or discard the process in its entirety.

Evaluation of Proposals

Proposals will be evaluated according to the following criteria (total of 100 points maximum score):

A. Nature and Quality of the Proposed Development — Maximum of 40 Points

1. The overall quality of the proposed design concept.
2. The achievement of the project goals and consistency with specified site requirements and design standards.
3. The appropriateness of the design concept to a downtown urban setting.
4. Design compatibility with the architectural character, climate and general lifestyle in the Pacific Northwest.

B. Ability to Finance the Proposed Development — Maximum of 40 Points

1. The quality and realism of proforma financial statements.
2. Expectation that the proposer will have adequate sources of equity capital to complete the project.
3. The likelihood of a lender providing project financing.

C. Tenant Resettlement Preference -- Maximum of 10 Points

Willingness of the proposer to include an amendment to the Contract of Sale that provides an opportunity for project area tenants, who were tenants of record as of May, 1977, to lease retail space in the redevelopment.

D. Relative Experience -- Maximum of 10 Points

1. Development experience, as evaluated in the RFQ stage, relative to the other finalists.
2. Project architecture/planning/design/experience, as evaluated in the RFQ stage, relative to the other finalists.
3. Retail project management experience, as evaluated in the RFQ stage, relative to the other finalists.

XI. Contract of Sale

7/9/82

CONTRACT FOR SALE OF PROPERTY

THIS AGREEMENT made on or as of the _____ day of _____, by and between The City of Seattle, a municipal corporation of the State of Washington, having its office at the Seattle Municipal Building, 600 Fourth Avenue, in The City of Seattle, Washington (hereinafter called "City"), and _____ (hereinafter called "Purchaser").

I. Recitals

WITNESSETH:

WHEREAS, the Westlake Project as authorized by Ordinance 108591 in October, 1979, could not proceed due to judicial invalidation of the City's exercise of its condemnation powers for such a project; and

WHEREAS, in its efforts to implement the Westlake Project the City acquired a significant amount of property in the Westlake area north of Pine Street through negotiated sale; and

WHEREAS, any further action in the Westlake area must not only be compatible with the City's goals for the area but recognize both fiscal and legal constraints; and

WHEREAS, the disposition of the City's acquired property interests with controls imposed on the uses and intensity of development thereon would be responsive to the identified goals and constraints; and

WHEREAS, pursuant to Resolution 26780 establishing a procedure for disposing of the Westlake property a selection committee reviewed responses to the City's Request for Proposal issued _____; and

WHEREAS, the Mayor, having reviewed the recommendation of the selection committee, has recommended acceptance of the Proposal of Purchaser, a copy of which is filed with the City Clerk _____ (hereinafter called "Proposal") to develop the site, which recommendation was adopted by Ordinance No. _____ authorizing the negotiations of sale, sale and conveyance of the Westlake Project property; and

WHEREAS, the City represents and warrants that it is the fee simple or leasehold owner of all of the real property described below and represents and warrants that the City has full power and authority to enter into this Agreement and to sell the property pursuant to the terms and conditions of this Agreement;

NOW, THEREFORE, the parties hereto, for and in consideration of the promises and the mutual obligations herein undertaken, do hereby agree as follows:

II. Conveyance of Property

Section 1. The Property. Subject to all of the terms and conditions of this Agreement, the City agrees to sell that certain real property located in The City of Seattle more particularly described as follows:

Fee Simple Estates in:

Lot 1, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sara A. Bell, deceased (commonly known as Heirs of Sara A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 103, in King County, Washington;
EXCEPT the Westerly 12 feet of said lot condemned by the City of Seattle in King County Superior Court Cause No. 52280, for the widening of Fourth Avenue, as provided by Ordinance 13778 of said City; and
EXCEPT the Southeasterly 7 feet of said lot condemned by the City of Seattle, in King County Superior Court Cause No. 57057 for the widening of Pine Street as provided by Ordinance 14500 of said City; and
EXCEPT the portion of said lot condemned by the City of Seattle, in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance No. 7733 of said City.

Lot 3, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to the plat recorded in Volume 1 of Plats, page 103, in King County, Washington;

EXCEPT the Westerly 12 feet of said Lot condemned by the City of Seattle in King County Superior Court Cause No. 52280 for the widening of Fourth Avenue, as provided by Ordinance 137376 of said City; AND EXCEPT any portion of said lot condemned by the City of Seattle in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance No. 7733 of said City.

All those portions of Lots 8, 9, 10 and 11, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, Page 103, in King County, Washington; lying Westerly of the West line of Westlake Avenue, as condemned by the City of Seattle in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance 7733 of said City.

Those portions of Lots 10, 11 and 12, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 1203, in King County, Washington, lying easterly of Westlake Avenue as condemned by the City of Seattle in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance 7733 of said City; EXCEPT the southeasterly 7 feet of said Lot 12 condemned by the City of Seattle in King County Superior Court Cause No. 57057 for the widening of Pine Street as provided by Ordinance 14500 of said City.

Ground Lease
[August 1, 1948 - July 31, 1998, option to renew through 2028]:

Lot 2, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 103, in King County, Washington;

EXCEPT the Westerly 12 feet of said lot condemned by the City of Seattle in King County Superior Court Cause No. 52280 for the widening of Fourth Avenue, as provided by Ordinance 13776 of said City; and

EXCEPT the portion of said lot condemned by the City of Seattle in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance No. 7733 of said City.

Section 2. Consideration. The Purchaser will buy the Property for the consideration consisting of:

A. The covenants, promises and undertakings of the Purchaser contained in Article III, and;

B. Payment to the City of the sum of Seven Million Eight Hundred Thousand Dollars (\$7,800,000.00) payable as follows:

- (1.) One Hundred Thousand Dollars (\$100,000.00) paid by certified check within seven (7) days of written notification of selection as Purchaser. This amount is in addition to the Twenty-five Thousand Dollars (\$25,000.00) paid responsive to the Westlake Project Prospectus.
- (2.) An additional Six Hundred Fifty-five Thousand Dollar (\$655,000.00) payment made either by certified check or an irrevocable letter of credit or any combination thereof upon execution of this Agreement; and
- (3.) The remainder of said purchase price at time of conveyance as provided in Section 3. Payment shall be made either in cash or by certified check.

Section 3. Conveyance

A. Upon payment of the purchase price, and upon the happening of all of the conditions of sale set forth in Article III, the City shall convey title to the Property by statutory warranty deed (hereinafter called "Deed") and Assignment of Ground Lease subject to existing leasehold interests and free and clear of all exceptions, conditions, restrictions and covenants, except those set forth or referred to elsewhere in this Agreement. The grantee of the Deed and the assignee of the Ground Lease shall be:

(Purchasers name)

B. The City shall provide the Purchaser with an owner's policy of title insurance in standard form, acceptable to the Purchaser and pay the costs of said Title Insurance Policy and for the necessary State Revenue Stamps. A preliminary title report will be provided by the City for the Purchaser's inspection.

C. By reason of the requirements of RCW 65.08.095, which provides as follows:

"Conveyance of fee title by public bodies. Every conveyance of fee title to real property hereafter executed by the state or by any political subdivision or municipal corporation thereof shall be recorded by the grantor, after having been reviewed as to form by the grantor, at the expense of the grantee at the time of delivery to the grantee, and shall constitute legal delivery at the time of filing for record."

the procedure for delivery of a deed by the City and for payment to the City by the Purchaser of that portion of the consideration consisting of cash, or a certified check in lieu thereof, shall be as follows:

1. A deed shall be prepared by the City and submitted to Purchaser for approval, which Deed shall be substantially in conformance with a Deed which is attached hereto and incorporated herein by reference and marked as Exhibit "A".

2. Upon agreement by the City and Purchaser as to the form and content of a Deed, Purchaser shall endorse its approval thereupon and return the same to the City.

3. City shall cause such Deed to be executed and thereupon delivered to the _____ (hereafter "Escrow Agent") with instructions to record the same on behalf of the grantor: City when:

- a) Schematic Plans, Design Development Plans and Construction Plans are submitted by the Purchaser and approved by the City as provided in Section 9;

- b) Satisfactory evidence of equity capital and commitments for construction financing are submitted to the City as provided for in Section 11; and
- c) Satisfactory evidence of control of long-term outstanding property interests is submitted to the City as provided in Section 6C; and
- d) the Purchaser has deposited with the escrow agent certified check(s) payable to the City of Seattle in a sum representing (i) the full amount of the Letter of Credit identified in Section 2B(2), (ii) the remainder of the purchase price (\$7,020,000.00), (iii) that amount of payment required pursuant to Section 6B, and (iv) the value of the option on Lot 2.

4. The Escrow Agent shall be instructed to instruct in turn the King County Office of Records and Elections (County Recorder) to mail the original of the deed, following recording, to the Purchaser. The escrow fee charged in connection with this closing shall be paid one-half each by the Purchaser and City.

5. Prior to conveyance of the Property, the City shall pay, as applicable, any and all taxes, assessments, license fees, and public charges levied or imposed on the Property. After the conveyance the Purchaser shall pay all such charges.

Section 4. Good Faith Deposit.

A. The payments identified in Section 2(B)(1) and (2) shall be known as the Deposit and shall be security for the performance of the obligations of the Purchaser to be performed prior to either the return of the Deposit to the Purchaser, or its retention by the City as liquidated damages, or its application on account of the purchase price, as the case may be, in accordance with the terms of this Agreement.

B. Any portion of the Deposit that is made in the form of cash will be placed by the City in an interest bearing savings account, and such interest when received by the City shall be credited to the Purchaser's obligation to purchase.

C. In the event of termination of the Agreement as provided in Section 26A-E herein, the Deposit, including all interest payable thereon shall be retained by City.

D. In the event of termination of the Agreement as provided in Section 25A, B, C, or E or 26G or H herein, the Deposit including all interest payable thereof shall be returned to Purchaser by the City.

E. In the event of termination of the Agreement as provided in Section 25D, or Section 26F herein, the Deposit, including all interest to date thereon, shall be divided between Purchaser and the City Two Hundred Twenty-five Thousand Dollars (\$225,000.00) to the City (i.e., all cash payments and \$100,000.00 from Letter of Credit) and the remainder of the Deposit to Purchaser.

III. Conditions of Sale

Section 5. Restrictions on Land Use. The Purchaser agrees for itself, its successors and assigns, and for every successor in interest to the Property, or any part thereof, and the Deed and the amended Statutory Warranty Deed shall by condition or covenant so require, to abide by the restrictions in the development of the property specified in Section IV, "Permitted Uses" and V, "Site Requirements and Design Standards" of the Westlake Project Prospectus, which sections are attached hereto as Attachment 1 and by this reference incorporated herein.

Section 6. Obligations of Purchaser. As part of the consideration for the conveyance of the Property to Purchaser, Purchaser shall:

- A. Contract with the Seattle Department of Engineering under the Department's established procedures to submit for its review and approval all plans and specifications for the purchaser's construction of a permanent monorail terminal at a location south of Olive Way. Construction shall include (1) demolition of the existing station, piers, and columns, (2) new track and supports, (3) installation of a switching device, (4) new station platform, and (5) associated pedestrian access. All construction costs, including a temporary terminal if necessary, shall be borne solely by the Purchaser. Construction of the permanent terminal shall not interrupt service for more than one week. The specific location of the terminal shall be approved by the City.
- B. At time of conveyance or within 30 days of completion of said utility relocation, whichever is later, reimburse the City for the actual cost of the relocation of utilities necessitated by the vacation of Westlake Avenue responsive to the petition identified in Section 7B herein. Such amount shall be in addition to the purchase price identified in Section 2B.
- C. Within two hundred and seventy days of the execution of this Agreement, acquire an interest in both the fee simple interest in Lot 2 of Block 1 and the long-term lease to which Lot 1 of Block 1 is subject, sufficient to ensure the use of such properties in the Proposal. The adequacy of the interests acquired and evidence of such acquisition shall be subject to the approval of the City.
- D. [Additional Provisions Determined Upon Acceptance of Specific Proposal]

Section 7. Obligations of City

A. Upon execution of this Agreement, Purchaser and its agents shall have the right but not the obligation to enter upon the Property to conduct engineering tests and complete surveys thereon or to engage in any other preliminary activity approved by the City, all at the sole cost and expense of the Purchaser, and subject to such permits as may be required. The City shall not be liable for any damages to Purchaser, its agents, or property which may result from such activities.

B. No later than the approval of Construction Plans pursuant to Section 9C, the City shall, consistent with all applicable statutes, ordinances, and procedures, seek complete review procedures for the vacation of Westlake Avenue abutting the Property as identified in Section 1 and the alley portion between Lots 2 and 3 and 10 of Block 2 as identified in Exhibit C attached hereto and by this reference incorporated herein. If the vacation petition is granted, such vacated portion shall be included in such conveyance to Purchaser with no increase in the consideration identified in Section 2.

C. The City shall, upon execution of this Agreement, begin the process for the relocating of utilities which would be necessitated by the vacation of Westlake Avenue as proposed in B above. The City shall seek to complete such relocation prior to conveyance.

D. The City assumes sole responsibility for these duties and payments imposed pursuant to federal, state, or local relocation assistance regulations.

Section 8. Effect of Covenants: Period of Duration.

A. The Deed shall be worded so as to effectuate the intent of the parties hereto that the covenants or conditions provided in Article III shall run with the land. Except as otherwise specifically provided in this Agreement, such covenants and conditions shall inure to the benefit and shall be enforceable by, the City, its governmental successors and assigns, against and to the burden of Purchaser, its successors and assigns, and every successor in interest to the Property or to any part thereof or to any interest therein, and any party in possession or occupancy of the Property or any part thereof.

B. In the event Purchaser or its successors or assigns, and the City its governmental successors and assigns agree, the covenants or conditions contained in Article III, may be

amended or deleted, and the agreement of no other person or entity shall be required for such amendment or deletion. The City's agreement to such amendment or deletion shall be by ordinance and not otherwise.

IV. Implementation of Proposal

Section 9. Plans for Construction of Improvements.

Plans and specifications for the redevelopment of the Property and the construction of improvements thereon shall be in conformity with the Agreement, and all applicable State and local laws and regulations. As promptly as possible after the date of execution of this Agreement, and in any event no later than specified in Subsections A, B, and C, the Purchaser shall submit to the City for its approval, plans, drawings, specifications, and related documents, and the proposed construction schedule (which plans, drawings, specifications, related documents and progress schedule, together with any and all changes therein that may thereafter be made and submitted to the City as hereinafter collectively called "Schematic Plans," "Design Development Plans," and "Construction Plans") with respect to the improvements to be constructed by the Purchaser on the Property, in sufficient completeness and detail at each design phase to show that such improvements and construction thereof will be in accordance with the provisions of the Agreement.

Submission of Schematic Plans, Design Development Plans and Construction Plans by the Purchaser and approval of such plans by City shall be undertaken as follows:

A. Schematic Plans

As promptly as possible after the date of execution of this Agreement, and in any event no later than _____ days after the date of execution of the Agreement, the Purchaser shall submit to the City its Schematic Plans. Such plans

shall be deemed approved unless the Purchaser is notified of the contrary within 15 days from Schematic Plans submission. If the City rejects the Schematic Plans as not being in conformity with the Agreement, the City shall so notify the Purchaser of its rejection in writing and the reasons thereof. The Purchaser shall either resubmit corrected Schematic Plans to the City within 30 days of the notification from the City, for City approval or incorporate such corrections in design development plans, but in either case will immediately inform the City of its intent in writing.

B. Design Development Plans

As promptly as possible after approval of the Schematic Plans and in any event no later than _____ days after approval of Schematic Plans, the Purchaser shall submit to the City its Design Development Plans. Such plans shall be deemed approved unless the Purchaser is notified of the contrary within 15 days from the Design Development Plans submission. If the City rejects the Design Development Plans as not being in conformity with the Agreement, the City shall so notify the Purchaser in writing and the reasons thereof. The Purchaser shall either resubmit corrected Design Development Plans to the City for approval or incorporate such corrections in Construction Plans.

C. Construction Plans

The Purchaser shall submit to the City within 270 days from the date of the Agreement, its Construction Plans. If the Construction Plans submitted conform to the Agreement, the City shall approve in writing such Construction Plans and no further submittal of Plans by the Purchaser or approval by the City thereof shall be required except with respect to any material change. Such Construction Plans shall, in any event, be deemed approved unless rejected in writing by the

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City, in whole or in part, setting forth in detail the reasons therefore. Notification of such approval or rejection shall be made within fifteen (15) days after the date of receipt by the City of the Construction Plans. If the City so rejects the Construction Plans in whole or in part as not being in conformity with the Agreement, the Purchaser shall submit new or corrected Construction Plans for approval by the City, within thirty (30) days after written notification to the Purchaser of the rejection. The provisions of this Section relating to approval, rejection and resubmission of corrected Construction Plans hereinabove provided with respect to the original Construction Plans shall continue to apply until the Construction Plans have been approved by the City; Provided, That in any event, the Purchaser shall submit Construction Plans which are in conformity with the requirements of the Agreement, as determined by the City, no later than sixty (60) days after the date the Purchaser receives written notice from the City of the City's first rejection on the original Construction Plans submitted to it by the Purchaser. All work with respect to the improvements to be constructed or provided by the Purchaser on the Property shall be in conformity with the Construction Plans as approved by the City.

D. The term "Improvements," as used in this Agreement, shall be deemed to have reference to the improvements as provided and specified in the Construction Plans as so approved.

E. "Approval" by the City as used in this Section is limited to the specific obligations imposed by this Agreement and shall not constitute approval by the City as may be required under any applicable law or ordinance.

Section 10. Changes in Construction Plans. If the Purchaser desires to make any change in the Construction Plans after their approval by the City, the Purchaser shall submit the proposed change to the City, for its approval. If the Construction Plans, as modified by the proposed change, conform to the requirements of Section 9 hereof with respect to such previously approved Construction Plans, the City shall approve the proposed change and notify the Purchaser in writing of its approval. Such change in the Construction Plans shall, in any event, be deemed approved unless rejected by written notice thereof by the City to the Purchaser setting forth in detail the reasons therefore, within fifteen (15) days after the date of the City's receipt of the notice of such change.

Section 11. Evidence of Equity Capital and Mortgage Financing. As promptly as possible, after the approval by the City of the Construction Plans, and, in any event no later than ninety (90) days after the date of receipt of the City's written notice to the Purchaser of approval of such Plans, or, if the Construction Plans shall be deemed to have been approved as provided in Section 9C hereof, after the expiration of thirty (30) days following the date of receipt by the City of the Construction Plans so deemed approved, the Purchaser shall submit to the City evidence satisfactory to the City that the Purchaser has the equity capital and commitments for mortgage financing necessary for the construction of the Improvements.

Section 12. Commencement and Completion of Construction.

A. The Purchaser agrees for itself, its successors and assigns, and every successor in interest to the Property, or any part thereof, and the Deed shall contain covenants on the part of the Purchaser for itself . such successors and

assigns, that the Purchaser, and such successors and assigns, shall promptly begin and diligently pursue completion of the redevelopment of the Property through the construction of the Improvements thereof, and that such construction, shall in any event be begun within six (6) months after the date of the recording of the Deed and be completed within thirty (30) months after such date.

B. If the Purchaser fails to complete construction for any reason cited in Sections 25D, 26A-G, or 27, the City shall have proprietary rights in the Construction Plans sufficient to permit another entity selected by the City to complete construction.

Section 13. Progress Reports. Subsequent to conveyance of the Property, or any part thereof, to the Purchaser, and until construction of the Improvements has been completed, the Purchaser shall make reports, in such detail and at such times as may reasonably be requested by the City, as to the actual progress of the Purchaser with respect to the design, construction and financing of the Improvements.

Section 14. Certificate of Completion.

Promptly after completion of the Improvements in accordance with those provisions of the Agreement relating solely to the obligations of the Purchaser to construct the Improvements (including the dates for beginning and completion thereof), the City will furnish the Purchaser with an appropriate instrument so certifying. Such certification by the City shall be (and it shall be so provided in the Deed and in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement and in the Deed with respect to such obligations of the Purchaser, and its successors and assigns, to construct the Improvements and the dates for the beginning and completion thereof.

Each certification provided for shall be in such form as will enable it to be recorded in the proper office for the recordation of deed and other instruments pertaining to the Property, including the Deed. If the City shall refuse or fail to provide any certification in accordance with the provisions of this Section, the City shall, within thirty (30) days after written request by the Purchaser provide the Purchaser with a written statement, indicating in adequate detail in what respects the Purchaser has failed to complete the Improvements in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts will be necessary, in the opinion of the City, for the Purchaser to take or perform in order to obtain such certification.

V. Prohibitions Against Assignment and Transfer

Section 15. Representations as to Redevelopment.

Purchaser represents and agrees that its purchase of the Property, and its use or other undertakings pursuant to this Agreement, are, and will be for the purpose of immediate redevelopment of the Property as specified in the Proposal and not for speculation in land holding.

The qualifications and identity of Purchaser are of particular concern to the community and the City. Purchaser further recognizes that it is because of such qualifications and identity that the City is entering into this Agreement with Purchaser and, in so doing, is further willing to accept and rely on the obligations of Purchaser for the faithful performance without requiring in addition a surety bond or similar undertaking for such performance of all undertakings and covenants in this Agreement. Purchaser further recognizes that, in view of such reliance, a transfer of the purchaser's interests, or any other act or

transaction involving or resulting in a significant change in the ownership of such entity's interests or with respect to the identity of the parties in control of Purchaser is for practical purposes a transfer or disposition of the Property then owned by the Purchaser.

Section 16. Prohibition Against Transfer or Change of Ownership. For the reasons set forth in Section 15, Purchaser agrees that prior to completion of the project as set forth above, and prior to certification of completion by the City, there shall be no change made in the ownership of Purchaser without the prior written approval of the City, which approval shall not be unreasonably withheld. Nor shall Purchaser suffer any such transfer or change to be made, save and except such changes as might result from a dissolution or from the death of a partner or partners.

Section 17. Prohibition Against Transfer of Property and Assignment of Agreement. Purchaser represents and agrees each for itself and its respective successors and assigns that

A. Purchaser (except as authorized herein) has not made or created or suffered to be made or created any assignment, conveyance of lease, trust, power or transfer, of any sort, of this Agreement or any interest therein or entered into any agreement or contract to do any of the same.

B. From the execution of this Agreement through a period of two years from the date of issuance of a Certificate of Completion pursuant to Section 14, Purchaser will not assign or convey any interest in this Agreement or any part of the Property without the prior written approval of the City.

C. In the event City approval is required the City shall be entitled to require, that:

1. Any proposed transferee shall have the qualifications and financial responsibility of its predecessor as determined by the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by Purchaser (or, in the event the transfer is of or relates to part of the Property, such obligations to the extent that they relate to such part).

2. Any proposed transferee, by instrument in writing satisfactory to the City and in recordable form shall, for itself and its successors and assigns, and expressly for the benefit of the City, have expressly assumed all of the obligations of Purchaser as required under this Agreement and agreed to be subject to all the conditions and restrictions applicable to Purchaser.

3. In the event City approval is required, there shall be submitted to the City for review all instruments and other legal documents involved in effecting transfer; and if approved by the City, its approval shall be given to Purchaser in writing within sixty (60) days of submittal of the request by Purchaser. As a condition of approval by the City of the transfer, the City may require the transferee to comply with such other conditions the City may find desirable in order to achieve and safeguard the purposes of this Agreement.

D. The consideration payable to the Purchaser, for the transfer by the transferee or on its behalf shall not in total exceed an amount representing the actual cost (including taxes, financing costs, professional fees and administrative overhead property allocated to such property) of the Property and Improvements, if any, made thereon. It is the intent of this provision to preclude assignment of this Agreement or transfer of the Property for profit prior

to the completion of the Improvements. In the event any such assignment or transfer is made the City shall be entitled to increase the Purchase Price to Purchaser by the amount that the consideration payable for the assignment or transfer is in excess of the amount that may be authorized pursuant to this subdivision 4.

E. In the absence of specific written agreement by the City to the contrary, no such transfer or approval thereof by the City shall be deemed to relieve Purchaser, or any other party bound in any way by this Agreement or otherwise with respect to the construction of the Improvements, from any of its obligations with respect thereto.

F. No provision in this Section shall in any way impair the rights of Purchaser, its successors or assigns, to sell, lease or otherwise dispose of the Property or any part thereof two years after the Certificate of Completion has been issued.

VI. Mortgage Financing

Section 18. Limitation Upon Encumbrance of Property.

A. Prior to the completion of the Improvements and delivery of Certificate by the City, neither Purchaser, nor any successor in interest to the Property or any part thereof shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Property, except for the purposes of obtaining (a) funds only to the extent necessary for making the Improvements and (b) additional funds, if any, in an amount not to exceed the Purchase Price paid by Purchaser to the City.

B. Purchaser shall notify the City in advance of any financing, secured by mortgage or other type of security agreement, such entity proposes to enter into with respect to the Property, or any part thereof.

C. For the purposes of any mortgage financing made consistent with this Agreement, the Property may be divided into several parts or parcels.

D. Purchaser shall promptly notify the City of any encumbrance or lien that has been created on or attached to the Property, whether by voluntary act of Purchaser, or otherwise. Purchaser, at its option, shall elect to take one or more of the following actions--payment, bonding, deposit, guaranty, or otherwise--which will guarantee to the satisfaction of the City that in the event the lien claimant is successful in enforcing the lien, the party charged will pay the lien and/or claim.

Section 19. Mortgagee Not Obligated to Construct.

A. Notwithstanding any of the provisions of this Agreement, including but not limited to those which are or are intended to be covenants or conditions running with the land, the holder of any mortgage authorized by this Agreement shall in no way be obligated by the provisions of this Agreement to construct or complete the Improvements or to guarantee such construction or completion; nor shall any covenant or any other provision in the Deed be construed to so obligate such holder.

B. Nothing in this Section or any other Section or provision of this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses, or to construct any improvements thereon, other than those uses or Improvements provided or permitted by this Agreement.

Section 20. Copy of Notice of Default to Mortgagees.

Whenever the City shall deliver any notice or demand to Purchaser, with respect to any breach or default by Purchaser, in its obligations or covenants under this

Agreement, the City shall at the same time forward a copy of such notice or demand to each holder of any mortgage authorized by this Agreement at the last address of such holder shown in the records of the City.

Section 21. Mortgagee's Option to Cure Defaults.

A. After any breach or default by Purchaser, each holder shall have the right, at its option, to cure or remedy the breach or default and to add the cost thereof to the mortgage debt and the lien of its mortgage. If the breach or default is with respect to construction of the Improvements, nothing contained in this Section or any other Section of this Agreement shall be deemed to permit the holder, either before or after foreclosure or action in lieu thereof, to undertake completion of the Improvements without first having expressly assumed the obligation to the City, by written agreement satisfactory to the City.

B. Any holder who shall properly complete the Improvements or any part thereof shall be entitled to a certification to such effect in the manner provided in Section 14 of this Agreement. Such certification shall, if so requested by the holder, mean that any remedies or rights with respect to revesting of title to the Property that the City shall be entitled to because of failure of Purchaser to cure or remedy any default with respect to the construction of the Improvements shall not apply to the part or parcel of the Property to which such certification relates.

Section 22. City Option to Cure Mortgage Default.
Prior to the completion of Improvements, in the event of a default or breach by Purchaser or any successor in interest of its obligations under any mortgage or other instrument creating an encumbrance or lien upon the Property or part thereof, the City, after reasonable notice, may at its

option cure such default or breach. In such case the City shall be entitled, to reimbursement from Purchaser, or successor in interest of all costs and expenses incurred by the City in curing the default or breach and to a lien upon the Property (or the part thereof to which the mortgage, encumbrance, or lien relates) for such reimbursement. Any such lien shall be subject always to the lien of any then existing mortgages on the Property authorized by this Agreement.

Section 23. "Mortgage"; "Holder". For the purposes of this Agreement: The term "mortgage" shall include a deed or trust or other instrument creating an encumbrance or lien upon the Property, or any part thereof, as security for a loan. The term "holder" in reference to a mortgage shall include any insurer or guarantor of any obligation or condition secured by such mortgage or deed of trust.

VII. Remedies

Section 24. In General. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement or any of its terms or conditions by any party hereto, or any successor to such party, such party (or successor) shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach, and, in any event, within sixty (60) days after receipt of such notice. In case such action is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including but not limited to proceeding to compel specific performance by the party in default or in breach of its obligations.

Section 25. Termination by Purchaser

In the event that

A. The City does not tender conveyance of the Property in the manner and condition provided in this Agreement, and any such failure shall not be cured within sixty (60) days after notice from Purchaser; or

B. The City fails to carry out the terms and conditions of Section 7; or

C. In the event the street vacation petition identified in Section 7B is denied; or

D. After a diligent effort for a period of ninety (90) days after approval by the City of the Construction Plans, Purchaser furnishes as evidence satisfactory to the City that it has been unable to obtain mortgage financing for the construction on a basis and on terms that would generally be considered satisfactory by builders or contractors for improvements of the nature and type provide in such Construction Plans or Purchaser, after having submitted such evidence, and if so requested by the City, continue to make diligent efforts to obtain financing for an additional period of ninety (90) days. after such request, but without success; or

E. Purchaser is unable, after diligent effort, to acquire within two hundred and seventy (270) days from execution of this Agreement, rights in the property interests identified in 6C sufficient to ensure the use of such properties in the implementation of the Proposal, then this Agreement shall, at the option of Purchaser, be terminated by written notice thereof to the City, and, neither the City nor Purchaser shall have any further rights against or liability to the other under this Agreement.

Section 26. Termination by City

A. In the event that prior to conveyance Purchaser (or any successor in interest) assigns or attempts or assign this Agreement or any rights therein, or in the Property in violation of this Agreement; or

B. There is any change in the ownership of Purchaser in violation of this Agreement; or

C. Purchaser does not submit Construction Plans as required by this Agreement; or

D. Purchaser does not give the consideration for and take title to the Property, or any portion thereof, upon tender of conveyance by the City pursuant to this Agreement; or

E. Purchaser fails to comply with the conditions recited in Section 6A or B; or

F. Purchaser does not submit evidence that it has the necessary equity capital or mortgage financing in satisfactory form and in the manner and by the dates respectively provided in this Agreement therefore; or

G. Purchaser is unable, after diligent effort, to acquire within two hundred seventy (270) days from execution of this Agreement, rights in the property interests identified in 6C sufficient to ensure the use of such properties in the implementation of the Proposal; or

H. In the event the street vacation petition identified in Section 7B is denied and if any default or failure shall not be cured within sixty (60) days after the date of written demand by the City, then this Agreement and any rights of Purchaser, or of any assignee or transferee, in this Agreement, or arising therefrom with respect to the City or the Property, shall, at the option of the City, be terminated by the City. In such event neither Purchaser, (or assignee or transferee) nor the City shall have any further rights against or liability to the other under this Agreement.

Section 27. Revesting Title in City Subsequent to Conveyance to Purchaser. In the event that subsequent to conveyance of the Property, or any part thereof, to Purchaser.

A. Purchaser (or successor in interest) shall default in or violate its obligations with respect to the construction or shall abandon or substantially suspend construction work, and any such default, violation, abandonment, or suspension shall not be cured, ended, or remedied within one hundred twenty (120) days, after written demand by the City to do so; or

B. Purchaser, or any successor in interest or any of them shall place thereon any encumbrance or lien unauthorized by this Agreement, or shall suffer any levy or attachment to be made, or any materialmen, mechanic or supplier lien, or any other unauthorized encumbrance or lien to attach, and such encumbrance or lien is not paid, removed or discharged or provisions for such payment, removal, or discharge are not made within ninety (90) days after written demand by the City so to do; provided, that Purchaser, shall have the right to take such action by bonding, deposit, payment or otherwise to remove and satisfy such lien; or

C. There is, in violation of this Agreement, any transfer of the Property or any part thereof, or any change in the membership of Purchaser, except by death, and such violation shall not be cured within sixty (60) days after written demand by the City to Purchaser, or

D. There is a violation of the land use restrictions recited in Section 5 and upon written notice by the City to such effect, Purchaser or its successor fails within a period of ninety (90) days to cease such unauthorized development or use;

then the City shall have the right to re-enter and take possession of the Property and to terminate (and revert in the City) the estate conveyed by a Deed to Purchaser, it being the intent of this provision, together with other provisions of this Agreement, that the conveyance of the Property to Purchaser shall be subject to such a condition subsequent. Provided, that such condition subsequent and any reversioning of title as a result thereof in the City shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way, (i) the lien of any mortgage authorized by the Agreement, and (ii) any rights or interests provided in the Agreement for the protection of the holders of such mortgages.

Section 28. Other Rights and Remedies of City. The City shall have the right to institute such actions or proceedings as it may deem desirable for effectuating the purposes of this Agreement.

Provided, that any delay by the City in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Article shall not operate as a waiver of such rights or to deprive it of or limit such rights in any way. Nor shall any waiver in fact made by the City with respect to any specific default by the Purchaser under this Section be considered or treated as a waiver of the rights of the City with respect to any other defaults by the Purchaser under this Section or with respect to the particular default except to the extent specifically waived in writing.

Section 29. Delays Beyond Control of Parties. Neither the City nor the Purchaser, nor any successor of any of them, shall be considered in breach of or in default under its obligations with respect to the conveyance of the

Property, or the beginning and completion of the Improvements, or progress in respect thereto, or the fulfillment of any other duties or obligations pursuant to the terms of this Agreement, in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence. These shall include, but not be restricted to, acts of God, any lawsuits brought affecting this Agreement or the rights to develop, purchase, or convey pursuant to this Agreement, delays in obtaining plat approval, land use approval or building permit or permits, acts of public enemy, acts of the government, act of other party, fires, floods, strikes, freight embargoes, and unusually severe weather, or delays of contractors or subcontractors due to such causes. It is the purpose and intent of this provision that, in the event of the occurrence of any such delay, the time or times for performance with respect to the construction of the improvements, shall be extended for the period of the delay; provided, that the party seeking the benefit of the provisions of this Section shall, within twenty (20) days after the beginning of any such delay, notify the other party in writing of the cause or causes thereof.

Section 30. Rights and Remedies Cumulative. The rights and remedies of the parties to this Agreement, whether provided by law, by a Deed contemplated by this Agreement or by this Agreement itself, shall be cumulative, and the exercise by any party of any one or more of such remedies shall not preclude the exercise by it, at the same time or different times, or any other such remedies for the same default or breach by the other party. No waiver made by any party with respect to the performance, or manner or time thereof, of any obligations of the other party or any

condition to its obligation under this Agreement shall be considered a waiver of any other obligations of the other party. No such waiver shall be valid unless it shall be made in writing duly signed by the party waiving the right or rights.

VIII. Miscellaneous Provisions

Section 31. Conflict of Interest. No member, official, or employee of the City shall have any personal interest, direct or indirect, in the subject matter of this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership, or association in which he is, directly or indirectly, interested. No member, official, or employee of the City shall be personally liable to the Purchaser or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Purchaser or its successors or assigns on any obligations under the terms of this Agreement.

Section 32. Notices. A notice or communication under this Agreement by either party to the other shall be sufficiently given or delivered if dispatched by registered mail, postage prepaid, return receipt requested, and

A. In the case of a notice or communication to Purchaser, if the same is addressed as follows:

B. In the case of a notice or communication to the City if the same is addressed as follows:

Director, Department of Community Development
The City of Seattle
400 Yesler Way
Seattle, Washington 98104

or is addressed in such other way in respect to either party as that party may, from time to time, designate in writing dispatched as provided in this Section.

Section 33. City Approval and Consent. Any City approval required by this Agreement shall not be unreasonably withheld. The Director of Community Development of the City is authorized to act for and on behalf of the City in such connection except where another is required by law or by this Agreement. Whenever the consent of a party hereto is required by this Agreement, such consent will not be unreasonably withheld.

Section 34. City Attorney Opinion. An opinion, reasonably acceptable to counsel for the Purchaser from the City Attorney shall be provided as to the validity and legal authorization, execution and delivery by the City to the Purchaser of this Agreement and the documents required herein within thirty (30) days after execution of this Agreement and the documents required herein.

Section 35. No Oral Representations. All of the terms and conditions of the agreement between the parties hereto are stated herein.

Section 36. Attorney's Fees. In the event of any litigation between the parties arising out of or in connection with this Agreement, the nonprevailing party shall pay all reasonable costs including but not limited to reasonable attorneys' fees of the prevailing party, all as determined by a court. The term "nonprevailing party" shall mean the party against whom a final judgment is entered.

Section 37. Cooperation. The parties agree to use their best efforts diligently and promptly to take all actions necessary and appropriate in order to satisfy the conditions set forth in this Agreement.

Section 38. Time. Time is the essence of this Agreement.

Section 39. Partial Invalidity. Any provision of this Agreement which shall prove to be invalid, void or illegal shall in no way affect, impair, or invalidate any other provision hereof, and such other provisions shall remain in full force and effect.

Section 40. Agreement Survives Conveyance. It is the intent of the parties hereto that none of the provisions of this Agreement shall be merged by reason of any deed transferring any interest in said property, and any such deeds shall not be deemed to in any way affect or impair any of the provisions, conditions, covenants, or terms of this Agreement, except as otherwise provided in this Agreement.

Section 41. Titles of Articles and Sections. Any titles of the several parts, Articles or Sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 42. Governing Law. This Agreement shall be governed by the laws of the State of Washington and the United States of America as applicable.

Section 43. Heirs and Successors. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

Section 44. Amendments. Amendments to this Agreement may be made only after written approval by the City and by the Purchaser. Amendments which are not fairly within the scope of Ordinance _____ shall be authorized by ordinance.

This instrument is being executed in six (6) originals and an executed original thereof is being delivered to each of the parties signatory.

DATED THIS _____ day of _____, 1982.

THE CITY OF SEATTLE

By _____
Its Mayor
Seller

Attest:

By _____
City Comptroller

Authorized by Ordinance No. _____

XII. Appendix

Exhibit A

Project History

Civic leaders began promoting the concept of a park mall in the Westlake area as early as the late 1950's and the Westlake Avenue right-of-way, between Olive and Pike, was first closed during that period. In 1959, the mall's first staged activities and celebrations were held. From 1960 to 1962, planning was underway for the 1962 Seattle World's Fair, and a decision was made during that period to connect the Fair site with the Central Business District by an elevated monorail system. (The monorail follows Fifth Avenue, with its southern terminal at Westlake and its northern terminal at the Seattle Center; see "Pedestrian Pathways Map" in Exhibit J). Subsequent to the opening of the World's Fair, a Comprehensive Plan for the Central Business District was published and approved by the City Council. One of the major features of the plan was the concept of pedestrian malls on Westlake, Pike, Pine and Fifth Avenues connecting with a redeveloped Pike Place Market, a new Market Park and the redeveloped waterfront with Seattle's retail core.

In May of 1968, the American Institute of Architects published "Action: Better City," a book of ideas on how to improve Seattle's environment. The architects noted that Seattle has no focal point, but that the nucleus of such a center existed in the Westlake area. Their proposal for Westlake suggested closure of adjacent streets (Pine Street between Third and Fifth, and Fourth between Pike and Olive).

In 1969, the Central Business Association and the City jointly contracted with Fred Bassetti to design a project for the Westlake area. Mr. Bassetti's firm developed preliminary plans including a recommendation that Pine Street be closed to through traffic and that area be incorporated into the overall development. The closure of Pine Street became a major area of disagreement. Seattle's Central Business Association was strongly opposed to the closure. Consequently, prospects for a project lay dormant for almost a full year.

Then, in June of 1972, Mayor Uhlman responded by naming a 12-member Westlake Advisory Committee to act as a public forum for discussing the issues and resolving any conflicts which might arise. As a result, the Committee developed both general and specific recommendations for Westlake Mall. The general recommendations are reprinted below:

"The Committee has concluded that the City and interested property owners and businessmen should undertake a joint project in the Westlake retail core area, to include both a core project and an area improvement plan.

"1. The Core Project

The core project would consist of redevelopment of a portion of the block between 4th and 5th Avenues and Olive and Pike Streets to provide: (a) a public space of appropriate scale roughly equal in size to the existing Westlake right-of-way in the area, including within it an appropriate portion of Pine Street between 4th and 5th Avenues; and (b) structures, primarily commercial, to provide both an economic return and necessary retail density and amenity, and an appropriate setting for the public space.

"2. Area Improvement

In the area surrounding the core project, general sidewalk and street improvement should be undertaken to include street trees, quality street furniture, widening of sidewalks and other amenities. Traffic circulation and parking problems should be attacked concurrently with the aim of increasing pedestrian accessibility to, in and around the retail core while reducing undesirable interference from vehicular traffic."

The Committee recommended a joint public/private management team to further investigate, refine and implement the recommendations of the Committee.

In 1974, a report on the retail and economic feasibility of the Westlake Project and an architectural study report were issued. A Draft Environmental Impact Statement was then prepared. Following considerable discussion and deliberation, the City Council determined that the City should not design a project that would be financed, constructed and substantially owned and operated by a private entity. Alternatively, the City Council authorized the Department of Community Development to contract with a developer to prepare plans for a Westlake Project consistent with the goals established in the Westlake Advisory Committee Report. In December of 1975, the City selected a development team headed by MONDEV International of Montreal (and including architects Mitchell-Giurgola of New York and Joyce, Copeland, Vaughn and Nordfors of Seattle) to prepare such project plans.

From January through October of 1976, MONDEV worked on developing project plans in conjunction with City staff. The result of this effort was a project consisting of a 300 room hotel, retail shops, theaters and restaurants, two public plazas, malls, arcades, a parking garage, a public park and a new monorail terminal. The location of this project centered on the block bounded by Pike Street, Olive Way and Fourth and Fifth Avenues in downtown Seattle. In May of 1977, the City Council approved this Westlake Project by authorizing a \$10.8 million limited tax levy obligation bond to cover City project costs. In December, 1977, the Westlake Development Authority (WDA), a public authority was chartered by the Mayor to oversee development of the project.

Charles Royer was elected Mayor of Seattle for a four year term beginning in January, 1978. Mayor Royer believed the retail/hotel oriented Westlake Project was insufficiently public in nature to warrant the expenditure of substantial public funds. On April 21, 1978, Mayor Royer announced a revised element of the Westlake Project which: replaced the 300 room hotel as proposed in 1976 with a museum (to be the main facility of the Seattle Art Museum, an existing private non-profit institution); decreased the scale of the project; and added public roof gardens. Revised schematic plans were developed, environmental reviews completed, and City Council approval was given. Development agreements were executed between the City and the WDA; and then among the WDA, the Seattle Art Museum and MONDEV, USA. Subsequently, Westlake Associates (a limited partnership consisting of MONDEV, USA and the Seattle Art Museum as limited partners, and Daon Corporation as the general partner) replaced MONDEV as the development entity. Property acquisition by the City was initiated that same year. Additionally, the firm of Hanna Olin Ltd., through a national request for proposal competition, was selected to design Westlake Park (i.e. the open space on the southeast side of Fourth Avenue, between Pine and Pike Streets).

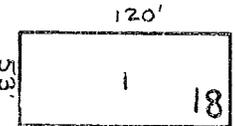
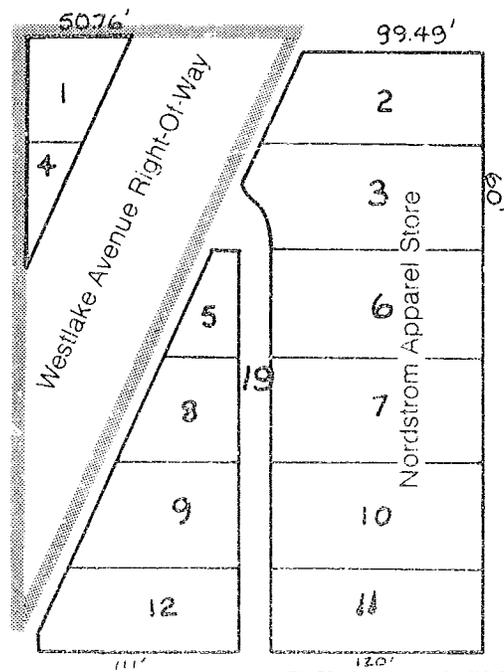
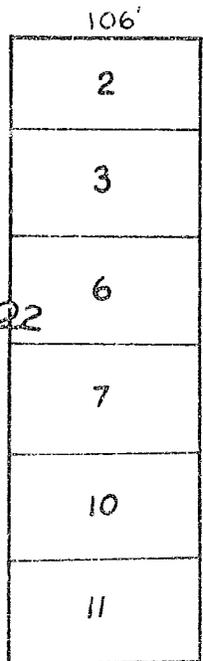
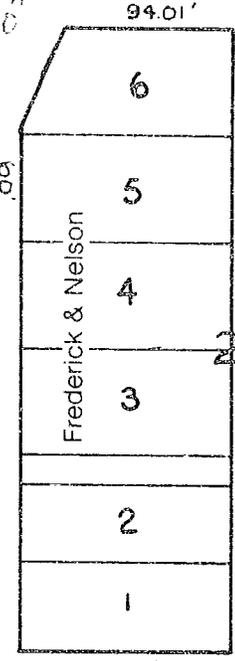
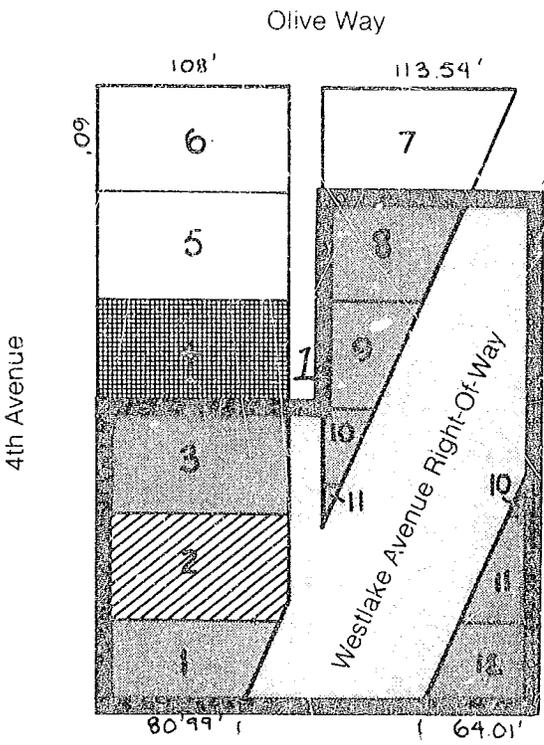
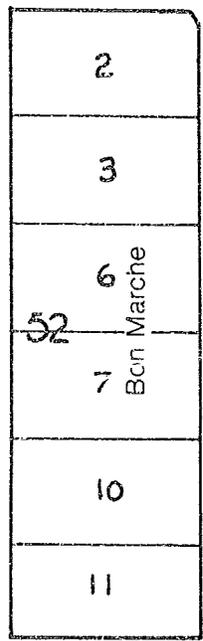
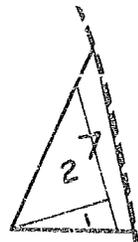
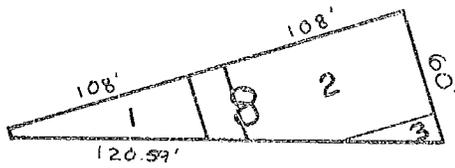
It should be noted that, as further planning for Westlake Park proceeds, the City will retain full architectural services of Hanna/Olin, Ltd. for design of the Park.

The City was successful in purchasing all but four properties in the project area through negotiated sale. In November, 1979, the City filed a condemnation proceeding to acquire the remaining parcels. However, in December of that year the four project area property owners filed suit contesting the City's right to condemn property for the project. The plaintiff's case, claiming insufficient public use to warrant the condemnation of private property for the planned project, was upheld by the King County Superior Court in February, 1981, and the Washington State Supreme Court in December, 1981. This decision prevented the City from acquiring the remaining properties through condemnation, and thus, effectively terminated the then current project plans.

Subsequent efforts were made to revise the project with the Seattle Art Museum (SAM) purchasing the properties. However, although SAM desires a downtown location, mutually acceptable terms of sale could not be reached between it and the City. Therefore, in March, 1982 SAM announced its intention of seeking another downtown location.

Now, in an effort to both achieve the long term project goals for the Westlake area (see page 5), and substantially reduce legal and financial risks to the City, the Mayor and the City Council have agreed to impelment a conditioned sale of its Westlake properties (see City Council Resolution 26780 in Exhibit L). The purchaser/developer of the properties will be chosen through a competitive two staged process described in this document.

Exhibit B Site Map



- Subject property
- City ownership in fee
- City ownership of 16 year ground lease with 30 year renewal option
- Possible negotiated sale with private owner
- Planned street & alley vacations
- Future Westlake Park*

*(Existing building may or may not be included as part of Park).

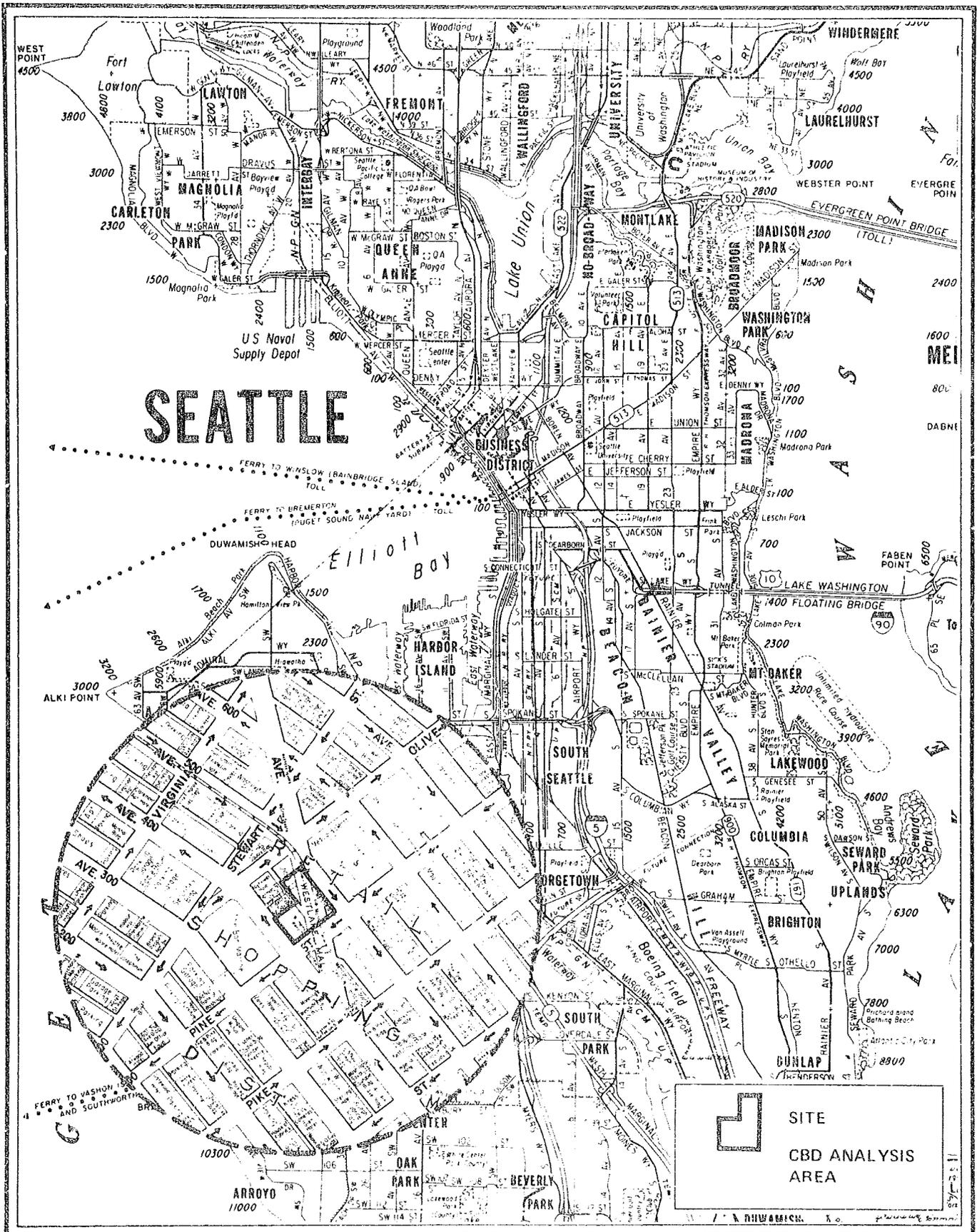


Exhibit E
 Site and CBD Area

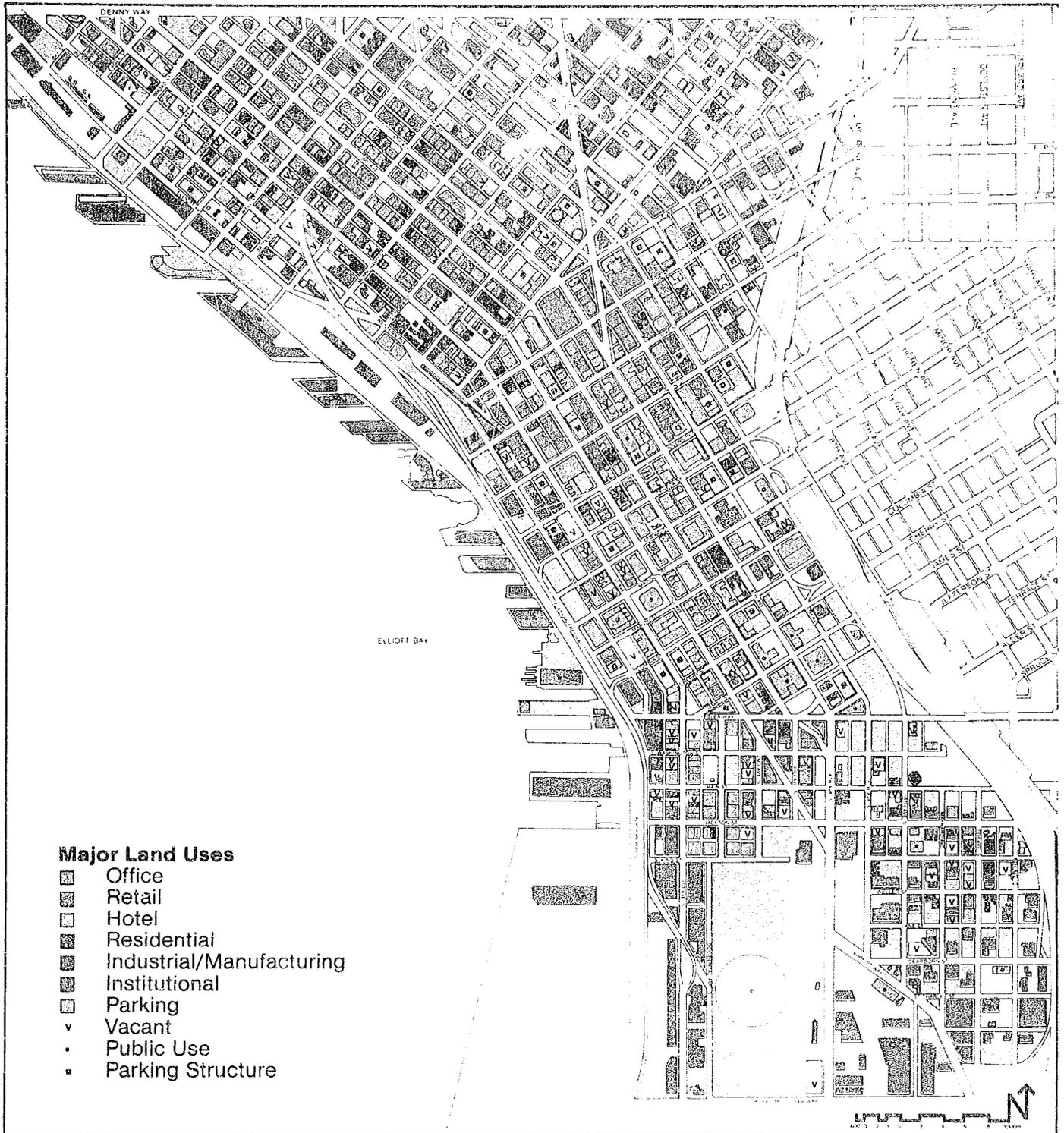
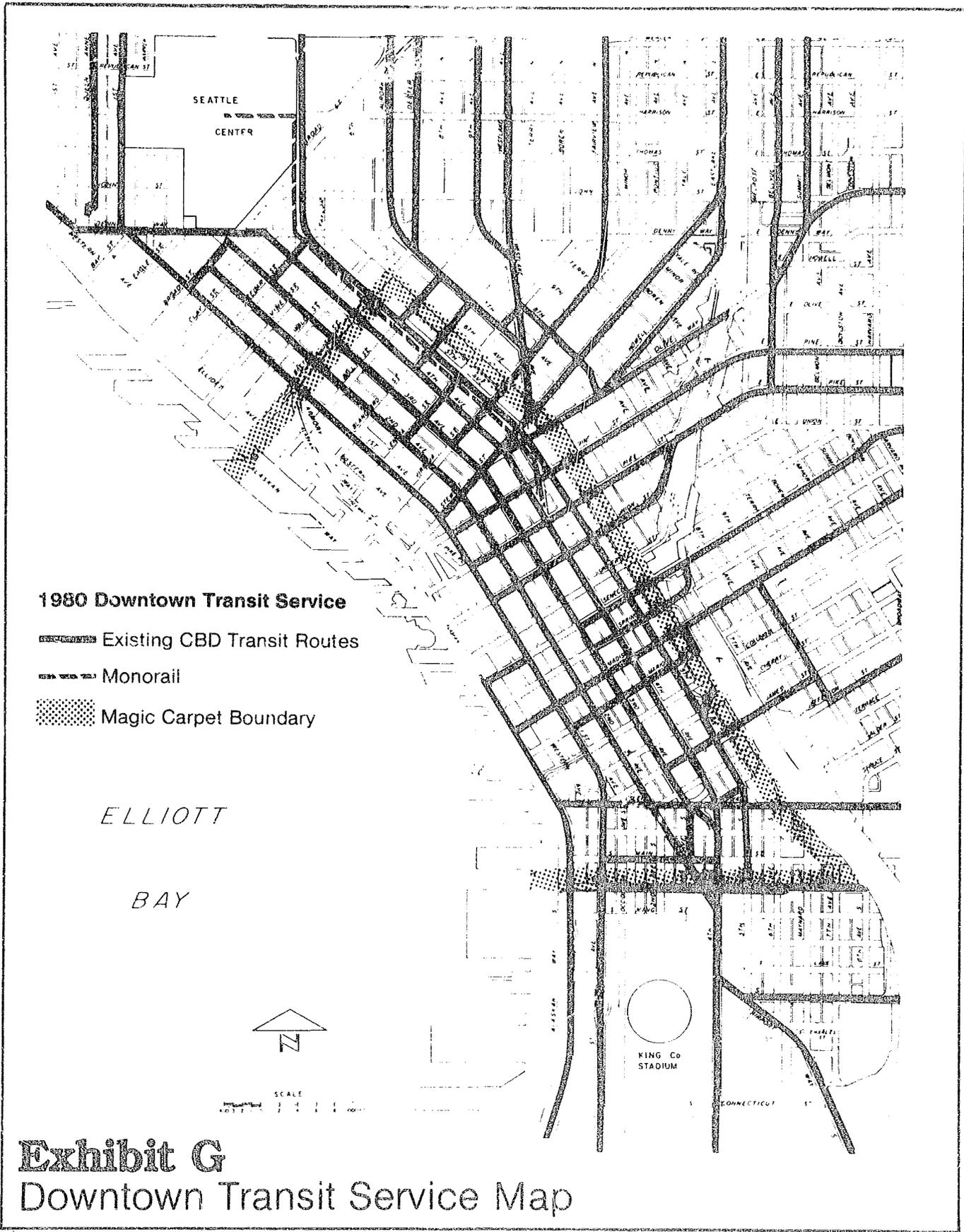


Exhibit F

Downtown Seattle Land Use Map

Source:
 Background Report of the Downtown Land Use and Transportation Project, Office of Policy and Evaluation, City
 of Seattle, March 1981.



Source: Background Report of the Downtown Land Use and Transportation Project, Office of Policy and Evaluation, City of Seattle, March 1981.

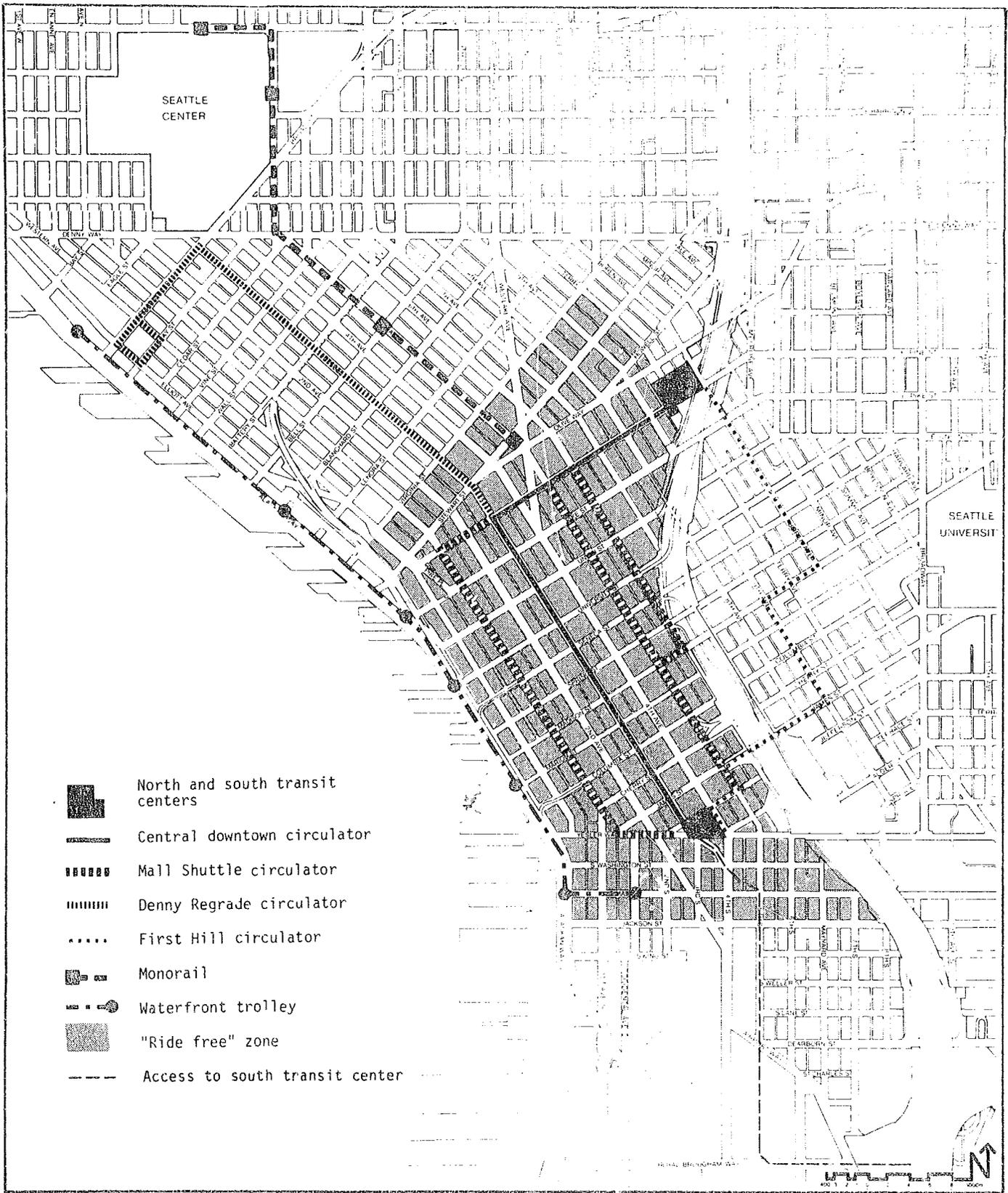


Exhibit H

An Alternative Plan for Future Downtown Transit Service

Transit Circulation

1. Locate the north transit center between Boren and Ninth Avenues from Olive to Pine Streets.*

This site is preferred for the following reasons:

- Close proximity to I-5 reversible lanes;
- Direct connection to the Pine Street Mall;
- A visually prominent location with the potential to become a major portal into downtown; and
- Reinforcement of transit service to the proposed office expansion area.

Provision for open space on the north transit center site would not preclude mixed use development containing office space, housing, and other uses on part of the site.

2. Locate the south transit center at City Hall Park*

This site is preferred for the following reasons:

- Within walking distance of high concentrations of employment and government offices;
- Potentially less impact on Pioneer Square and the International District than sites further south;
- Potential to integrate City Hall Park with the Third Avenue Mall and give the park new life as a focus of civic activity; and
- Direct physical and visual linkage to the Third Avenue Mall which could provide a prominent portal at the southern edge of the office core.

3. Develop an east/west mall corridor along Pine Street and a north/south corridor along Third Avenue.*

Pine Street is preferred as the east/west corridor of the transit mall because of the direct access it can provide to the heart of the retail core and the anticipated amount of new office development along the Pike/Stewart corridor in the northeast corner of downtown. Pine Street also has the lowest existing auto volumes of all east/west streets in this corridor.

Third Avenue is preferred as the north/south corridor due to its central location through downtown allowing high levels of service to the office and retail cores.

4. Link the major districts of downtown with electric trolley circulation routes.*

Metro and the City are presently examining a number of alternatives for improving downtown transit circulation. These vary from simple modifications of existing routes and schedules, shortening headways and improving connections, to the addition of new

routes. These actions are designed to provide the following connections, particularly during mid-day periods:

- a. **Central Downtown Route:** This would tie the retail and office cores to Pioneer Square and the International District.
- b. **Denny Regrade Route:** This would provide service to the residential areas of the Regrade and connect to the north end of the waterfront trolley. The loop would be an extension of the Third Avenue Mall north of Pine Street to Broad Street and Alaskan Way. It would be possible to transfer between the waterfront streetcar and the shuttle to serve those destined for Seattle Center.
- c. **First Hill Route:** This would connect the north and south transit centers via Boren Avenue, Madison, Ninth and James to provide regional transit access to the 30,000 people who work on First Hill. It would also provide convenient service to First Hill residents and visitors to the major medical institutions.

5. Extend the monorail to the Seattle Center Garage and add stations at Bell Street and the potential convention center at the Metro car barn site.

The proposed extension would allow unused spaces in the Seattle Center garage at Mercer Street and Fourth Avenue North to serve shoppers and other short-term users taking the monorail into downtown. It would also provide service from downtown hotels to the Metro site, which is one of the two proposed convention center sites. The station at Bell Street would serve peripheral offices and the neighboring residential areas.

*The recommendations for specific transit elements made in items #1, #2, #3, and #4 are tentative pending the completion of the Downtown Transit Project Environmental Impact Statement. Metro and the City are presently examining two possible mall alignments, two north transit center sites and five south transit center sites. Alternative mall alignments are Third or Fourth Avenue for the north/south segment, and Stewart or Pine Street for the east/west segment. North transit center options include the Pine Street site or the Stewart Street site (bounded by Stewart, Howell, Minor and Yale). Five south transit center sites are being investigated: City Hall Park, the Yesler Site (Yesler/Fourth/Fifth/Main), Union Station, the Royal Brougham Way site at the southeast quadrant of the intersection of Royal Brougham and Fourth Avenue South, and the North Kingdome site. In this plan recommendations are made solely on the basis of land use considerations. By the end of 1982 detailed cost, impact and transit operation information will be developed, requiring review and possible modification of these tentative recommendations.

6. Extend the waterfront trolley to Occidental Park in Pioneer Square along South Main Street.

The extension is intended to better link Pioneer Square with activities along the waterfront. The proposed removal of the Burlington Northern Railroad operations along the waterfront by rerouting traffic through the tunnel eliminates the need for the trolley to cross an operating railroad. This would be extremely hazardous and is the major reason the waterfront trolley is not presently being built directly into Pioneer Square. A terminus at Occidental Park would be a more attractive and exciting waiting area than the foot of Washington Street and would better connect to pedestrian routes to the Kingdome and south transit center.

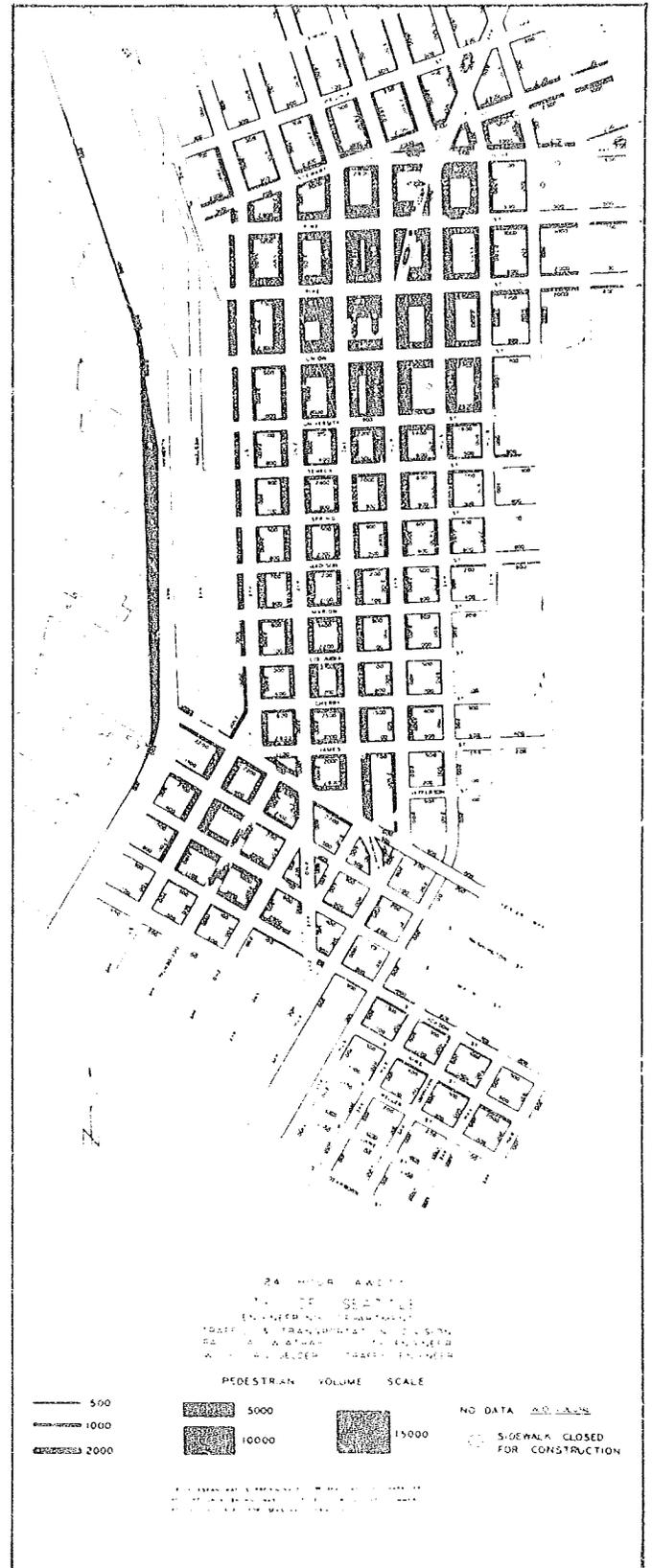
7. Extend the "ride free" zone east to the north transit center and draw the northerly boundary at Virginia Street instead of Battery.

The primary purpose of the "ride free" zone is to provide circulation within the office and retail cores. New boundaries include the proposed office expansion area but delete an area which will be primarily residential. The "ride free" zone includes the north transit center to eliminate the need for fare collection on the mall shuttle.

Source:
1982 Downtown Alternative Plan, May 1982
City of Seattle, Land Use and Transportation Project
Executive Department

Exhibit I

1975 Pedestrian Count Map



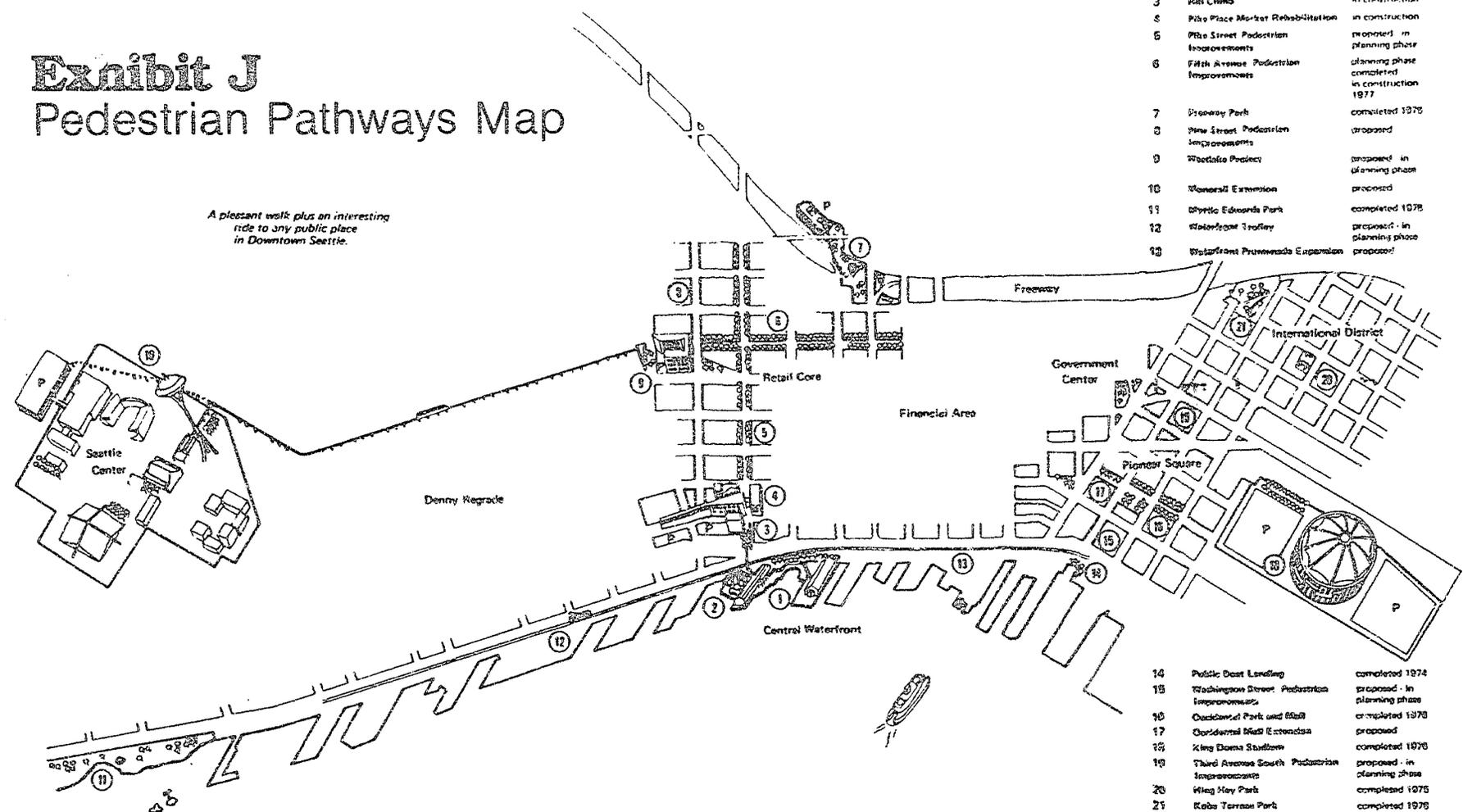
Source: Background Report of the Downtown Land Use and Transportation Project. Office of Policy and Evaluation, City of Seattle, March 1981.

Exhibit J Pedestrian Pathways Map

A pleasant walk plus an interesting ride to any public place in Downtown Seattle.

- 1 Waterfront Park completed 1974
- 2 Aquarium in construction
- 3 MRI Club in construction
- 4 Pike Place Market Rehabilitation in construction
- 5 Pike Street Pedestrian Improvements proposed in planning phase
- 6 Fifth Avenue Pedestrian Improvements completed in construction 1977
- 7 Discovery Park completed 1975
- 8 New Street Pedestrian Improvements proposed
- 9 Westlake Project proposed in planning phase
- 10 Monarch Extension proposed
- 11 Olympic Edwards Park completed 1975
- 12 Waterfront Trolley proposed in planning phase
- 13 Waterfront Promenade Expansion proposed

- 14 Public Boat Landing completed 1974
- 15 Washington Street Pedestrian Improvements proposed in planning phase
- 16 Occidental Park and Staff completed 1975
- 17 Occidental Mall Extension proposed
- 18 King Dena Station completed 1975
- 19 Third Avenue South Pedestrian Improvements proposed in planning phase
- 20 Flag May Park completed 1975
- 21 Koba Terrace Park completed 1975
- P Public Parking

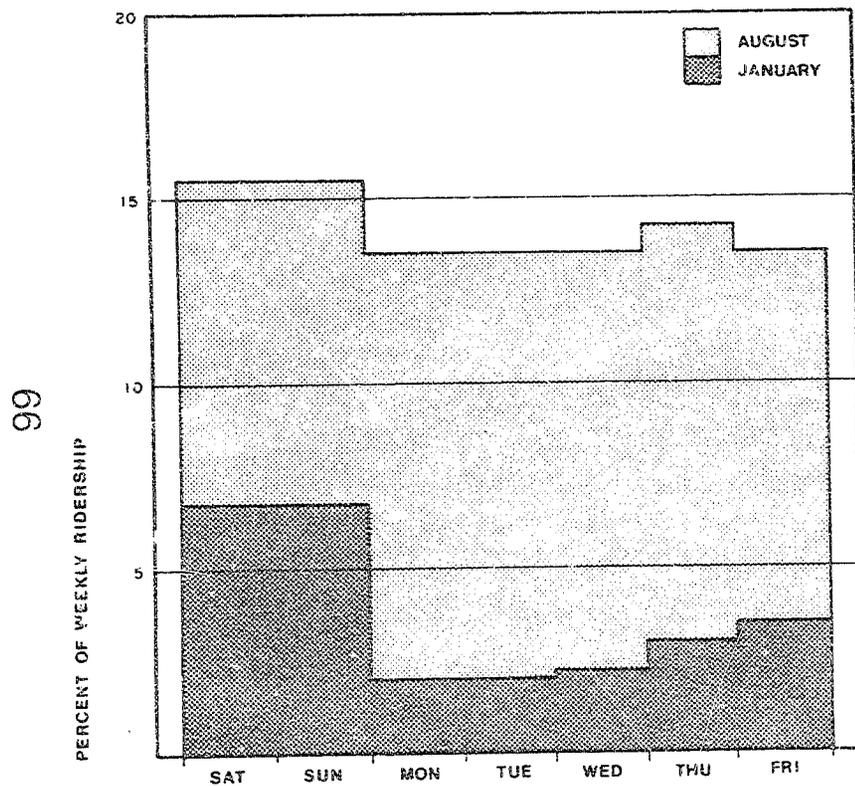


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Exhibit K

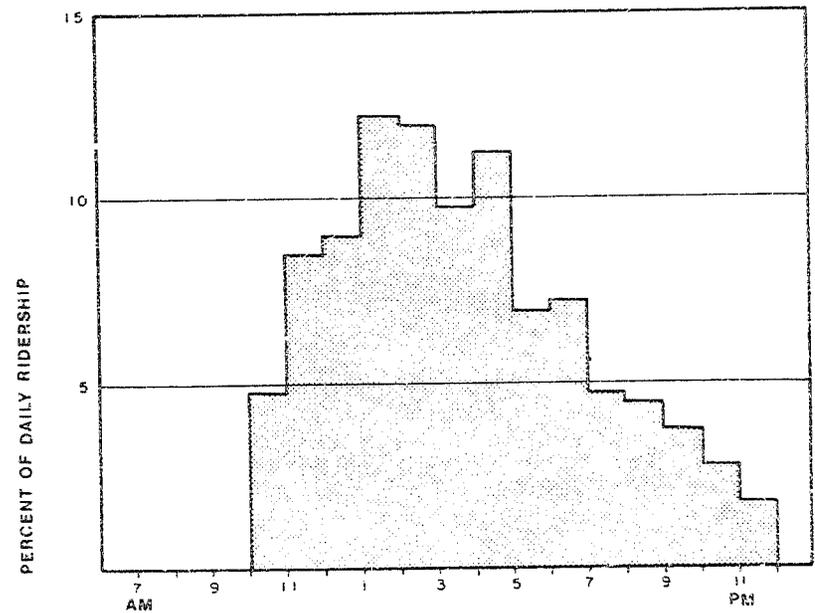
Monorail Patronage

Monorail Patronage by Day of Week, 1977



Source: Revenue Reports · Seattle Center

Monorail Patronage by Time of Day
September 1, 1977



Source: Monorail Survey · Seattle Metro

Exhibit L

CM:AR/r1h
7-6-82

RESOLUTION 26780

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2 A RESOLUTION relating to the Westlake project; determining that the
3 Westlake Project as authorized in 1979 cannot be implemented, rec-
4 ognizing that the sale of the City's property interests in the
5 Westlake area with restrictions on the development of such prop-
6 erty is now in the public interest, and directing the Mayor to
7 initiate the disposition process.

8 WHEREAS, the Westlake Project as authorized by Ordinance 108591 in
9 October, 1979 cannot proceed due to judicial invalidation of the
10 City's exercise of its condemnation powers for such a project;
11 and

12 WHEREAS, in its efforts to implement the Westlake Project the City
13 acquired a significant amount of property in the Westlake area
14 north of Pine Street through negotiated sale; and

15 WHEREAS, any further action in the Westlake area must not only be com-
16 patible with the City's goals for the area but recognize both fis-
17 cal and legal constraints; and

18 WHEREAS, the disposition of the City's acquired property interests with
19 controls imposed on the uses and intensity of development thereon
20 is responsive to the identified goals and constraints; and

21 WHEREAS, the general goals expressed in the Mayor's Advisory Committee
22 report of 1973 are still valid; Now, Therefore,

23 BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE:

24 That the Council hereby authorizes sale of the land generally des-
25 cribed in Attachment A as "parcel A" for a price of \$7.8 million sub-
26 ject to conditions as stated in this resolution; and

27 BE IT FURTHER RESOLVED:

28 That the Council directs the Mayor to attempt to purchase the fee
29 simple interest or an option in that interest in Lot 2 as identified
30 on Attachment A. If such purchase is successful the price shall be
31 added to the above sale price; and

32 BE IT FURTHER RESOLVED:

33 That the Council directs the Mayor to solicit competitive design pro-
34 posals in order to sell Parcel A, which proposals shall acknowledge
35 the conditions set forth in this resolution; and

36 BE IT FURTHER RESOLVED:

37 That the Mayor and the Chairman of the Council's Westlake Committee
38 shall jointly appoint a review committee whose task it shall be to
39 review all proposals and make a recommendation to the Mayor and Council;
40 and

41 BE IT FURTHER RESOLVED:

42 That any cost required to relocate the monorail, build a new monorail
43 station, and relocate utilities, shall be a cost of the developer; and

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BE IT FURTHER RESOLVED:

That proposers should assume that an area south of Pine Street will be developed as a public park or boulevard; and

BE IT FURTHER RESOLVED:

That the following criteria shall be applied when judging the proposals:

1. Requirements:

- a. The proposed development shall be one which can reasonably be expected to significantly enhance the surrounding area as a retail shopping center. Toward that end, the proposed development shall:
 - (1) Provide pedestrian links between the existing major retail stores of the area; and
 - (2) Provide exclusively retail space (including food service) on the ground floor of any buildings.
 - b. There shall be a minimum of 15,000 square feet of ground level public space within Parcel A. Additional public space shall be favorably considered in reviewing the proposals. The primary criterion for this public space shall be that it will be a place where people choose to be because of the pleasant physical surroundings and the ability to relax and enjoy the natural mix of people.
 - c. Any proposed structure shall be allotted a floor area ratio of 5.3. The request for proposal shall be written such that the allowable floor area ratio may be increased to a maximum of 6.5 on "Parcel A" with a commensurate increase in open space. The formula relating open space to floor area ratio will favor ground level open space.
 - d. The monorail station shall be relocated north of Pine Street.
2. Other criteria to be considered:
- a. Lower building heights immediately north of Pine Street shall be preferred.
 - b. It is desirable to create public space which will be used in the evening as well as daytime.
 - c. Ground level public space is preferable to public space associated with the monorail, which is preferable to other public space.
 - d. It is desirable to maintain a sense of the Westlake diagonal.
 - e. Proposals shall consider the requirements and relationships of public transportation.
 - f. Use of water or other methods to mask city noise in a portion or portions of the project is encouraged; and

Need formula

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BE IT FURTHER RESOLVED:

That the City shall take steps to extend the theme, established within the project area to a larger area, through the use of street trees or flowers, public furniture, and/or signs for instance; and

BE IT FURTHER RESOLVED:

That billboards shall be prohibited within the project area; and

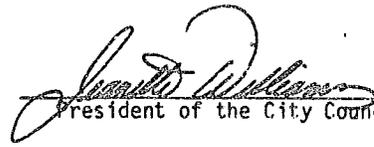
BE IT FURTHER RESOLVED:

That the City shall aid in the formulation of any Local Improvement District deemed desirable to further this project; and

BE IT FURTHER RESOLVED:

That the Mayor shall ensure that the project be completed in a timely manner.

ADOPTED by the City Council of the City of Seattle this 6th day of July, 1982, and signed by me in open session in authentication of its adoption this 6th day of July, 1982.

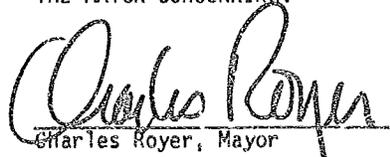

President of the City Council

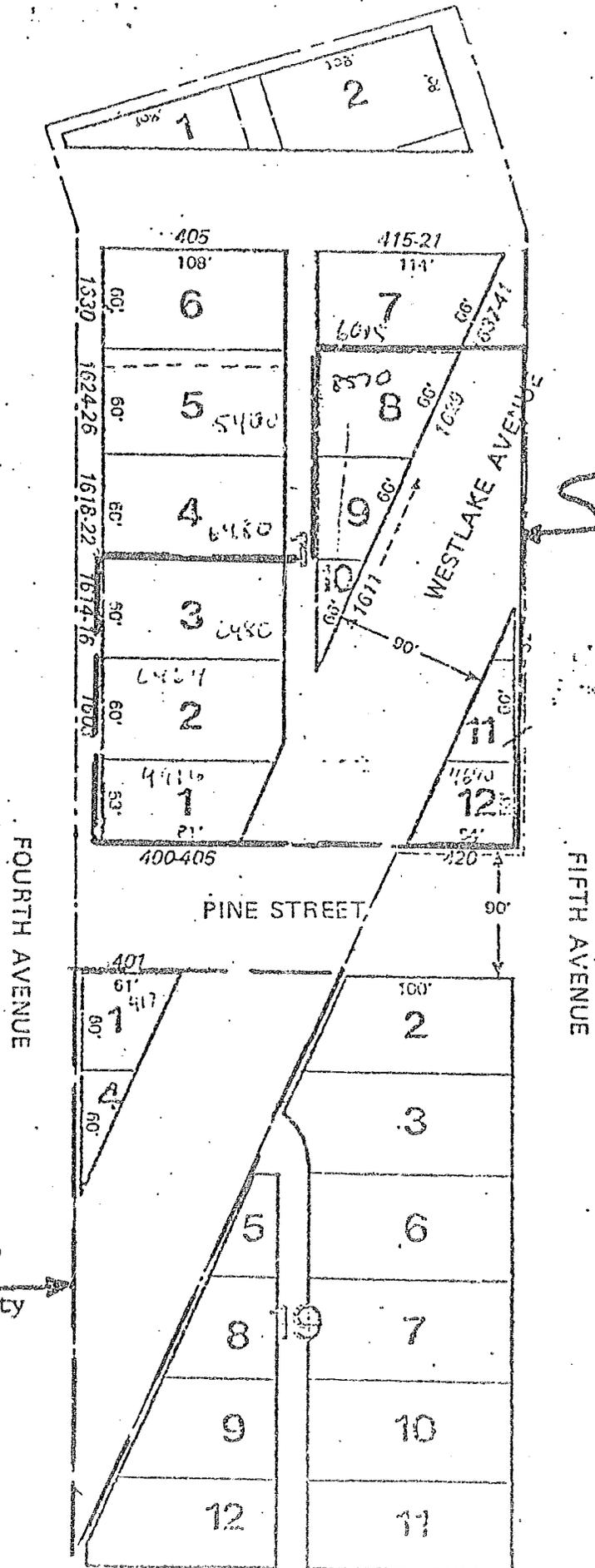
Filed by me this 6th day of July, 1982.

ATTEST: 
City Comptroller and City Clerk

BY: 
Deputy

THE MAYOR CONCURRING:


Charles Royer, Mayor



PARCEL A

Property controlled by City north of Pine Street.

PARCEL B

Triangular shaped property south of Pine Street.

Exhibit M

Street Vacation and Subterranean Vacation

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ORDINANCE 109740

AN ORDINANCE adding a new chapter 15.62 to the Seattle Municipal Code to establish procedures, notice requirements and fees for the vacation of streets, alleys and public places pursuant to RCW Ch. 35.79, superseding Resolution 21099 and existing chapter 15.62 of the Seattle Municipal Code and repealing Ordinances 96020, 98929, 102342, 103444, 106019, 106750 and 107725.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. That there is added to the Seattle Municipal Code new sections 15.62.010-15.62.120, to read as follows:

15.62.010 STATEMENT OF PURPOSE

The purpose of this ordinance is to establish procedures, notice requirements and fees for the vacation of streets, alleys and public places within The City of Seattle. This ordinance is intended to implement the authority granted to the City by RCW Ch. 35.79 and to conform to its provisions, and in case of conflict between this ordinance and that statute, it is intended that the statutory provisions shall be controlling.

15.62.020 PETITION FOR VACATION

The owners of an interest in any real estate abutting upon any street, alley or public place who may desire to vacate the street, alley or public place or any part thereof may petition the City Council to make vacation, giving a description of the property to be vacated, or the City Council may itself initiate such vacation procedure by resolution. The petition or resolution shall be filed with the City Clerk, and if the petition is signed by the owners of more than two-thirds of the property abutting upon the part of such street or alley sought to be vacated. the City Council shall by resolution fix a time when the petition will be heard and determined by such authority or a committee

1 thereof, which time shall be not more than sixty days nor
2 less than twenty days after the date of the passage of such
3 resolution.

4 15.62.030 PETITION FEES

5 Every petition for the vacation of any street, alley or
6 public place, or any part thereof, shall be accompanied by
7 a payment to the city of a fee of One Hundred Twenty-five
8 Dollars to defray the costs of processing such vacation
9 petitions and such fee shall not be refunded under any
10 circumstances. In addition, at the time the City Council,
11 or a committee thereof, recommends granting a vacation
12 petition, an additional fee in the amount of Three Hundred
13 Twenty-five Dollars shall be paid to cover appraisal costs
14 for a street, alley or public place abutting entirely on
15 property zoned RM 800 Multiple Residence Low Density or less
16 intensive, and Six Hundred Dollars for a street or alley
17 abutting on property zoned RMH 350 Multiple Residence High
18 Density or more intensive. In the event an appraisal cost
19 is less than the payment therefor, the vacation compensation
20 payable to the city shall be reduced by the difference
21 between the fee and the actual cost or, in the alternative,
22 such difference shall be refunded.

21 15.62.040 NOTICE OF HEARING

22 Upon the passage of the resolution fixing the time for
23 hearing the petition or proposal for vacation, the City
24 Clerk shall give not less than twenty days notice of the
25 time, place and purpose of the hearing by a written notice
26 posted in three of the most public places in the City and
27 by posting written placards in conspicuous places on and
28 near the street, alley or public place sought to be vacated.
Placards shall be highly visible and at least eleven inches

1 by fourteen inches in size, with headings that can be read
2 from a distance of seventy-five feet by persons of normal
3 visual acuity, and shall include a map showing the location
4 of the street, alley, or public place proposed to be vacated.
5 In addition to posting notices of the hearing, the City
6 Clerk shall mail a copy of the notice containing a statement
7 of the time and place fixed for the hearing to:

8 1. All owners, commercial lessees and residents of
9 property which lies within three hundred feet of the street,
10 alley or public place proposed to be vacated, provided that
11 when a street, alley or public place is proposed to be vacated
12 in the area bounded by Denny Way, the Central Freeway, South
13 Royal Brougham Way and Elliott Bay, notices shall be mailed
14 only to property owners and building managers. For such purpose
15 the real property tax roll as issued annually on microfiche
16 by the County Comptroller and the addresses listed in the
17 latest edition of Polk's Directory or its successor publications
18 shall be used.

19 2. The Director of the Department of Construction and
20 Land Use for inclusion in an informational mailing to news-
21 papers, individuals and groups on a master mailing list estab-
22 lished pursuant to the Master Use Permit Ordinance (109438).

23 15.62.050 PROTEST

24 If fifty percent of the abutting property owners file
25 written objections to a Council-initiated vacation with the
26 City Clerk prior to the time of the hearing, the City shall
27 be prohibited from proceeding with the resolution.

28 15.62.060 HEARING

The hearing on such petition or proposal shall be held
before the City Council, or before a committee thereof upon
the day fixed by resolution or at the time to which said

1 hearing may be adjourned. If the hearing is before such a
2 committee, the same shall, following the hearing, report its
3 recommendation on the petition or proposal to the City
4 Council which may adopt or reject the recommendation. If
5 such hearing is held before such a committee, it shall not
6 be necessary to hold a hearing before the City Council.

7 15.62.070 EASEMENTS FOR UTILITIES AND SERVICES

8 Ordinances vacating streets, alleys or public places
9 may provide that the City retains an easement or the right
10 to exercise and grant easements in respect to the vacated
11 land for the construction, repair and maintenance of public
12 utilities and services.

13 15.62.080 VACATION OF WATERFRONT STREETS

14 The City is not authorized to vacate a street, alley or
15 public place, or any parts thereof if any portion thereof
16 abuts on a body of salt or fresh water unless such vacation
17 is sought to enable the City, town, port district or state
18 to acquire the property for port purposes, boat moorage or
19 launching sites, park, viewpoint, recreational, or educa-
20 tional purposes, or other public uses. This provision shall
21 not apply to industrial zoned property.

22 15.62.090 COMPENSATION FOR VACATION

23 Ordinances vacating any street or alley, or any part
24 thereof shall provide that the same shall not become effec-
25 tive until:

26 A. The owners of property abutting upon the street or
27 alley, or part thereof so vacated, pay to the city one-half
28 of the appraised value of the area so vacated; or

B. In lieu of payment such owners deliver to the
City an instrument:

1 1. Granting or dedicating to the city for street
2 of alley purposes right-of-way acceptable to the city
3 and required to eliminate any adverse effect of the
4 vacation as proposed, or

5 2. Granting or dedicating to the city for street
6 or alley purposes a parcel or parcels of land acceptable
7 to the city and not necessarily required as a result of
8 the vacation applied for but nevertheless useful to the
9 city for street, alley or other municipal purposes;
10 except where such payment is made or instrument is delivered
11 prior to introduction of the ordinance.

12 In each instance such alternate right-of-way exchange
13 or in-lieu parcel or parcels shall have a fair cash market
14 value not less than the fair cash market value of the portion
15 of the street or alley proposed to be vacated, and the City
16 may, but shall not be obligated to, either accept such
17 property in exchange for a cash payment for the vacated
18 portion or pay to the petitioner a sum representing one-half
19 of the excess over the fair cash market value of the portion
20 of the street or alley proposed to be vacated. Such exchange
21 parcel or parcels must be acceptable to the City Council.
22 If such alternate right-of-way exchange or in-lieu parcel or
23 parcels have a fair cash market value less than the fair
24 cash market value of the portion of street or alley proposed
25 to be vacated, such owners shall also pay to the city a sum
26 representing one-half of the difference between the fair
27 cash market value of the alternate parcel or parcels and the
28 fair cash market value of the portion of street or alley to
be vacated. Such compensation or grant or dedication or
deeding of exchange or in-lieu parcels shall not be required
in connection with the vacation of any street, alley or

1 public place, or any part thereof, which has been requested
2 only by city departments, other municipal corporations or
3 state or federal governmental agencies, or by nonprofit
4 institutions of higher education accredited by a recognized
5 accrediting agency and requiring regular attendance by
6 students in classes conducted at the institution; nor shall
7 appraisal be secured or appraisal fees required in connection
8 with such vacations. Such city departments, municipal
9 corporations, state and federal agencies, and nonprofit
10 institutions shall, prior to the introduction of an ordinance
11 vacating any such street or alley or part thereof pursuant
12 to the request of such department, municipal corporation,
13 state or federal agency, or nonprofit institution, pay to
14 the city an amount equal to the costs incurred by the City
15 in processing the requested vacation, such costs to be
16 accumulated against the work order or job number established
17 for each vacation and certified by the Director of Engineering
18 or his authorized agent as being the full amount of the
19 costs incurred.

18 15.62.100 APPRAISALS

19 The Director of Engineering is authorized to obtain
20 appraisals from either qualified independent appraisers or
21 qualified Engineering Department personnel in the discretion
22 of the Engineer of such streets or alleys as are recommended
23 for vacation after hearing by the City Council or a committee
24 thereof, and is further authorized to obtain appraisals from
25 either qualified independent real estate appraisers or
26 qualified Engineering Department personnel, in the discretion
27 of the Director of Engineering of the fair market value of
28 the alternate right-of-way of land proposed to be granted or
dedicated to the city for street or alley purposes in lieu

1 of a cash payment in the manner contemplated by Section 8
2 and in such instance an additional appraisal deposit fee
3 shall be paid for the appraisal of such parcel or parcels,
4 and according to the fee and time schedule provided for in
5 Section 3. Where qualified Engineering Department personnel
6 are used to make the required appraisals, a reasonable
7 hourly rate of compensation, as determined from time to time
8 by the Director of Engineering shall be charged against the
9 appraisal deposit fee.

10 15.62.110 PAYMENT OF COMPENSATION OR CONVEYANCE

11 Upon securing an appraisal of the value of the street
12 or alley area to be vacated as provided in this chapter, the
13 Director of Engineering shall notify the petitioner that
14 payment of one-half such appraised value, deducting therefrom
15 any appraisal fee coverage not previously refunded to peti-
16 tioner, may be made to the Director of Engineering who shall
17 upon receipt of any such payment forthwith transmit the
18 same to the City Treasurer for deposit in the General Fund
19 and shall make a written report of such payment to the City
20 Council. In the event that the petitioner has received
21 approval of delivery in lieu of a cash payment of an instrument
22 granting or dedicating to the city a parcel or parcels of
23 land for street or alley purposes as contemplated by Section
24 8, the City Engineer in his discretion, at the applicant's
25 expense shall obtain either a policy of title insurance
26 insuring title thereto in the city, or a certificate of
27 title as to the title thereof, and upon receipt of such
28 policy or certificate shall transmit the same to the City
Council for inclusion in the appropriate file.

1 15.62.120 POSTING AND MAILING NOTICES - RECORDING
2 ORDINANCE

3 Posting and mailing of the notices provided for in this
4 ordinance shall be the responsibility of the City Clerk, who
5 shall have the discretion to permit the Director of Engineering
6 or his/her designee to post and mail the notices under the
7 supervision of the City Clerk. As required by RCW 35.79.030,
8 a certified copy of the ordinance vacating a street, alley
9 or public place, or part thereof, shall be recorded by the
10 City Clerk and in the office of the King County Comptroller.

11 Section 2. That Ordinances 96020, 98929, 102342,
12 103444, 106019, 106750 and 107725 are hereby repealed,
13 provided such repeal shall not affect any right accrued, any
14 penalty incurred or any proceeding commenced under or by
15 virtue of the repealed ordinances. Resolution 21099 and
16 existing Ch. 15.62 of the Seattle Municipal Code are hereby
17 superseded.

18 Section 3. Any act pursuant to the authority and prior
19 to the effective date of this ordinance is hereby ratified
20 and confirmed.
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Section 4. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 2nd day of March, 1981,
and signed by me in open session in authentication of its passage this 2nd day of
March, 1981.

[Signature]
President of the City Council.

Approved by me this 11th day of March.

[Signature]
Mayor.

Filed by me this 11th day of March, 1991.

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

(SEAL)

Published

By *[Signature]*
Deputy Clerk.

Exhibit N

Current Project Area Tenants of Record as of May, 1977

The Apple Tree (Gift Shop)
Fred Bennett Creations (Fine Jewelry)
The Golden Crown Restaurant (Chinese Cuisine)
Leed's Shoe Store
Mignonne Swiss Pastry & Restaurant
Mike Ovadia Jeweler
See's Candies
Weisfield's Jewelers
Walden Book Store

Exhibit O

DESIGN PRINCIPLES FOR PUBLIC AMENITIES Downtown Metropolitan Business and Metropolitan Commercial Zones Department of Construction and Land Use - January 21, 1982

INTRODUCTION

Downtown needs public spaces, including plazas, arcades and voluntary building setbacks, that are appropriately located and integrated with surrounding development, not just part of individual projects. It is essential that when these public amenity features are used to achieve floor area ratio bonuses, that the amenities provide a public benefit (1.0) and be designed in conformance with locational design principles for each particular feature (2.0) and general design principles (3.0).

The design principles are fundamental design rules and values affecting methods of achieving urban design goals. They are intended to alert architects, builders and developers of the City's design concerns. The design principles will be used by the City as a check list in reviewing proposals using public amenities to achieve floor area ratio bonuses.

1.0 PUBLIC BENEFITS

Public benefits are evaluative criteria linking the design principles with the Zoning Code provisions. They are not design principles. Listing public benefits for each feature also clarifies why the City may grant a greater unit floor area bonus for shopping plazas, for example, versus plazas.

Public benefits which can be achieved under the appropriate circumstances by development of plazas, landscaped plazas, and shopping plazas include:

1.1 Plazas provide:

- a. Visual interest for pedestrians such as landscaping and art as seen from sidewalks and nearby buildings.
- b. Opportunities for outdoor seating and gathering.
- c. Additional public circulation areas adjacent to sidewalks and buildings.
- d. Alternate routes between streets.
- e. Open space for concentrated office development.
- f. A linking together of different areas and activities including:
 - pedestrian connections to new and existing amenities, such as parks and other plazas
 - among major employment areas, the retail core, transit and parking facilities, public open space and retail activity

- g. Location of recreational activities within walking distance of downtown residents and workers.
 - h. Improved light and air exposure to nearby buildings.
 - i. Through landscaping, more inviting and usable open spaces that add seasonally changing color patterns.
- 1.2 Shopping plazas are granted a greater unit floor area bonus than plazas since they can achieve the above benefits and can add:
- a. More interest and vitality for pedestrians.
 - b. Exposure of more street frontage to retail uses.
 - c. Increased intensity of street level activity.
 - d. A diversity of retail tenants.
 - e. Convenient shopping for the downtown population and prevention of areas from becoming single use in character when located in concentrated office districts.
 - f. Visual enhancement of the streetscape.
 - g. Better integration of new development into existing patterns of street level activity.
- 1.3 Arcades can provide:
- a. Pedestrian routes with overhead weather protection linking areas and activities.
 - b. Added public open space.
 - c. Needed pedestrian circulation areas adjacent to sidewalks in areas of existing congestion or anticipated high pedestrian flows that exceed existing sidewalk capacity.
 - d. Alternate direct routes through buildings between streets and plazas.
- 1.4 Shopping arcades are granted a greater unit floor area bonus than arcades since they can achieve the above benefits and can add:
- a. A diversity of retail tenants.
 - b. Interest and vitality at street level.
 - c. Exposure of more frontage to retail uses.
 - d. Opportunities for the location of new, small businesses.
 - e. Convenient shopping for the downtown population and prevention of areas from becoming single use in character.
- 1.5 Voluntary Building Setbacks can provide:
- a. Additional public circulation areas adjacent to sidewalks and buildings.
 - b. Enhancement of views from the street level of enjoyable and unique features of downtown and its environs along major street view corridors (designated by SEPA: Ordinance #107678-Section 6).

- c. Increased light and air at the street level.
- d. Enhancement of views down streets to areas such as the waterfront.
- e. With landscaping, the addition of seasonally changing color patterns, an improved naturalistic environment, and a more pleasant pedestrian environment downtown.

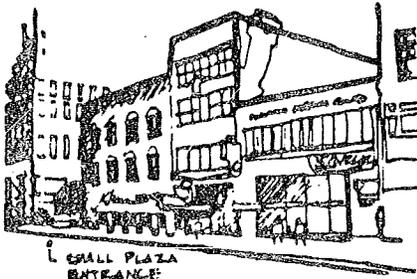
2.0 LOCATIONAL DESIGN PRINCIPLES

The locational and situational principles listed below shall be a major guiding factor in determination of the appropriateness of a particular public amenity.

2.1 PLAZAS

2.1.1 Well-located and designed plazas relate to the nature and use of surrounding development and are generally more appropriate in office rather than retail areas.

- a. The character and vitality of the retail core particularly depend upon maintaining continuous retail activity at street level. Plazas located in the retail core do not contribute to a continuous retail street facade.

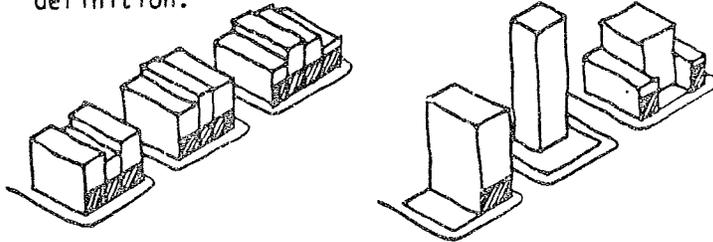


Yes

A small plaza entrance located in the middle of a long block with a well-defined street edge* can offer variety and contrast to the street without diminishing street edge definition.*

No

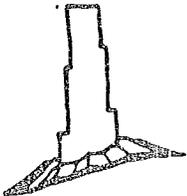
A series of plazas and setbacks along a block can often break-up the continuity of retail shop fronts along a sidewalk and diminish street edge definition.



- b. Plazas at key intersections can provide visual focus and a means of identification for unique or important places.

2.1.2 Ready access to an interior plaza is provided when a strong direct visual connection is possible from the adjoining sidewalk or public space.

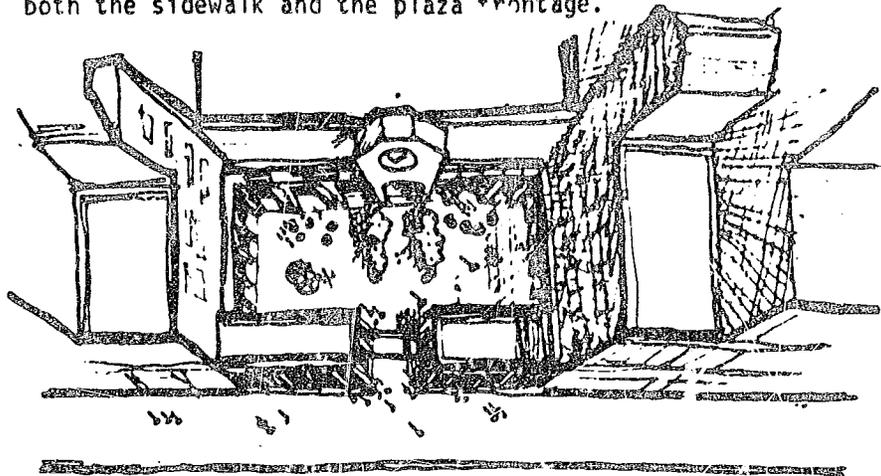
2.1.3 Terraced plazas adjacent to sloping streets can provide multiple access from different levels.



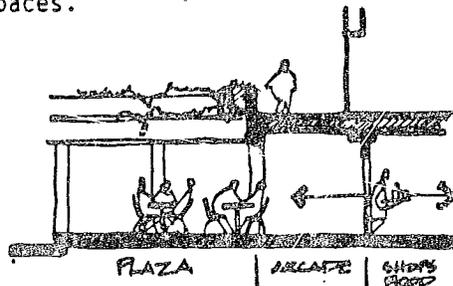
* A continuous wall of building(s) along the street property line.

2.2 SHOPPING PLAZAS: Supplemental to principles in 2.1

- 2.2.1 Placement of one-story consumer shopping structures along the street edge of a plaza can maintain retail activity along both the sidewalk and the plaza frontage.



- 2.2.2 Shop fronts which provide multiple entries or movable walls can allow activities to spill out into or utilize adjacent plaza spaces.

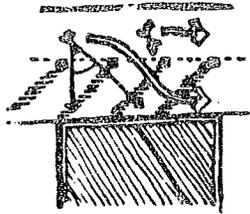


2.3 ARCADES

- 2.3.1 Arcades improve the quality of public circulation when located as part of a continuous pedestrian system along one block or as a link in a continuous system relating to several developments or blocks.
- 2.3.2 Arcades at or near street level improve the quality of pedestrian circulation when located as connections to existing public amenities such as parks and plazas.
- 2.3.3 An arcade adjacent to a sidewalk that is open at both ends provides a continuous pedestrian route protected from the weather.

- Knockout panels provided at the ends of new arcades preserve the opportunity for making future continuous connections to adjacent buildings.

2.3.4 Arcades substantially below or above grade remove pedestrian activity from the sidewalk level and do not provide visual contact with the sidewalk.

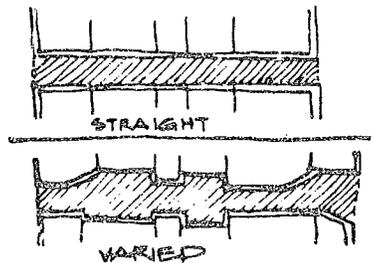


2.3.5 Arcades are usually not needed for additional pedestrian circulation space when widening of public sidewalks into the street right-of-way are planned.

2.3.6 Wider spacing and narrower columns allow greater ease of circulation and view potential from arcades than close spacing and wide columns.

2.3.7 Arcades through the interior of blocks receive the greatest use when their access points are located to take advantage of desired or established pedestrian travel lines and building entrances.

- Access at or near grade provides the most inviting approach for pedestrians.
- Long interior arcades with a variety of widths and focal points provide a more interesting pathway for pedestrians.

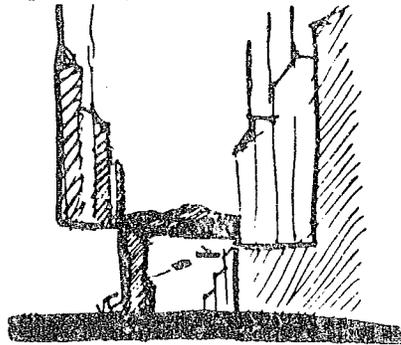


2.4 SHOPPING ARCADES: Supplemental to principles in 2.3

- 2.4.1 Shopping arcades located in the retail core and along major downtown shopping streets concentrate retail activity in highly identifiable areas.
- 2.4.2 Arcades with adequate height-to-depth ratios ensure good natural daylighting at the shop fronts.
- 2.4.3 Maintaining visually evident connections to other public spaces, such as sidewalks, can ensure greater use of the arcade as a route for pedestrian travel.

2.5 VOLUNTARY BUILDING SETBACKS

- 2.5.1 Setbacks with blank facades or only landscaped setbacks at sidewalk level in retail areas do not maintain a continuity of interest and break the pattern of activity at street level in the retail core or along major shopping streets.
- 2.5.2 Landscaped setbacks outside of the retail core can provide a more pleasant street-level environment than setbacks that are not landscaped or that are not accessible to the pedestrian.
- 2.5.3 Building setbacks above sidewalk level can increase view opportunities for pedestrians along special view streets and along major shopping and pedestrian streets in areas where the greatest overall building height is possible.



3.0 GENERAL DESIGN PRINCIPLES

The design of plazas, arcades, and setbacks shall address the general design principles listed below, as well as the locational principles for each type of amenity as listed above in 2.0.

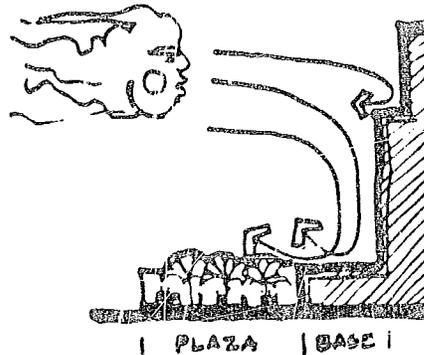
SUN

- 3.1 Good solar exposure provides for the comfort of users.
 - a. Southern and western exposures capture more sunlight during periods of peak lunch time use than do northern or eastern exposures.
 - b. Deciduous trees particularly on the south and west sides of spaces provide shade for users in the summer and allow sunlight to pass through to the user during winter.
 - c. Low building walls on the south, east and west edges of open spaces minimize shadows cast on public open spaces.

WIND

3.2 Well designed open spaces provide protection from the wind.

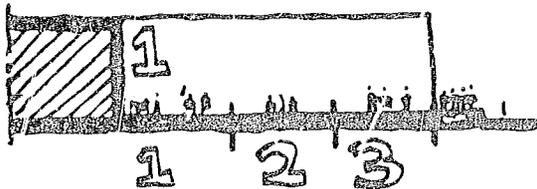
- a. The placement of buildings and walls around the perimeter of open spaces can reduce the impact of the wind.
- b. Low base structures at the bottom of high-rise towers can reduce the downdraft wind impact at the pedestrian level.
- c. Evergreen planting can serve as a year-round windbreak.



ENCLOSURE

3.3 Urban spaces such as plazas that are highly articulated by architectural features, landscaping or sufficiently enclosed by buildings focus attention on the space as a distinct and enjoyable entity.

- a. Spaces designed to balance seating, landscaping, architectural features, and pathways for movement are more lively and usable than large barren spaces or spaces dedicated to only one feature.
- b. A ratio of approximately 1 to 3 for height of enclosing surfaces to width of space can provide a minimal sense of spatial enclosure.



NOISE

3.5 Noise from mechanical equipment discourages use of open spaces.

3.6 Walls, landscaping or other screening between open spaces and street noises or point sources of noise can lessen the perceived noise levels within the space.

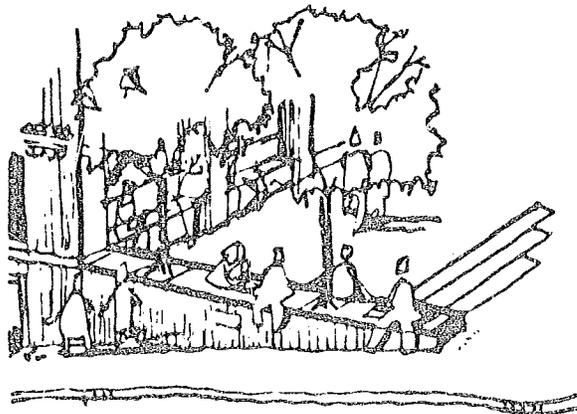
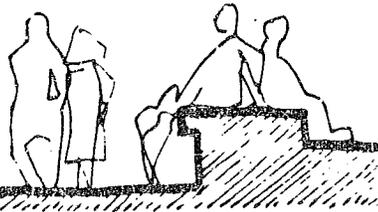
- Moving water in fountains or waterfalls provides a congenial natural background noise that allows conversational privacy.

CONVENIENCE, COMFORT AND SECURITY

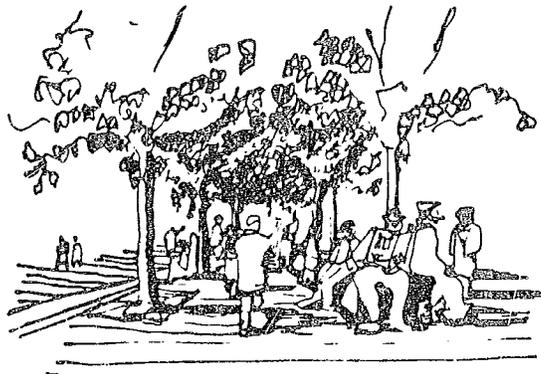
3.7 Well designed public spaces provide for the comfort, convenience and security of users.

- a. Including space for street vendors and other food services and for restrooms in public spaces increases convenience and comfort for users.
- b. A variety of seating arrangements provides for more flexible and enjoyable use of public space.

- Providing movable chairs increases the opportunities for different seating arrangements.
- Low ledges and building niches can double as seating places.
- Fixed and formal seating does not provide flexibility of choice.
- Seating located to provide views of the passing street scene and other activity is highly used.
- Combining trees and sitting areas increases the use and enjoyment of sitting areas.
- Seating located to receive the greatest amount of daily sunshine receives the greatest use.



- Seating surfaces of porous materials such as wood or with open, webbed material, ensures rapid drying and insulation from extreme temperature differences.



- c. A canopy of trees can make a highly used pedestrian route feel more intimate and comfortable.
- d. Energy efficient night lighting can create a continuous lighted path and increase security and visual interest.
- e. Waiting areas (e.g., at the corners of spaces near the sidewalk) that are sheltered from the wind and rain increase pedestrian comfort.
- f. Non-glare, non-slip pavement provides safe walking surfaces.

VARIETY AND CONTRAST

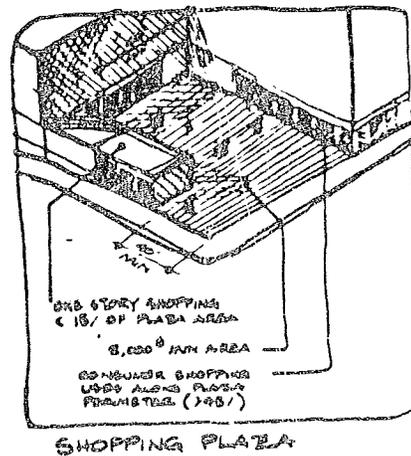
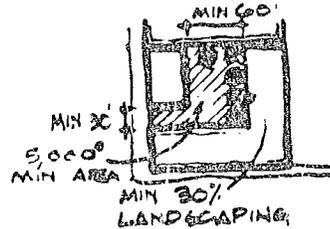
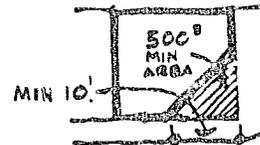
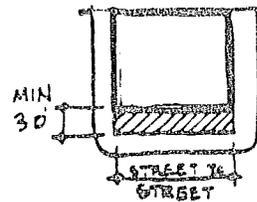
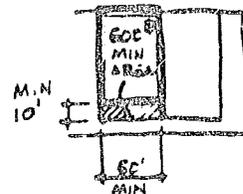
- 3.8 Architectural features, landscaping, art and water features create visual interest for users, provide human scale, and can attract people to the public space.
 - a. Massing or clustering plant materials can contrast effectively with the built forms around them.
 - b. Widely spaced overhead features, such as open-roofed pavilions or beams with overhead planters, can maintain a sense of openness while creating greater visual interest and a sense of enclosure for users.

Zoning Code Definitions:

These definitions are from the Seattle Zoning Code, Title 24, Chapter 24.08. They are presented here for reference and remain in force as clarified by the Design Principle rule.

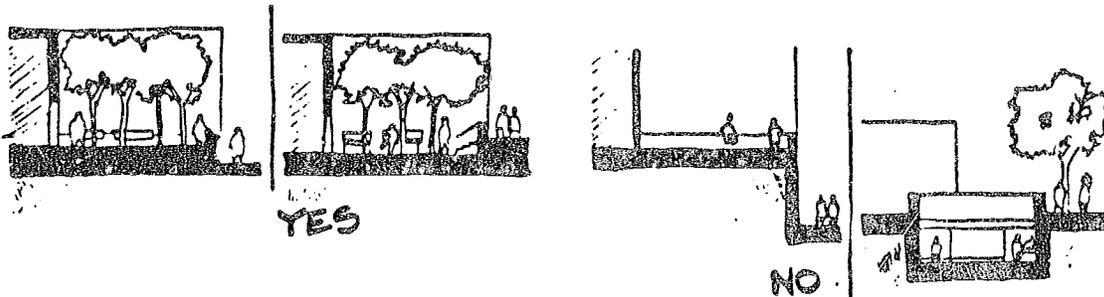
24.08.170 DEFINITIONS FOR PUBLIC AMENITY FEATURES

3. "Plaza" means a continuous uncovered area which is accessible to the public at all times and which, if a floor area bonus is claimed in connection with the provisions of this subtitle is either:
 - a. At least ten feet in depth extending along a street lot line, with a minimum area of five hundred square feet and a minimum length of fifty feet or the full width of the lot, whichever is less; or
 - b. At least thirty feet in width, extending from street to street;
 - c. On a corner lot, an open area with a minimum area of five hundred square feet, and a minimum dimension of ten feet which is bounded on two sides by the intersecting street lines; or
 - d. At least five thousand square feet in area, with a minimum dimension of sixty feet, and is connected to a street by means of another plaza, an arcade, or a public way at least thirty feet wide. Such a plaza shall not at any point be more than ten feet above or below the elevation of a connecting street at point of access thereto.
4. "Plaza, landscaped" means a plaza having thirty percent or more of its area landscaped.
5. "Plaza shopping" means a continuous open and uncovered area (except for such consumer shopping uses as those permitted in subsection b below having a total area not to exceed fifteen percent of the surface area of the whole plaza and a height of not more than one story) which is accessible to the public at all times and which, if a floor area bonus is claimed in connection with the provisions of this subtitle is:
 - a. At least two thousand square feet in area with a minimum dimension of forty feet; and
 - b. Has contiguous, readily accessible and visible consumer shopping uses such as but not limited to: flower shops, apparel shops, magazine and smoke shops, card shops, gift shops, outdoor-indoor cafes, art galleries, and similar specialty shops readily accessible to the public from it



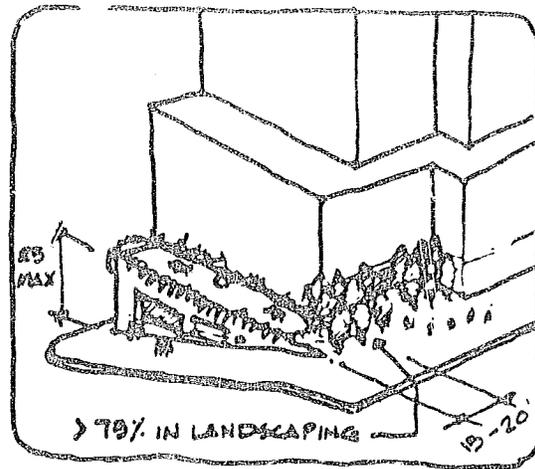
c. Changes of elevation in public spaces can add greatly to interest and amenity if a direct relationship between levels is maintained. Most important is the visual connection between levels, in order to provide that the experience of being on one level is enhanced by awareness of the other(s).

- Spaces slightly above sidewalk level give a sense of overlook and advantage to occupants while passing pedestrians can maintain visual connection and interest.
- Spaces slightly below street level give a sense of intimacy and enclosure to occupants as well as a sense of advantage or overlook and views to the passerby at street level.
- Spaces too far above or below the street level lose visual contact with the sidewalk and isolate the open space.



- d. Water features that are accessible and touchable create a focus for users and a contrast with the built forms around them.
- e. Topographic variations can be used to enhance the circulation patterns and provide a variety of views within the space and from the space.

along at least forty-five percent of its perimeter. Partial perimeter credit towards this amount will be given both permitted consumer shopping uses not contained within the principal building as well as those contained within an abutting shopping arcade fronting on such a plaza at a rate of one-half of the actual consumer shopping frontage provided. To help ensure that such visual interest uses are retained and the public interest served, in the event such spaces cease to function for their intended purpose, the actual area so affected or an equivalent area shall be converted into readily accessible public open space either as additional plaza, arcade or public display area accessible from such plazas within one hundred twenty days. Certain consumer services, excluding financial institutions, that are of visual interest from the exterior and oriented to passing pedestrians may be permitted on an interim or permanent basis when approved by the Director.

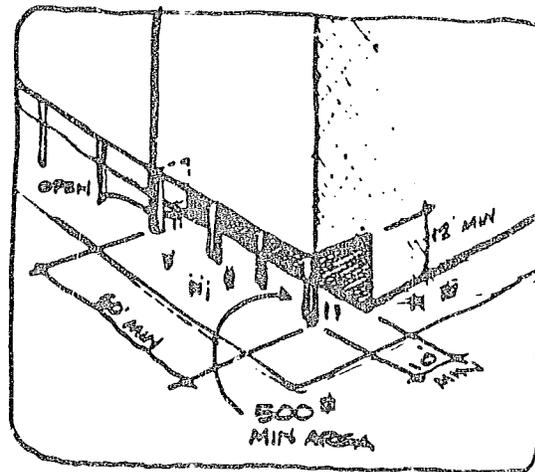


LANDSCAPED SETBACK

24.08.230

2. "Voluntary building setback area" means an area on a lot, at a maximum height of twenty-five feet above curb elevation or the roof of a building, whichever is the lower, which is open and uncovered to the sky and which, if a floor area bonus is claimed in connection with its provision, is within twenty feet of the street lot line on streets less than seventy feet wide or within fifteen feet of the street lot line on streets at least seventy feet wide.

3. "Voluntary building setback area, landscaped" means a voluntary building setback area having seventy-five percent or more of its qualifying area landscaped.



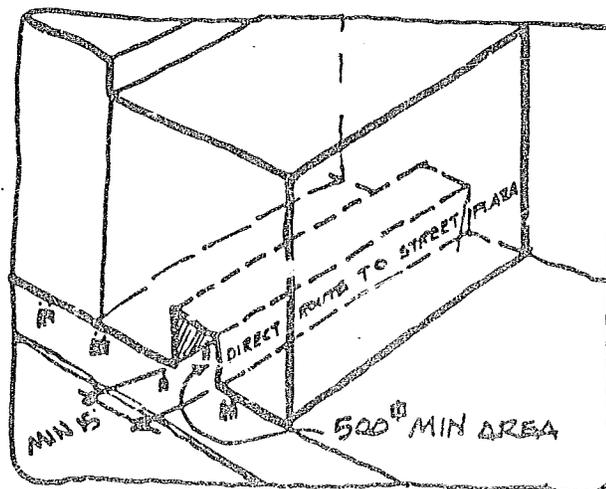
ARCADE

24.08.020

6. "Arcade" means a continuous covered area, open to the public at all times, having direct access from all the streets or plazas which it adjoins or connects, and unobstructed to a height of not less than twelve feet except for supporting columns and beams and either:

- a. is adjacent to a street or plaza and not less than ten feet in depth and five hundred square feet in area and extending along the street or adjoining plaza for at least fifty feet or for the full street frontage; or
- b. Extends from a street or plaza through to another street or plaza and is not less than fifteen feet in width and five hundred square feet in area.

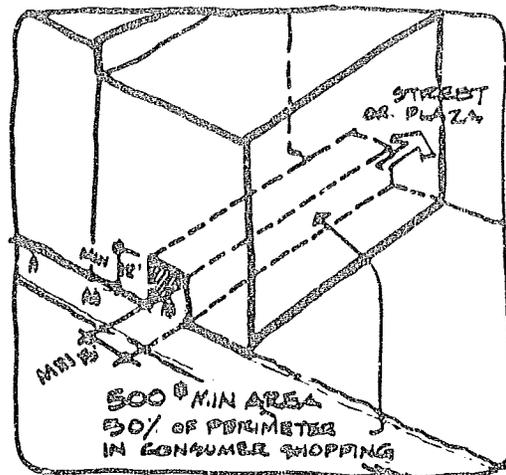
9. "Arcade, shopping" means a continuous covered area, open to the public at all times, having



direct access from all the streets or plazas which it adjoins or connects, unobstructed to a height of not less than twelve feet except for supporting beams, having at least thirty-five percent of its perimeter when adjacent to a street or plaza, or fifty percent of its perimeter when it extends from a street or plaza to another street or plaza, devoted to consumer shopping uses such as but not limited to flower and gift shops, indoor-outdoor cafes, art galleries, and similar specialty shops readily accessible to the public from it and either:

- a. Is adjacent to a street or plaza and not less than ten feet or more than twenty feet in depth and five hundred square feet in area and extending along an adjoining plaza for at least fifty feet or along a street for the full street frontage; or
- b. Extends from a street or plaza through to another street or plaza and is not less than fifteen feet in width and five hundred square feet in area.

To help ensure that required consumer shopping uses are retained and the public interest served, in the event such spaces cease to function for their intended purpose, the actual area so affected or an equivalent area shall be converted into readily accessible public space either as additional plaza, arcades or public display areas within one hundred twenty days. Certain consumer services, excluding financial institutions, that are of visual interest from the exterior and oriented to passing pedestrians may be permitted on an interim or permanent basis when approved by the Director.



SHOPPING ARCADE

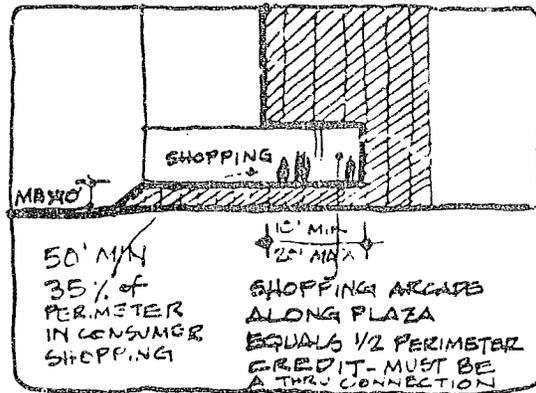


Exhibit P

Other Information Available Upon Request

1. REPORT OF THE MAYOR'S WESTLAKE COMMITTEE, APRIL 1973.
2. TOPOGRAPHY AND BOUNDARY SURVEY, DEC. 1980.
3. UTILITY BASE MAPS.
4. UTILITY RELOCATION COST ESTIMATES.
5. MONORAIL REDEVELOPMENT COST ESTIMATES.
6. MONORAIL SOILS TESTS, 1961.
7. * STRUCTURAL DRAWINGS OF EXISTING MONORAIL, WESTLAKE MALL TO STEWART STREET.
8. MISCELLANEOUS DATA ON SEATTLE DEMOGRAPHICS AND SEATTLE ECONOMIC CLIMATE.
9. STATE SUPREME COURT DECISION (DEC. 24, 1981) PROHIBITING USE OF CONDEMNATION FOR THE WESTLAKE PROJECT.
10. * PORTFOLIO OF SELECTED WORKS OF HANNA/OLIN LTD., PHILADELPHIA (LANDSCAPE ARCHITECTURAL FIRM).

* AVAILABLE FOR INSPECTION IN DEPARTMENT OF COMMUNITY DEVELOPMENT OFFICE.



First Interstate Bank
of Washington, N.A.
Law Department
P.O. Box 160
Seattle, WA 98111
206 292-3599

Exhibit 9

July 19, 1982

Barry Getzel
Director - Westlake Project
City of Seattle
Department of Community Development
400 Yesler Way
Seattle, Washington 98104

Dear Mr. Getzel:

I am writing on behalf of First Interstate Bank of Washington, N.A., trustee of the Stimson Trust, majority owner of Lot 2 of your proposed development project for the Westlake Mall area.

As you know, we have received notice that the City of Seattle proposes a new plan for development of that area. It is the Trustee's responsibility to determine whether a sale of Lot 2 for this purpose is in the best interest of the Trust, and if so to negotiate that sale. To fulfill this responsibility, we have written to all trust beneficiaries, explaining that an offer from the City appeared to be forthcoming, and requesting that they communicate any objections to such a sale, presuming we receive a reasonable offer.

After the bank's letters to beneficiaries were sent out, we received the City's offer to purchase the property. We have now engaged an appraiser to give us a current appraisal of the trust interest in this property. We will evaluate the City's offer on the basis of the appraiser's report, the responses of the beneficiaries, and our assessment of the appropriateness of the sale, and the selling price offered. Either I or Paul Hennes will communicate a response to you as soon as it is available.

Sincerely,

A handwritten signature in cursive script that reads 'Anne Bradley'.

Anne Bradley
Counsel

AB:cd
22:m



First Interstate Bank
of Washington, N.A.
Administration
PO Box 160
Seattle WA 98111

Exhibit R

July 7, 1982

Mr. Barry Getzel
Director - Westlake Project
City of Seattle
Department of Community Development
400 Yesler Way
Seattle, Washington 98104

Dear Mr. Getzel:

Our President, Mr. Randall, has referred your recent correspondence to me.

First Interstate Bank has acquired the Fidelity Lane property in the Westlake area through merger. As Mr. Randall and Mr. Bangert informed you in their earlier meeting, it is in our best interest to cooperate with the City to find a mutually beneficial program for the development of the area. We are prepared to negotiate these matters with you and your selected developer, at your convenience.

We commend you for your continued interest in working to keep this worthwhile project alive.

Sincerely,


Jack R. Chastain
Vice President

JRC:lp

Exhibit S

HANNA/OLIN, Ltd. Environmental Design and Planning

Hanna/Olin, Ltd. of Philadelphia was selected by the City of Seattle to be the Landscape Architects for Westlake Park after a national search. The basis for this selection was the demonstrated ability of Hanna/Olin, Ltd. to create environments of exceptional beauty and quality without compromising practical budget, schedule and durability.

Experience

Robert Hanna and Laurie Olin have considerable experience regarding the Pacific Northwest in general and Seattle in particular. Both are graduates of the University of Washington School of Architecture and Urban Planning. Both gained their early professional experience in several of the most noteworthy Seattle design offices: Richard Haag Associates, Fred Basetti & Associates, Ibsen A. Nelson, George Bartholick and Daniel Miller.

Combining many years of experience gained by living and working in Boston and New York as well as at The American Academy in Rome, they have come to teach in the Graduate School of Fine Arts at the University of Pennsylvania in Philadelphia where both were members of the Faculty of the Department of Landscape Architecture and Regional Planning. In 1982 Olin was named Chairman of the Department of Landscape Architecture at Harvard University; Hanna remains on the faculty at Pennsylvania as the most senior Landscape design professor.

One of the principle interests of both partners has been the design of public open space. In six years, the Hanna/Olin office has completed the design and seen construction commence on 20 million dollars worth of landscape architectural work, and currently has over 40 million dollars worth in various stages of planning or design in the office.

The practice has covered a full range of projects including large scale urban planning and design, Campus planning and design, Corporate facilities both urban and rural, Public parks and malls, and private estates. Many of these projects have been done in consultation to nationally known architecture firms: Johnson and Johnson World Headquarters, Johnson and Johnson Baby Products Headquarters, Pitney Bowes World Headquarters, I.B.M. Headquarters, Miami World Trade Center, Denver Transitway/Mall, Portland Museum of Art, Kuwait Hilton Housing and Al Salaam new town with I.M. Pei and Partners; Arco Chemical Research Center, I.B.M. Federal Systems Division, Brooklyn Botanic Garden, and Waldorf Plaza with David Brody Associates; I.N.A. Office Complex, J.B. Speed Museum with Geddes Brecher Qualls and Cunningham; Battery Park City open space plan, Commercial Core, esplanades and performance arena, and New Jersey Foreign Trade Zone with Cooper Eckstut Associates; Pittsburgh Penn-Liberty planning and Heinz Hall Plaza with Llewelyn Davies Associates; The Fugua School of Business at Duke University with Edward Larrabee Barnes. More recently Hanna/Olin have been asked to join Hugh Stubbins, Architects to plan and design the 500 acre Carnegie Development in Princeton and to be the Campus Planners for Dickinson College, and to plan a new Primate Facility for the Philadelphia Zoo with Venturi Rauch & Scott Brown.

EXHIBIT 3

III. THE PROPOSAL

A. General Information

1. Project Description:

The proposal is to sell the City's Westlake area properties to a purchaser experienced in development who submits the best proposal for achieving certain public goals. The major goals are to create an attractive public open space and focal point that will also enhance retail activity in the downtown area. Two proposals for development of the Westlake area properties have been reviewed by the Westlake Proposal Evaluation Committee.

The following actions will be required:

City Council approval of the sale of the property and selection of the preferred proposal, and approval of a street and alley vacation.

Contemporaneous with any sale is the assurance that the development will provide an upgraded and improved public Monorail terminal at Westlake. Development on site would require the relocation of certain utilities.

2. Name and Sponsor of Project:

The disposition of the Westlake Mall Properties is sponsored by the Department of Community Development, City of Seattle. If the property is to be sold subject to certain conditions, ultimate development would be sponsored by a private developer.

3. Project Location:

The site under consideration includes a portion of the block bounded by Olive Way on the north, Pine Street on the south, Fifth Avenue on the east, and Fourth Avenue on the west, including a portion of an alley and the Westlake Avenue right-of-way, if and when such are vacated by the City. See Figure 3 for a site map.

The Westlake area is defined as approximately two-thirds of the block located between Pine and Olive Streets and Fourth and Fifth Avenues. The size of the parcel is approximately 56,600 square feet. The site is surrounded on three sides by major department stores. To the west of the site, across Fourth Avenue, is the Bon Marche, a retail department store with 900,000 gross

square feet. To the east of the site, across Fifth Avenue, is Frederick and Nelson, a retail department store of 700,000 gross square feet. To the south of the site, across Pine Street, is Nordstrom, an apparel store of 220,000 gross square feet.

4. Agency File Number: None

B. Description of Two Projects Reviewed by the Westlake Proposal Evaluation Committee

1. Description of the Rouse Company Proposal

This project was recommended to the City Council by the Westlake Proposal Evaluation Committee, which reviewed the two projects submitted. The Committee's letter recommending this proposal is included in the Appendix to this document.

a. General Description

The site covered by this proposal includes Lots 1-3 and 8-12 as offered for purchase and development by the City, and also Lot 7 which adjoins the City-controlled lots and is located at the corner of Olive Way and Fifth Avenue. The inclusion of Lot 7 is permitted by the October 29 letter clarification of Article X, Section 5 of the Prospectus, and is based upon a Ground Lease entered into by Forsyth Properties, as Landlord, and Koehler, McFadyen and Company, as Tenant, dated October 22, 1982. Evidence of such a lease was made available for review by the City. The area south of Pine Street, on which the City is considering building a public park, is not included in this proposal.

The proposal is an 18-story office building atop a 3-story retail base structure above grade. The office tower is to be located at the corner of Fifth Avenue and Olive Way (made possible by inclusion of Lot 7 in the proposal site), and the retail structure is to be located along the western half of the Westlake diagonal right-of-way. Public space enclosed by a glass atrium is to be located along Pine Street and Fifth Avenue. Underground parking for 225-250 vehicles is included.

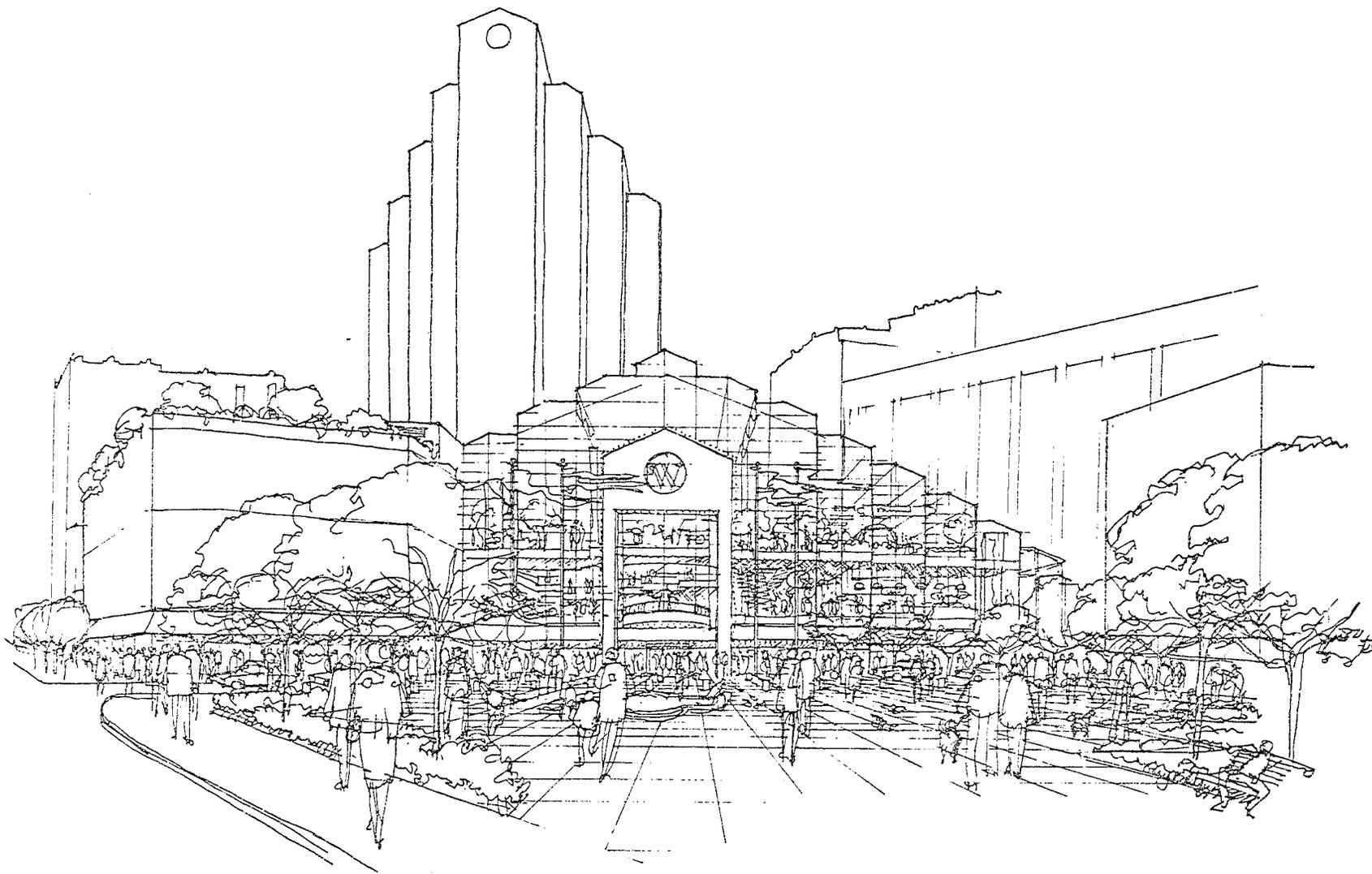
b. Site Development and Building Improvements

Figures 4 through 11 show the proposed development. The proposal would consist of approximately 131,150 gross leaseable square feet of retail shops on four levels, an 18-story office building containing approximately 254,625 gross leaseable square feet of office space, and 225-250 parking spaces. These uses and their quantities conform to the Westlake Project Prospectus and the allowable FAR for the property.

The proposed design includes 62,750 square feet of public space within the City-controlled lots, which results in an allowable FAR of 6.5, or 367,900 square feet of building on such lots. In addition, Lot 7 (approximately 6,000 square feet) has an FAR of 10, or 60,000 square feet of allowable building. When combined with the allowable building area in the City-controlled lots, the result is 427,900 square feet of allowable building area on the total site covered by this proposal. As calculated under the FAR guidelines, the proposed design contains a total of 415,000 square feet of building area.

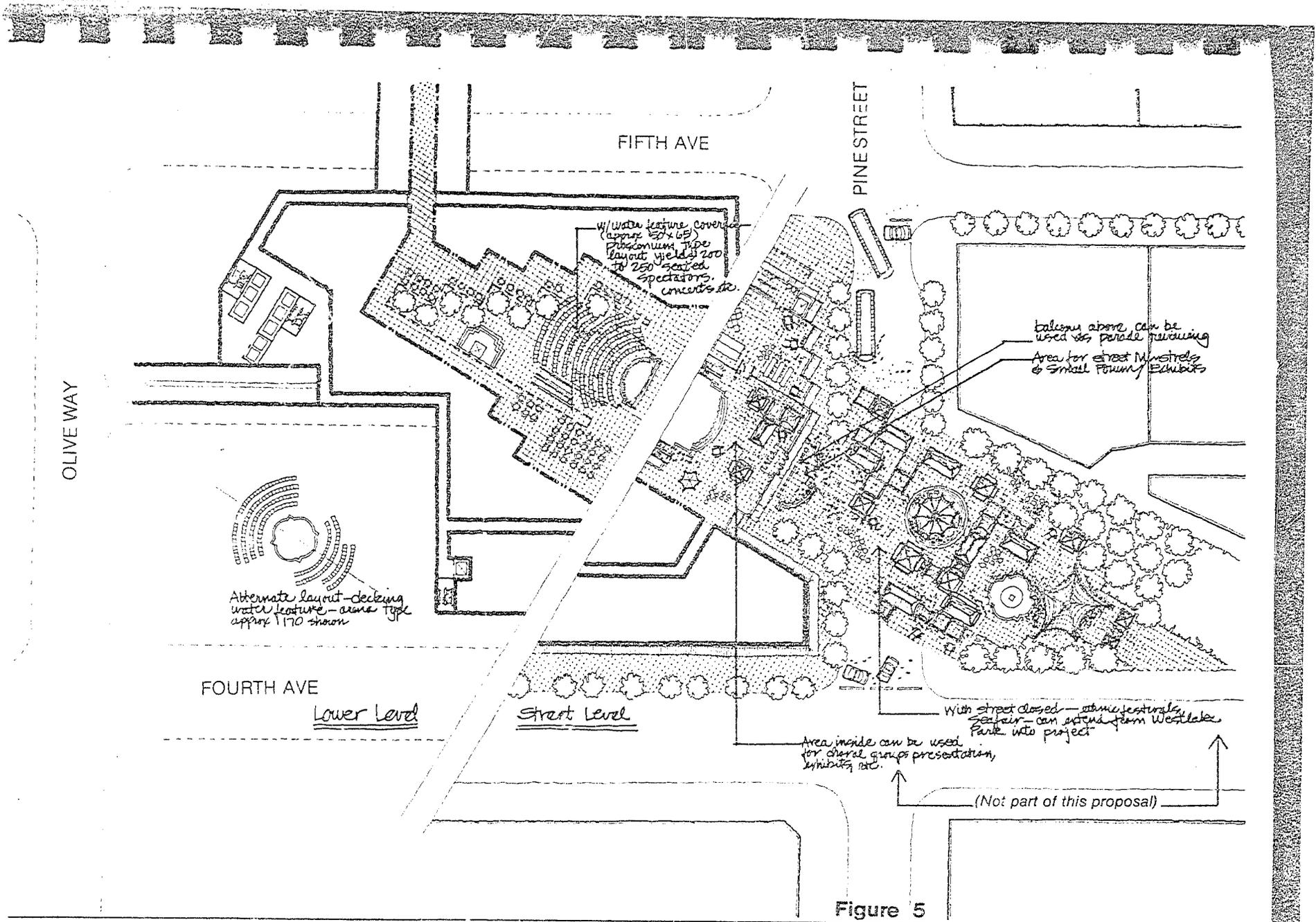
The lowest level is the "sunken" portion of the enclosed public space. This level can be reached via conveyances at-grade, but it also includes subterranean connections to the Bon, Frederick and Nelson and Nordstrom's. This level includes 36,000 gross leaseable square feet of retail and restaurant space, 19,900 square feet of public space (some 16,000 sq. ft. of which is made up of courtyard with movable seating), and a water element, which a stage may cover during special events. The main level is at street grade and has street frontage retail along Fourth Avenue. The main level includes 27,500 gross leaseable square feet of retail and the major portion of the public open space (21,000 square feet).

The second level includes 30,300 square feet of retail space and 9,600 square feet of public open space. The third level consists of 25,600 square feet of retail space and 12,250 square feet of public open space. Both the second and third levels are part of the street frontage retail along Fourth Avenue, and also continue into the enclosed



ROUSE

Figure 4
View Across Westlake Park



ROUSE

Figure 5
Use of Public Spaces

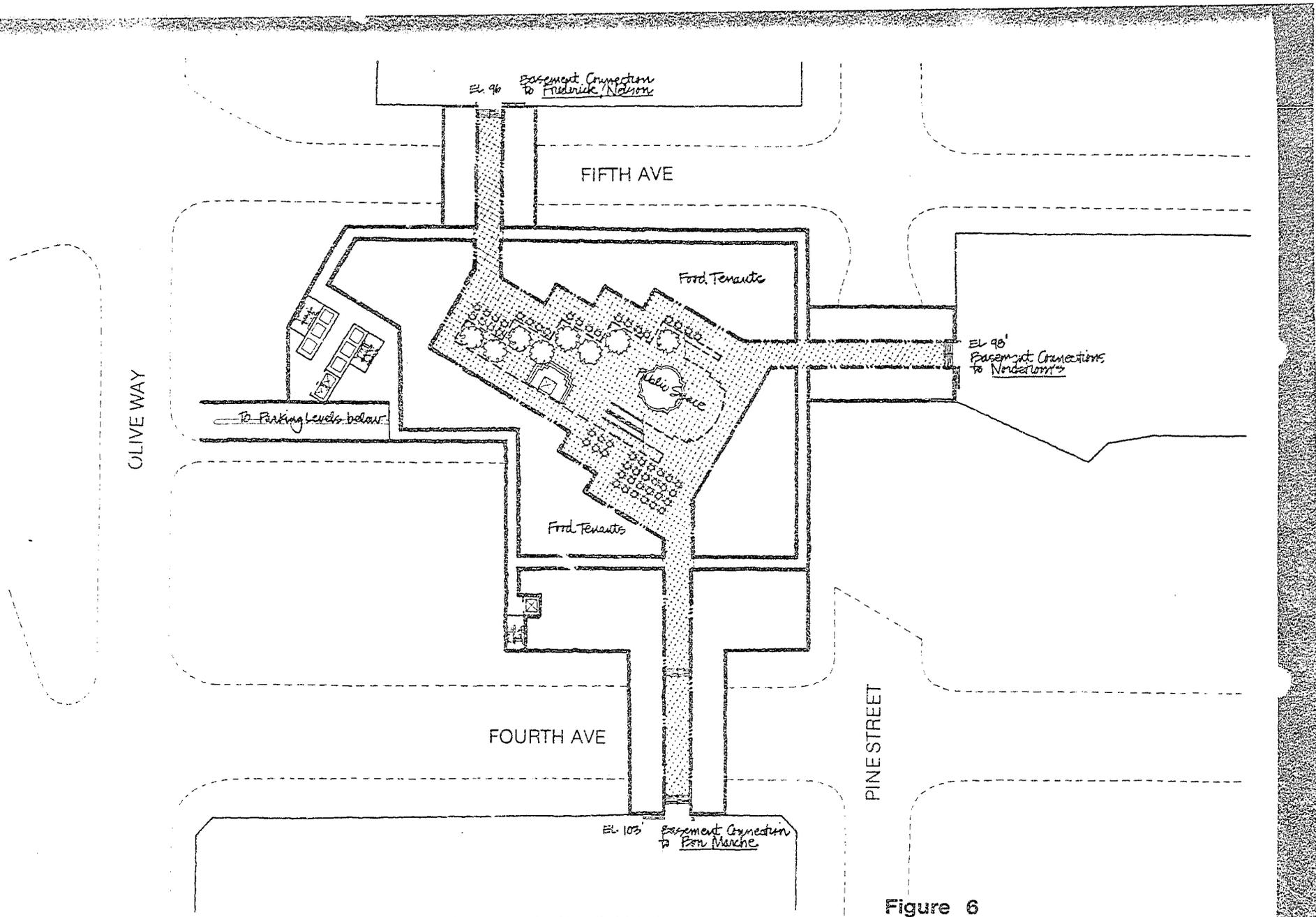


Figure 6

Lower Level
Elevation 92'

ROUSE

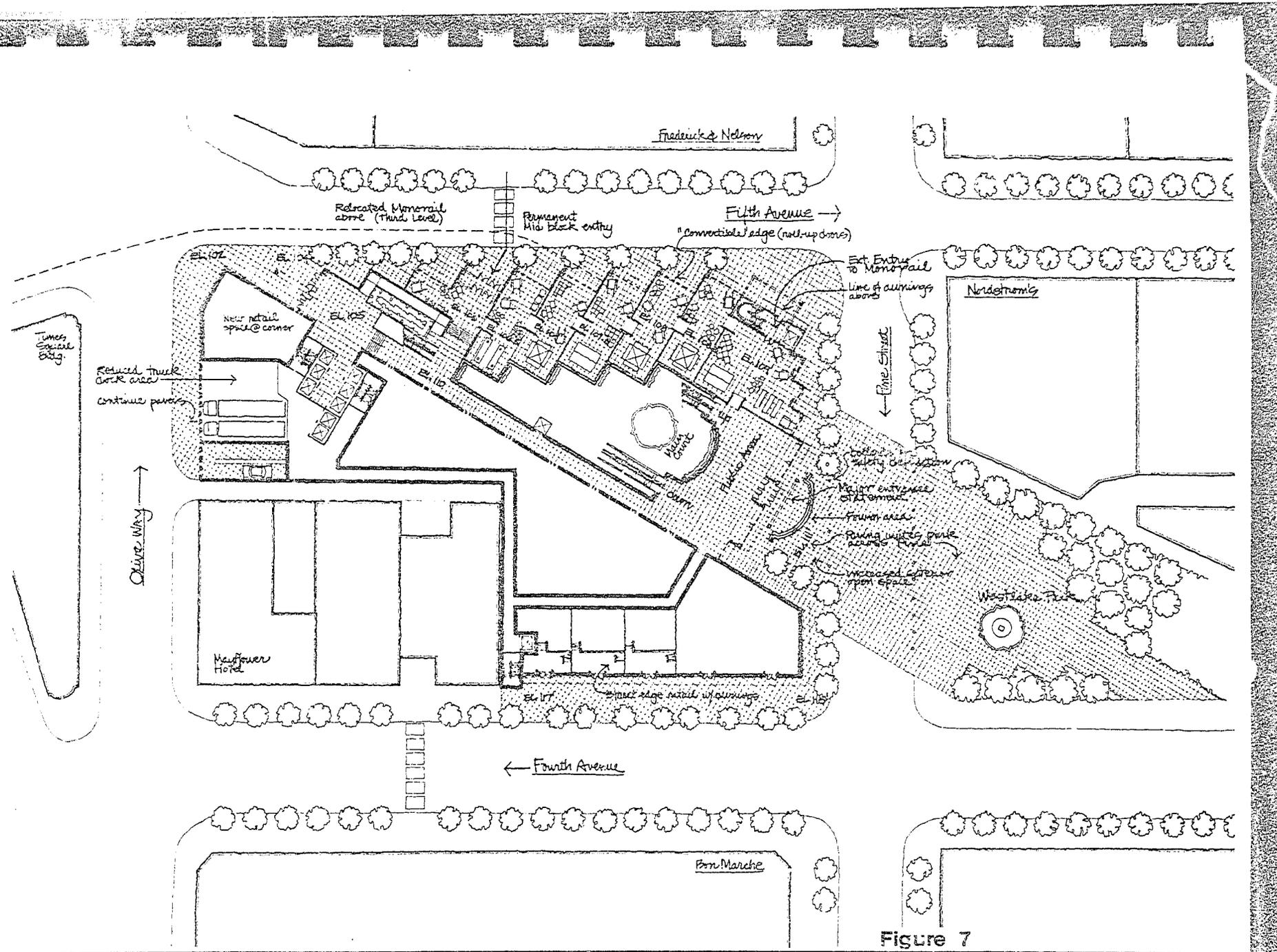
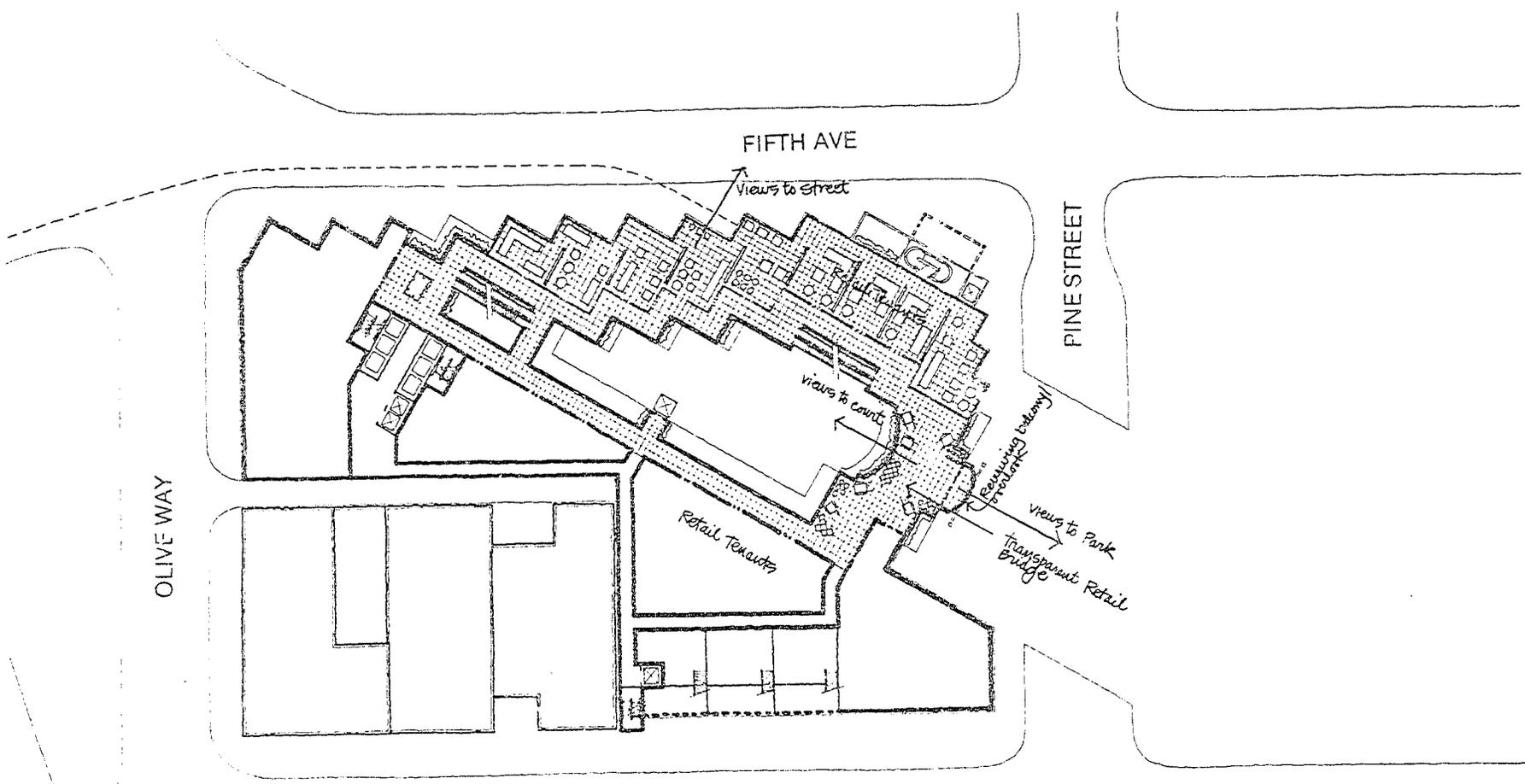


Figure 7

Main Level
Elevation 110'

ROUSE



OLIVE WAY

FIFTH AVE

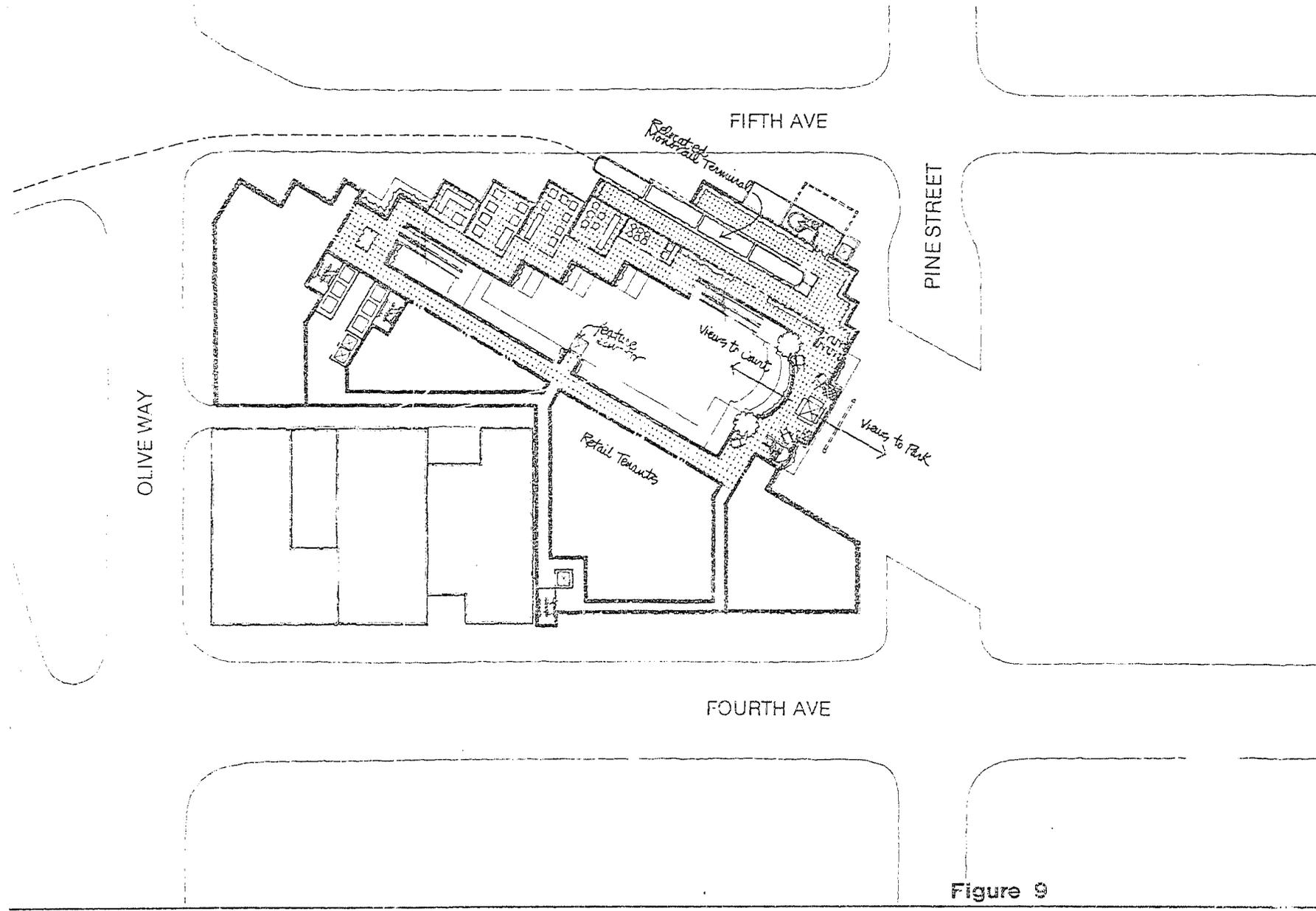
PINE STREET

FOURTH AVE

Figure 8

Second Level
Elevation 125'

ROUSE



ROUSE

Figure 9
Third Level
Elevation 140'

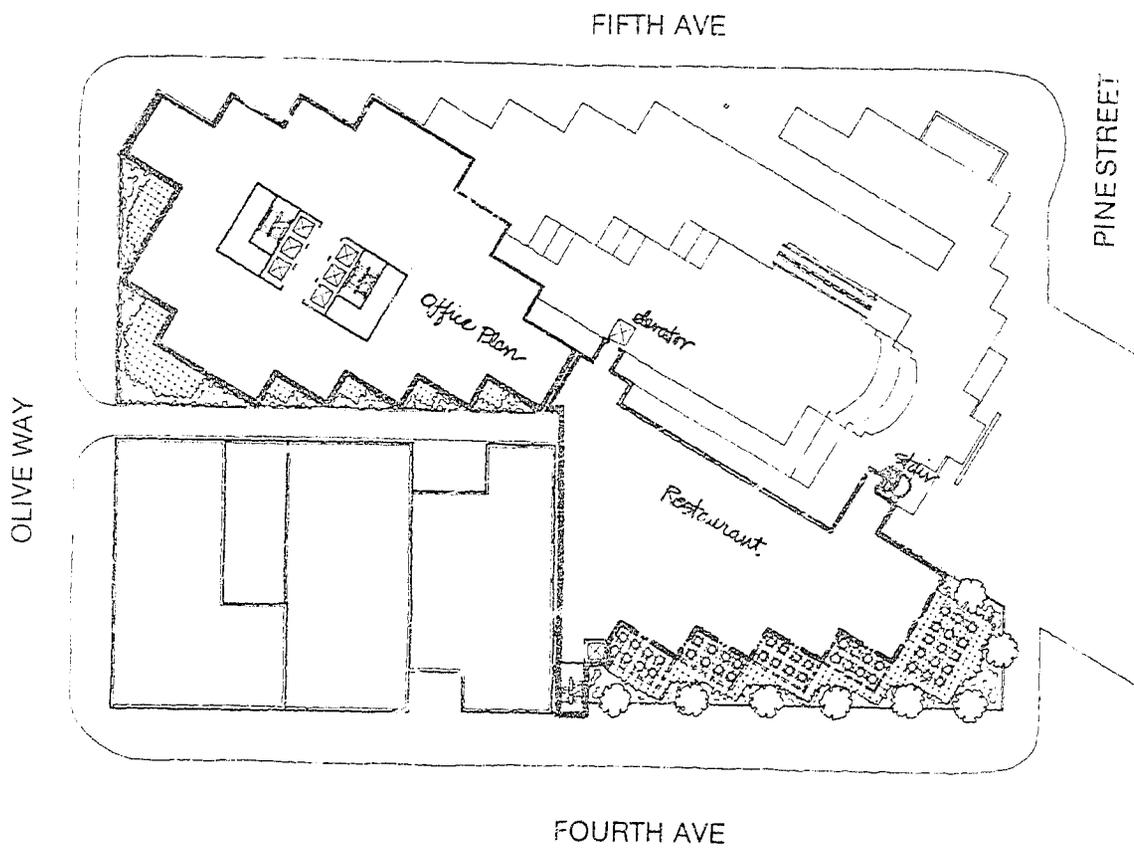


Figure 10

Roof Terrace Level
Elevation 155'

ROUSE

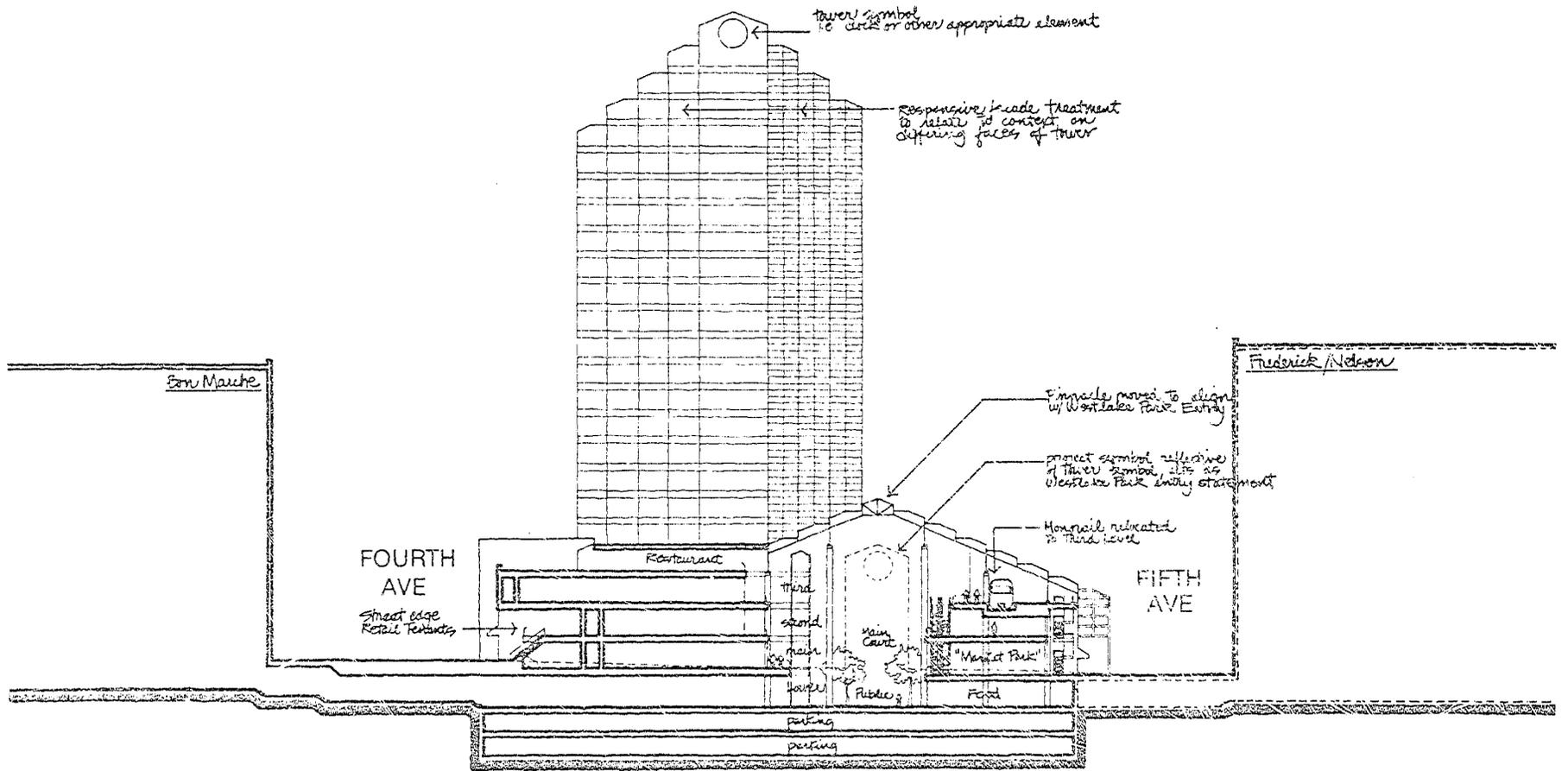


Figure 11

Transverse Section

View from Pine Street

ROUSE

atrium. A new Monorail terminal adjoins the third level near the corner of Fifth Avenue and Pine Street. A roof terrace and restaurant represent the fourth level, and consists of 11,750 square feet. The remaining 18 stories are devoted to office use. The table below summarizes the uses within the proposal.

Table 1: Rouse Company Building Utilization
in Gross Leaseable Square Footages

Uses	Lower Level	Main Level	Second Level	Third Level	Roof Terrace	Total
Retail	36,000	27,500	30,300	25,600	11,750	131,150
Public Space	19,900	21,000	9,600	12,250	0	62,750
Office	Level 1 through 18, plus penthouse					254,625

The project design is intended to create a large, public, park-like space which is the focal point of the project and which also respects the diagonal Westlake Avenue right-of-way. This is reflected in the placement of the Monorail terminal, the orientation of the retail and office space along a similar axis to Westlake Avenue, and in the diagonal geometry of the architecture. The edges are designed to be inviting to pedestrians and passersby, as well as to the shoppers and tenants inside, with the larger mass of the office building being set back from the public focal point and having an entrance through the park environment. The design is intended to eliminate (as much as feasible) the visual perception of property lines and barriers. This is proposed through the uses of glazed walls, and walls that at street level open directly to the sidewalk (and become invisible by being retracted into the glazing of the upper levels), encouraging free pedestrian movement within and through the space.

The focal point of the project is directed mid-block on Pine Street between Fourth and Fifth Avenues. Pine Street, Olive Way, Fourth Avenue and Fifth Avenue sides contain retail, covered park and retail-in-the-park (i.e. kiosks and push carts on the Fifth Avenue side). Inside the covered park are two retail levels above the grade-level park, and one level of retail forming the back edge of the park along the Westlake Avenue diagonal. with kiosks, push carts, and small vendors within the park itself. Below grade is one retail level

consisting primarily of small specialty food and food-related shops, which can be viewed from the grade level and the second and third level balconies above. Water features, plant material, public seating, lighting, and street furniture would be included.

The back portion of retail (abutting Lot 4) would be three stories high, topped with a restaurant on the roof of the third level which would provide terraces and landscaped edges to Fourth Avenue and Pine Street, overlooking the proposed Westlake Park south of Pine. This terrace is designed to provide views down Fourth Avenue and of the park south of Pine Street as well as enhance views from surrounding structures.

The office building is proposed to set back and have its major entrance off Fifth Avenue and the enclosed park. The mass of the building has been broken into segmented portions in order to reduce its perceived scale and impact on adjacent structures. The setbacks at the top of the building provide greenhouses and terraces for offices on the upper floors.

The sidewalk treatment surrounding the project would be compatible with that of the existing Fifth Avenue Local Improvement District and would move directly inside the enclosed park, thereby attempting to visually erase the line between public and private property.

c. Street Vacation

This proposal necessitates the vacation of the Westlake Avenue right-of-way as described in the Prospectus, but also the vacation of that portion of the right-of-way that is adjacent to Lot 7. Also necessary is the vacation of the alley adjacent to Lots 1 through 3 (the Emerald Place proposal requires vacation of the alley adjacent to Lots 1 through 5). Partial street vacations under Fourth and Fifth Avenues and Pine Street would also be necessary in order to accommodate the subterranean connections to these surrounding department stores.

d. Pedestrian and Vehicular Access

Direct underground connections to Nordstrom, Frederick & Nelson and The Bon are proposed under the adjacent streets to further enhance pedestrian circulation in and around the project area. Pedestrian access points at grade are located on all streets adjacent to the site. At night and in inclement weather, the enclosed park and retail activity will help to draw individuals to the project site. All levels of the project would be accessible by the handicapped. Stairs and elevators within the project are designed to facilitate circulation to all levels and to provide direct access to the Monorail.

The glass enclosure of the park will offer weather protection at all times of the year and will encourage through-block pedestrian movement. During mild, fair weather, the doors to the project can be rolled up to effect more of an open air environment with a freer flow of pedestrians to and from the sidewalk. Pedestrian linkages at grade are to be extended by use of similar sidewalk material and landscaping across the streets at the Pine Street intersections with Fourth Avenue and Fifth Avenue, and to the proposed Westlake Park south of Pine Street. During off-peak hours it would be possible to close Pine Street and have events flow from the park across Pine to the open air portion of the open space and into the public space under the glass canopy. The water feature in the sunken courtyard may be covered with a stage and performances could be viewed from virtually all levels.

The new Monorail terminal would reflect an architectural character similar to the rest of the Westlake development. It would be located near the point of the highest pedestrian traffic in the City, at the corner of Fifth and Pine. The configuration of the terminal would significantly increase the hourly capacity of the Monorail system (to 7,000 per hour) when implemented with a rehabilitation of the terminal at Seattle Center.

Beneath the lowest retail level would be two levels of parking having direct elevator access to the office, retail and park levels of the project. The parking garage is accessed from the alley off of Olive Way, as is the service entrance to the

project. Provision of 225-250 parking spaces is proposed. All or part of the two levels of parking may possibly be converted for transit use in the future, if so desired by Metro and the City. However, this would potentially leave the proposal without parking, thus creating substantial unmet parking demand in an area where parking is in short supply.

e. Phasing and Construction Schedule

The project construction would be a single-phased operation expected to take 100 weeks. The table below details the anticipated construction schedule.

Table 2: Estimated Construction Schedule for the Rouse Company Proposal

<u>Phase of Construction</u>	<u>Number of Weeks</u>
Demolition, Utilities, Earthwork, Foundation	30
Framing Below Grade	10
Framing of Structure Above Grade	20
Enclosing Building, Interior Finishing and Sitework	40
Total Construction Time	100 weeks or approximately 2 years

City officials estimate that the project would open in the summer of 1986.

f. Major Physical and Engineering Aspects of the Proposal

The project would require demolition of the existing structures, excavation for two levels of underground parking, relocation of utilities within the Westlake right-of-way, construction of underground connectors to the three adjacent department stores, and relocation of the Monorail terminal.

2. Description of the Emerald Place Associates Proposal

a. General Description

The site covered by this proposal includes Lots 1-6 and 7-12. Lot 4 is not presently owned or controlled by the sponsor, although the owner of Lot 4 has indicated a willingness to negotiate a sale to the Westlake developer selected by the City. Lots 5 and 7 are also not presently owned or controlled by the sponsor. The area south of Pine

EXHIBIT G

IV. PERMITTED USES

Permitted uses may be categorized as (a) the minimum requirements of the project; and (b) allowable discretionary uses proposed by the developer.

A. Required Uses

1. 15,000 square feet of ground level public space, as defined in Design Principles for Public Amenities (published by the Seattle Department of Construction and Land Use on January, 1982; see Exhibit O of Prospectus).
2. 100,000 square feet of gross leasable area devoted to small shops and restaurants.
3. A redeveloped monorail terminal for use by the public, pursuant to a monorail easement between Purchaser and the City, until such time as the downtown Seattle Monorail System utilizing the monorail terminal shall discontinue operation, for reasons other than those necessary for maintenance and repair for a continuous period in excess of sixty (60) days.

B. Allowable Discretionary Uses

1. Additional public space, as defined above.
2. Additional retail shops and restaurants.
3. Cultural facilities including: museums, galleries, libraries and theatres (cinemas or legitimate).
4. A retail department store.
5. Underground parking as permitted by Seattle Municipal Code, (Title 24, Subtitle 1, Chapter 24.64).
6. Commercial offices.
7. A hotel.

8. Residential units.
9. Below grade pedestrian linkages to surrounding department stores to the east, west and south of the project site, and in conformance with City Ordinance 109740 (see Exhibit M of Prospectus). At the purchaser's option, such below grade linkages may be merchandised.
10. Other readily accessible public space, such as an ice skating rink, roller skating rink, roof gardens, and elevated plazas or terraces.

EXHIBIT H-1

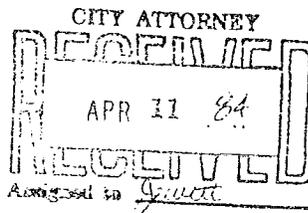
V. SITING REQUIREMENTS AND DESIGN STANDARDS

1. The overall character of the project must satisfy the project goals (as described on page 5 of the Prospectus).
2. The only permitted street level uses are: small shops and restaurants, a retail department store, public space, and vertical conveyances.
3. All project elements must afford easy access by the handicapped.
4. A majority of the public space should be located at the south end of the project and provide for easy physical and visual access to and from Pine Street and contribute to a desirable street environment.
5. A minimum of 15,000 square feet of ground level public space is required. The inclusion of additional public space is encouraged, recognizing the following order of priority (also see numbers 14 and 15 below) for its location:
 - a. ground level;
 - b. above grade but in relation to the monorail terminal; and
 - c. other above grade public space.
6. In general, public spaces should provide ample seating capacity, maximize use of natural light, offer some protection from wind and rain and be usable in the evening, as well as daylight hours.
7. The maximum height of the project at Pine Street shall be no greater than that of the present Frederick & Nelson (i.e., 150 feet). Towers (i.e., structures greater in height than 150 feet) if proposed, shall be set back a minimum of 100 feet north of Pine Street. In light of project goals, it is assumed that project density will be limited as much as possible.
8. The design of the southerly end of the project shall be in coordination with that of the City park (i.e., the forthcoming "Westlake Park") south of Pine Street, especially in terms of building materials, landscaping and similarity of access along Pine Street.

9. The design of the project must respect the character of The Bon Marche, Frederick & Nelson and Nordstrom buildings, as well as the historic nature of the Times Square Building, as long as such buildings are in existence.
10. Pedestrian circulation patterns must be designed to encourage: use of open spaces north and south of Pine Street; easy and clearly defined access to the monorail terminal at all hours of monorail operation; and street level retail activity of interest for pedestrians at the sidewalk level and around plazas and open spaces.
11. Service and garage access (if a garage is proposed) must be on Olive Way and/or the northerly half of 4th or 5th Avenue between Pine Street and Olive Way.
12. The redeveloped monorail must be located on the proposed project site and/or in the Fifth Avenue right-of-way south of Olive Way.
13. So long as the City monorail system, as presently constituted, is in operation, all elements of the project must be developed so as not to conflict with the construction and near continuous operation of the City's relocated monorail terminal, which monorail terminal must be developed to the highest standards of safety, with the capability of serving long-term projected monorail patronage.
14. The maximum allowable floor area ratio (FAR) for a project proposed to be located only on the subject property (i.e., not including adjoining lots 4, 5, 6 and 7, if purchased or leased from private owners) shall be 5.3.
15. A density bonus of .1 FAR will be given for each 1,700 sq. ft. of additional ground level public space up to a maximum of 6.5 FAR on the subject property. A density bonus of .07 FAR will be given for each 1,700 sq. ft. of above grade public space up to a maximum of 6.5 FAR on the subject property.
16. In order to encourage the generous provision of public amenities, the calculation of a proposal's resulting FAR will exclude the space devoted to: cultural facilities, public space (covered and uncovered), and the monorail terminal.
17. No bonuses resulting in a FAR above the stated maximums, other than those described above, will be granted.
18. The project design shall be compatible and complementary to the operation of public transportation in the area.
19. Continued service access to surrounding properties must be assured.

20. Sidewalk and landscaping treatment along Fifth Avenue should be compatible with that of the Fifth Avenue Local Improvement District, if any, then existing.
21. Weather protection along major pedestrian routes, to increase the comfort for the high level of pedestrian traffic, is desirable.
22. Above grade pedestrian linkages (i.e., skybridges) are prohibited. Visual access from exterior spaces into subterranean linkages is encouraged.
23. Use of water or other methods of masking City noise in a portion or portions of the Project is encouraged.
24. A design that somehow recognizes the existing orientation of the Westlake Avenue right-of-way is encouraged.
25. Project signing shall be subdued and tasteful.

Your
Seattle
Community Development



Memorandum

April 10, 1984

To: Doug Jewett, Law Department
From: David Moseley *DM*
Subject: Preparation of an Ordinance Pertaining to Westlake

We have reviewed the Final EIS document and based on our recommendation, please direct your staff to prepare an ordinance authorizing the execution of a Contract of Sale with Rouse-Seattle. If you have any questions concerning this memo, please contact Judith Kilgore at 4511. Thank you.

DM: jkr

City of Seattle

ORDINANCE 11745

AN ORDINANCE relating to the City's Westlake properties; authorizing the execution of a contract of sale with Rouse-Seattle, Inc., for the disposition of the City's Westlake properties.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. As requested by the Mayor in the attachments hereto, the Mayor is hereby authorized for and on behalf of The City of Seattle to execute a contract of sale with Rouse-Seattle, Inc., for the disposition of the City's Westlake properties, i. e.:

Fee Simple Estates in:

Lot 1, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 103, in King County, Washington; EXCEPT the Westerly 12 feet of said lot condemned by the City of Seattle in King County Superior Court Cause No. 52280, for the widening of Fourth Avenue, as provided by Ordinance 13776 of said City; and EXCEPT the Southeasterly 7 feet of said lot condemned by the City of Seattle, in King County Superior Court Cause No. 57057 for the widening of Pine Street as provided by Ordinance 14500 of said City; and EXCEPT the portion of said lot condemned by the City of Seattle, in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance No. 7733 of said City.

Lot 3, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 103, in King County, Washington; EXCEPT the Westerly 12 feet of said lot condemned by the City of Seattle in King County Superior Court Cause No. 52280 for the widening of Fourth Avenue, as provided by Ordinance 13776 of said City;

All those portions of Lots 8, 9, 10 and 11, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 104, in King County, Washington; EXCEPT the Westerly of the West line of Westlake Avenue, as condemned by the City of Seattle in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance 7733 of said City.

Those portions of Lots 10, 11 and 12, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 104, in King County, Washington, lying Easterly of the East line of Westlake Avenue as condemned by the City of Seattle in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance 7733 of said City; EXCEPT the Southeasterly 7 feet of said Lot 12 condemned by the City of Seattle in King County Superior Court Cause No. 57057 for the widening of Pine Street as provided by Ordinance 14500 of said City.

Leasehold interest (Ground Lease) in:

Lot 2, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 103, in King County, Washington; EXCEPT the Westerly 12 feet of said lot condemned by the City of Seattle in King County Superior Court Cause No. 52280 for the widening of Fourth Avenue, as provided by Ordinance 13776 of said City; and EXCEPT the portion of said lot condemned by the City of Seattle in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance No. 7733 of said City.

substantially in the form attached hereto as Exhibit 1 and entitled "Contract For Sale of Property."

Section 2. The disposition of the Westlake properties is not subject to the procedures identified in Resolution 26358, such disposition having been the subject of intensive review and deliberation by the City Council's special Westlake Committee.

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

Passed by the City Council the 18th day of June, 1984, and signed by me in open session in authentication of its passage this 18th day of June, 1984.

NORMAN B. RICE,
President of the City Council.

Approved by me this 28th day of June, 1984.

CHARLES ROYER,
Mayor.

Filed by me this 28th day of June, 1984.

Attest: TIM HILL,
City Comptroller and City Clerk.

(Seal) By THERESA DUNBAR,
Deputy Clerk.

Publication ordered by TIM HILL,
Comptroller and City Clerk.

Date of official publication in Daily Journal of Commerce, Seattle, July 5, 1984.
(C-539)

City of Seattle

ORDINANCE 11715

AN ORDINANCE relating to the City's Westlake properties; authorizing the execution of a contract of sale with Rouse-Seattle, Inc., for the disposition of the City's Westlake properties

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. As requested by the Mayor in the attachments hereto, the Mayor is hereby authorized for and on behalf of The City of Seattle to execute a contract of sale with Rouse-Seattle, Inc., for the disposition of the City's Westlake properties, i. e.:

Fee Simple Estates in:

Lot 1, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 103, in King County, Washington; EXCEPT the Westerly 12 feet of said lot condemned by the City of Seattle in King County Superior Court Cause No. 52280, for the widening of Fourth Avenue, as provided by Ordinance 13778 of said City; and EXCEPT the Southeasterly 7 feet of said lot condemned by the City of Seattle, in King County Superior Court Cause No. 57057 for the widening of Pine Street as provided by Ordinance 14500 of said City; and EXCEPT the portion of said lot condemned by the City of Seattle, in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance No. 7733 of said City.

Lot 3, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 103, in King County, Washington; EXCEPT the Westerly 12 feet of said lot condemned by the City of Seattle in King County Superior Court Cause No. 52280 for the widening of Fourth Avenue, as provided by Ordinance 13778 of said City;

All those portions of Lots 8, 9, 10 and 11, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 104, in King County, Washington; EXCEPT the Westerly of the West line of Westlake Avenue, as condemned by the City of Seattle in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance 7733 of said City.

Those portions of Lots 10, 11 and 12, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 103, in King County, Washington, lying Easterly of the East line of Westlake Avenue as condemned by the City of Seattle in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance 7733 of said City; EXCEPT the Southeasterly 7 feet of said Lot 12 condemned by the City of Seattle in King County Superior Court Cause No. 57057 for the widening of Pine Street as provided by Ordinance 14500 of said City.

Leasehold interest (Ground Lease) in:

Lot 2, Block 1, Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's Addition to the City of Seattle), according to plat recorded in Volume 1 of Plats, page 103, in King County, Washington; EXCEPT the Westerly 12 feet of said lot condemned by the City of Seattle in King County Superior Court Cause No. 52280 for the widening of Fourth Avenue, as provided by Ordinance 13778 of said City; and EXCEPT the portion of said lot condemned by the City of Seattle in King County Superior Court Cause No. 36118 for the establishing of Westlake Avenue as provided by Ordinance No. 7733 of said City.

substantially in the form attached hereto as Exhibit 1 and entitled "Contract For Sale of Property."

Section 2. The disposition of the Westlake properties is not subject to the procedures identified in Resolution 26559, such disposition having been the subject of intensive review and deliberation by the City Council's special Westlake Committee.

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

Passed by the City Council the 18th day of June, 1984, and signed by me in open session in authentication of its passage this 18th day of June, 1984.

NORMAN B. RICE,
President of the City Council.

Approved by me this 28th day of June, 1984.

CHARLES ROYER,
Mayor.

Filed by me this 28th day of June, 1984.

Attest: TIM HILL,
City Comptroller and City Clerk.

(Seal) By THERESA DUNBAR,
Deputy Clerk.

Publication ordered by TIM HILL,
Comptroller and City Clerk.

Date of official publication in Daily Journal of Commerce, Seattle, July 5, 1984.
(C-539)

C-559

Affidavit of Publication

STATE OF WASHINGTON
KING COUNTY—SS.

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

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

Ordinance No. 111745

was published on July 5, 1984

J. H. H. H.
Subscribed and sworn to before me on

July 5, 1984

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