

EXHIBIT VI
Land Transfer Agreement

**Intergovernmental Land Transfer Agreement Between
King County and the City of Bellevue**

This Intergovernmental Land Transfer Agreement ("Agreement") is made and entered into by and between King County ("County"), and the City of Bellevue ("City").

WHEREAS the County has entered into a Jail Services Agreement ("JSA") with many of the cities located in King County ("Cities") to which this Agreement is an attachment; and

WHEREAS the JSA provides for the transfer of real property located at 1440 116th Avenue N.E. and 1412 116th Avenue N.E. in Bellevue, Washington, (said property is described more fully in Exhibit A and referred to herein as the "Property") to the City of Bellevue in consideration for the negotiated rate in the JSA and promises made by the Cities in the JSA related to population reduction; and

WHEREAS it is in the best interest of the public that the County transfer said property to the City for the purposes detailed in the JSA;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the City and the County agree as follows:

1. Obligations of Parties

1.1 Agreement Contingent

This Agreement is subject to the execution of an Interlocal Agreement ("Cities Interlocal") between the City and all other interested cities located within King County to provide for the maintenance and disposition of the Property. If the City and the other interested cities are unable to reach agreement on the terms of the Cities Interlocal prior to the date of conveyance as provided in paragraph 1.2, upon written notice from the City of Bellevue to King County, this Agreement shall, at the City's sole discretion, become null and void and the parties will have no further obligation hereunder.

1.2 Conveyance of Title

On July 1, 2004, or earlier as hereinafter provided, the County will execute and deliver to the City: 1) a Statutory Warranty Deed conveying and warranting good and marketable title to parcels A, B-1 and B-2 free and clear of all defects or encumbrances except for the lien of real estate taxes and drainage service charges not yet due and payable and those exceptions, defects and/or encumbrances identified on Exhibit B; and 2) a Quit Claim Deed conveying parcel C. Parcels A, B-1, B-2 and C are described more fully in Exhibit A and collectively referred to herein as the "Property."

1.3 The City will provide written notice to the County upon satisfaction of all contingencies under Sections 1.1 and 6.2 of this Agreement and the County shall have sixty (60) days thereafter to deliver a conveyance to the City.

2. Existing Restrictions, Agreements, Contracts or Permits

2.1 The City shall abide by and enforce all terms, conditions, reservations, restrictions and covenants of title at the time of conveyance and/or in the deed of conveyance.

2.2 The Property will be used as required in Section 12 of the JSA to enable the Cities to meet the final step (occurring on December 31, 2012) of the population reduction schedule as detailed in Sections 11.3 and 11.4 of the JSA. The parties understand that the Property may be sold or traded and the proceeds and/or land acquired from such sale or trade used for the purposes detailed in the preceding sentence. The parties further agree that in the event the cities do not comply with Section 12 of the JSA and meet the final step of the population reduction schedule as detailed in Sections 11.3 and 11.4 of the JSA, the City of Bellevue shall transfer title to the Property back to the County if such Property has not been sold; or if such Property has been sold, pay the County an amount equal to the net sale price of the Property, plus investment interest earned; or if the Property has been traded, pay the County the appraised value of the Property at the time of the trade, as determined by an MAI appraiser selected by mutual agreement of King County and the City of Bellevue, plus investment interest earned.

2.3 Should any disagreement arise between the parties as to the interpretation or application of the terms and provisions of this Agreement, the parties shall first engage in informal dispute resolution between designated City and County staff persons. If those staff persons are unable to resolve the dispute, the matter shall be referred to the City Manager and the County Executive or their respective designees. If the City Manager and the County Executive or designees are unable to resolve the dispute, the matter shall be referred to non-binding mediation. Should the mediation process fail to resolve the dispute, either party may file an action in King County Superior Court. Each party shall bear its own costs and attorney fees incurred in the dispute resolution process.

3. Condition of Property and Responsibility for Operations, Maintenance, Repairs, Improvements, and Recreation Services

3.1 The County warrants that it has and will deliver marketable title to Parcels A, B-1 and B-2. The City has inspected and knows the condition of the Property and accepts the Property AS IS, WHERE IS and WITH ALL FAULTS. More specifically, King County does not make and specifically disclaims any warranties; express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the Property, and no official, employee, representative or agent of the County is authorized otherwise. Without limitation, the foregoing specifically excludes warranties with respect to the condition of the Property for development and/or use by City, the presence of any Hazardous Materials,

underground storage tanks or contaminated soil, or the actual or threatened release, deposit, seepage, migration or escape of Hazardous Materials at, from or into the Property, and the compliance or noncompliance of the Property with applicable federal, state, county and local laws and regulations, including, without limitation, environmental laws. "Hazardous Materials" as used herein shall mean any hazardous, dangerous or toxic wastes, materials, or substances as defined in state or federal statutes or regulations as currently adopted or hereafter amended. Except as provided in Sections 4 and 5, the City acknowledges and agrees that the County shall have no liability for, and that the City shall release and have no recourse against the County for, any defect or deficiency of any kind whatsoever in the Property without regard to whether such defect or deficiency was known or discoverable by the City or the County.

3.2 Except as provided in Section 5, the County shall not have any obligation to make any changes or improvements, or to incur any expenses whatsoever for the operation, maintenance, monitoring, repair or remediation of the Property.

4. Indemnification and Hold Harmless

4.1 The County shall protect, indemnify and hold harmless the City and its elected officials, officers, agents or employees, or any of them, from and against any and all claims, actions, suits, liabilities, losses, costs, expenses or damages of any nature whatsoever arising from those occurrences related to the Property that occurred prior to the date of conveyance of the Property to the City. In the event that any suit based upon such claims, actions, suits, liabilities, losses, costs, expenses or damages is brought against the City or the City and the County, the County shall defend the same at its sole cost and expense and, if final judgment be rendered against the City and/or its elected officials, officers, agents and employees or jointly against the City and the County and/or their respective elected officials, officers, agents and employees, the County shall satisfy the same.

4.2 Except as provided in Section 5, the City shall indemnify and hold harmless the County and its elected officials, officers, agents and employees, or any of them, from and against any and all claims, actions, suits, liabilities, losses, costs, expenses or damages of any nature whatsoever arising from those occurrences related to the Property that occurred on or after the date of conveyance of the Property to the City. In the event that any suit based upon such claims, actions, suits, liabilities, losses, costs, expenses or damages is brought against the County or the County and the City, the City shall defend the same at its sole cost and expense and, if final judgment be rendered against the County and/or its officers, agents and employees or jointly against the County and the City and/or their respective officers, agents and employees, the City shall satisfy the same.

4.3 Each Party to this Agreement shall notify the other of any and all claims, actions, suits, liabilities, losses, costs, expenses or damages that arise or are brought against that party relating to or pertaining to the Property, within thirty (30) days of receipt of such information.

4.4 Each party agrees that its obligations under this paragraph extend to any claim, demand,

and/or cause of action brought by or on behalf of any employees, or agents. For this purpose, each party, by mutual negotiation, hereby waives, with respect to the other party only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW, but only to the extent necessary to indemnify the other party.

4.5 These indemnification provisions shall survive the conveyance of the Property and any termination of this Agreement or the JSA.

5. Environmental Liability

5.1 "Hazardous Materials" as used herein shall mean any hazardous, dangerous or toxic wastes, materials, or substances as defined in state or federal statutes or regulations as currently adopted or hereafter amended.

5.2 Nothing in this Agreement shall be deemed to waive any statutory claim for contribution that the City might have against the County under federal or state environmental statutes that arises from hazardous materials deposited or released on the Property by the County, its agents or permittees during the County's period of ownership. The City may not, however, assert such a claim to the extent that the City exacerbates the cost of remediation upon which a statutory claim for contribution is based as a result of the City performing construction activities on the Property, changing the configuration of the Property, or changing the use of the Property. The preceding sentence shall not apply to tests, inspections, studies, surveys or appraisals conducted by the City pursuant to Section 6.1.

5.3 If the City discovers the presence of hazardous materials at levels that could give rise to a statutory claim for contribution against the County it shall notify the County in writing as soon as reasonably practicable, but in any event not more than sixty (60) days after discovery. The parties shall make their best efforts to reach agreement as to which party is responsible for remediation under the terms of this Agreement prior to undertaking any remediation.

5.4 In no event shall the County be responsible for any costs of remediation that exceed the minimum necessary to satisfy the state or federal agency with jurisdiction over the remediation.

6. City Right of Inspection

6.1 Prior to the date of conveyance, the City shall have the right at City expense to perform any and all tests, inspections, studies, surveys or appraisals of the Property reasonably deemed necessary by the City. Upon seven (7) days written notice to the County, the City may enter the Property and conduct such tests, inspections, studies, surveys and appraisals. County representatives may attend and witness such tests, inspections, studies, surveys and appraisals. After conducting its tests, inspections, studies, surveys or appraisals of the Property, the City shall restore the Property, as nearly as is practicable, to its condition on the date of City's entry thereon, except to the extent that the City may be required by state or

federal agencies to leave any exposed or altered area open for inspection and/or remediation. In addition, the City shall defend, indemnify and hold harmless the County and its elected officials, officers, agents and employees, or any of them, from all claims, demands, suits, actions, and liabilities of any kind, including injuries to persons or damages to property, which arise out of, are connected with, or are due to any negligent errors, omissions or acts of the City and/or its contractors, employees, agents, and representatives in the performance of the tests, inspections, studies, surveys or appraisals of the Property. The City specifically assumes potential liability for actions brought by the City's own employees against the County arising from such tests, inspections, studies, surveys or appraisals, and for that purpose the City specifically waives, as respects the County only, any immunity under the Worker's Compensation Act, RCW Title 51; and the City recognizes that this waiver was the subject of mutual negotiation.

6.2 If after conducting its tests, inspections, studies, surveys and appraisals the City determines, in its sole discretion, that condition(s) exist on the Property that will substantially impact the salability of the Property (other than naturally occurring conditions), the City may request that the County remediate such condition(s). In the event that the County fails, within 90 days of receiving the request from the City, to agree to such remediation, or thereafter fails, within a reasonable period of time (but in any event prior to the date of conveyance of the Property), to accomplish such remediation, this Agreement shall, at the City's sole discretion, upon written notice to the County, become null and void and the parties shall have no further obligations under this Agreement or the JSA with respect to this Property.

6.3 Within thirty (30) days of the execution of this Agreement, the County shall provide the City with copies of all of its records related to the County's acquisition and maintenance of and to the condition of the Property.

7. Legal Relationship

7.1 The parties to this Agreement execute and implement this Agreement solely as County and City. No partnership, joint venture or joint undertaking shall be construed from this Agreement.

8. Waiver and Amendments

8.1 Waiver of any breach of any term or condition of this Agreement shall not be deemed a waiver of any prior or subsequent breach. No term or condition shall be waived, modified or deleted except by an instrument, in writing, signed by the parties hereto.

9. Entire Agreement and Modifications

9.1 The JSA and this Intergovernmental Agreement and its Exhibits set forth the entire agreement between the parties with respect to the subject matter hereof. Any amendment or modification of the terms of this Agreement must be made in writing and signed by both parties hereto.

10. Duration and Authority

10.1 This agreement shall be effective upon signature by the authorized signatories of and authorization by the legislative bodies of both parties. The terms, conditions, covenants, and representations contained herein and in the JSA shall not merge into the deed of conveyance, but shall survive the conveyance and shall continue in force.

10.2 Termination of this Agreement by the City pursuant to Section 1.1 or 6.2 shall have no effect upon the terms and enforceability of the JSA except for Section 12 of the JSA.

11. Assignment.

11.1 The City shall not assign this agreement or any rights hereunder except to the cities or another city representing the cities for whose benefit this conveyance of the Property is to be made, and then only if the assignee(s) assume(s) all obligations of the City under this Agreement.

12. Negotiation and Construction.

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

13. Notice

13.1 Any notice provided for herein shall be sent to the respective parties at:

King County
[INSERT INFO]

City
[INSERT INFO]

IN WITNESS WHEREOF, the parties have executed this Agreement.

King County

City of Bellevue

King County Executive

City Manager

Date

Date

Approved as to Form:

Approved as to Form:

**King County
Senior Deputy Prosecuting Attorney**

City Attorney

Date

Date

EXHIBIT A
Legal Descriptions

Parcel A: Lots 3 and 4 of Bellevue Short Plat No. 78-43 as recorded under Recording No. 7807030722, records of King County, Washington; EXCEPT the South 10 feet thereof.

Parcel B-1: That portion of the South 267.6 feet of the North 634.7 feet of the NW 1/4 of the SW 1/4 of Section 28, Township 25 North, Range 5 East, W.M., in King County, Washington, lying Westerly of the Northern Pacific Railway Right-of-Way; EXCEPT the North 242 feet of the West 450 feet thereof; AND EXCEPT the West 30 feet thereof for 116th Avenue NE; AND EXCEPT the South 26.6 feet of the West 250 feet thereof.

Parcel B-2: An easement for access for the benefit of Parcel B-1 as granted and set forth in document recorded under Recording No. 7908020842, records of King County, Washington.

Parcel C: The South 10 feet of the North 367.10 feet, measured along the Westerly line thereof, of that portion of the Northwest quarter of the Southwest quarter of Section 28, Township 25 North, Range 5 East, W.M., lying Westerly of the right of way of Burlington Northern, Inc., successor to Northern Pacific railway Company, Except the West 450 feet thereof.

All situated in King County, Washington.