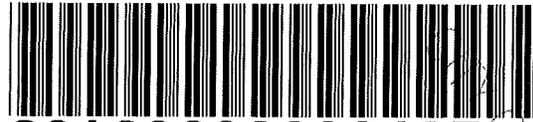


Property Use and Development Agreement



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CUSTOMER AG 78.00
PAGE-001 OF 006
06/08/2016 11:50
KING COUNTY, WA

When Recorded, Return to:

THE CITY CLERK
600 Fourth Avenue, Floor 3
PO Box 94728
Seattle, Washington 98124-4728

FILED
CITY OF SEATTLE
JUN -8 PM 12:02
CLERK

PROPERTY USE AND DEVELOPMENT AGREEMENT

Grantor(s):	(1) Wallace Properties-Northgate Eighth LLC	(2) Wallace GT – Northgate II LLC
<input type="checkbox"/> Additional grantors on page _____		
Grantee:	(1) The City of Seattle	
<input checked="" type="checkbox"/> Additional on page _____		
Legal Description (abbreviated if necessary):	Parcel B of City of Seattle Short Subdivision No. 8705410 recorded May 20, 1988 under Recording No. 8805200974, in King County, WA & Ptn. of the E ½ of the S ½ of the NW ¼ of the SW ¼ of the SE ¼ of Section 29, Township 26N, Range 4E, W.M., King County, WA	
<input checked="" type="checkbox"/> Additional legal description on page 2:		
Assessor's Tax Parcel ID #:	292604-9454; 292604-9270; 292604-9535	
Reference Nos. of Documents Released or Assigned:		

FILED
CITY OF SEATTLE
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CLERK

THIS PROPERTY USE AND DEVELOPMENT AGREEMENT (the "Agreement") is executed as of the date set forth below, in favor of the CITY OF SEATTLE (the "City"), a Washington municipal corporation, by the following: Wallace Properties-Northgate Eighth LLC, a Washington limited liability company, and Wallace GT – Northgate II LLC, a Washington limited liability company (individually, each is an "Owner" and collectively the "Owners"). The City and Owners are each a "Party" and collectively the "Parties" to this Agreement.

RECITALS

A. This Property Use and Development Agreement is executed by the owners of the following legally described properties (collectively, the "Property"), which consists of the following real property separately owned by the Owners:

Property Owned by Wallace Properties – Northgate Eighth LLC	Parcel B of City of Seattle Short Subdivision No. 8705410 recorded May 20, 1988 under Recording No. 8805200974, in King County Washington.
Property Owned by Wallace GT – Northgate II LLC	The north 24.00 feet of the E ½ of the S ½ of the NW ¼ of the SW ¼ of the SE ¼ of Section 29, Township 26N, Range 4E, W.M., King County, Washington. Except the E 30.00 feet thereof. and Portion of the E ½ of the S ½ of the NW ¼ of the SW ¼ of the SE ¼ of Section 29, Township 26N, Range 4E, W.M., King County, Washington, described as follows: beginning 24.00 feet S of the NE corner of said subdivision; thence W 160.00 feet, thence S 55.00 feet, thence E 160.00 feet.

B. In March 2015, Kevin Cleary of Baylis Architects, on behalf of the Owners, submitted to the City of Seattle an application under Project No. 3018442 for a rezone of the Property from Neighborhood Commercial 3-40 (NC3-40) to Neighborhood Commercial 3-65 (NC3-65).

C. Seattle Municipal Code Section 23.34.004 allows the City to approve a rezone subject to “self-imposed restrictions upon the use and development of the property in order to ameliorate adverse impacts that could occur from unrestricted use and development permitted by development regulations otherwise applicable after the rezone.”

NOW, THEREFORE, in consideration of the mutual agreements contained herein, the Parties agree as follows:

AGREEMENT

Section 1. Agreement. Pursuant to Seattle Municipal Code Section (“SMC”) 23.34.004, each Owner signing this Agreement hereby covenants, bargains and agrees, on behalf of itself and its successors and assigns, that Owner will comply with the following condition in consideration of the rezone of their property from NC3-40 to NC3-65:

The provisions of Seattle Municipal Code Chapter 23.58B, the Affordable Housing Impact Mitigation Program for Commercial Development, shall apply to the above-described property owned by each Owner signing this Agreement.

Section 2. Agreement Runs With the Land. This Agreement shall be recorded in the records of King County by the City Clerk. The covenants contained in this Agreement shall attach to and run with the land and be binding upon the Owners, their heirs, successors and assigns, and shall apply to after-acquired title of the Owner of real property located within the rezone area in Attachment A, Rezone Map, to this Agreement.

Section 3. Amendment. This Agreement may be amended or modified by agreement between the signing Parties; provided, such amendments are approved by the City Council by ordinance.

Section 4. Exercise of Police Power. Nothing in this Agreement shall prevent the City Council from making such further amendments to the Seattle Municipal Code as it may deem necessary in the public interest.

Section 5. No Precedent. The conditions contained in this Agreement are based on the unique circumstances applicable to this Property and this Agreement is not intended to establish precedent for other rezones in the surrounding area.

Section 6. Repeal as Additional Remedy. Owners acknowledge that compliance with the conditions of this Agreement is a condition of the subject rezone and that if Owners avail themselves of the benefits of this rezone but then fail to comply with the conditions of this Agreement with the City, in addition to pursuing any other remedy, the City may:

- a. revoke the rezone by ordinance and require the use of the Property to conform to the requirements of the previous NC3-40 zoning designation or some other zoning designation imposed by the City Council; and/or
- b. pursue specific performance of this Agreement.

[signatures and acknowledgments on following pages]

SIGNED this 8th day of June, 2016.

Wallace Properties-Northgate Eighth LLC, a Washington limited liability company

By: Wallace Properties Development Company LLC

Its: Manager



By: Kevin R. Wallace

Its: President

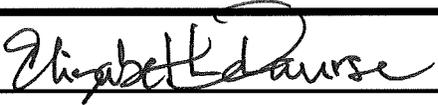
STATE OF
WASHINGTON }

ss.

COUNTY OF KING

On this day personally appeared before me Kevin R. Wallace, to me known to be the President of Wallace Properties Development Company LLC, a Washington limited liability company, the Manager of Wallace Properties-Northgate Eighth LLC, a Washington limited liability company, that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such limited liability company, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 8th day of June, 2016.

	Printed Name <u>ELIZABETH A LAURSEN</u>
	NOTARY PUBLIC in and for the State of Washington, residing at <u>ISSAQUAH</u>
	My Commission Expires <u>9/29/19</u>



SIGNED this 8th day of June, 2016.

Wallace GT – Northgate II LLC, a Washington limited liability company

By: Wallace Northgate II Investor LLC
Its: Manager and Sole Member



By: Robert C. Wallace
Its: Manager

STATE OF
WASHINGTON }

ss.

COUNTY OF KING

On this day personally appeared before me Robert C. Wallace, to me known to be the Manager of Wallace Northgate II Investor LLC, a Washington limited liability company, the Manager and Sole Member of Wallace GT – Northgate II LLC, a Washington limited liability company, that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such limited liability company, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 8th day of June, 2016.

ELIZABETH A LAURSEN	Printed Name
	NOTARY PUBLIC in and for the State of Washington, residing at <u>ISSAQUAH</u>
	My Commission Expires <u>9/29/19</u>



ATTACHMENT A
REZONE MAP

