# Exhibit B

#### Form of Deed

#### **Return Address:**

PHINNEY NEIGHBORHOOD ASSOCIATION Attention: Christi Beckley, Executive Director 6532 Phinney Avenue North Seattle, WA 98103

# **Please print or type information WASHINGTON STATE RECORDER'S Cover Sheet** (RCW 65.04)

**Document Title(s)** (or transactions contained therein): (all areas applicable to your document <u>must</u> be filled in)

1. QUIT CLAIM DEED CONVEYING DETERMINABLE ESTATE WITH COVENANTS

**Reference Number(s) of Documents assigned or released:** 

NONE

**Grantor(s)** (Last name, first name, initials)

CITY OF SEATTLE, a Washington municipal corporation

**Grantee**(s) (Last name first, then first name and initials)

PHINNEY NEIGHBORHOOD ASSOCIATION, a Washington non-profit corporation

**Legal description** (abbreviated: i.e. lot, block, plat or section, township, range)

N ½ of 2 and E 60 FT of 3, Block 19, Osner's 2d Add, King County, WA

Assessor's Property Tax Parcel/Account Number 

Assessor Tax # not yet assigned

643050-0322

The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

# QUIT CLAIM DEED CONVEYING DETERMINABLE ESTATE WITH COVENANTS (the "<u>Deed</u>")

This Deed conveys real property located in King County, Washington legally described as follows:

THE NORTH HALF OF LOT 2; AND THE EAST 60 FEET OF LOT 3; BLOCK 19, OSNER'S SECOND ADDITION TO SEATTLE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 12 OF PLATS, PAGE 3, IN KING COUNTY, WASHINGTON, EXCEPT THE SOUTH 110 FEET OF SAID PORTION OF LOT 3.

Situate in the City of Seattle, County of King, State of Washington (the "Property").

For good and valuable consideration, the receipt of which is hereby acknowledged, **THE CITY OF SEATTLE** ("**Grantor**"), a Washington municipal corporation, hereby conveys and quitclaims to the **PHINNEY NEIGHBORHOOD ASSOCIATION** ("**Grantee**"), a Washington non-profit corporation, all Grantor's right, title and interest in the Property, other than the rights expressly reserved in this Deed, for: (i) so long as the Property is used as a non-profit senior center to provide social services in compliance with the Covenant for Use of the Property in Section B below; <u>and</u> (ii) so long as any additional development or expansion of improvements on the Property is limited to improvements dedicated to senior services facilities, affordable housing, or both; and at such time when the Property is no longer used as provided in this Deed, the Property shall revert to Grantor and its heirs and successors. By acceptance of this Deed and signature below, the Grantee hereby binds itself and its successors and assigns, grantees, and lessees forever to use the Property as provided in this Deed, and further covenants as follows:

#### A. Environmental Covenant

1. The Property is conveyed AS-IS, WHERE-IS, WITH-ALL-FAULTS, AND WITHOUT ANY REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AS TO ITS CONDITION, ENVIRONMENTAL OR OTHERWISE, OR ITS SUITABILITY OR SUFFICIENCY FOR THE GRANTEE'S INTENDED USES AND PURPOSES. Grantee acknowledges that adverse physical, economic or other conditions (including without limitation, adverse environmental soils and ground-water conditions), either latent or patent, may exist on the Property. Grantee assumes Grantor's responsibility for all environmental conditions of the Property, known or unknown, including but not

PNA Transfer Agreement – Ex. B Form of Deed FINAL

limited to responsibility, if any, for investigation, removal or remediation actions relating to the presence, release or threatened release of any Hazardous Substance (defined below) or other environmental contamination relating to the Property. Grantee also hereby releases and shall indemnify, defend, and hold Grantor and its past, present and future officials, employees, and agents, harmless from and against any and all claims, demands, penalties and costs assessed by any regulatory agency, fees, damages, losses, expenses (including but not limited to attorneys' fees, contractors' and consultants' fees and costs), and liabilities arising out of, or in any way connected with, the condition of the Property, including but not limited to any alleged or actual past, present or future presence, release or threatened release of any Hazardous Substance in, on, under or emanating from the Property, or any portion thereof or improvement thereon, from any cause whatsoever; it being intended that Grantee shall so indemnify Grantor and such personnel without regard to any fault or responsibility of Grantor or Grantee. The obligation to complete all environmental investigation, removal or remediation of the Property and the acknowledgement, release and indemnification touch and concern the Property, restrict the use of the Property, constitute an assessment against the Property and are intended to run with the land and bind Grantee and Grantee's heirs, successors and assigns, and inure to the benefit of Grantor and its successors and assigns.

- 2. For purposes of this Environmental Covenant, the term "Hazardous Substance" shall mean petroleum products and compounds containing them; flammable materials; radioactive materials; polychlorinated biphenyls ("PCBs") and compounds containing them; asbestos or asbestos-containing materials in any friable form; underground or above-ground storage tanks; or any substance or material that is now or hereafter becomes regulated under any federal, state, or local statute, ordinance, rule, regulation, or other law relating to environmental protection, contamination or cleanup.
- 3. Grantee's release shall include both claims by Grantee against Grantor and cross-claims against Grantor by Grantee based upon claims made against Grantee by any and all third parties. The obligation to indemnify and defend shall include, but not be limited to, any liability of Grantor to any and all federal, state or local regulatory agencies or other persons or entities for remedial action costs and natural resources damages claims. The obligation to complete all environmental investigation, removal or remediation of the Property and the acknowledgement, release and indemnification touch and concern the Property, restrict the use of the Property, constitute an assessment against the Property and are intended to run with the land and bind Grantee and Grantee's heirs, successors and assigns, and inure to the benefit of Grantor and its successors and assigns. This release means that Grantee accepts the Property "as-is, where-is and with-all-faults," and that Grantee assumes all responsibility of Grantor to investigate, remove and remediate any environmental conditions on the Property and has no recourse against Grantor or any of its officers, employees or agents for any claim or liability with respect to the Property.
- 4. Grantor shall have the right to defend itself and seek from Grantee recovery of any damages, liabilities, settlement awards and defense costs and expenses incurred by Grantor if Grantee does not accept unconditionally Grantor's tender to Grantee of the duty to investigate, remove and/or remediate environmental conditions on the Property and/or defend and indemnify Grantor against any such claim, suit, demand, penalty, fee, damages, losses, cost

or expense. This Covenant shall apply regardless of whether or not Grantee is culpable, negligent or in violation of any law, ordinance, rule or regulation. This Covenant is not intended, nor shall it, release, discharge or affect any rights or causes of action that Grantor or Grantee may have against any other person or entity, except as otherwise expressly stated herein, and each of the parties reserves all such rights including, but not limited to, claims for contribution or cost recovery relating to any Hazardous Substance in, on, under or emanating from the Property.

# B. <u>Covenants Regarding Use of the Property:</u>

- 1. The Property shall be continuously owned and used by a non-profit organization that shall use the Property to provide social services for the public, focusing on needs of seniors. Additionally, the Property shall be used in compliance with the Subrecipient Agreement between The City of Seattle and Phinney Neighborhood Association dated as of the same date herein (the "Subrecipient Agreement") for the full term of the Subrecipient Agreement, including the five year recapture period following its expiration.
- 2. Title shall automatically revert to the City if the Property is not owned and used by a nonprofit organization to provide social services programs for the public or if the Subrecipient Agreement is terminated early for material default.
- 3. For purposes of this Deed, "social services" means services consistent with the Subrecipient Agreement (during its term) and RCW 43.83.410. For purposes of this Deed, "affordable housing" means housing development that creates and maintains housing units on the Property with a mix of units that are affordable to households with income levels up to 80% of area median income and with a majority of units serving households with incomes up to 60% of adjusted median income.
- 4. Services targeted to meet the needs of seniors may include but not be limited to:
  - a. Health services and wellness programs;
  - b. Assistance and support for accessing benefits available to low-income seniors;
  - c. Low cost meals and nutritional support;
  - d. Fitness and recreation programs;
  - e. Social and educational gatherings; and
  - f. Affordable housing.
- 5. Grantee is authorized to sell the Property only if all the following conditions are satisfied: (a) the sale must be subject to prior written approval by the Grantor and, if applicable, the State of Washington; (b) all proceeds from such a sale must be applied to the purchase price of a different property or properties of equal or greater value than the Property; and (c) (i) any new property or properties must be used for the purposes stated in Section B and the new property or properties must be available for use within one year of sale or (ii) the nonprofit organization must enter into an agreement with Grantor to reimburse Grantor for the value of the Property at the time of the sale if the nonprofit organization ceases to use the new property for the purposes described in Section B.1.

6. Nothing herein shall preclude use of the Property for fundraising activities to benefit the primary purposes of the Grantee.

## C. Additional Covenants

- 1. With the prior written consent of Grantee (which shall not be unreasonably withheld), Grantor shall have the right to enter the Property during weekday business hours for the purpose of making inspections of the property to determine if there is compliance by Grantee with the terms of this Deed. Grantee shall not request inspection more than annually unless Grantee has reasonable cause to believe there is a violation of one or more covenant in this Deed.
- 2. After expiration of the Subrecipient Agreement, the Grantee shall annually, no later than March 31, if requested in writing by the Director, submit to the Director of Finance and Administrative Services, or the head of any successor agency, certification that it has used the Property consistent with the covenants and limitations of this Deed.
- 3. If the Property reverts to Grantor, then Grantor will execute in favor of Grantee a Deed covenant release, notice of reversion, or similar document relating to such reversion that will include environmental covenants which will be effective on a prospective basis after the date of such reversion or reconveyance to release Grantee from any subsequent environmental liabilities, excluding any environmental conditions that may have been created or caused by Grantee while it owned the Property.
- 4. Grantee shall use the Property in compliance with all municipal, county, state and federal laws, ordinances and regulation and shall comply with all applicable equal employment opportunity and nondiscrimination laws of the United States, the State of Washington, and The City of Seattle, including but not limited to Chapters 14.04, 14.10 and 20.42 of the Seattle Municipal Code, as they may be amended from time to time, and rules, regulations, orders and directives of the associated administrative agencies and their officers.
- 5. Grantee shall comply with all applicable provisions of the Americans with Disabilities Act of 1990 (ADA) in use of the Property and provision of services required by this Deed.
- 6. Grantee shall not deny an otherwise qualified individual any services anticipated by or required under this Agreement on the grounds of race, color, sex, religion, national origin, creed, marital status, age, sexual orientation, political ideology, ancestry, or the presence of any sensory, mental or physical handicap. Grantee shall not discriminate on any of the foregoing grounds in the awarding of any contract, in the provision of services required by this Deed.
- D. Notice and Remedy

Att 1 Ex B – Form of Deed V1

- 1. The provisions in this Section D shall apply following the expiration of the Subrecipient Agreement and shall not in any way amend, limit, or otherwise require the Grantor to take any action with respect to the reversion of the Property to Grantor and Grantor's heirs and assigns at such time as the Property is no longer used as provided in the granting clause above and Section B. This section applies to any breach of one of more of the Covenants in Section A and C ("Deed Requirement").
- 2. If Grantor reasonably determines that the Grantee is in violation of any Deed Requirement or that a violation is likely to occur, Grantor shall give written notice to Grantee of such violation and demand specific corrective action in writing sufficient to cure the violation.
- 3. Grantor may bring an action as provided in Section D.4 if Grantee:

a. Fails to cure a violation of any Deed Requirement within thirty (30) days after receipt of written notice thereof from Grantor; or

b. Under circumstances where the violation cannot reasonably be cured within the thirty (30) day period, fails to begin curing such violation within the thirty (30) day period, or fails to diligently pursue the cure to completion.

- 4. Grantor may bring an action at law or in equity, or both, to enforce the terms of the Deed Requirement, to enjoin the violation, ex parte as necessary and as allowed under the applicable civil rules, by temporary or permanent injunction. All such actions for injunctive relief may be taken without Grantor being required to post bond or provide other security.
- 5. Grantor's remedies described in this Section D shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.
- 6. Enforcement of the Deed Requirements shall be at the discretion of the Grantor in accordance with the terms of this Section D. Any forbearance by Grantor to exercise its rights under this Deed shall not be deemed or construed to be a waiver by Grantor of such term or of any of Grantor's rights under this Deed, including the reversion of the Property. Grantor's delay or omission in the exercise of any right or remedy upon any breach by Grantee shall not impair such right or remedy or be construed as a waiver.
- 7. Nothing contained in this Section D shall be construed to entitle Grantor to bring any action against Grantee to abate, correct, or restore any condition on the Property or to recover damages for any injury to or change in the Property resulting from actions by a trespasser upon the Property or causes beyond Grantee's control, including, without limitation, civil unrest, epidemic, natural disaster, fire, flood, storm, pest infestation, earth movement, and climate change, and from any prudent action taken by Grantee under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes. The Property is conveyed subject to all existing easements, covenants, restrictions, conditions, reservations, exceptions, and agreements, recorded and unrecorded, and the Grantor makes no warranties of any kind as to the title of the Property.

The Property is conveyed subject to all existing easements, covenants, restrictions, conditions, reservations, exceptions and agreements, recorded and unrecorded, and the Grantor makes no warranties of any kind as to the title of the Property.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed.

<b>GRANTOR</b> : THE CITY OF SEATTLE, a Washington municipal corporation	<b>GRANTEE</b> : Phinney Neighborhood Association, a Washington non-profit corporation
By: Michelle Reed	By: Christi Beckley
Title: Chief Operating Officer, Finance and Administrative Services	Title: Executive Director
Date:	Date:

This Quit Claim Deed is executed and delivered pursuant to City of Seattle Ordinance

Page \_\_ of \_\_

[Notary page follows]

.

#### STATE OF WASHINGTON )

) ss. ) ss. )

On this \_\_\_\_\_ day of \_\_\_\_\_\_, 2021, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **Michelle Reed** known to me (or proved to me on the basis of satisfactory evidence) to be the **Chief Operating Officer of Finance and Administrative Services** of **The City of Seattle**, the municipal corporation named in and which executed the foregoing document, and stated on oath that he was authorized to execute the foregoing document on behalf of said municipal corporation and signed the same as the free and voluntary act and deed of said municipal corporation for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Name:	
NOTARY PUBLIC in and for the State of	
Washington, residing at	
My commission expires:	

#### STATE OF WASHINGTON ) ) ss. COUNTY OF KING )

On this \_\_\_\_\_ day of \_\_\_\_\_\_, 2021, before me, personally appeared **Christi Beckley**, to me known to be the \_\_\_\_\_\_ of **Phinney Neighborhood Association**, the Washington non-profit corporation who executed the foregoing instrument, and acknowledged the same to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that \_\_\_\_\_\_ was authorized to execute such document for and on behalf of said corporation.

WITNESS my hand and official seal hereto affixed the day and year written above in this certificate.

Name:	
NOTARY PUBLIC in and for the State of	
Washington, residing at	
My commission expires:	