



SEATTLE CITY COUNCIL

Legislative Summary

CB 118392

Record No.: CB 118392

Type: Ordinance (Ord)
124784

Status: Attested by City
Clerk

Version: 1

In Control: City Clerk

File Created: 04/13/2015

Final Action: 05/29/2015

Title: AN ORDINANCE relating to the Department of Parks and Recreation; authorizing the acquisition of real property commonly known as 8118 Greenwood Avenue North; authorizing acceptance and recording of the deed for open space, park, and recreation purposes; and ratifying and confirming certain prior acts; all by a three-fourths vote of the City Council.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Godden

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: susan.golub@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

Yes

No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	04/28/2015	Mayor's leg transmitted to Council	City Clerk			
	Action Text:		The Council Bill (CB) was Mayor's leg transmitted to Council to the City Clerk				
	Notes:						
1	City Clerk	04/28/2015	sent for review	Council President's Office			
	Action Text:		The Council Bill (CB) was sent for review to the Council President's Office				
	Notes:						
1	Council President's Office	04/29/2015	sent for review	Parks, Seattle Center, Libraries, and Gender Pay Equity Committee			
	Action Text:		The Council Bill (CB) was sent for review to the Parks, Seattle Center, Libraries, and Gender Pay Equity Committee				

Notes:

- 1 Full Council 05/11/2015 referred Parks, Seattle Center, Libraries, and Gender Pay Equity Committee
- Action Text:** The Council Bill (CB) was referred to the Parks, Seattle Center, Libraries, and Gender Pay Equity Committee
- Notes:
- 1 Parks, Seattle Center, Libraries, and Gender Pay Equity Committee 05/19/2015 pass as amended Pass
- Action Text:** The Committee recommends that Full Council pass as amended the Council Bill (CB).
In Favor: 3 Chair Godden, Vice Chair Harrell, Member Rasmussen
Opposed: 0
- 1 Full Council 05/26/2015 passed Pass
- Action Text:** The Council Bill (CB) was passed by the following vote and the President signed the Bill:
In Favor: 9 Councilmember Bagshaw, Council President Burgess, Councilmember Godden, Councilmember Harrell, Councilmember Licata, Councilmember O'Brien, Councilmember Okamoto, Councilmember Rasmussen, Councilmember Sawant
Opposed: 0
- 1 City Clerk 05/27/2015 submitted for Mayor's signature Mayor
- Action Text:** The Council Bill (CB) was submitted for Mayor's signature. to the Mayor
- Notes:
- 1 Mayor 05/29/2015 Signed
- Action Text:** The Council Bill (CB) was Signed.
- Notes:
- 1 Mayor 05/29/2015 returned City Clerk
- Action Text:** The Council Bill (CB) was returned. to the City Clerk
- Notes:
- 1 City Clerk 05/29/2015 attested by City Clerk
- Action Text:** The Ordinance (Ord) was attested by City Clerk.
- Notes:
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CITY OF SEATTLE

ORDINANCE 124784

COUNCIL BILL 118392

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5 AN ORDINANCE relating to the Department of Parks and Recreation; authorizing the
6 acquisition of real property commonly known as 8118 Greenwood Avenue North;
7 authorizing acceptance and recording of the deed for open space, park, and recreation
8 purposes; and ratifying and confirming certain prior acts; all by a three-fourths vote of the
9 City Council.

10
11 WHEREAS, by Resolution 31055 the City Council created the Parks and Green Spaces Levy
12 Citizens' Advisory Committee to ensure citizen participation in the development of a
13 potential package of parks, open space, boulevards, trails, green infrastructure, and
14 recreation projects, and a proposed set of options to fund the package; and

15 WHEREAS, the Parks and Green Spaces Levy Citizens' Advisory Committee, after being duly
16 appointed and spending many hours in open meetings, receiving public testimony and
17 deliberating on the levy, voted by a strong majority to recommend that the City Council
18 place a \$145.5 million six-year levy proposal for park purposes before the voters of
19 Seattle; and

20 WHEREAS, in response to this recommendation, the City Council passed Ordinance 122749,
21 placing Proposition 2, the 2008 Parks and Green Spaces Levy, before the voters of
22 Seattle; and

23 WHEREAS, the 2008 Parks and Green Spaces Levy was approved by Seattle voters on
24 November 4, 2008; and

25 WHEREAS, Ordinance 122749 identifies the Greenwood-Phinney Ridge Residential Urban
26 Village for a potential neighborhood park acquisition; and

1 WHEREAS, the Department of Parks and Recreation considers the Greenwood-Phinney Ridge
2 Residential Urban Village as significantly underserved with quality open space, and a
3 priority area for additional acquisitions for parks and open space; and

4 WHEREAS, the City has determined that the property at 8118 Greenwood Avenue North,
5 adjacent to 8100 Greenwood Avenue North, will allow for a bigger neighborhood park to
6 address the open space needs of the Greenwood-Phinney Ridge Residential Urban
7 Village and that it is in the public's best interest to acquire the same for open space, park,
8 and recreation purposes; NOW, THEREFORE,

9 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

10 Section 1. The Superintendent of Parks and Recreation (Superintendent), or the
11 Superintendent's designee, is authorized to acquire, on behalf of The City of Seattle, the
12 following described real property (Property), commonly known as 8118 Greenwood Avenue
13 North, for a purchase price not to exceed \$1,750,000:

14 *THE NORTH 52 FEET OF THE WEST 106 FEET OF LOT 4, BLOCK 14, OSNER'S SECOND*
15 *ADDITION TO SEATTLE, ACCORDING TO THE PLAT THEREOF RECORDED IN*
16 *VOLUME 12 OF PLATS, PAGE 3, IN KING COUNTY, WASHINGTON;*

17
18 *EXCEPT PORTIONS THEREOF CONDEMNED IN KING COUNTY SUPERIOR COURT*
19 *CAUSE NO. 65489 FOR THE WIDENING OF GREENWOOD AVENUE AS PROVIDED BY*
20 *ORDINANCE NO. 19334 OF THE CITY OF SEATTLE;*

21
22 *ALSO, THE SOUTH 50 FEET OF THE NORTH 102 FEET OF THE WEST 106 FEET OF LOT*
23 *4, BLOCK 14, OSNER'S SECOND ADDITION TO SEATTLE, ACCORDING TO THE PLAT*
24 *THEREOF RECORDED IN VOLUME 12 OF PLATS, PAGE 3, IN KING COUNTY,*
25 *WASHINGTON;*

26
27 *EXCEPT PORTIONS THEREOF CONDEMNED IN KING COUNTY SUPERIOR COURT*
28 *CAUSE NO. 65489 FOR GREENWOOD AVENUE AS PROVIDED BY ORDINANCE 19334*
29 *OF THE CITY OF SEATTLE.*
30

1 Section 2. The Superintendent, or the Superintendent's designee, is authorized, on
2 behalf of The City of Seattle, to acquire the Property substantially in accordance with the terms
3 and conditions of the Purchase and Sale Agreement attached hereto as Attachment 1
4 (Agreement). The Superintendent is authorized to execute such additional documents as
5 deemed necessary or desirable to accomplish acquisition of the Property, including, without
6 limitation, such consents, approvals, extensions of time, and minor amendments of the
7 Agreement as deemed appropriate to carry out the intent of this ordinance. Upon delivery of the
8 statutory warranty deed for the Property, the Superintendent is authorized to accept the deed on
9 behalf of The City of Seattle by attaching written acceptance to the deed, and to record the
10 same. The Property shall be accepted for open space, park, and recreation purposes, and placed
11 under the jurisdiction of the Department of Parks and Recreation.

12 Section 3. Any acts consistent with the authority and prior to the effective date of this
13 ordinance are hereby ratified and confirmed.

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1 Section 4. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by a three-fourths (3/4) vote of all the members of the City Council the 26th day
5 of MAY, 2015, and signed by me in open session in authentication of its
6 passage this 26th day of MAY, 2015.

7 

8 President _____ of the City Council

9 Approved by me this 29th day of MAY, 2015.

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12 Edward B. Murray, Mayor

13 Filed by me this 29th day of MAY, 2015.

14
15 

16 Monica Martinez Simmons, City Clerk

17 (Seal)

18 Attachment 1: Purchase and Sale Agreement

19 Exhibit A to Agreement: Legal Description

20 Exhibit B to Agreement: Permitted Exceptions

AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY

This AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY (hereinafter referred to as the "Agreement") is entered into by and between THE CITY OF SEATTLE, a Washington municipal corporation (hereinafter referred to as the "Buyer"), and ARNOLD H. GARCIA AND JOYCE A. GARCIA, husband and wife (hereinafter individually and collectively referred to as "Sellers"), as of the date this Agreement has been executed by both Buyer and Sellers ("Effective Date"). "Parties" to this Agreement shall mean both the Buyer and Sellers.

Intending to be legally bound, for good and valuable consideration, including the mutual covenants and promises of the parties, the adequacy and receipt of which is hereby acknowledged, the parties agree as follows:

1. Property. The "Property" subject to this Agreement consists of all of the following:

(a) That certain tract and parcel of real property located at 8118 Greenwood Avenue North located in Seattle, Washington and more particularly and legally described in Exhibit A attached together with all buildings, structures and other permanent improvements, if any, thereon (the "Real Property").

(b) All rights, privileges, covenants and easements appurtenant to the Real Property, including without limitation all minerals, oil, gas and other hydrocarbon rights on or associated with the land, all development rights, air rights, and any and all appurtenances used in connection with the beneficial use and enjoyment of the Real Property (collectively, the "Appurtenances").

(c) All of the property referred to in this Agreement as the "Property" or "Real Property."

2. Purchase. Sellers shall sell and convey the Property to Buyer, and Buyer shall purchase the Property from Sellers, on the terms, covenants and conditions set forth in this Agreement.

3. Purchase Price.

3.1. Amount. The purchase price ("Purchase Price") for the Property is One Million Seven Hundred Thousand and no/100 Dollars (\$1,700,000).

3.2. Payment. Buyer shall pay Sellers the Purchase Price at Closing. All references to dollars shall mean those amounts in United States currency.

3.3 Deposit. Within ten (10) days of Buyer's receipt of this Agreement signed by Sellers, Buyer will open an escrow account with First American Title Company, Inc., 818 Stewart Street, Suite 800, Seattle, Washington, 98101 (referred to hereafter as "Escrow Holder" or "Title Company") and shall deliver to Escrow Holder a deposit of Five Thousand and NO/100 Dollars (\$5,000.00) (the "Deposit") together with a copy of the fully executed Agreement between the Parties. Escrow Holder shall place the Deposit in an interest-bearing account for the benefit of the Buyer. Escrow Holder shall apply or disburse the Deposit as provided in this Agreement. At Closing, Escrow Holder shall apply the Deposit together with interest, if any, to the Purchase Price.

4. Title.

4.1. Condition of Title. Sellers shall convey to Buyer a good and sufficient statutory warranty deed, conveying marketable title, subject only to the Permitted Exceptions (defined in Subsection 4.3 below). Consistent with the Condition of Title in this section, Sellers agree that Title insurance to the Property shall be issued as a standard owner's policy of title insurance, unless at the option of the Buyer, the Buyer requests insurable Title by an ALTA extended coverage owner's policy, in the amount of the Purchase Price. Sellers shall satisfy all requirements of the Title Company needed to make title marketable in connection with issuance of the title policy (the "Title Policy") in accordance with the Commitment (defined in Subsection 4.2 below), and in accordance with all other terms of this Agreement.

4.2. Title Insurance Commitment. Buyer has obtained a current title insurance commitment issued by Title Company, No. 4209-2387284 Second Report, dated February 2, 2015 ("Commitment"). Updates to the Commitment shall commit Title Company to insure title in Buyer in the amount of the Purchase Price subject only to preprinted general exceptions contained in the Commitment and Permitted Exceptions (defined Subsection 4.3 below) and shall commit the Title Company to issue such policy endorsements as required by Buyer, and, at the election of Buyer, shall commit Title Company to issuance of a 2006 ALTA Owner's Extended Coverage Policy of title insurance. If required by the Title Company to issue an extended coverage owner's ALTA title insurance policy, Buyer shall obtain a survey and title updates for an extended policy at its own expense.

4.3. Permitted Exceptions. Those exceptions to title listed on Exhibit B attached hereto, if any, together with any additional exceptions to title approved in writing by Buyer constitute permitted exceptions ("Permitted Exceptions"). Sellers, at their sole cost and expense, shall remove all exceptions other than Permitted Exceptions.

5. Conditions Precedent.

5.1. Conditions Precedent to Buyer's Obligation to Purchase. Buyer's obligations with respect to purchase of the Property and the Closing are subject to fulfillment, or waiver thereof by Buyer in writing, of all conditions contained within this Agreement ("Buyer's Conditions Precedent"), including the following, not later than the Closing Date (unless an earlier date is specified:

(a) Title Policy. The Title Company shall be prepared to issue the Title Policy as described in Section 4.

(b) Moratorium. No reassessment, reclassification, rezoning or other change in judicial or administrative decision or proceedings (including amendments and modifications of any of the foregoing) pending or proposed to be imposed by any governmental or quasi-governmental authority or any public or private utility having jurisdiction over the Property shall have occurred.

(c) Zoning; Survey. There are no existing violations of zoning ordinances or other laws, ordinances or restrictions applicable to the Property; there are no encroachments upon the Property; and there are no other matters disclosed by survey that are unacceptable to Buyer, in Buyer's sole discretion.

(d) Noncompliance - Violation. Existing uses of the Property are in full compliance with all applicable zoning laws (and applicable variances) and any other local, municipal, regional, state or federal requirements and the improvements on the Property comply with all applicable building, safety, health, zoning, environmental, subdivision and other laws, ordinances and regulations.

(e) No Actions or Proceedings. There is no action, proceeding or investigation, pending or threatened, with respect to the title, ownership, maintenance, use or operation of the Property.

(f) No Environmental Violations. The Property is not in violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to the environmental conditions on, under, above or about the Property, including but not limited to soil and groundwater conditions.

(g) Representations, Warranties and Covenants of Sellers. Sellers shall have performed each and every agreement to be performed by Sellers under this Agreement, and Sellers's representations and warranties in this Agreement shall be true and correct as of Closing.

(h) No Adverse Changes. As of Closing, there shall have been no adverse change in the physical condition of the Property from the date of this Agreement.

(i) Sellers's Deliveries. Sellers shall have delivered each of the items described (and no later than the delivery time specified) in Subsection 6.1 to Buyer and in Subsection 8.1 to Escrow Holder.

(j) Investigation. Buyer shall have notified Sellers that the condition stated in Subsection 6.3 has been satisfied or waived within the time period required therein.

(k) Ordinance. On or before June 15, 2015, an ordinance shall be in effect authorizing the transaction contemplated in this Agreement and appropriating funds to complete this transaction.

(l) No Sellers Bankruptcy. If at any time prior to Closing, (i) there shall be filed against or by Sellers a petition in bankruptcy or insolvency or a petition seeking to effect any plan or other arrangement with creditors or seeking the appointment of a receiver and the same is not discharged or dismissed before Closing; (ii) a receiver or liquidator is appointed for all or substantially all of Sellers's property; (iii) or Sellers make an assignment for the benefit of creditors or takes any other similar action for the benefit or protection of creditors, then Buyer shall have the right in its sole and absolute discretion and in addition to all other remedies available to Buyer pursuant to this Agreement or at law or in equity to cancel and terminate this Agreement after which the Deposit shall be returned to Buyer and neither party shall have any further rights or obligations under this Agreement.

(m) Debris and Personal Property. On the date of closing, the Property shall be free of garbage, waste, and debris. Sellers will hold Buyer harmless from all claims and expenses arising from removal and disposal of garbage, waste, and debris.

5.2. Benefit of Buyer. The Buyer's Conditions Precedent are solely for the benefit of Buyer and may be waived only in writing by Buyer. Buyer shall at all times have the right to waive any condition. The waiver by Buyer of any condition in any specific circumstances shall not be a waiver of such condition with respect to any other circumstances or a waiver of any other condition and shall not relieve Sellers of any liability or obligation with respect to any representation, warranty, covenant or agreement of Sellers, unless the waiver expressly so provides.

5.3. Termination. If any Buyer's Condition Precedent is not satisfied or waived prior to Closing (or such earlier date as provided elsewhere in this Agreement), then Buyer, in Buyer's sole discretion, shall have the right to terminate this Agreement by written notice to Sellers and Escrow Holder, and the parties shall have no further obligations under this Agreement, except that Buyer shall be entitled to return of the Deposit together with interest, if any, and Sellers and Buyer shall be entitled to return of any documents deposited with Escrow Holder.

6. Investigation of the Property.

6.1. Sellers's Initial Deliveries. Within seven (7) days after the Effective Date, Sellers shall, at their sole expense, deliver to Buyer (a) a completed disclosure statement for improved residential real property in the form required by Section 64.06.020 of the Revised Code of Washington ("Disclosure Statement"); and (b) signed complete copies of all leases affecting the Property, if any, including, without limitation, all subleases, assignments, and rental or occupancy agreements; all contracts and accounting records affecting the Property; and other documents, records and materials concerning the operation or physical condition of the Property, including, without limitation, all surveys, maps, plans, soils reports and environmental site assessments

6.2. Entry. Without limiting any other rights of Buyer under this Agreement, as of the Effective Date, and to the extent and in the manner permitted by any existing lease of the Property, Buyer and Buyer's agents and employees shall have the right to enter the Property to conduct soils, engineering, environmental and other tests, inspections, surveys and investigations at the Property ("Investigations") at Buyer's sole expense. Sellers agree to cooperate and to cause the Tenants to cooperate with any Investigations made by or at Buyer's direction. The exercise by Buyer of any of the preceding rights or any other act of Buyer shall not negate any representation, warranty or covenant of Sellers, or modify any of Buyer's rights or Sellers's obligations in the event of any breach by Sellers of any of its representations, warranties or covenants under this Agreement. To the extent permitted by applicable law, Buyer shall indemnify and hold Sellers harmless from any and all damages, expense, liens or claims (including attorneys' fees) arising from Buyer's negligence in exercise of its rights under this Subsection 6.2 or failure to pay third parties, and the provisions of this indemnity shall survive termination of this Agreement.

6.3. Period for Investigations. Closing of this transaction is conditioned on Buyer's satisfaction with the Property, the suitability of the Property for Buyer's intended uses and the feasibility of this transaction in Buyer's sole and absolute discretion. Buyer shall have until June 5, 2015 to conduct its Investigations, and to review the items delivered by Sellers pursuant to Subsection 6.1 above (the "Contingency Period"). If Buyer fails to notify Sellers and the Escrow Holder in writing that this condition is satisfied or waived prior to 5:00 p.m. Pacific Time on the final day of the Contingency Period, then this Agreement shall be deemed terminated, and both Sellers and Buyer shall be released and discharged from all further obligations under this Agreement. The Deposit, plus interest, shall be returned to Buyer and, except as provided in Subsection 6.2, neither party shall be subject to a claim by the other for damages of any kind with respect to this Agreement or Buyer's attempt to purchase the Property. The Contingency Period shall be extended as necessary for Sellers's Work (described in Subsection 6.4 below) and as necessary for completion of a Level 2 environmental site assessment if Buyer determines that results or recommendations of a Level 1 environmental assessment warrant soil testing.

6.4 Sellers's Work. All of the following constitutes Sellers's Work: In the event that the Investigations disclose the presence of one or more underground storage tanks, not in use, on the Property, Sellers shall, at Sellers's sole cost and expense, cause the underground storage

tank(s) to be removed and properly disposed of by a date mutually acceptable to the parties prior to Closing ("Extended Contingency Period"). Included within the removal work scope shall be a requirement that the contractor determine whether there is evidence that the underground storage tank(s) are leaking or have leaked product into surrounding soil or groundwater. A contractor licensed to conduct underground storage tank decommissioning and removal shall complete the removal and disposal in compliance with applicable law and regulation. If there is evidence that the underground storage tank(s) are leaking or have leaked product into surrounding soil or groundwater, or if there is other evidence of soil or groundwater contamination, then Buyer and Sellers shall further extend the Extended Contingency Period if necessary and prior to the expiration of such Extended Contingency Period, Sellers shall cause its licensed contractor (a) to remove and dispose of all contaminated soil, (b) to undertake all necessary environmental remediation of soil and groundwater in compliance with applicable law and regulation, (c) to provide to Buyer copies of its license and qualifications, permit for tank removal, its certification of tank removal, if applicable, and its certification of soil and groundwater remediation, if applicable, all in compliance with applicable law and regulation, and (d) to restore the Property to its original condition with appropriate fill type, compaction, grading, and ground cover or paving, as applicable.

7. Sellers's Obligations. Before Closing Sellers shall, at their sole expense:

7.1. Promptly notify Buyer upon learning of any fact or event that would make any of the representations or warranties of Sellers contained in this Agreement or any Buyer's Conditions Precedent untrue or misleading in any material respect or that would cause Sellers to be in violation of any of its covenants or other obligations hereunder.

7.2. Notify Buyer promptly upon receiving notice of a claim or pending litigation affecting the Property, or notice of any event, transaction, or occurrence before Closing that would materially adversely affect the Property or any part thereof.

7.3. Not convey, mortgage, grant a deed of trust, or contract to do the foregoing or otherwise allow or consent to convey, abandon, relinquish, cloud or encumber title to the Property or any interest therein or part thereof without Buyer's consent.

7.4. Maintain the Property in good order, condition and repair, and otherwise operate the Property and maintain its business records in the same manner as before the making of this Agreement, the same as though Sellers were retaining the Property.

7.5. Maintain all casualty, liability and hazard insurance currently in force with respect to the Property through Closing without diminution in coverage.

7.6. Remedy any violations of law or municipal ordinances or regulations of any federal, state, local or other governmental departments.

7.7. Take no action that will adversely affect title to the Property nor take action that impairs the issuance of the Title Policy as described in Section 4 of this Agreement.

7.8. Not renew, extend, amend, or modify any Existing Lease, nor enter into any new lease affecting the Property without Buyer's prior written consent.

8. Deliveries to Escrow Holder.

8.1. By Sellers. Sellers shall deliver or cause to be delivered to Escrow Holder on or prior to the Closing Date the following items, the delivery of each of which shall be a condition to the performance by Buyer of its obligations under this Agreement:

(a) Deed. A statutory warranty deed, in form and substance satisfactory to Buyer and its legal counsel, duly executed and acknowledged by Sellers (the "Deed"), conveying to Buyer indefeasible good and marketable fee simple title to the Property, free and clear of all liens, violations, leases, encumbrances, restrictions and easements, except only the Permitted Exceptions.

(b) FIRPTA Affidavit. A certificate in form and substance acceptable to Buyer and its counsel, duly executed by Sellers, evidencing that Sellers are exempt from the withholding requirements of Section 1445 of the Internal Revenue Code.

(c) ALTA Affidavits. Any affidavits, certifications or instruments, including any lien affidavits or mechanic's lien indemnifications, duly executed and acknowledged by Sellers, as reasonably may be required by the Title Company in order to issue the Title Policy.

(d) Title Insurance Policy. The Title Insurance Policy in conformance with Section 4.

(e) Closing Certificates. A certificate of Sellers dated as of the Closing Date certifying that all of Sellers's representations and warranties remain true as of the Closing Date, or if not, specifying the respect in which any representation or warranty is no longer true.

(f) Certificates of Authority. Such certificates as are necessary or required by Buyer or the Title Company to evidence the authority of Sellers and its signatories to execute the instruments to be executed by Sellers in connection with this transaction, and evidence that the execution of such instruments is the official act and deed of Sellers.

(g) Excise Tax Affidavit. A real estate excise tax affidavit signed by Sellers.

8.2. Buyer. Buyer shall deliver or cause to be delivered to Escrow Holder on or before the Closing Date cash by federal funds, wire transfer or cashier's check in the amount necessary to pay the balance of the Purchase Price and Buyer's share of closing costs and prorations.

9. Close of Escrow.

9.1. Time. Closing shall occur in the office of Escrow Holder on a date mutually agreeable to Buyer and Sellers after Buyer's Conditions Precedent have been satisfied or waived, but in any event no later than July 3, 2015. As used in this Agreement, "Closing," "Closing Date" or "Date of Closing" means the date on which all appropriate documents are recorded and proceeds of sale are available for disbursement to Sellers in accordance with this Agreement. Funds held in reserve accounts pursuant to escrow instructions shall be deemed, for purposes of the definition of "Closing," "Closing Date" and "Date of Closing," as available for disbursement to Sellers.

9.2. Closing Costs and Prorations.

(a) Closing Costs. Buyer and Sellers shall each pay their own attorneys' fees. Buyer shall pay the cost of recording the Deed, escrow fees, the title insurance premium charged by the Title Company for Buyer's Title Policy and the endorsements required by Buyer, and the cost of any survey required by the Title Company (if any). Sellers's monetary liens on the Property, if not previously discharged, shall be discharged in full out of the Purchase Price at Closing. Sellers shall pay real estate excise tax, if any is due.

(b) Prorations. Sellers shall be responsible for paying real property taxes, general assessments, surface water management fees and other fees (if any) payable to governmental entities, utilities and operating expenses relating to the Property through the Closing Date. If Sellers is entitled to a reimbursement for overpayment of real property taxes, it shall be Sellers's responsibility to seek such reimbursement from the appropriate taxing authority outside of Closing. Sellers shall provide evidence satisfactory to Buyer that accounts for utility services to the Property, including but not limited to electricity, heating oil (if applicable), natural gas (if applicable), solid waste, water, sewer, telephone, internet service, and cable, are current and there are no delinquent charges owing. Any special assessments against the Property in existence as of the Closing Date shall be paid in full by Sellers. All expenses of the Property, including but not limited to, real property taxes, surface water management fees and other fees (if any) payable to governmental entities, rents, utility charges, amounts payable under contracts that Buyer elects to accept or assume, annual permits and other expenses normal to ownership, use, operation and maintenance of the Property shall be prorated as of 11:59 p.m. on the Closing Date.

9.3. Procedure. Escrow Holder shall close escrow as follows:

(a) Obtain the release of the Property from any liens described in the Commitment, as updated, and in this Agreement except the Permitted Exceptions;

(b) Confirm with Buyer satisfactory evidence of termination of Existing Leases and delivery of all documents by Sellers;

- Deed;
- (c) Pay applicable real estate transfer excise taxes and record the
 - (d) Complete the prorations and credits;
 - (e) Issue and deliver the Title Policy to Buyer;
 - (f) Deliver any other documents deposited by Sellers with Escrow Holder to Buyer;
 - (g) Deliver the Purchase Price less Sellers's closing costs and prorations and Buyer credits, if any, to Sellers; and
 - (h) Forward to Buyer and Sellers, in duplicate, a separate accounting of all funds received and disbursed for each party and copies of all executed and recorded or filed documents deposited with Escrow Holder, with such recording and filing date endorsed thereon.

9.4. Incorporation of Escrow Instructions. This Agreement shall serve as escrow instructions, and an executed copy of this Agreement shall be deposited by Buyer with Escrow Holder following its execution. The parties may execute additional escrow instructions provided that such additional escrow instructions shall not change the terms of this Agreement.

9.5. Possession. Possession of the Property shall be delivered to Buyer upon Closing,

9.6. Deliveries Outside of Escrow. On the Closing Date Sellers shall deliver to Buyer outside of escrow all original books and records of account, contracts, leases and leasing correspondence, receipts for deposits, unpaid bills and other papers pertaining to the Property, architectural and engineering plans, drawings and specifications for the improvements to the Property, all "As-Built" plans and specifications, original operating permits and certificates relating to use, occupancy or operation of the Property, all advertising materials, booklets, keys and other items, if any, used in operation of the Property.

10. Brokerage Commission. Sellers warrant to Buyer and Buyer warrants to Sellers that each party's sole contact with the other and with the Property regarding this transaction has been directly with the other party and has not involved any broker or finder. Sellers and Buyer further warrant to each other that no broker or finder can properly claim a right to a commission or finder's fee based upon contacts between the claimant and that party with respect to the other party or the Property. To the extent permitted by applicable law, each party shall indemnify, defend and hold the other party harmless from and against any loss, cost or expense, including, but not limited to, attorneys' fees and court costs, resulting from any claim for a fee or commission by any broker or finder in connection with the Property and this Agreement resulting from the indemnifying party's actions.

11. Casualty or Condemnation.

11.1. If there is a condemnation (by an entity other than Buyer) of all or part of the Property initiated before Closing, Sellers shall promptly notify Buyer and Buyer shall have the option for ten (10) days following the date the notice is received (a) to proceed with the Closing, in which event all condemnation proceeds already received by Sellers by the Closing shall be paid to Buyer and the right to receive such proceeds not yet received by Sellers shall be assigned to Buyer at the Closing, or (b) to terminate this Agreement. Unless this Agreement is terminated, Sellers shall take no action with respect to any condemnation proceeding without the prior written consent of Buyer.

11.2. Before Closing, the entire risk of loss or damage by casualty to the Property however caused shall be borne and assumed by Sellers. If any casualty costing Ten Thousand Dollars (\$10,000) or more to repair has occurred to the Property before Closing, Buyer at its election may terminate this Agreement or proceed to close in which case Sellers shall assign to Buyer all insurance proceeds attributable to the casualty. If there is a casualty to the Property costing less than Ten Thousand Dollars (\$10,000) to repair, there will be no termination of this Agreement, such damage shall be repaired by the Sellers, and if not so repaired before Closing, then the remaining cost of repair shall be withheld from the Purchase Price and paid over to Sellers upon Sellers' completion of the repairs to Buyer's reasonable satisfaction.

12. Representations, Warranties and Covenants.

12.1. Sellers' Representations, Warranties and Covenants. In addition to the representations, warranties and covenants contained elsewhere in this Agreement, Sellers as of the date of this Agreement and as of the Closing Date makes the following representations, warranties and covenants:

(a) Title. Sellers are the sole owners of the Property. Sellers are a marital community who will sign declarations, conveyance instruments, and other closing documents and certificates as may be reasonably required by the Title Company to verify Sellers' status as a marital community, properly conveys Title as a marital community, and to ensure compliance with RCW 6.13.060 if applicable. At Closing, Buyer will acquire the entire fee simple estate and right, title and interest in and to the Property, free and clear of all recorded or unrecorded liens, encumbrances, covenants, restrictions, reservations, easements, options, tenancies, leases, encroachments, claims or other matters affecting title or possession of the Property, subject only to the Permitted Exceptions.

(b) Agreements to Transfer or Encumber. Sellers has not committed nor obligated itself in any manner whatsoever to sell or encumber the Property or any interest therein to any party other than Buyer, nor committed or obligated to lease all or any portion of the Property.

(c) Compliance with Law. To the best of Sellers's knowledge the Property complies in all material respects (both as to condition and use) with all applicable statutes, ordinances, codes, rules and regulations of any governmental authority having jurisdiction over the Property (including those related to zoning, building, subdivision, and engineering), including all conditions contained in any certificate of occupancy covering any of the Real Property. Sellers have obtained all required permits or authorizations for such occupancy. Sellers have no knowledge of any facts that might give rise to any violation of the foregoing matters.

(d) Bankruptcy, Etc. No bankruptcy, insolvency, rearrangement or similar action involving Sellers or the Property, whether voluntary or involuntary, is pending, threatened, by a third party, or contemplated by Sellers.

(e) Litigation. There is no pending or to Sellers's best knowledge threatened judicial, municipal or administrative proceedings with respect to Sellers, this transaction or in any manner affecting the Property or any portion thereof or in which Sellers, individual or collectively, are or will be a party by reason of Sellers' ownership of the Property or any portion thereof.

(f) Notices. Sellers have not received any notices from any insurance companies, governmental agencies or from any other parties with respect to any violations or other matters concerning the Property.

(g) Taxes and Assessments. Other than amounts disclosed by the Commitment, to the best of Sellers' knowledge, no other property taxes have been or will be assessed against the Property for the current tax year, and there are no general or special assessments or charges that have been levied, assessed or imposed on or against the Property.

(h) Tax Returns. Sellers have filed all local, state and federal tax forms that are required to be filed by Sellers, have paid all taxes due and payable by Sellers to date and will pay all such taxes that become due and payable by Sellers prior to the Closing.

(i) Underground Storage Tanks. To the best of Sellers' knowledge, there are no cisterns, wells, subterranean storage or underground storage tanks on the Property and underground storage tanks have not been removed from the Property.

(j) Violation of Property Restrictions. To the best of Sellers' knowledge, the Property and the current use, occupation and condition thereof do not violate any applicable deed restrictions or other covenants, restrictions or agreements (including, without limitation, any of the Permitted Exceptions), site plan approvals, zoning or urban redevelopment plans applicable to the Property.

(k) Subdivision. The conveyance of the Property will not constitute a violation of any subdivision ordinance.

(l) Tax Valuation/Assessment. Sellers has no knowledge and has received no notice of any proceedings pending for the correction of the assessed valuation of Real Property or any other pending or threatened special assessments affecting the Real Property.

(m) Authority. Sellers have all requisite power and authority to execute and deliver this Agreement and to carry out its obligations hereunder and the transactions contemplated hereby. This Agreement has been, and the documents contemplated hereby will be, duly executed and delivered by Sellers and constitute the Sellers' legal, valid and binding obligation enforceable against Sellers in accordance with its terms. The consummation by Sellers of the sale of the Property is not in violation of or in conflict with nor does it constitute a default under any of the terms of any agreement or instrument to which Sellers is or may be bound, or of any provision of any applicable law, ordinance, rule or regulation of any governmental authority or of any provision of any applicable order, judgment or decree of any court, arbitrator or governmental authority.

(n) No Omissions. All representations and warranties made by Sellers in this Agreement, and all information contained in any certificate furnished by Sellers to Buyer in connection with this transaction, are free from any untrue statement of material fact and do not omit to state any material facts necessary to make the statements contained herein or therein not misleading. The copies of any documents furnished to Buyer in connection with this transaction are true and complete copies of the documents they purport to be and to the best of Sellers' knowledge contain no untrue statement of material fact and do not omit to state any material facts necessary to make the statements contained therein not misleading.

(o) Leases, Service Contracts or Other Contracts. As of the Date of Closing, no leases, service contracts, or other contracts are in place regarding or related to the Property.

(p) Mechanic's Liens. No labor, material or services have been furnished in, on or about the Property or any part thereof as a result of which any mechanics', laborer's or materialmen's liens or claims might arise.

(q) Assumption of Liabilities. Buyer, by virtue of the purchase of the Property, will not be required to satisfy any obligation of Sellers arising prior to the Closing Date. Other than such obligations so expressly assumed by Buyer or any liens or other obligations with respect to the Property that result from any action or activities by or on behalf of Buyer after the Closing Date, Sellers, after the Date of Closing, will pay and discharge any and all liabilities of each and every kind arising out of or by virtue of the possession, ownership or use of the Property prior to the Closing Date, and shall indemnify, defend and hold Buyer harmless therefrom.

(r) Provide Further Information. From the date of this Agreement to the Closing Date, Sellers will notify Buyer of each event of which Sellers becomes aware affecting the Property or any part thereof immediately upon learning of the occurrence of such event.

12.2. Effect of Buyer's Inspections. The effect of the representations and warranties made by Sellers in this Agreement shall not be diminished or deemed to be waived by any inspections, tests or investigations made by Buyer or its agents.

13. Environmental Compliance. In addition to and without limiting any other representations, warranties, covenants and agreements in this Agreement, Sellers represents, warrants, covenants and agrees:

13.1. Hazardous Substances. Sellers has not used, generated, manufactured, produced, stored, released, discharged or disposed of on, under, above or about the Property (or off-site of the Property that might affect the Property) or transported to or from the Property, any Hazardous Substance or allowed any other person or entity to do so. Sellers has no knowledge nor has Sellers observed any questionable practice or conduct indicating that any Hazardous Substance has been used, generated, manufactured, produced, stored, released, discharged or disposed of on, under or above Property (or off-site of the Property that might affect the Property) or transported to or from the Property by any entity, firm or person, or from any source whatsoever.

13.2. Pre-closing Covenant. Sellers will not use, generate, manufacture, produce, store, release, discharge or dispose of on, under, above or about the Property (or off-site of the Property that might affect the Property), or transport to or from the Property, any Hazardous Substance or authorize any other person or entity to do so, prior to the Closing.

13.3. Environmental Indemnity. Sellers shall protect, indemnify, hold harmless and defend Buyer and its directors, officers, contractors, employees, agents, parents, subsidiaries, successors and assigns from and against any and all loss, damage, cost, expense or liability (including attorneys' fees and costs) directly or indirectly arising out of or attributable to a breach of any representation, warranty, covenant or agreement contained in this Section 13 including, without limitation, (a) all consequential damages, and (b) the costs of any required or necessary repairs, cleanup or detoxification of the Property and the preparation and implementation of any closure, remedial or other required plans. This indemnity does not apply to actions of Buyer, its agents or independent contractors.

13.4. Definitions. For the purpose of this Section 13, the following terms shall be defined as provided below unless the context clearly requires a different meaning:

(a) "Environmental or Safety Law" means the Federal Water Pollution Control Act, the Clean Air Act, the Resource Conservation and Recovery Act ("RCRA"), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), the Superfund Amendment and Reauthorization Act, the Toxic Substances Control Act ("TSCA"), the Occupational Safety and Health Act, the Hazardous Materials Transportation Act, the Hazardous Materials Transportation Uniform Safety Act, the Oil Pollution Act of 1990, the Washington Water Pollution Control Act, the Clean Air Washington Act, the Washington Hazardous Waste Management

Act ("HWMA"), the Washington Model Toxics Control Act ("MTCA"), the Washington Industrial Safety and Health Act, the Washington Worker and Community Right to Know Act, and the Washington Oil and Hazardous Substance Spill Prevention and Response Act, together with all regulations promulgated under any such authority, and any and all other federal, state, regional, local or international statutes, regulations, rules, ordinances, orders, court or regulatory agency directives, permits, licenses, governmental authorizations and common law causes of action that apply to (1) any hazardous substance or material regulated or restricted under CERCLA, RCRA, TSCA, MTCA, or the HWMA; (2) any other pollutant, contaminant, or waste; (3) the health or safety of persons; or (4) the protection of the environment or land use. "Environmental or Safety Law" includes past and future amendments and supplements.

(b) "Hazardous Substances" means any hazardous, toxic, or dangerous substance, waste, or material that is regulated under any Environmental or Safety Law.

14. Survival. The covenants, agreements, representations and warranties made in this Agreement shall survive the Closing unimpaired and shall not merge into the Deed and the recordation thereof.

15. Entire Agreement. This Agreement contains the entire integrated agreement of the parties, including all of the covenants and conditions between the parties with respect to the subject matter of this Agreement, and supersedes all prior correspondence, agreements and understandings, both verbal and written. No addition or modification of any term or provision of this Agreement shall be effective unless set forth in writing and signed by Sellers and Buyer. The parties do not intend to confer any benefit under this Agreement to any person, firm or corporation other than the parties.

16. Default; Remedies, Specific Performance. This Agreement pertains to the conveyance of real property, the unique nature of which is hereby acknowledged by the parties. Consequently, if Sellers breaches or defaults under this Agreement or any of the representations, warranties, terms, covenants, conditions or provisions hereof, Buyer shall have, in addition to a claim for damages for such breach or default, and in addition and without prejudice to any other right or remedy available under this Agreement or at law or in equity, the right (a) to specific performance of this Agreement; or (b) to terminate this Agreement upon written notice without liability to Sellers.

17. Notices. All written notices required to be given pursuant to the terms hereof shall be either delivered personally or deposited in the United States mail, certified mail, return receipt requested, postage prepaid and addressed to the addresses listed below with copies to the parties listed after such address (if any), or sent by facsimile transmission to the numbers below:

SELLERS:

Arnold H Garcia and Joyce A Garcia
18240 Springdale Ct NW
Shoreline, WA 98177
Facsimile: _____ Telephone: (206) 546-1258

BUYER:

Seattle Department of Parks and Recreation
800 Maynard Avenue South, 3rd Flr.
Seattle, WA 98134
Facsimile: (206) 233-7038 Telephone: (206) 233-3879
Attn: Chip Nevins

The foregoing addresses may be changed by written notice to the other party as provided herein. Mailed notice properly given shall be deemed received two (2) days after deposit in the mail. Facsimile transmission of any signed original document or notice, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of either party, or the Escrow Holder, the parties will confirm facsimile transmitted signatures by signing an original document.

18. Partial Invalidity. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby; and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

19. Waivers. No waiver of any breach of any covenant or provision in this Agreement shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision in this Agreement. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

20. Construction. Captions are solely for the convenience of the parties and are not a part of this Agreement. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties had prepared it. If the date on which Buyer or Sellers is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day.

21. Time. Time is of the essence of every provision of this Agreement.

22. Force Majeure. Performance by Sellers or Buyer of their obligations under this Agreement shall be extended by the period of delay caused by force majeure. Force majeure is war, natural catastrophe, strikes, walkouts or other labor industrial disturbance, order of any government, court or regulatory body having jurisdiction, shortages, blockade, embargo, riot, civil disorder, or any similar cause beyond the reasonable control of the party who is obligated to render performance (but excluding financial inability to perform, however caused).

23. Successors. The terms, conditions and covenants contained in this Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

24. Applicable Law. This Agreement shall be interpreted and governed by the laws of the State of Washington. The venue of any legal action or claim related to this Agreement shall be in the Superior Court for King County.

25. Expiration Date. This offer shall terminate if not accepted by Sellers by 5:00 p.m. on _____.

26. No Third Party Beneficiary. The parties do not intend to confer any benefit under this Agreement to any person, firm or corporation other than the parties, and therefore, nothing in this Agreement express or implied shall confer upon any person any right or interest whatsoever, other than directly to the parties and their heirs, executors, personal representatives, successors and assigns..

27. Incorporation of Exhibits. All exhibits hereto and all other documents and instruments referred to herein or in any exhibit or attachments hereto are incorporated by reference as a part of this Agreement. The Exhibit List to this Agreement shall be as follows:

28. Reservation of Rights and Responsibilities. Except as set forth in this Agreement, Buyer and Sellers retain all rights, privileges, obligations and remedies as set forth under applicable federal, state or local laws.

- Exhibit A Legal Description of Property
- Exhibit B Permitted Exceptions
- ~~Exhibit C Tenant's Lease Agreement~~
- ~~Exhibit D Form of Tenant Estoppel Certificate~~

Signatures of the Parties to this Agreement are on the following page.

Exhibit A

LEGAL DESCRIPTION

THE NORTH 52 FEET OF THE WEST 106 FEET OF LOT 4, BLOCK 14, OSNER'S SECOND ADDITION TO SEATTLE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 12 OF PLATS, PAGE 3, IN KING COUNTY, WASHINGTON;

EXCEPT PORTIONS THEREOF CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NO. 65489 FOR THE WIDENING OF GREENWOOD AVENUE AS PROVIDED BY ORDINANCE NO. 19334 OF THE CITY OF SEATTLE;

ALSO, THE SOUTH 50 FEET OF THE NORTH 102 FEET OF THE WEST 106 FEET OF LOT 4, BLOCK 14, OSNER'S SECOND ADDITION TO SEATTLE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 12 OF PLATS, PAGE 3, IN KING COUNTY, WASHINGTON;

EXCEPT PORTIONS THEREOF CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NO. 65489 FOR GREENWOOD AVENUE AS PROVIDED BY ORDINANCE 19334 OF THE CITY OF SEATTLE.

Exhibit B

PERMITTED EXCEPTIONS

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