

**MEMORANDUM OF AGREEMENT**  
**Between**  
**The City of Seattle And City Investors VII, LLC**  
**For 300 & 333 8<sup>th</sup> Ave North**  
**Full Block Reconstruction Project**  
**Reference SDOT Street Improvement Plan # 226851**

This Memorandum of Agreement (“Agreement”) is made between The City of Seattle (“City”), Washington a municipal corporation acting through its Seattle Department of Transportation (“SDOT”) and City Investors VII, LLC (“City Investors”) a private for-profit corporation (collectively the “Parties.”)

- 1. PURPOSE** The purpose of this Agreement is to execute an agreement between the Parties in order to achieve a full block reconstruction of 8<sup>th</sup> Avenue North between Thomas and Harrison Streets, in accordance with the South Lake Union Street Concept Plans (“Concept Plans”) adopted by SDOT Director’s Rule 05-2013 and to support SDOT’s efforts to implement these plans through capital projects.
- 2. BACKGROUND** City Investors applied for Street Improvement Permit (“SIP”) 226851 to install street improvements on the frontage of their development at 300 8<sup>th</sup> Avenue North as required by the Land Use Code, Title 23, and have plans to submit a SIP for development of 333 8<sup>th</sup> Avenue North on the opposite side of the block.

The Concept Plans solidified a community vision formalized in the SLU Urban Design Framework that encourages enhanced streetscape features to invigorate the pedestrian environment, increases the multimodal functionality of the right-of-way, and results in an environmentally sensitive street design by preserving trees and planting significant landscape. Since adopting the Concept Plans, SDOT prioritized and advanced the design of 8<sup>th</sup> Avenue North with an interest to secure implementation funding.

In collaboration with SDOT and consistent with the vision in the Concept Plans, City Investors proposed to install additional street improvements beyond their code requirements on 8<sup>th</sup> Avenue North (the “8<sup>th</sup> Avenue Project”) that will help implement the Concept Plans in an expeditious and cost-effective way.

- 3. SCOPE OF WORK** In accordance with SIP 226851 and Exhibit 1 that is attached to and incorporated into this Agreement, the 8<sup>th</sup> Avenue Project public improvements in the entire right of way shall include: removing curbs to create a curb-less shared-use street; installing landscaping and preserving trees and installing new tree plantings; and installing seating, pedestrian-scaled lighting, tactile warning pavers, and vehicular curb ramp at Harrison and Thomas Street intersections. The area of roadway as shown in SIP 226851 and Exhibit 1 includes the pavement cross-section that is limited to the street paving surface and base layers.

In addition to the improvements required by Exhibits A and B, City Investors VII, LLC shall apply to SDOT for a “Festival Street” designation for the segment of 8<sup>th</sup> Avenue North between Thomas and Harrison Streets. The designation application must comply with the requirements of applicable City law, including SDOT Director’s Rule 2-2012 or any successor rule (“Festival Street Law”). City Investors VII, LLC shall submit the designation application to SDOT prior to the completion of the work required by this Agreement, and in no event later than April 30, 2018. City Investors VII, LLC shall diligently pursue Festival Street designation by undertaking the steps required of an applicant by Festival Street Law. City Investors VII, LLC shall abide by the SDOT Director’s decision on the Festival Street application.

4. **TERMS OF AGREEMENT** This Agreement shall begin when executed by the Parties but no sooner than the effective date of the authorizing ordinance, and shall end upon the work being completed as described below, unless amended by written agreement by the Parties.
5. **FEE AND PAYMENT** The 8<sup>th</sup> Avenue Project will consist of two construction projects at 300 and 333 8<sup>th</sup> Avenue North. As authorized by Seattle Municipal Code 15.04.100.C and the ordinance authorizing this Agreement, the SDOT shall not assess Street Use permit use fees that would typically be assessed for the use of the 8<sup>th</sup> Avenue North right-of-way to accommodate construction activities related to the private development for 300 8<sup>th</sup> Avenue North and 333 8<sup>th</sup> Avenue North between Thomas and Harrison Streets.

In consideration of this fee exception, City Investors shall provide the equivalent to the fees through a voluntary contribution to build the full block reconstruction of 8<sup>th</sup> Avenue North consistent with the adopted Concept Plans, and the additional street improvement elements listed on SIP 226851 and Exhibit 1.

The additional construction costs shall be no less than the use fee exemptions for 8<sup>th</sup> Avenue North as detailed in Exhibit 2. Construction costs and use fee exemptions that exceed the estimates in Exhibit 2 shall not be incurred by the City but instead shall be covered by City Investors. If the additional construction costs are less than the use fee exemptions for 8<sup>th</sup> Avenue North as detailed in Exhibit 2, City Investors shall pay the difference in construction costs and use fees to the City. Permit issuance fees and review and inspection charges shall still be assessed by SDOT for each project.

The City shall grant City Investors this exception to paying use fees for Street Use permits on 8<sup>th</sup> Avenue North for the 16-month-construction duration for each project as identified in Exhibit 2 Fee Calculations. SDOT agrees to not assess use fees for both projects, no matter when they are constructed, provided the construction does not exceed the timelines in the Scope of Work. If the construction timeline exceeds this duration, City Investors shall be (i) responsible for informing SDOT of the schedule change, (ii) the new estimated completion date, and (iii) any additional construction costs and use fees associated with the additional construction timeline.

- 6. BONDING AND INSURANCE** City Investors shall obtain the required surety bonding and liability insurance for constructing the improvements identified in the SIPs and in this Agreement consistent with the requirements in SDOT's Street Improvement Permitting process and SDOT Client Assistance Memos 2102 and 2200. The value of the bond and insurance is based on the street improvement construction cost for all elements described in SIP 226851 and Exhibit 1, and the expense the City may incur as a result of unfinished work or the potential damage to utilities.
- 7. SCHEDULE AND PERFORMANCE** City Investors shall perform all work necessary to construct the Scope of Work identified in SIP 226851 and Exhibit 1. The scope of the work area shall not be exceeded for any reason unless there is written agreement by the Parties in advance of additional work being performed. The Scope of Work shall be complete, that is installed, inspected, and approved no later than April 2018. The Parties shall promptly and regularly notify each other of any occurrences affecting the schedule and shall attempt to agree on an amended schedule, if necessary, to be effective upon the execution of a written amendment to this Agreement
- 8. NO THIRD PARTY BENEFICIARIES** This Agreement is entered into solely for the mutual benefit of the Parties. This Agreement is not entered into with the intent that it shall benefit the Party's agents, assigns, consultants, or contractors; and no other person or entity shall be a party beneficiary of this Agreement.
- 9. INDEMNIFICATION** City Investors releases and shall defend, indemnify, and hold harmless; the City and its employees and agents from all losses, liabilities, claims including claims arising under federal, state, or local environmental laws, costs including attorneys' fees, actions, or damages of any sort whatsoever; arising out of the City Investors' performance of the work and services contemplated by this Agreement to the extent attributable to the negligent actor or omissions, willful misconduct, or breach of this Agreement by City Investors, its servants, agents, and employees. In furtherance of these obligations and only with respect to the City, its employees and agents, City Investors waives any immunity it may have or limitation on the amount or type of damages imposed under any industrial insurance worker's compensation, disability, employee benefit, or similar laws. City Investors acknowledges that this waiver of immunity was mutually negotiated and agrees that the indemnification provided for in this Agreement shall survive any termination or expiration of this Agreement.
- 10. ASSIGNMENT** This Agreement shall not be assigned in whole or in part by any party without the prior written approval of the other Parties.
- 11. COMPLIANCE WITH LAW** The Parties shall comply with all federal, state, and local laws and ordinances. City Investors shall use its best efforts to cause its contractors to follow the requirements of a City of Seattle Public Works contract that includes providing prevailing wage to its employees and its assigns for the construction and administration of this project as shown in SIP 226851 and Exhibit 1.









<b>Vulcan Block 52W Estimated Street Use Fees</b>		
<b>Street</b>	<b>Sq. Ft. Use Area</b>	<b>Total Permit Fees For 16 month period</b>
Harrison	720	\$ 17,064
Thomas	720	\$ 432
Alley	2160	\$ 1,296
8th Ave. N	6480	\$ 176,904
<b>Total \$ 241,056</b>		

<b>Vulcan Block 57E Estimated Street Use Fees</b>		
<b>Street</b>	<b>Sq. Ft. Use Area</b>	<b>Total Permit Fees For 16 month period</b>
Harrison	720	\$ 17,064
Thomas	720	\$ 432
Alley	2160	\$ 1,296
8th Ave. N.	6480	\$ 176,904
<b>Total \$ 241,056</b>		