	Dia	
1	CITY OF SEATTLE	
2	ORDINANCE 126204	
3	COUNCIL BILL <u>119906</u>	
4 5 6 7 8 9 10 11 12 13	AN ORDINANCE relating to the transfer of City property located at 500 30th Avenue South, Seattle, Washington; authorizing the conveyance of the property to the Central Area Senior Center, a Washington non-profit corporation, consistent with the intent of Resolution 31856 and to provide for the continued delivery of social services; making findings of fact about the consideration for the transfer; superseding Resolution 31837 for the purposes of this ordinance; and authorizing the Director of Finance and Administrative Services or designee to execute and deliver documents necessary to carry out the conveyance of such property on the terms and conditions of this ordinance.	
14	WHEREAS, in 1975, The City of Seattle ("City") purchased Sunrise House/Newhaven (formerly	
15	Sunrise House, Inc.), an existing building on an approximately 57,600-square-foot site	
16	located at 500 30th Avenue South (commonly known as "Central Area Senior Center"),	
17	for use as a neighborhood senior center; and	
18	WHEREAS, in 1983 the City entered into a long-term, mutual and offsetting benefit lease	
19	("Central Area Senior Center MOB Lease") with Senior Services and Centers, Inc., a	
20	non-profit corporation, and pursuant to which the tenant paid de minimis cash rent in	
21	exchange for the promise to use the Central Area Senior Center to deliver senior services,	
22	and which then converted to a month-to-month lease; and	
23	WHEREAS, sometime after 1983, Central Area Senior Center, Inc. (CASC), a newly formed	
24	Washington non-profit corporation, took over management of the property from Senior	
25	Services and Centers, Inc., with CASC acquiring all of the tenancy right, title, and	
26	interest in the Central Area Senior Center MOB Lease; and	
27	WHEREAS, in 2019, CASC ended a long-standing management agreement with Sound	
28	Generations to provide contracted social service programs at its property, and CASC	
29	continues in possession of the property, out of which it delivers social services; and	

	Dia	
1	WHEREAS, as a month-to-month tenant, CASC uses and occupies the property in exchange for	
2	mutual and offsetting benefits in the form of social services to residents of the Central	
3	Area, including senior programs, food assistance, group meals, social activities, and	
4	celebrations; and	
5	WHEREAS, in Resolution 31856, City Council stated its intention to collaborate with the	
6	Executive with the goal of transferring certain properties to non-profit organizations,	
7	including CASC, in exchange for commitments to provide services to the community;	
8	and	
9	WHEREAS, a portion of the funding for the City's acquisition of the Central Area Senior Center	
10	was provided by Washington State Social and Health Services Facilities 1972 bonds	
11	("1972 Bonds"); and	
12	WHEREAS, RCW 43.83.410 permits public bodies to transfer property and facilities acquired	
13	and constructed with the 1972 Bonds to non-profit agencies in exchange for the promise	
14	to continuously operate services benefitting the public on the site without further	
15	consideration; and	
16	WHEREAS, pursuant to that certain 2019 Memorandum of Agreement Implementing Criteria for	
17	Initiating Transfer of Mutually Offsetting Facilities to Tenants, by and amongst six City of	
18	Seattle departments and offices (the Department of Finance and Administrative Services,	
	the Office of Planning and Community Development, the Department of Neighborhoods,	
19	the Office of Planning and Community Development, the Department of Neighborhoods,	
19 20	the Office of Planning and Community Development, the Department of Neighborhoods, the Office of Economic Development, the Office of Housing, and the Human Services	

	Dla		
1	by the City for transferring property to tenants who have been operating properties under		
2	mutually and offsetting benefit lease agreements; and		
3	WHEREAS, FAS and CASC have entered into an agreement regarding the consideration, terms,		
4	and conditions for the City's conveyance of Central Area Senior Center to CASC, subject		
5	to the City Council's authorization; NOW, THEREFORE,		
6	BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:		
7	Section 1. As used in this ordinance, the "Central Area Senior Center" means the real		
8	property and all easements, privileges, and appurtenant improvements on a site of approximately		
9	57,600 square feet located at 500 30th Avenue South and legally described as follows:		
10 11 12 13	LOTS 1 THROUGH 4, INCLUSIVE, AND LOTS 11 THROUGH 14, INCLUSIVE, BLOCK 21, BURKE'S SECOND ADDITION TO THE CITY OF SEATTLE, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 248, RECORDS OF KING COUNTY, WASHINGTON,		
14	SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON		
15	Section 2. The Director of Finance and Administrative Services ("Director") or the		
16	Director's designee is authorized to convey the Central Area Senior Center to Central Area		
17	Senior Center, Inc. (CASC), a Washington non-profit corporation, for consideration and on the		
18	terms and conditions described under the Agreement for the Transfer of Real Property by and		
19	between The City of Seattle and CASC ("CASC Transfer Agreement"), included as Attachment		
20	1 to this ordinance. The Director is authorized to convey title by deed substantially in the form of		
21	the Quitclaim Deed Conveying Determinable Estate with Covenants that is Exhibit A to the		
22	CASC Transfer Agreement ("Deed").		
23	Section 3. The City Council finds that (i) the environmental and use covenants in the		
24	Deed, and (ii) the reversion of the property to the City if it is not used for the purposes required		

in the Deed, together form sufficient consideration for the transfer of the property to CASC
 consistent with the terms of RCW 43.83.410.

Section 4. The City Council finds that the property interests in 500 30th Avenue South
that are authorized to be conveyed to CASC on the terms of this ordinance are consistent with
municipal purposes, and therefore the surplus property procedures of Resolution 31837 are
superseded for the purposes of this ordinance.

Section 5. The Director or the Director's designee is authorized to negotiate, execute,
deliver, and record, for and on behalf of the City, any and all documents and agreements
necessary or advisable to carry out the conveyance of the Central Area Senior Center consistent
with the terms and conditions of the CASC Transfer Agreement.

Layne Cubell OPCD DON Central Area Senior Center Transfer ORD D1a

	Dia		
1	Section 6. 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 the City Council the 2nd day of November , 2020,		
5	and signed by me in open session in authentication of its passage this <u>2nd</u> day of		
6 7	November , 2020.		
8	President of the City Council		
9	Approved by me this 10th day of November, 2020		
10	Jenny A. Ducker		
11	Jenny A. Durkan, Mayor		
12	Filed by me this 10th day of November, 2020.		
13	Munice B. Simmous		
14	Monica Martinez Simmons, City Clerk		
15	(Seal)		
16 17 18	Attachments: Attachment 1 – Agreement for the Transfer of Real Property Exhibit A – Form of Deed		

# AGREEMENT FOR THE TRANSFER OF REAL PROPERTY (the "Agreement")

EFFECTIVE DATE: \_\_\_\_\_\_ (see Section 14(b) for provisions governing the Effective Date).

# PARTIES

- THE CITY OF SEATTLE, a Washington municipal corporation (the "<u>Citv</u>" also referred to as "<u>Seller</u>") acting by and through its Department of Finance and Administrative Services; and
- CENTRAL AREA SENIOR CENTER, a Washington nonprofit corporation ("<u>CASC</u>" also referred to as "<u>Purchaser</u>").

#### RECITALS

A. The City owns that certain real property having a street address of 500 30<sup>th</sup> Avenue South, Seattle, WA 98122, and legally described as follows:

Lots 1 through 4, inclusive, and Lots 11 through 14, inclusive, Block 21, Burke's Second Addition to the City of Seattle, as recorded in volume 1 of Plats, page 248, Records of King County, Washington,

including all easements, privileges and improvements appurtenant to the land, which real property is referred to in this Agreement as the "<u>Real Property.</u>"

- B. In 1983, the City, as landlord, entered into that certain *Mutual and Offsetting Benefit Lease Agreement* (hereinafter, the "Lease") with Senior Services and Centers, Inc. as tenant.
- C. CASC is a nonprofit that is volunteer-supported and provides services to support the emotional, social, and physical well-being of older adults and their families.
- D. CASC is the successor in interest to Senior Services and Center, Inc.'s interest under the Lease and CASC has been using and occupying the Real Property for the purpose of providing public benefits and senior center services.
- E. The most recent Lease expired on December 31, 1986, since which time CASC, with the City's consent, has remained as a month-to-month tenant on the terms provided under the Lease.
- F. The City acquired the Real Property, in part, using funds provided through the 1972 social and health services bond issuance of the State of Washington ("Ref. 29 Bonds").

- G. Under RCW 43.83.410, public bodies are authorized to transfer real property acquired or improved through Ref. 29 Bonds to nonprofit corporations organized to provide individuals with social and health services subject to certain promises and covenants.
- H. Pursuant to City of Seattle Resolution 31856 and that certain 2019 *Memorandum of Agreement Implementing Criteria for Initiating Transfer of Mutually Offsetting Facilities to Tenants*, by and amongst various City of Seattle departments and offices, an interdepartmental team within the City has determined that CASC in all material respects meets the transfer criteria established by the City for transferring property to tenants who have been operating properties under mutually and offsetting benefit lease agreements.
- I. The City and CASC mutually desire to enter into a binding agreement for the City's transfer and conveyance of the Real Property to CASC.

NOW THEREFORE,

# AGREEMENT

- 1. The **RECITALS** are made a part of this Agreement.
- 2. TRANSFER OF THE PROPERTY. Subject to the terms and conditions of this Agreement, the Seller shall transfer and convey to the Purchaser, and the Purchaser agrees to accept from the Seller, the Real Property together with any and all personal property owned by the Seller and located within or used in connection with the Real Property, including any and all furniture, furnishings, fixtures, appliances, heating, air conditioning and cooling units or systems, sign and boilers. Such personal property, together with the Real Property, is collectively referred to in this Agreement as the "Property".
- **3. CONSIDERATION.** In consideration for the Seller's transfer and conveyance of the Property to the Purchaser, Purchaser shall promise and covenant, for and on behalf of itself and is successors and heirs, as follows:
  - a. Purchaser shall use the Property to continuously provide and operate social services to the public with a focus on meeting the social, physical and mental health and welfare needs of seniors. Additionally, if Purchaser develops the Property or creates additional improvements on the Property, the improvements and development shall be dedicated to providing social services, which may be combined with affordable housing.
  - b. Purchaser shall assume all environmental risk associated with the property and shall indemnify the City from all environmental liabilities arising from the Property. In the event ownership of the Property reverts to the City, Purchaser's obligation shall not apply to the extent any environmental liability results from any release, contamination or occurrence that occurs after the date of reversion through no fault or action of Purchaser.

- c. Title shall automatically revert to the City if the Property is not used to provide social services qualifying under RCW 43.83.410.
- d. Purchaser shall not sell the Property except as authorized in the Deed.

Purchaser's covenants and promises shall be included in the Deed and shall run with the land and shall bind future owners of the Property.

#### 4. "AS-IS"; SELLER DISCLOSURE STATEMENT; PURCHASER ACKNOWLEDGEMENT OF CERTAIN CONDITIONS; SELLER WORK PRIOR TO CLOSING.

- a. Purchaser is in possession of the Property, is familiar with the Property and understands its limitations and defects. Therefore, Purchaser agrees and acknowledges:
  - i. Seller is transferring and conveying the Property "AS-IS" on the date of Closing with all faults and Seller makes no representations or warranties regarding the Property or its suitability for Purchaser's intended use, and that Seller will convey the Property and Purchaser will accept the Property subject to any defects, including but not limited to easements, encroachments or claims for adverse possession, whether known or unknown, matters of public record, and off-record liens, if any.
  - ii. Neither Seller nor any agent, employee, officer, director, attorney, broker, contractor, representative or property manager of Seller has made, and Seller specifically disclaims, any warranties, representations or guaranties of any kind or character, express or implied, statutory, oral or written, past, present or future, with respect to the Property.
  - iii. Purchaser has not relied upon and will not rely upon, either directly or indirectly, any representation or warranty of Seller (except those provided for in this Agreement) or any of its respective agents, employees, officers, directors, attorneys, brokers, contractors, representatives or property managers and acknowledges that no such representations have been made.
- b. Seller will furnish a seller disclosure statement, as required pursuant to RCW CH. 64.06.
- c. Purchaser acknowledges receipt from Seller of a copy of the Phase I Environmental Site Assessment dated Dec. 27, 2019 prepared by SoundEarth Strategies, Inc.

#### 5. REPRESENTATIONS AND WARRANTIES

- a. Seller's Representations and Warranties. For purposes of the representations and warranties in subsections 5.a.iv and v, "Seller's Representative" is Karen Gruen. Seller represents and warrants to Purchaser as of the Effective Date, as follows:
  - i. Seller is a municipal corporation duly organized and validly existing under the laws of the state of Washington.
  - ii. Seller has the authority to enter into this Agreement and, as of Closing, to complete the transaction contemplated by this Agreement.
  - iii. Entering into this Agreement does not conflict with any other contract or legal obligation of Seller.
  - iv. To the best of Seller's Representative's knowledge, there are no actions, suits or other legal proceedings pending or threatened against Seller with respect to the Property.
  - v. Seller's Representative has not received written notice that Seller is in default under any covenants, easements, deeds, regulations, laws, rules, ordinances, order or restrictions affecting or encumbering the Property.
- b. **Purchaser's Representations and Warranties.** Purchaser hereby represents and warrants to Seller that as of the Effective Date:
  - i. Purchaser is a duly organized and validly existing entity under the laws of the state of Washington.
  - ii. Purchaser has obtained all necessary approvals to enter into this Agreement, and, as of Closing, to complete the transaction contemplated by this Agreement.
  - iii. Entering into the Agreement does not conflict with any other contract or legal obligation of Purchaser.
  - iv. Purchaser is in possession of the Property and Purchaser has not granted any other party, affiliate, subtenant, or licensee a right to use and possession of the Property in a manner that conflicts with the use under the Deed.
  - v. Purchaser (a) has not filed a petition in bankruptcy, (b) is not the subject of a petition in bankruptcy, (c) does not have a trustee or receiver appointed with respect to Purchaser's assets, (d) has not assigned assets for the benefit of creditors, (e) has not received notice of default, trustee's sale, foreclosure or forfeiture.

- 6. ACCESS AND DUE DILIGENCE. As of the Effective Date, the Purchaser is in possession of the Property pursuant to the Lease and has had sufficient access to the Property and information regarding the Property to enable Purchaser to complete due diligence prior to entering into this Agreement without need of an additional due diligence period.
- 7. FORM OF DEED. At Closing, Seller shall convey the Property to Purchaser by quitclaim deed with covenants in the form attached as <u>Exhibit A</u> (the "<u>Deed</u>").

#### 8. CONDITIONS TO SELLER'S AND PURCHASER'S PERFORMANCE

- a. Seller's Closing Conditions. The obligation of the Seller to close the transaction contemplated by this Agreement is subject to the closing conditions in this Section 8.a. Seller may waive any of these conditions, in whole or in part.
  - i. Purchaser shall have delivered to Seller all funds, documents and instruments required to be delivered by Purchaser hereunder.
  - ii. Purchaser shall have performed in all material respects all covenants and obligations required by this Agreement to be performed by Purchaser on or prior to Closing.
  - The representations and warranties made by Purchaser in this Agreement (as set forth above in the subsection above with the caption "Purchaser's Representations and Warranties") are true and correct as of the Closing date.
- b. **Purchaser's Closing Conditions.** Purchaser's obligation to close the transaction contemplated by this Agreement is subject to the following closing conditions, any of which Purchaser may waive in whole or in part:
  - i. Ratification of this Agreement by the Purchaser's board of directors.
  - ii. Seller shall have delivered to Purchaser all documents and instruments required to be delivered by Seller hereunder.
  - iii. Seller shall have performed in all material respects all covenants and obligations required to be performed by Seller on or prior to Closing.
  - iv. Seller's representations and warranties (as set forth above in the section with the caption "Seller's Representations and Warranties") are true and correct as of the Closing date.

# 9. CLOSING; CLOSING DELIVERABLES; CLOSING COSTS/PRORATIONS; OBLIGATION FOR LEASEHOLD EXCISE TAX

#### a. Closing.

- i. The anticipated Closing Date is a mutually agreed upon date following the effective date of a Seattle City Council ordinance authorizing the transfer of the Property; **provided that**, Seller may extend the Closing Date for a reasonable period of time.
- ii. The parties have determined not to use escrow for Closing and agree to cooperate to take steps necessary to complete Closing. Seller shall hold Purchaser's Closing deliverables in trust until Purchaser notifies Seller that Purchaser's Closing conditions are satisfied. Seller shall notify Purchaser when Purchaser's Closing conditions are satisfied ("Purchaser's Notice"). Promptly following Purchaser's Notice, the Seller shall record the Deed. Seller shall provide Purchaser with a copy of the recorded Deed. Seller shall invoice Purchaser for the closing costs and any other prorations due under Section 9.d and Purchaser shall pay within thirty (30) days.
- iii. "<u>Closing</u>" will be deemed to have been completed when the Deed is recorded by the King County Recorder's Office.
- b. **Seller's Closing Deliverables.** On or before the Closing Date, Seller shall deposit with the Purchaser the following:
  - i. Certification that Seller's representations and warranties are true and correct;
  - ii. Real Estate Excise Tax Affidavit in form required by law; and
  - iii. Seller's certification of Non-Foreign Status under Foreign Investment in Real Property Tax Act (26 U.S.C. 1445).
  - iv. Any mutually agreed-upon assignment of services contracts.
- c. **Purchaser's Closing Deliverables.** On or before the Closing Date, Purchaser shall deposit with Seller the following:
  - i. Certification that Purchaser's representations and warranties are true and correct as of Closing;
  - ii. Executed Real Estate Excise Tax Affidavit in form required by law; and
  - iii. Executed Deed acceptance.

#### d. Closing Costs/Prorations.

- i. Purchaser and Seller shall share equally the costs associated with the transfer and conveyance of the Property, including but not limited to the recording fees and real estate excise tax (if any). Purchaser shall be responsible for the cost of a purchaser's policy of title insurance (whether it provides standard coverage or extended coverage) and any endorsements thereto.
- Real and personal property taxes, assessments and charges payable in the year of Closing will be pro-rated as of Closing Date. Purchaser acknowledges that pursuant to RCW 84.36.010 the Real Property is not currently subject to property tax because Seller is a public entity, and that the Real Property will become subject to taxation when Purchaser acquires it. Seller calls Purchaser's attention to the fact that the Real Property is subject to miscellaneous charges (e.g., a charge for surface water), despite the fact that Property is exempt from taxation pursuant to RCW 84.36.010(1). Such miscellaneous charges will be pro-rated at Closing and Seller shall pay all amounts due prior to Closing and Purchaser shall pay all amounts due after Closing.
- e. Leasehold Excise Tax. In the event the State of Washington makes any demand upon the Seller for payment of leasehold excise taxes resulting from the Purchaser's occupation of the Property (or possession of the Property by the Purchaser's predecessors-in-interest under the Lease) or withholds funds due to the Seller to enforce collection of leasehold excise taxes, the Purchaser shall, at its sole expense, defend and indemnify the Seller from all such demands, and if necessary repay Seller for all sums expended by the Seller, or withheld by the State from the Seller, in connection with such taxation; provided that this shall not prevent Purchaser from contesting such action, at Purchaser's sole cost. The obligations of this Section shall survive Closing.
- **10. ENVIRONMENTAL RELEASE AND LIABILITY.** Seller's willingness to enter into this Agreement is conditioned, in part, on Purchaser's agreement to take the Property AS-IS and Purchaser's covenant to release and indemnify Seller from environmental liabilities arising from the Property as provided under the terms and conditions of the environmental covenant in the Deed.
- 11. LEASE TERMINATION AND RELEASE. The parties acknowledge that upon Closing, the month-to-month lease estate shall merge with the fee. Effective as of Closing, each party shall forever release, disclaim and discharge any and all claims, actions, suits, remedies, obligations or liabilities against the other that arise under the Lease, including the subsequent month to month lease of the Property. This release shall not apply to any third party claims made against the City that arise from Purchaser's use and occupancy of the Property and Purchaser shall defend and indemnify the City from any third-party claims and liabilities

arising from Purchaser's use and occupancy of the Property, including any use and occupancy by Purchaser's employees, subtenants, assignees, contractors, licensees and invitees.

#### **12. BROKERS**

The Seller represents and warrants that, in the context of the transaction contemplated by this Agreement, it is not represented by a real estate broker. Similarly, Purchaser represents and warrants that in the context of the transaction contemplated by this Agreement, it is not represented by a real estate broker. If any person or entity makes a claim for a brokerage commission or finder's fee of any kind, then the party through whom or on whose behalf such services are claimed shall defend and indemnify the other party from any claims, costs or fees for unpaid broker's fees or commissions.

#### **13. MISCELLANOUS**

a. Notices. Any notice required or permitted to be delivered under this Agreement must be in writing and will be deemed given on the earlier of actual receipt or (i) when delivered, if delivered by hand during regular business hours, (ii) three (3) days after being sent by United States Postal Service, registered or certified mail, postage prepaid, return receipt requested and first class mail, postage prepaid, or (iii) the next business day if sent by a reputable national overnight express mail service that provides tracing and proof of receipt or refusal of items mailed. Notices to Seller and/or Purchaser shall be delivered as follows:

If to Seller:

THE CITY OF SEATTLE Department of Finance and Administrative Services Attn: Karen Gruen 700 Fifth Avenue, Suite 5200

P.O. Box 94689 Seattle, WA 98124-4689 Telephone: 206-733-9238

Note: If delivering notice by hand pursuant to subsection (i) above, notice must be delivered to the City's street address; if sending notice by U.S. Mail pursuant to subsection (ii) above, notice must be sent to the City's P.O. Box; and if sending notice by overnight express mail service pursuant to subsection (iii) above, notice must be delivered to the City's street address.

With Copy sent via email to: Rebecca Keith Seattle City Attorney's Office Rebecca.Keith@seattle .gov If to Purchaser: CENTRAL AREA SENIOR CENTER Attention: Dian Ferguson Executive Director 500 30<sup>th</sup> Avenue South Seattle, WA 98144 Telephone: 206-726-4926

> With Copy to: Century Law Firm, PLLC 2135 112<sup>th</sup> Avenue NE Bellevue, WA. 98004

- b. Effective Date. The "<u>Effective Date</u>" of this Agreement is the date the last party to execute this Agreement executes it, as represented by the date appearing below each party's signature. Each party authorizes the endorsement of such date for administrative reference in the space provided in the Agreement's heading.
- c. **Entire Agreement.** This Agreement, including exhibits, constitutes the entire agreement of the Seller and Purchaser with respect to the Property and supersedes all written or oral agreements or undertakings. This Agreement may be modified only pursuant to a writing signed by both parties.
- d. **Negotiated Agreement.** This Agreement has been negotiated by the parties and each party has had the opportunity to review it with legal counsel and to participate in the drafting. It shall be construed according to the fair intent of the language as a whole, and not for or against either party as the drafting party.
- e. **No Assignment.** Purchaser may not assign its interest in this Agreement to any other party, without the Seller's prior written consent, which the Seller may withhold in its sole and absolute discretion.
- f. No Third-Party Beneficiaries. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies on any person other than the parties to this Agreement, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third-party, nor shall any provision give any third-party any right of subrogation or action against any party to this Agreement.
- g. Attorney Fees. In the case of any legal action or dispute arising under this Agreement, each party will bear its own attorney fees and costs.
- h. **Further Acts.** Seller and Purchaser will each execute and deliver such additional documents and instruments and take such further actions as may be reasonably necessary to carry out the Agreement's terms and conditions.
- i. **Time** is of the essence.

- j. **Subject to the Approval of the Seattle City Council.** Final decisions regarding the disposal of the City's real property require authorization by the Seattle City Council.
- k. Governing Law; Jurisdiction and Venue. This Agreement shall be governed by the laws of the State of Washington. Jurisdiction and venue shall be in the Superior Court for the State of Washington King County.

#### **SELLER**:

#### **PURCHASER**:

THE CITY OF SEATTLE Department of Finance and Administrative Services By:	CENTRAL AREA SENIOR CENTER, a Washington nonprofit corporation By: Printed Name:
Title:	Title:
Date:	Date:

# Exhibit A

#### Form of Deed

#### **Return Address:**

Central Area Senior Center 500 30<sup>th</sup> Avenue South Seattle, WA 98144

# **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)

1. CITY OF SEATTLE, a Washington municipal corporation

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

1. CENTRAL AREA SENIOR CENTER, a Washington non-profit corporation

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

Assessor's Property Tax Parcel/Account Number

 $\Box$  Assessor Tax # not yet assigned

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:

Lots 1 through 4, inclusive, and Lots 11 through 14, inclusive, Block 21, Burke's Second Addition to the City of Seattle, as recorded in Volume 1 of Plats, page 248, Records of King County, Washington (referred to in this Deed as 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 CENTRAL AREA SENIOR CENTER ("Grantee"), a Washington non-profit corporation, all Grantor's right, title and interest in the Property for: (i) so long as the Property is used as a non-profit senior center to provide services in compliance with the Covenant for Use of the Property in Section B below; and (ii) so long as any additional development or expansion of improvements on the Property is limited to improvements dedicated to senior services facilities, or affordable housing, or both; and at such time when the Property is no longer as used as provided in Section B below, the Property shall revert to Grantor and its heirs and successors. By acceptance of this Deed, the Grantee hereby binds itself and its heirs, successors and assigns, grantees and lessees forever to use the Property as provided in this Deed 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 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 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 environmental or similar 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. Covenants Regarding Use of the Property

- 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.
- 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.
- 3. For purposes of this Deed, "social services" means services consistent with 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. The non-profit organization 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 every three years unless Grantee has reasonable cause to believe there is a violation of one or more covenant in this Deed.

- 2. 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 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
  - 1. The provisions in this Section D 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. Notice of Non-Compliance. 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. Grantee's Failure to Respond. 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. <u>Grantor's Action</u>. 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. <u>Nature of Remedy</u>. 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. <u>Grantor's Discretion</u>. 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. <u>Acts Beyond Grantee's Control</u>. 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.

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

<b>GRANTOR</b> : THE CITY OF SEATTLE, a Washington municipal corporation	ACCEPTED BY (GRANTEE): CENTRAL AREA SENIOR CENTER, a Washington non- profit corporation
By: Calvin W. Goings	By:
Title: Director, Finance and Administrative Services	Printed Name:
Date:	Title:
	Date:

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

) SS.

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# STATE OF WASHINGTON )

COUNTY OF KING

On this \_\_\_\_\_ day of \_\_\_\_\_\_, 20\_\_\_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **Calvin W. Goings** known to me (or proved to me on the basis of satisfactory evidence) to be the **Director 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.

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

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, personally appeared\_\_\_\_\_, to me known to be the \_\_\_\_\_\_ of **Central Area Senior Center,** 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:	