

After recording return to:
Central Puget Sound Regional Transit Authority
401 S. Jackson Street
Seattle, Washington 98104
Attn: Mara D'Angelo, Senior Project Manager

RESTRICTIVE COVENANT

GRANTOR: THE CITY OF SEATTLE, a Washington municipal corporation

GRANTEE: CENTRAL PUGET SOUND REGIONAL TRANSIT
AUTHORITY, a Washington regional transit authority

Abbreviated Legal Description:

Full legal on Exhibit A

Assessor's Property Tax Parcel Account Number(s):

RESTRICTIVE COVENANT

THIS RESTRICTIVE COVENANT (this "Covenant") is entered into as the ___ day of _____, 2021 by and between THE CITY OF SEATTLE, a Washington municipal corporation, by and through the Office of Housing ("Grantor" or the "City") and the CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY, a Washington regional transit authority ("Grantee" or "Sound Transit"), collectively referred to herein as the "Parties," with reference to the following facts:

RECITALS

A. Sound Transit is a regional transit authority of the State of Washington created pursuant to RCW chapters 81.104 and 81.112 with all powers necessary to implement a high capacity transit system within its boundaries.

B. Sound Transit conveyed the real property legally described on Exhibit A attached hereto (the "Property"). Sound Transit originally acquired the Property in part with grant funding provided by the U.S. Department of Transportation, Federal Transit Administration ("FTA").

C. Sound Transit declared the Property as surplus property pursuant to Resolution R2020-16.

D. Sound Transit and Grantee entered into a Real Property Transfer Agreement dated _____, 2021 (the "Real Property Transfer Agreement"), pursuant to which Sound Transit agreed to convey the Property to the City, on the terms and conditions contained therein for the purpose of the creation and maintenance of affordable housing pursuant to RCW 81.112.350.

E. As a condition of such conveyance of the Property, in accordance with 49 U.S.C. 5334(h), the City has agreed to use the Property for the public purpose of affordable housing, and the City's agreement to use the Property for such public purpose is a material inducement to Sound Transit's agreement to convey the Property to the City.

F. Accordingly, the City must enter into this Covenant to run with the land, burdening the Property, as more fully set forth below.

NOW, THEREFORE, in consideration of the foregoing recitals, the covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Incorporation of Recitals. Each recital set forth above is incorporated into this Covenant.

2. Permitted Uses. The Property, for a period of five (5) years from the date of recording hereof (the “Restricted Use Term”), must be used solely for the development of affordable housing, including resale restricted affordable homeownership units, and related community service purposes and for no other purpose unless approved in writing by the FTA (the “Permitted Uses”). The City shall not be deemed to be in violation of this Section 2 if the City is using good faith, diligent efforts to develop the Property for the Permitted Uses. Ground floor non-residential uses shall be permitted where required or allowed by local zoning code. The City may transfer the Property for affordable housing development provided the Property is transferred subject to this Covenant and the Affordable Housing Covenant recorded concurrently herewith. This Covenant shall automatically terminate after the Restricted Use Term expires. Notwithstanding the foregoing, upon Grantor’s request, the parties shall execute and record a termination of this Covenant after the Restricted Use Term expires as confirmation for the public record.

3. Right of Entry. If the Property is used for any purpose other than the Permitted Uses during the Restricted Use Term, Sound Transit shall have a right of re-entry, in addition to all rights and remedies under Section 7 below, in order to enforce compliance with Section 2 above.

4. Successors and Assigns. The rights and obligations set forth in this Covenant touch and concern the land, and shall run with the Property during the Restricted Use Term. The benefits and burdens herein shall be binding upon the City and its successors and assigns, and shall inure to the benefit of Sound Transit and its successors and assigns.

5. No Modification; Recording. This Covenant may not be modified or amended except by a subsequent agreement in writing signed by the parties. This Covenant shall be recorded in the real property records of King County, Washington.

6. Enforcement; Attorneys’ Fees. In the event of a dispute arising from or related to this Covenant, the prevailing party in any such proceeding shall be entitled to recover its costs and reasonable attorneys’ fees. This Section 6 shall survive the expiration or termination of this Covenant.

7. Remedies. If there is a default hereunder on the part of the City, Sound Transit, at its option in its sole discretion, shall be entitled to exercise all rights and remedies available under this Covenant or in law or equity, without prejudice to any other rights or remedies it may have, including, without limitation, the right to compel specific performance of the obligations under this Covenant and to restrain by injunction the actual or threatened commission or attempt of a breach of this Covenant and to obtain a judgment or order specifically prohibiting a violation of breach of this Covenant. In seeking any equitable remedies, Sound Transit shall not be required to prove or establish that Sound Transit does not have an adequate remedy at law, it being agreed that damage to Sound Transit from the City’s breach of this Covenant is not readily quantifiable and monetary damages would be inadequate. The City hereby waives the requirement of any such proof and acknowledges that Sound Transit will have suffered irreparable harm and would not have an adequate remedy at law for the City’s breach of this Covenant. In no event shall Sound

Transit be required to post a bond or other security in any action seeking to enforce the provisions of this Covenant by injunctive relief or other remedy.

8. Non-Waiver. Sound Transit's failure to provide notice of default hereunder, or any delay in providing any such notice of default, shall not be deemed a waiver by Sound Transit of the default. No waiver by Sound Transit of any provision of this Covenant or any breach thereof shall be of any force or effect unless in writing by Sound Transit, and no such waiver shall be construed to be a continuing waiver. The waiver by Sound Transit of the performance of any covenant, condition, or promise shall not invalidate this Covenant nor shall it be considered a waiver by Sound Transit of any other covenant, condition, or promise hereunder. The waiver by Sound Transit of the time for performing any other act shall not constitute a waiver of the time for performing any other act or an identical act required to be performed at a later time.

9. Governing Law; Jurisdiction. This Covenant shall be governed by the laws of the State of Washington, and jurisdiction of any action concerning this Covenant shall lie exclusively in King County Superior Court.

10. No Conflict with Other Documents. The parties agree they have not executed and will not execute any other agreements with provisions contradictory to or in opposition to the provisions contained in this Covenant and that in any event the requirements of this Covenant are paramount and controlling as to the rights and obligations set forth herein and supersede any other requirements in conflict herewith.

11. Counterparts. This Covenant may be executed in counterparts and each such counterpart shall for all purposes be deemed to be an original and together shall constitute one and the same instrument.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties have executed this Covenant on the later date set forth below.

GRANTOR:

THE CITY OF SEATTLE, a Washington municipal corporation, by and through the Office of Housing

By: _____

Name: _____

Title: _____

Date: _____

GRANTEE:

CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY, a Washington regional transit authority

By: _____

Name: _____

Title: _____

Date: _____

Approved as to form:

Sound Transit legal counsel

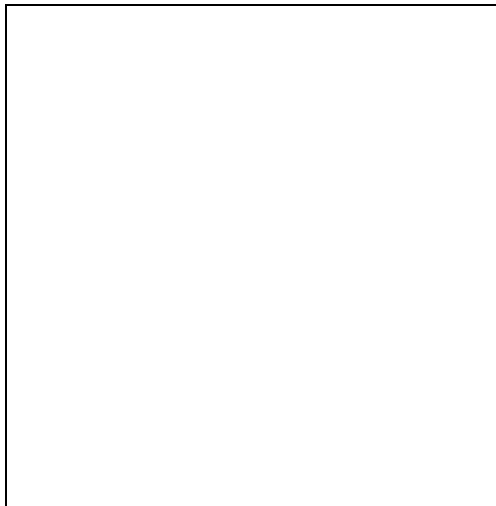
STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _____ of The City of Seattle, a Washington municipal corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____



(Use this space for notarial stamp/seal)

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at

My appointment expires _____

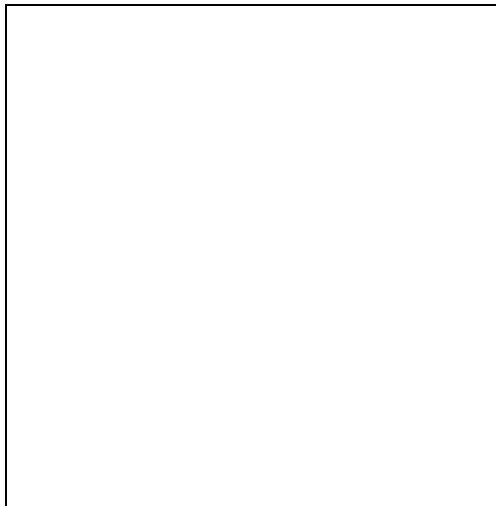
STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _____ of the Central Puget Sound Regional Transit Authority, a Washington regional transit authority, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____



(Use this space for notarial stamp/seal)

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at

My appointment expires _____

EXHIBIT A

Legal Description of the Property