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WASHINGTON STATE COUNTY AUDITOR/RECORDER INDEXING FORM

Document Title(s) (or transactions contained therein):	
DEVELOPMENT AGREEMENT	19/80 DNOT 677953-12
Reference Number(s) of Documents assigned or released:	
N/A	FILED BY PNWT
Grantor(s): (Last name first, then first name and initials)	
1. REDMOND, CITY OF	
2. <input type="checkbox"/> Additional names on page __ of document	
Grantee(s): (Last name first, then first name and initials)	
1. KING COUNTY	
2. <input type="checkbox"/> Additional names on page __ of document	
Legal Description: (abbreviated form i.e. lot, block, plat name, section-township-range)	
PTN SE/SW 06-25-06, W.M. KING COUNTY, WASHINGTON	
Additional legal is on "Exhibit 1" of document	
Assessor's Property Tax Parcel Account Number(s):	
062506-9016	
City of Redmond Reference: KING COUNTY METRO VAN DISTRIBUTION CENTER DEVELOPMENT AGREEMENT Permit Number: L090012	
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.	

**DEVELOPMENT AGREEMENT BETWEEN KING COUNTY AND
CITY OF REDMOND FOR VAN DISTRIBUTION
CENTER PROPERTY**

THIS DEVELOPMENT AGREEMENT ("Agreement") is entered into this 20th day of October, 2009 ("Effective Date"), by and between KING COUNTY, a Washington county ("County"), and the CITY OF REDMOND, a Washington optional municipal code city ("City"). The County and the City are sometimes collectively referred to as the "Parties" and individually as the "Party."

RECITALS

A. The County is the owner of certain real property (the "VDC Property") whose common address is 18655 NE Union Hill Road, Redmond, Washington and which is more particularly described on Exhibit 1 attached hereto and incorporated herein by this reference as if set forth in full. The VDC Property is currently developed with a Metro Transit Van Distribution Center ("Van Distribution Center").

B. The City is the fee owner of the real property directly adjacent to the VDC Property, which is more particularly described on Exhibit 2 attached hereto and incorporated herein by this reference as if set forth in full (the "Regional Storm Water Facility Property" or "RSWF Property"). The Regional Storm Water Facility Property is the current location of the bioswale and stormwater detention facility serving the existing improvements on the VDC Property.

C. The City purchased the RSWF Property from the County in accordance with the terms and conditions of the Purchase and Sale Agreement dated the 1st day of October ("PSA") to which this Agreement was attached as Exhibit C.

D. Pursuant to the terms and conditions of the PSA, the City will build a regional storm water detention and treatment facility on the RSWF Property consistent with the plans attached to the PSA as Exhibit D ("Construction Plans"). The Construction Plans provide that the City shall size and construct the Regional Storm Water Facility to accommodate all stormwater drainage generated by the current improvements on the VDC Property, as well as any improvements that may be constructed on the VDC Property in the future. For the purpose of calculating the amount of the drainage to be accommodated, and for that purpose only, the City has assumed that the VDC Property may be developed with one hundred percent (100%) impervious surface.

E. Since the RSWF Property is the current location of the bioswale and stormwater detention facility serving the existing improvements on the VDC Property, the City has agreed at all times, including prior to construction of the Regional Storm

Water Facility, to be responsible for accommodating – on property other than the VDC Property - all storm water drainage generated by the current improvements on the VDC Property, as well as any improvements that may be constructed on the VDC Property in the future.

F. In conjunction with this Agreement, the City also approved a binding site plan (“BSP”) that created 2 distinct and separate lots known as Lot 1 (VDC Property) and Lot 2 (RSWF Property). The BSP is also an integral part of the development process in that it also contains benefits to the County with respect to the development of the VDC Property. A copy of the BSP is attached to this Agreement as Exhibit 3, and to the PSA as Exhibit B and is a material part of the development process and as such is incorporated herein as if fully set forth.

G. The County has plans to expand the services it provides from the VDC Property via an expansion of the present facility by increasing the number of parking stalls and possibly construct a car wash sometime in the future and desires to firmly fix the development standards and other City code provisions that will apply to and govern and vest the development, use, and mitigation of development on the VDC Property, whether for an expansion or redevelopment of the current transit van distribution use or for any other development or redevelopment of the VDC Property. The City and County agree that the appropriate mechanism for accomplishing the County’s objectives is the approval of a development agreement pursuant to RCW 36.70B.170, *et seq.*

H. The Parties acknowledge that in addition to the City’s payment of the Purchase Price for the RWSF Property, the County would not consider entering into a PSA for the sale of the RSWF Property but for the County being able to develop the VDC Property in accordance with the terms herein in such a manner that is both economical and expedient for the County.

I. A development agreement between the County and the City is a collaboration that will provide mutual benefit to the Parties as well as the region, by providing certainty for the County’s expansion of the Van Distribution Center and that will enhance the transit service provided from the Van Distribution Center and, thereby, reduce traffic in the areas benefiting from such service, including the City of Redmond.

J. Through this Agreement, the County and the City desire to establish provisions for the future development of the VDC Property as outlined herein. This Agreement is intended, at a minimum, to ensure the County can develop the VDC Property as it plans by addressing, among other issues, stormwater management and quality measures, mitigation measures and impact fees. Execution and implementation of this Agreement is material consideration for the transfer of the Regional Stormwater Facility Property to the City.

K. The Parties also acknowledge that if the City had not purchased the RSWF Property from the County, the County may have had an obligation to comply with the City’s stormwater requirements of the Redmond Community Development Guide

(RCDG) in order to accomplish any redevelopment of the VDC Property, and as a result the County is receiving a significant cost savings by having the City construct the Regional Storm Water Facility to satisfy those stormwater requirements.

L. All Exhibits and Recitals referenced in this Agreement are herein incorporated by reference and shall be considered as material terms of this Agreement.

Accordingly, for valuable consideration, including without limitation, the sale of the RSWF property to the City, the Parties agree as follows:

1. General Provisions:

A. Vested Rights. The provisions of the RCDG and Redmond Municipal Code ("RMC") in effect on the Effective Date of this Agreement shall apply to and govern and vest development, redevelopment, alteration, expansion, use and mitigation of the development of the VDC Property, except as otherwise provided in this Agreement or by state or federally mandated laws preempting the City's authority to vest regulations for such redevelopment, alteration, expansion, use and mitigation. Any amendments or additions made during the term of this Agreement to zoning or development regulations, transportation concurrency regulations, State Environmental Policy Act ("SEPA") regulations and substantive SEPA policies or other laws, ordinances, comprehensive plan policies or other policies governing land development that may be applicable to the Development (hereafter defined) shall not apply to or affect the conditions of the Development, except as otherwise provided in this Agreement. However, pursuant to RCW 36.70B.170 and .180, the City reserves authority to impose new or different officially adopted regulations of general applicability, but only if, and to the extent required by, a serious threat to public health and safety for the overall community as a whole and not based primarily on the impacts of the Development, as lawfully determined by the City Council after notice and an opportunity to be heard has been provided to the County. The County may request to be bound by future amendments to the RCDG or the RMC, and such request shall be approved administratively provided that, as a result of being subject to such amendment(s), the Development will have no significant, unmitigated, adverse impacts from any new proposed land use. Except for the termination date, any of the dates set forth in this Agreement may be revised administratively by mutual agreement between County and City staff. Otherwise, all revisions to this Agreement, to which the County approves, shall be reviewed by the City Council, as provided in this Agreement, as an amendment to this Agreement. The Development shall not be subject to any development moratoria the City may adopt subsequent to the Effective Date of this Agreement unless necessitated by a serious threat to the public health and safety.

B. Building and Construction Codes. Except as otherwise provided in this Agreement, all development, redevelopment, alteration, or expansion of development on the VDC Property shall comply with the building and construction codes of the City

of Redmond in effect at the time a complete application for construction of any development, redevelopment, alteration, or expansion is filed. Such building and construction codes include, but are not limited to, the International Building Code, the International Residential Code, the International Fire Code, the International Property Maintenance Code, the National Electrical Code, the Uniform Mechanical Code, the Uniform Plumbing Code, the Washington State Energy Code, the Washington State Ventilation and Indoor Air Quality Code, and the City of Redmond Construction Standards, all as adopted and modified by the City.

C. Stormwater Detention and Treatment.

1) Any development, redevelopment or expansion on the VDC Property shall comply with the stormwater flow and quality standards that are in effect on the Effective Date of this Agreement unless a serious health crisis for humans or animals will be lessened if the County is required to comply with the then-current stormwater quantity and quality standards; provided that existing development of the VDC Property at all times during the Term (hereafter defined) of this Agreement shall be subject only to the storm water flow and quality standards in effect at the time the existing development was permitted. Current city-wide standards for stormwater flow and quality controls consist of the 2005 Department of Ecology ("DOE") Stormwater Management Manual for Western Washington (the "2005 DOE Manual") as modified by the City of Redmond – Clearing, Grading and Stormwater Management Technical Notebook (the "Stormwater Technical Manual") Issue Number 5, effective January 1, 2007, or as modified by this Agreement. Portions of the proposed Development are located in the City's well-head protection zones. Any development, redevelopment or expansion on the VDC Property shall be vested to the version of the City's wellhead protection regulations contained in RCDG 20D.140.50 in place on the Effective Date of this Agreement unless the City determines that a serious threat exists to the public health and safety pursuant to RCW 36.70B.170 and RCW 36.70B.180 and declares an emergency.

2) Additional Flow Control. During the Term of this Agreement, the County shall not be required to bring any of the prior-existing improvements on the VDC Property into compliance with stormwater detention requirements that may be adopted subsequent to the Effective Date of this Agreement unless the City determines that a serious threat exists to the public health and safety pursuant to RCW 36.70B.170 and RCW 36.70B.180 and declares an emergency

3) The City is in the process of creating a City-approved, regional stormwater facility that would serve the basin where the VDC Property is located ("Regional Storm Water Facility" or "Facility"). Once the City constructs the Facility, the County may participate in, and utilize, the Facility. Provided however, that the County shall not be required to delay or forgo any development to accommodate construction timing for the Facility. If the County utilizes the Facility, the stormwater flow control and water quality treatment provided by that facility shall be equivalent to the level of flow control and water quality treatment that would otherwise be required

under this Agreement for any development, redevelopment, expansion or use of the VDC Property and shall satisfy all development standards regarding stormwater flow and quality.

4) The County shall not be required to make any capital contribution toward the construction of the Regional Stormwater Facility or any other storm water management facility constructed to accommodate storm water from the VDC Property or pay any stormwater connection fee to the City for the City's receipt, detention, and treatment of the drainage from the improvements on the VDC Property that are in existence as of the date the Effective Date of this Agreement. Pursuant to RCDG 20F.10.50-090, the County or its successors and assigns shall be required to make capital contributions for alteration, expansion or redevelopment of the VDC Property but only as follows:

a) In the event that the County constructs the Development (the 100 parking stalls and car wash facility), then the County shall be required to pay the City the lesser of (i) the SE Redmond Regional Facilities Surcharge in effect at the time construction permits for the Development are issued for each square foot of impervious surface added to the VDC Property, or (ii) Four Dollars (\$4.00) for each square foot of such impervious surface added to the VDC Property.

b) In the event the County or its successors or assigns, redevelops the VDC Property, constructs improvements on the VDC Property that are different from the Development or further expands, adds to, or enlarges the improvements on the VDC Property beyond that proposed in the Development, then if, during any three year period:

i. the total amount of impervious surface added by the construction or expansion, addition, or enlargement exceeds the total amount of impervious surface existing on the VDC Property prior to issuance of the first permit for construction, expansion, addition, or enlargement during the three year period, or

ii. the total cost of all construction, expansion, addition, or enlargement during the three year period, as stated on approved building or construction permits exceeds the assessed value of all improvements on the VDC Property at the beginning of the three year period,

then the County shall be required to pay the City the lesser of (a) the SE Redmond Regional Facilities Surcharge in effect at the time construction permits for the construction, expansion, addition, or enlargement are issued for each square foot of impervious surface (including pre-existing impervious surface) on the VDC Property after the construction, expansion, addition, or enlargement; or (b) Four Dollars (\$4.00) for each square foot of such impervious surface.

c) In the event that redevelopment, construction, expansion, addition, or enlargement as described in (b) above does not exceed the impervious surface or value threshold described in (b)(i) and (ii) above, then the County or its successor(s) in interest shall only be required to pay the City the lesser of (i) the SE Redmond Regional Facilities Surcharge in effect at the time permits are issued for the amount of impervious surface added to the VDC Property by the redevelopment, construction, expansion, addition, or enlargement; or Four Dollars (\$4.00) for each square foot of such impervious surface added to the VDC Property.

(d) The right to pay only the SE Regional Facilities Surcharge or alternate Four Dollars (\$4.00) per square foot amount described in this section shall run with the VDC Property.

5) Payment of the SE Redmond Regional Facilities Surcharge or the alternative Four Dollars (\$4.00) per square foot stipulated amount provided for in this section shall relieve the County of any further requirement to pay a SE Redmond capital facility charge or SE Redmond connection fee for the SE Redmond regional stormwater facility. Payment of the capital contribution shall not relieve the County from payment of any other fee associated with stormwater collection that are assessed against all other property owners for participation in the City's storm water collection and treatment system, including but not limited to, the citywide capital facilities charge imposed under RMC 13.20.030 and monthly stormwater utility fees. Payment of any capital contribution shall not entitle the County to any ownership interest in the regional stormwater facility and the facility shall be solely owned by the City.

6) The County shall comply with all applicable point source discharge standards for the discharge of drainage into the City's stormwater system, including but not limited to, the discharge of hazardous or other prohibited or regulated materials into the stormwater system.

D. Development Approval Process. Any development, redevelopment, expansion, use or mitigation on the VDC Property shall be approved through the site plan entitlement or applicable process as provided in the RCDG. The applicable process for the Development requires obtaining Site Plan Entitlement Review, which is a Type II process as described in RCDG 20F.30.35. The City shall not impose any condition on the development that is inconsistent with any provision of this Agreement or the BSP unless necessary on account of a serious threat to public health and safety pursuant to RCW 36.70B.170 and RCW 36.70B.180.

E. Subdivision, Lease or Transfer. The County may subdivide, lease, or transfer ownership of the VDC Property or a portion thereof to other entities. The benefits and obligations of this Agreement shall run with the land and continue following the subdivision, leasing, or transfer of ownership, as set forth herein.

2. **Specific Development Provisions.** In addition to the broad general vesting of development standards as provided in Section 1 above, the following specific terms shall apply to the proposed expansion of the Van Distribution Center on the VDC Property depicted in and described by the BSP ("Development"). Except as expressly provided herein, the terms in this Section 2 do not apply to any development other than the Development shown on the BSP or this Agreement.

A. **Expansion.** The City agrees that the one hundred (100) additional parking spaces/stalls, car wash facility, fences, existing radio tower as shown on the BSP attached to this Agreement as Exhibit 3 are permitted uses within the zoning district in which the VDC Property is located and are otherwise consistent with the requirements of the RCDG and RMC. No special use permit is required for such uses.

B. **Traffic mitigation.** The County Property currently generates fewer than thirty (30) p.m. peak hour trips. The Development will not result in thirty (30) new p.m. peak hour trips. The Parties therefore agree that no traffic study, off-site traffic improvements, or other off-site traffic mitigation requirements shall be imposed by the City through SEPA review of any permit for the Development.

C. **Car Wash Facility.** No special use permit shall be required by the City in order for the County to include a car wash facility for transit vans in any enlargement, alteration, expansion, or redevelopment of the current transit van distribution use. The County will be required to obtain any and all other required City permits to construct a car wash facility, including but not limited to, building permits, electrical permits, mechanical permits, plumbing permits, water connection permits, and sewer connection permits. The car wash facility shall include a water reclamation and recycling system. Surplus water may be discharged to the City's sewer system provided that the same meets all requirements of the City and Metro for discharge of materials into the City sewer system and the Metro system.

D. **Public Utilities.** The City acknowledges that there is sufficient water and sewer capacity in the vicinity of the proposed Development. So long as the requirements of this Section are met, and provided further that the City has not declared a water or sewer capacity crisis, which is out of the City's control, the City and County agree that sufficient sewer and water capacity will exist for the Development. Further, the City shall not withhold any site plan entitlement review or building permit approval on account of insufficient water or sanitary sewer capacity to accommodate the Development unless such a declaration is made. In the event that the City declares such a crisis during the term of this Agreement, the City shall reserve the next available capacity, considering existing previous obligations as of the date of this Agreement, for the Development. Miscellaneous utility line improvements will be addressed through the City's site plan entitlement process identified above.

E. **Existing Radio Tower.** The City acknowledges that the existing radio tower on the VDC Property is a legal nonconforming use and agrees to continue to treat the tower as such.

F. Fence. The County may construct a visual attenuation and security fence along the perimeter of the VDC Property at all spots in which the City is not installing a fence. The fence may be up to eight (8) feet high. No special use permit is required for the fence. The County shall be required to obtain a building permit to construct the fence as required by the state building code.

G. Sustainability. The City and County recognize that sustainable design is a component of good development. County may incorporate sustainable design practices into the Development where feasible and cost-effective. For purposes of other development that the County may undertake on its VDC Property, sustainable features may include:

- Utilizing local and regional materials and labor;
- Adopting a “cool” roof design with light reflective coating;
- Installing roof and wall installation that meets or exceeds energy code requirements;
- Using centralized controls/monitoring for lights, HVAC, & refrigeration;
- Adding skylights;
- Recycled “gray” water for landscape irrigation; and
- Planting drought-tolerant and water efficient landscaping.

H. Landscaping. The County may use the RSWF Property for purposes of calculating any required landscaping, tree mitigation or any other requirements under either RCDG or the RMC or any other law, regulation, ordinance or requirement imposed for landscaping requirements. Landscaping shown on the BSP satisfies the landscaping requirements for the Development pursuant to the current RCDG, RMC and all other applicable laws and rules.

I. No Additional Easements/Walking Trail. The County shall not be required to grant any additional easements as part of the development process for the Development as is normally required by either the RMC or RCDG. The County shall also not be required to grant or dedicate any walking trail or any other real property rights on the VDC Property as part of the development process for the Development as is set forth in either the Redmond Comprehensive Plan, the Redmond Transportation Master Plan, the RMC or RCDG.

J. Impact Fees. The County shall pay any applicable impact fees as required by RCDG 20D.60 and RCDG 20D.210 for the Development as follows unless otherwise expressly provided for in this Agreement (“Fees”):

-In accordance with RCDG 20D.60.10-060 and 070, no impact fees are required for approval or recording of the Binding Site Plan or construction of impervious surface area intended for parking or van storage.

-For the future car wash facility, parks and fire impact fees will be assessed based upon the rate in effect at the time of building permit issuance per 1000 square feet. Currently, this rate is \$182 per 1000 square feet for parks and \$13 per 1000 square feet for fire (approximately \$195 total). However the County shall be required to pay the rate in effect at the time of building permit issuance. The methodology of calculating impact fees shall be vested to the regulations in effect on the Effective Date of this Agreement.

-Pursuant to RCDG 20D.210.10-110 (1), any person who seeks to develop land within the City by applying for development approval for a development which will generate additional travel demand is required to pay a transportation impact fee. Because the proposed Development is considered to serve the City and region as an expansion of a facility that enhances transit service, thereby reducing traffic, transportation impact fees shall not be required for the Development.

K. Concurrency. The Development is estimated to generate less than thirty (30) new p.m. peak hour trips and is therefore exempt from concurrency testing under the City's current concurrency regulations. Therefore, no additional concurrency testing will be required for the Development during the Term of this Agreement. Any other development, redevelopment, alteration, or expansion of development on the VDC Property will be required to undergo concurrency testing and to fulfill concurrency requirements in effect at the time such development or redevelopment is applied for.

L. State Environmental Policy Act (SEPA). The City conducted SEPA review of the BSP that created the VDC Property as a separate lot and has determined that the BSP had no significant adverse environmental impacts. Pursuant to WAC 197-11-600 or 630, the City will use the Determination of Non-significance (DNS) issued for the BSP unchanged for the site plan entitlement and subsequent development permits for the Development, subject to the limitations provided in the SEPA regulations. Therefore, no mitigation conditions or additional environmental analysis shall be imposed on the Development during the term of this Agreement unless required due to a serious threat to public health and safety. All other development, redevelopment, alteration, or expansion of development on the VDC Property pursuant to this Agreement will be subject to SEPA to the same extent it would be subject to SEPA without this Agreement and the SEPA policies that apply will be those in effect at the time the development, redevelopment, alteration, or expansion is applied for. Except as provided above, no additional mitigation conditions or environmental analysis shall be imposed on the Development during the Term of this Agreement unless required due to a serious threat to public health and safety pursuant to RCW 36.70B.170 and RCW 36.70B.180.

3. Term. The term of this Agreement shall be twenty (20) years from the Effective Date ("Term"). The City and the County may agree to extend the term of this Agreement, provided that such extension is approved by the Redmond City Council. The

term "Effective Date" shall mean the date that the last Party executes this Agreement and this Agreement is ready for recording with the King County Recorder.

4. **Amendment of Agreement.** Any amendment of this Agreement shall require review and approval by the Redmond City Council and the King County Council.

5. **Recording.** This Agreement shall be recorded in the records of King County, Washington.

6. **Binding Effect; Assignability.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

7. **Representations and Warranties.** Each signatory to this Agreement represents and warrants that he or she has full power and authority to execute and deliver this Agreement on behalf of the Party for which he or she is signing. Upon proper execution and delivery, this Agreement will have been duly entered into by the Parties, will constitute as against each Party a valid, legal and binding obligation that shall run with the VDC Property, and will be enforceable against each Party in accordance with the terms herein.

8. **Specific Performance and Enforcement.** The Parties specifically agree that damages may not be an adequate remedy for breach of this Agreement and that the Parties are entitled to compel specific performance of all material terms of this Agreement by any Party in default hereof. All terms and provisions of this Agreement (including the recitals) are material.

9. **Governing Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any action brought by either Party shall lie in King County Superior Court.

10. **Notice of Default and Enforcement.** In the event that either Party, in good faith, believes that the other Party has violated the terms of this Agreement, the aggrieved Party shall give the believed offending Party notice of the alleged violation by sending a detailed written statement of the same to the offending Party by first-class mail. The notice is intended to invite a resolution by the Parties of any dispute as provided below prior to the institution of litigation. This Agreement may be filed with a court to enforce its terms or to redress any breach thereof only upon the expiration of thirty (30) days after notice is mailed, at which time the aggrieved Party may file and serve an action for appropriate relief. The thirty (30) day notice period required by the preceding sentence shall not apply in the event that the statute of limitations on any cause of action would run during such period, provided, that the aggrieved Party shall dismiss any action filed under such circumstances if the offending Party cures the breach within thirty (30) days from notice. For purposes of this paragraph, the identities and addresses of the Parties are as set forth in the following section. The identity or address of any Party may be changed for purposes of this section by written notice to the representative of the other Party.

11. Notices. All notices, requests, demands, and other communications called for or contemplated by this Agreement shall be in writing, and shall be deemed to have been duly given by mailing the same by first-class mail, postage prepaid, or by delivering the same by hand, to the following addresses, or to such other addresses as the Parties may designate by written notice in the manner aforesaid, provided that communications that are mailed shall not be deemed to have been given until three business days after mailing:

For King County:

Design and Construction Manager, Metro Transit Division
King County Department of Transportation
201 South Jackson Street, Mailstop KSC-TR-0435
Seattle, WA 98104-3856

For City of Redmond:

Robert G. Odle
Planning Director
City of Redmond
15670 NE 85th Street
P.O. Box 97010
M/S 4SPL
Redmond, WA 98073-9710

12. Full Understanding. The Parties each acknowledge, represent, and agree that they have read this Agreement; that they fully understand the terms thereof; that they have had the opportunity to be fully advised by their legal counsel and any other advisors with respect thereto; and that they are executing this Agreement after sufficient review and understanding of its contents. This Agreement shall be interpreted in liberal manner to allow development of the VDC Property.

13. Attorney's Fees. Should it be necessary for any Party to this Agreement to initiate legal proceedings to adjudicate any issues arising hereunder, the Party or Parties to such legal proceedings who substantially prevail shall be entitled to reimbursement of their attorneys' fees, costs, expenses, and disbursements (including the fees and expenses of expert and fact witnesses) reasonably incurred or made by the substantially prevailing Parties in preparing to participate in mediation or arbitration, to bring suit, during suit, on appeal, on petition for review, and in enforcing any judgment or award, from the other Party or Parties.

14. Severability. In the event that any section, sentence, clause or phrase of this Agreement is determined to be invalid or unconstitutional by any court of competent

jurisdiction, the remaining sections, sentences, clauses, and phrases shall remain viable and in full force and effect.

15. **Cooperation in Execution of Documents.** The Parties agree to properly and promptly execute and deliver any and all additional documents that may be necessary to render this Agreement practically effective. This section does not require the execution of any document that expands, alters or in any way changes the terms of this Agreement.

16. **Equal Opportunity to Participate in Drafting.** The Parties have participated and had an equal opportunity to participate in the drafting of this Agreement. No ambiguity shall be construed against any Party based upon a claim that that Party drafted the ambiguous language.

17. **Exhibits.** This Agreement includes the following exhibits:

Exhibit 1 - Legal Description of VDC Property

Exhibit 2 - Legal Description of RSWF Property

Exhibit 3 - Approved Binding Site Plan

18. **Final and Complete Agreement.** This Agreement, the BSP and the PSA constitute the final and complete agreement of the Parties for this transaction. This Agreement may not be modified, interpreted, amended, waived or revoked orally, but only by a written instrument signed by all Parties. Other than the BSP and PSA, this Agreement supersedes and replaces all prior agreements, discussions and representation on all subjects discussed herein, without limitation. Neither Party is entering into this Agreement in reliance on any oral or written promises, inducements, representations, understandings, interpretations or agreements other than those contained in this Agreement and the exhibits hereto, the BSP and PSA.

19. Dispute Resolution.

A. The following individuals are the Designated Representatives for the purpose of resolving disputes that arise under this Agreement:

CITY: Robert G. Odle
Planning Director
City of Redmond
15670 NE 85th Street
P.O. Box 97010
M/S 4SPL
Redmond, WA 98073-9710

COUNTY:
Design and Construction Manager, Metro Transit Division
King County Department of Transportation
201 South Jackson Street, Mailstop KSC-TR-0435
Seattle, WA 98104-3856

B. The City Designated Representative and the County Designated Representative shall confer to resolve disputes that arise under this Agreement as requested by either Party. The Designated Representatives shall use their best efforts and exercise good faith to resolve such disputes.

C. In the event the Designated Representatives are unable to resolve the dispute, the Mayor of the City or her/his designee and the General Manager of Metro Transit for the County or her/his designee shall confer and exercise good faith to resolve the dispute.

D. In the event the Mayor and the General Manager of Metro Transit are unable to resolve the dispute, the Parties may, if mutually agreed in writing, submit the matter to non-binding mediation. The Parties shall then seek to mutually agree upon the mediation process, who shall serve as the mediator, and the time frame the Parties are willing to discuss the disputed issue(s).

E. Each Party shall bring to the mediation session, unless excused from doing so by the mediator, a representative from its side with full settlement authority. In addition, each Party shall bring counsel and such other persons as needed to contribute to a resolution of the dispute. The mediation process is to be considered settlement negotiations for the purpose of all state and federal rules protecting disclosures made during such conference from later discovery or use in evidence; Provided that any settlement executed by the Parties shall not be considered confidential and may be disclosed. Each Party shall pay its own costs for mediation and share equally in the cost

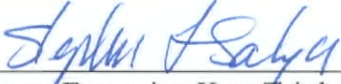
of the mediator. The venue for the mediation shall be in Seattle, Washington, unless the Parties mutually agree in writing to a different location.

F. If the Parties cannot mutually agree as to the appropriateness of mediation, the mediation process, who shall serve as mediator, or the mediation is not successful, then either Party may institute a legal action. The Parties agree that they shall have no right to seek relief in a court of law until and unless each of the above procedural steps has been exhausted.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first set forth above.

KING COUNTY


CITY OF REDMOND

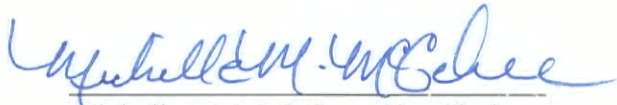

County Executive Kurt Triplett
Manager, Real Estate Services


Mayor John Marchione

APPROVED AS TO FORM:
OFFICE OF THE KING COUNTY
PROSECUTING ATTORNEY

ATTEST/AUTHENTICATED:


By: SCOTT JOHNSON
Title: SR. DEPUTY PROS. ATTORNEY


Michelle M. McGehee, City Clerk

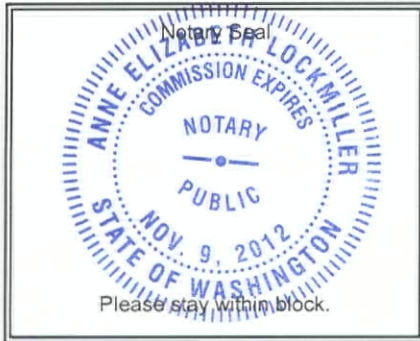


APPROVED AS TO FORM:
OFFICE OF THE CITY
ATTORNEY


James E. Haney, City Attorney

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that ~~Kurt Triplett~~ ^{STEPHEN L. SALTER} is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument, and acknowledged it as the **County Executive of King County, Washington**, to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.



Dated: SEPTEMBER 22, 2009

Signature: Anne Lockmiller

Print Name: ANNE E. LOCKMILLER
Notary Public in and for the State of Washington

Residing at SEATTLE, WASHINGTON

My Commission Expires: NOVEMBER 9, 2012

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that **John Marchione** and **Michelle McGehee** are the persons who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument, and acknowledged it as the **Mayor and City Clerk of City of Redmond, Washington**, to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.



Dated: 2009-07-01

Signature: Paul J. White

Print Name: PAUL J WHITE
Notary Public in and for the State of Washington

Residing at UNIVERSITY PLACE, WA

My Commission Expires: 2013-02-04

EXHIBIT 1
LEGAL DESCRIPTION OF VAN DISTRIBUTION CENTER PROPERTY (VDC
PROPERTY) (BSP LOT 1)

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 6, TOWNSHIP 25 NORTH, RANGE 6 EAST, W.M. KING COUNTY, WASHINGTON MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SECTION 6, TOWNSHIP 25 NORTH, RANGE 6 EAST, W.M., SAID CORNER BEING THE SOUTHEAST CORNER OF LOT 1 OF THE CITY OF REDMOND SHORT PLAT NO. SS-82-17 AS RECORDED UNDER KING COUNTY, WASHINGTON AUDITOR'S FILE NUMBER 8208240404; THENCE S 89°27'30" W ALONG THE SOUTH LINE OF SAID LOT 1 AND THE SOUTH LINE OF SAID SOUTHWEST QUARTER 99.36 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING S 89°27'30" W 545.16 FEET;
THENCE ALONG THE WESTERN BOUNDARY OF SAID LOT 1 THE FOLLOWING FOUR COURSES:

THENCE N 15°35'49" W 115.56 FEET; THENCE N 04°45'36" W 330.49 FEET;
THENCE N 24°32'49" E 125.48 FEET; THENCE N 09°56'59" W 37.28 FEET TO THE SOUTHERLY MARGIN OF UNION HILL ROAD, SAID SOUTHERLY MARGIN BEING 42.00 FEET SOUTHERLY FROM THE CENTERLINE SHOWN ON KING COUNTY ROAD PLANS UNION HILL ROAD, AVONDALE ROAD - 196TH AVE NE SURVEY NO 12-25-5-5;

THENCE N 80°03'01" E 334.00 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE RIGHT, CONCAVE TO THE SOUTH, HAVING A RADIUS OF 913.00 FEET SAID CURVE BEING THE SOUTHERLY LINE OF AN AREA DEDICATED TO THE CITY OF REDMOND BY DEED RECORDED UNDER KING COUNTY AUDITOR'S FILE NUMBER 9903252053;

THENCE ALONG SAID CURVE 187.20 FEET THROUGH A CENTRAL ANGLE OF 11°44'52";

THENCE S 07°05'30" W 84.37 FEET;

THENCE S 82°54'30" E 23.00 FEET;

THENCE S 07°05'30" W 50.00 FEET;

THENCE N 82°54'30" W 23.00 FEET;

THENCE S 07°05'30" W 52.83 FEET;

THENCE S 14°54'30" E 246.72 FEET;

THENCE S 00°32'30" E 233.18 FEET TO THE TRUE POINT OF BEGINNING.

SAID PORTION CONTAINS 349,436 SQUARE FEET OR 8.02 ACRES OF LAND, MORE OR LESS.

VDC Property

Revised 6/3/09 – edit quarter corner reference

EXHIBIT 2
LEGAL DESCRIPTION FOR REGIONAL STORMWATER FACILITY
PROPERTY (BSP LOT 2)

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 6, TOWNSHIP 25 NORTH, RANGE 6 EAST, W.M. KING COUNTY, WASHINGTON MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SECTION 6, TOWNSHIP 25 NORTH, RANGE 6 EAST, W.M., SAID CORNER BEING THE SOUTHEAST CORNER OF LOT 1 OF THE CITY OF REDMOND SHORT PLAT NO. SS-82-17 AS RECORDED UNDER KING COUNTY, WASHINGTON AUDITOR'S FILE NUMBER 8208240404;

THENCE S 89°27'30" W ALONG THE SOUTH LINE OF SAID LOT 1 AND THE SOUTH LINE OF SAID SOUTHWEST QUARTER 99.36 FEET;
THENCE N 00°32'30" W 233.18 FEET;
THENCE N 14°54'30" W 246.72 FEET;
THENCE N 07°05'30" E 52.83 FEET;
THENCE S 82°54'30" E 23.00 FEET;
THENCE N 07°05'30" E 50.00 FEET;
THENCE N 82°54'30" W 23.00 FEET;
THENCE N 07°05'30" E 84.37 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE SOUTH, HAVING A RADIUS OF 913.00 FEET SAID CURVE BEING THE SOUTHERLY LINE OF AN AREA DEDICATED TO THE CITY OF REDMOND BY DEED RECORDED UNDER KING COUNTY AUDITOR'S FILE NUMBER 9903252053; A LINE FROM THE RADIUS POINT OF THIS NON-TANGENT CURVE TO SAID BEGINNING BEARS N 1°47'53" E;
THENCE ALONG SAID CURVE 112.95 FEET THROUGH A CENTRAL ANGLE OF 7°05'19" TO THE WESTERLY BOUNDARY OF AN AREA DEDICATED TO THE CITY OF REDMOND BY DEED RECORDED UNDER KING COUNTY AUDITOR'S FILE NUMBER 20060525000925;
THENCE ALONG SAID AREA THE FOLLOWING THREE CALLS;
THENCE S 35°46'20" E 53.70 FEET; THENCE S 02°12'52" W 48.04 FEET;
THENCE S 87°47'08" E 21.41 FEET TO THE EAST LINE OF SAID SOUTHWEST QUARTER;
THENCE S 02°12'52" W ALONG SAID EAST LINE 553.91 FEET TO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SECTION 6, THE POINT OF BEGINNING.
SAID PORTION CONTAINS 87,120 SQUARE FEET OR 2.00 ACRES OF LAND, MORE OR LESS.

RSWF Property
Revised 6/3/09 – edit quarter corner reference

Attachment C
To
Development Agreement
Approved
**UNION HILL METRO SITE
REGIONAL STORMWATER FACILITY
BINDING SITE PLAN**

Constituting Pages 19 through 25 inclusive
See Binding Site Plan recorded in the Records of King County on
October 22, 2009 as Document # 20091022000277