



Technical Committee
Pixel Apartments/Site Plan Entitlement/Notice of Decision
Transmittal Letter

March 30, 2023

Mr. Will Chu
Jensen Fey Architecture
7730 Leary Way
Redmond, WA, 98052

Subject: Pixel Apartments, LAND-2020-00907, PR-2020-01083

Location: 15424 Bel-Red Road, Redmond, WA, 98052, Parcel No. 0673100073

Dear Mr. Chu:

The City of Redmond Technical Committee and Design Review Board have reviewed and approved the above-referenced proposal for a Site Plan Entitlement to allow 179-unit mixed-use building with 500 square feet of retail space, and a public plaza amenity located on a 0.52-acre site at 15424 Bel-Red Road. Attached to this letter is the Technical Committee's Notice of Decision including Conditions of Approval (see Section XI) for this project.

NEXT STEPS

This letter is a guide to assist you with next steps in the approval process now that your project has received Site Plan Entitlement approval from the Technical Committee. Before beginning construction of your project, there are other review processes that must be completed. The next steps for this project include the Coordinated Civil Review and the Building Permit Review processes.

Coordinated Civil Review Process

This process will include review and approval of construction and landscape drawings, as well as collection of performance bonds and Development Engineering review and inspection fees. Construction drawings must be submitted per the **Civil Drawing Checklist** and the Notice of Decision Conditions of Approval; the drawings must be reviewed and approved by all applicable divisions of Development Services. The **Civil Drawing Checklist** can be found on the City's website. A Coordinated Civil Kick-Off meeting is highly recommended to provide guidance prior to submitting for review of your civil construction drawings. For information regarding a Coordinated Civil Kick-off meeting, please contact Heba Awad at 425.556.2861 or hawad@redmond.gov.

Additional information regarding the Coordinated Civil Review process and Record Drawings can be found at <https://www.redmond.gov/944/Coordinated-Civil-Review>.

City Hall

15670 NE 85th Street
PO Box 97010
Redmond, WA
98073-9710

Building Permit Review Process

You may be required to obtain one or more building permits for your project. Building permits can be submitted at any time but cannot be issued prior to Civil Construction Review approval. Please note that permits are required to demolish as well as construct buildings on the site. Additionally, separate building permits may be required for other structures on the site including, but not limited to rockeries and retaining walls over four feet in height, and stormwater detention vaults. Fire, Parks, School, and Transportation Impact Fees, as appropriate, and stormwater Capital Facilities Charges will be collected at the time of building permit issuance.

Building permit submittal requirements, applicable codes, and intake and issuance fees are available on the City’s website at: <https://www.redmond.gov/898/Development-Services>.

Fees

Application, permit, capital facilities charges and impact fee information can be found at: <https://www.redmond.gov/504/Development-Services-Fees>

If you have questions regarding process or the Notice of Decision Conditions of Approval, please contact the staff person for the appropriate City Department/Division listed below.

Department- Division	Contact	Title	Phone	Email
Planning- Development Engineering/Transportation & Engineering	Min Luo	Senior Engineer	425.556.2881	mluo@redmond.gov
Planning- Development Engineering/Water & Sewer	Heba Awad	Senior Utility Engineer	425.556.2861	hawad@redmond.gov
Planning- Development Engineering/Stormwater, Clearing & Grading	Jody Conyers	Senior Stormwater Engineer	425.556.2468	jconyers@redmond.gov
Fire	Scott Turner	Assistant Fire Marshal	425.556.2273	sturner@redmond.gov
Planning – Development Review	Lauren Anderson	Senior Planner	425.556.2401	landerson@redmond.gov

The City’s Development Review staff are available to meet with you regarding the development review process. Please contact Lauren Anderson, Senior Planner at 425-556-2401 or landerson@redmond.gov or the appropriate Development Review staff member listed above for additional information.

Sincerely,



Carol V. Helland, Director
Department of Planning and
Community Development



Aaron Bert, Director
Public Works Department

Technical Committee/Site Plan Entitlement/Type II
Notice of Decision

Project Name: Pixel Apartments, Mixed-Use Building/Site Plan Entitlement/Type II

Location: 15424 Bel-Red Road, Redmond, WA 98052

Project File Number: LAND-2020-00907 & PR-2020-01083

Project Description: The construction of a seven-story mixed-use building in the OV1 zone. The structure includes 179-units, 500 square feet of retail space, and a public plaza amenity on a 0.52-acre site. An existing vacant 3,360 square-foot building is currently onsite to be demolished.

Technical Committee Decision
Approval with Conditions

Decision Date: March 30, 2023
Appeal Deadline: April 13, 2023

This decision may be appealed to the Hearing Examiner by filing an appeal with the Office of the City Clerk within 14 calendar days of the date of this decision. Appeal forms are available on-line at <https://www.redmond.gov/913/Request-for-Reconsideration-or-Appeal>. A completed appeal form must be submitted by 5:00 p.m. on the last day of the appeal period. If you have any questions, please contact Lauren Anderson, Senior Planner at 425 556-2401 or landerson@redmond.gov.



Carol V. Helland, Director
Department of Planning and
Community Development



Aaron Bert, Director
Public Works Department

Project Review Authority and Procedures

The City of Redmond **Technical Committee** is comprised of staff from different departments and disciplines who analyze project applications for compliance with City codes and regulations. Based on this analysis, the **Technical Committee** make the final decision to approve, approve with conditions, or deny the application: LAND-2020-00907, Site Plan Entitlement, Type II.

Key Dates

Application/Completeness Date: October 13, 2020

SEPA Determination of Non-Significance Issued: June 25, 2021

SEPA Appeal Deadline: July 23, 2021

Design Review Board Approval: April 15, 2021

Technical Committee Recommendation: March 8, 2023

I. Proposal Summary

The proposal includes development of a 0.52 acre site with the construction of one seven-story mixed-use structure. The project includes 179 dwelling units, where 10-percent of the dwelling units will be affordable. The structure will include five levels of parking, four levels will be below grade, one level will be at grade and wrapped with approximately 500 square feet of retail and residential amenities. Additionally, a public plaza amenity will be constructed adjacent to the Overlake Urban Pathway.

II. Site Description and Context

The 0.52-acre site includes an existing vacant 3,360 square-foot building, which will be demolished as a part of the proposed project. The site generally slopes down gently to the southwest with an average gradient of about three percent. However, along the south portion of the west property line the grade steps down to the west over a seven- to eight-foot-tall off-site rockery with a seven to eight-foot tall backslope, totaling an approximate 15 feet in vertical relief. No critical areas or endangered species exist on-site.

Adjacent	Existing Land Use	Zone
North	Retail Sales or Service	Overlake OV Zone 1 (OV1)
South	Retail Sales or Service	Overlake OV Zone 1 (OV1)
East	Retail	City of Bellevue
West	Retail Sales or Service	Overlake OV Zone 1 (OV1)

III. Site Requirements

The site is located within the Overlake Village 1 Zone (OV1). The OV 1 zone encompasses a majority of the eastern half of Overlake Village, including both sides of 152nd Avenue NE. Residential uses are emphasized here as a part of mixed-use developments. The land within this zone offers a strong opportunity to attract residents to this area due to its location within the core and proximity to transit options and the employment center to the north. The site requirements listed in RZC 21.12.040 for this district are:

Requirement	Requirement	Proposed
Front Setback:	10-feet	10-feet
Side/Interior Setback:	0-feet	0-feet
Side Street Setback:	10-feet	10-feet
Rear Setback:	0-feet	0-feet
Maximum Impervious Surface Area:	85-percent	84.7- percent

Minimum Open Space:	6.25-percent	6.32-percent
Maximum Height of Structures:	8 stories	7 stories
Maximum FAR	5.35	4

IV. Public Notice and Comment

Requirements for public notice are contained in RZC 21.76.080.

A. Notice of Application:

The Notice of Application for this proposal was published on October 16, 2020. Two notices were posted on the project property. A notice was also mailed to property owners within 500 feet of the site.

Public Input: During the Notice of Application public comment period and throughout the project review, the City received five written comments.

The comments expressed the following concerns or requests for consideration and staff has included responses below:

1. Opposition to a large building to be built and increased density.

Staff Response: The project is located in the OV1 zone, which is intended to encourage a broad mix of multifamily residential and commercial uses and amenities in order to achieve a vibrant, engaging environment and a true urban center. The OV1 zone allows for a maximum height of eight stories. The size of the proposed project is allowed in this zone and has also received Design Review Board (DRB) approval.

2. Unhappy with the development of residential suites.

Staff Response: Residential suites were originally proposed as a part of this project. The project scope of work has changed since its first iteration and now includes only dwelling units and no residential suites. Residential suites are, however, an allowed use within the OV1 zone.

3. Major improvements such as a dedicated left and right turn lane are needed to address the traffic issues at the Bel-Red Road and NE 24th Street intersection.

Staff Response: The signal at NE 24th Street/Bel-Red Rd is under the City of Bellevue's jurisdiction. The east leg, north leg and half of the south leg are within the City of Bellevue's jurisdictional boundary and any additional widening will be constrained by the limited right-of-way from the City of Bellevue. Currently, there are dedicated eastbound left-turn lane, westbound left-turn lane, and southbound right-turn lane

at this signalized intersection. The traffic study shows that the intersection operates at Level of Service (LOS) D in the existing condition and will operate at LOS D in the future with or without the development, meeting the City of Redmond intersection LOS threshold of LOS D. Based on these assessments, no additional dedicated left-turn or right-turn lanes are required.

V. State Environmental Policy Act

The State Environmental Policy Act (SEPA) requires applicants to disclose potential impacts to the environment that may occur as a result of their project. The Environmental Checklist submitted by the applicant adequately discloses anticipated environmental impacts as a result of this project. City of Redmond codes and regulations; including those contained within the Zoning Code, Streets and Sidewalks, Water and Sewer, and Building and Construction Codes adequately mitigate for these anticipated environmental impacts. Therefore, a Determination of Non-Significance (DNS) was issued for this project on June 25, 2021.

Public Input: During the SEPA public comment period and throughout the SEPA review, the City received one written comment.

1. Explain how the trip generation numbers are factored into concurrency when the rest of the traffic congestion in the adjoining Bel-Red Road intersection is considered. These figures do not address the context in which the project will be built.

Staff Response: The City of Redmond required the applicant to fill out the City's Transportation Concurrency Application and perform the intersection Level-of-Service (LOS) analysis in the PM peak hour.

The City's Transportation Concurrency is measured by the available mobility units and the City still has more than 15,000 mobility units available for any future developments and the project generates about 238 mobility units. The City's available mobility units accommodate the additional demand generated from the Pixel Apartment.

The City's intersection LOS standard is LOS D. Per the traffic study, the project will generate 939 daily trips, 55 AM peak hour trips and 71 PM peak hour trips. The intersection LOS analysis shows that four out of the five study intersections are anticipated to operate at LOS D or better in 2023 without or with the proposed Pixel Apartments project. The signalized study intersection of 152nd Avenue NE/ NE 24th Street is anticipated to operate at LOS E during the PM peak hour in 2023 without or with the proposed project.

The Pixel Apartments project is estimated to add 27 net new PM peak hour trips to the intersection (Pixel Apartments project traffic = 0.8 percent of total traffic) with a relatively minor increase in delay of two seconds with the project. Operations at this intersection will improve with the additional southbound lane that is planned by Sound

Transit as well as the Overlake Access Ramp which is fully funded and currently under construction. With the additional southbound lane, the intersection of 152nd Ave NE/ NE 24th Street is anticipated to operate at LOS D during the PM peak hour in 2023 with the Pixel Apartments project.

In addition, the Pixel Apartment will provide standard frontage improvements including planters, sidewalk, streetlights etc. along Bel-Red Road and NE 24th St, and an urban pathway along the west boundary of the project. The applicant will also be required to pay the transportation impact fee prior to building permit issuance to fund the City's systematic transportation improvements.

VI. Compliance with Development Regulations

A. Landscaping

The Redmond Zoning Code (RZC 21.32.050.O) requires a minimum five-foot-wide planting area between all exterior walls and vehicular paved areas except at service and pedestrian accesses.

Finding: RZC 21.32.050 has been satisfied. The proposal includes landscaping along the perimeter of the site which varies from 7.5 feet to 5 feet in width, which is adjacent to Overlake OV Zone 1 (OV1) zoned property located to the north, south, and west. Bel-Red Road is located to the east of the subject site which is within the City of Bellevue. The project as submitted will provide the required landscaping and therefore complies with the provisions of RZC 21. 32.050.

B. Tree Protection & Replacement

The Redmond Zoning Code (RZC 21.72) requires that 35 percent of all healthy significant trees and all healthy landmark trees be retained except those in urban areas such as Overlake where the proposed project will be located. Landmark trees are those significant trees that are greater than 30-inches measured in diameter at breast height. Significant trees are those trees that are six inches or greater in diameter at breast height.

Finding: The proposal as conditioned satisfies the tree retention, protection and replacement requirements of RZC 21.72. The onsite trees were assessed by ISA Certified Arborist, Bob Layton, Layton Tree Consulting, LLC, where 16 significant trees met the definition of a significant tree, one of which meets the definition of landmark tree. The project proposes to remove all 16 significant trees. An exception request was submitted to allow for a retention of less than 35-percent of the significant trees onsite as strict compliance retaining a minimum of 35-percent of the significant trees on-site would conflict with the increased density intended for the Overlake Village 1 zone and would result in a development inconsistent with the adopted vision of the neighborhood.

On-site tree replacement is required for removal of significant trees at a 1:1 ratio. For exceptions granted below the required minimum retention standard of 35-percent, tree

replacements are required at a 3:1 ratio. A minimum of six significant trees are required to be retained to comply with the 35-percent tree retention. The removal of all 16 significant trees will require a total of 30 replacement trees. The Landscape Plan proposes 12 tree replacements to be installed, where a fee-in-lieu for the remaining 18 replacement trees will be paid. As conditioned, the proposal meets the tree replacement requirement.

C. Open Space

Per RZC 21.12.120.A, every residential development shall provide usable open space in an amount equal or greater than 6.25 percent of the gross residential area. Common open space shall be large enough to provide functional leisure or recreational activity and rooftop open space may be used to meet up to 50 percent of the usable open space required.

Finding: The project requires a minimum of 4,504 square feet of usable open space. The project includes multiple open space areas including two rooftop decks, where 50-percent is counted toward the required open space, amenity spaces and a fitness room where 4,563 square feet of open space is provided. The project meets the requirements of RZC 21.12.120.A.

Floor	Open Space Type (Room number)	SF
6	Amenity Game Room (641)	320 SF
7	Amenity Space (748)	722.43 SF
7	Amenity Space (758)	723.28 SF
7	Fitness Room (750)	545.32 SF
7	Rooftop Deck (50% of 4,504 SF)	2,252 SF
Total		4,563 SF

D. Affordable Housing

Per RZC 21.20.030.C, at least 10-percent of the dwelling units must be affordable.

Finding: Pixel Apartments includes 179 dwelling units and will require at least 18 affordable housing units. As conditioned, the requirements of RZC 21.20 will be met.

E. Height

The Redmond Zoning Code 21.12.170, OV Incentive Program, identifies features and incentives to allow for increased building height and floor area. High priority features applicable to OV1 include a plaza improvement of at least five-percent of the site area, for additional 1.5 FAR for the residential use. Additional incentives applicable to the OV 1 zone includes Green Building or Development, Residential Uses Above Minimum Required or subterranean parking, each for one additional story for the building in the development.

Finding:

The Pixel Apartments proposes a seven-story building by achieving the incentive features. The project site is 22,468 square feet, where a minimum of 1,123.4 square feet of plaza space is required. The project includes a 1,222 square foot plaza, to achieve the High-priority feature for an increased maximum FAR of 4.0. Subterranean parking will be included to achieve one additional story, achieving one additional story. In the OV1 zone, a minimum of 50-percent of the floor area is required to be residential, Pixel Apartments will include 75-percent residential units to achieve one additional story. The Pixel Apartments achieve a maximum FAR of 4.0 and an additional two stories through the Overlake Incentive Program per RZC 21.12.170.

F. Transportation

The Redmond Zoning Code (RZC) 21.17.010.F, RZC 21.12.150, RZC 21.12.160, RZC Appendix 2, and the City's Standard Specifications and Details require frontage improvements, easement and right-of-way dedication.

Finding:

The Redmond Zoning Code RZC 21.17.010.F, RZC 21.12.150, RZC 21.12.160, RZC Appendix 2 and the City's Standard Specifications and Details have been satisfied as conditioned. The development is proposed to provide sidewalk and utility easement along Bel-Red Road, public pedestrian access easement and right-of-way dedication along NE 24th Street and public pedestrian access easement for the urban path along the west property line. The improvements along the project frontages on Bel-Red Road, NE 24th Street and along the west property line including streetlights, storm drain, utilities undergrounding, pavement restoration, planter strips, and concrete sidewalk are proposed. The existing shared access with the north parcel will remain. Streetlights will be designed and constructed per the City's Illumination Design Manual.

G. Stormwater

The Redmond Municipal Code (RMC 15.24) and the 2019 Stormwater Technical Notebook (STN) require that projects meet all the applicable minimum requirements that apply to the site. This project is required to meet all 9 minimum requirements as defined in the Washington State Department of Ecology Manual and the City's Stormwater Technical Notebook.

Finding: As conditioned, the proposal will meet all 9 minimum requirements per RMC 15.24.080. Pixel Apartments lies within the Overlake Regional Stormwater Facility area, in lieu of providing detention on-site the project will pay the Regional Stormwater Facility Fee. The site's stormwater will be routed to the regional facility. Permits for all utility works in the Bellevue right of way will need to be granted prior to CCR approval.

H. Utilities

Per RZC 21.17.010, all developments shall be served by adequate public water systems approved by the City of Redmond and meeting the design and construction requirements of the City's Technical Design and Construction Manuals.

Finding:

As conditioned, the proposal will meet all requirements, per RZC 21.17.010. Due to the location of utilities within the City of Bellevue's jurisdiction, the applicant will also need to meet applicable City of Bellevue standards. Per City of Bellevue Codes and Standards, all developments shall be served by adequate sanitary sewer systems approved by the City of Bellevue and meeting the design and construction requirements of the City's Technical Design and Construction Manuals.

The project will include installation of new twelve-inch water main along Bel Red Road, per the approved Water Comprehensive Amendment on 1/25/2023. The project will also install four-inch water residential meter, and one fire hydrant.

The project will also include installation of one joint eight-inch side sewer for the development to be connected to the existing City of Bellevue manhole number 18605C along Bel Red Road. The joint eight-inch side sewer will be permitted by the City of Bellevue. Permits for all utility works in the Bellevue right of way will need to be granted prior to CCR approval.

VII. Criteria Applicable to all Land Use Permits:

Proposed land use actions within the City must comply with the criteria listed in RZC 21.76.070.B.3.a. These criteria are applicable to all land use permits to ensure overall consistency between proposed land use permits, applicable regulations, and the Comprehensive Plan. Staff's analysis of whether the proposal meets the decision criteria is below.

1. A proposed project's consistency with the City's development regulations shall be determined by consideration of:
 - A. The type of land use;
 - B. The level of development, such as units per acre or other measures of density;
 - C. Availability of infrastructure, including public facilities and services needed to serve the development; and
 - D. The character of the development, such as development standards.

Staff Response: Pixel Apartments proposes 179 dwelling units and approximately 500 square feet of retail space in the OV1 zone in Overlake Village. Under RZC Table 21.12.040.1, mixed-use residential structures and general sales and services are allowed uses. The level of development prescribed for this zone is determined by the height, parking, open space, and other site standards. The project will connect and provide

frontage improvements, utilities, and right-of-way dedication where necessary. The character of the proposed development is consistent with the city design standards and development standards or has sought and received deviations allowed by the Redmond Zoning Code.

2. Upon review of a land use permit and accompanying site plan, the decision maker shall determine whether building design and/or site design complies with the following provisions:
 - A. The Comprehensive Plan, RZC 21.02, *Preface*, RZC Article I, *Zone-Based Regulations*, RZC Article II, *Citywide Regulations*, and the Appendices that carry out these titles;
 - B. The provisions of RMC Title 15, *Buildings and Construction*, that affect building location and general site design;
 - C. The Washington State Environmental Policy Act (SEPA) if not otherwise satisfied;
 - D. RZC Article VI, *Review Procedures*, to the extent it provides the procedures to ensure compliance with the requirements in subsections B.3.a. ii. B and B.3.a.ii.C of this section;
 - E. Both within and outside the Transition Overlays, decision makers authorized by the RZC to decide upon discretionary approvals may condition such approvals and development permits, including but not limited to site plan approvals, to minimize adverse impacts on other properties and uses, and to carry out the policies of the Comprehensive Plan.

Staff Response: Technical Review staff have completed a thorough review of the proposed project and have determined that it complies with the Comprehensive Plan, Redmond Zoning Code, Redmond Municipal Code, and it has followed the review procedures per RZC Article VI, Review procedures for a Type II Site Plan Entitlement per RZC 21.76.050.G. All associated future building permits will be reviewed for compliance at the time of submittal against the adopted International Building and Fire Codes. A SEPA Threshold determination of Non-significance was issued on June 25, 2021.

The proposed development specifically addresses the following Comprehensive Plan goals and policies:

Comp Plan Policy	<i>How the project complies, supports or aligns.</i>
<p>HO-11: Encourage the development of a variety of housing types, sizes and densities throughout the City to accommodate the diverse needs of Redmond residents through changes in age, family size and various life changes, including: developments that provide smaller units with a mix of attached and detached housing units.</p>	<p><i>Pixel Apartments includes a new 179-unit mixed-use multi-family residential development with 500 square feet of retail space and 107 parking spaces. The project will serve the housing needs for people looking to live in close proximity to employment opportunities in the Overlake neighborhood and provides a variety of various housing options.</i></p>

<p>HO-2: Promote a mix of new residential units and use other strategies that are designed to at a minimum meet the targets called for in the King County Countywide Planning Policies for creating residences that are affordable to low-and moderate-income households.</p>	<p><i>The project is required to provide affordable housing pursuant to RZC 21.20.030 and will be required to provide a minimum of 18 affordable units.</i></p>
<p>OV-4: Promote the Overlake Village area as the primary location for mixed-use residential development in the neighborhood.</p>	<p><i>Pixel Apartments includes 179 for-rent units in the mixed-use building. This project advances this Policy by proposing a mixed-use building that is located near employment opportunities as well as future transit in the Overlake neighborhood.</i></p>
<p>OV-42: Encourage new transit-oriented development in order to take advantage of local and regional transit opportunities.</p>	<p><i>Pixel Apartments site is located in the OV1 zone and is approximately 150 feet from a frequent transit line. The site is also located 0.35 miles from the Overlake Station Park & Ride/ Transit Center, and will be 0.5 miles from the future light rail station. The close proximity to these frequent transit options will encourage residents to use alternative transit modes.</i></p>
<p>OV-53: Orient buildings to the streets and include design features that encourage walking and biking to the area and between stores and shopping centers. Locate parking beside, behind or underneath buildings. Include street trees and landscaping to provide green space between buildings and the street. Encourage this type of building and site design in development regulations, including parking requirements.</p>	<p><i>The project includes a 1,222 square foot public plaza at a street facing façade of the building which connects to a pedestrian path. Landscaping is also located around the perimeter of the building, which softens building edge adjacent to walkways. Additionally, parking is located beneath the building or at ground level. The ground level parking is partially wrapped with the retail use and residential amenities to enhance pedestrian activity.</i></p>

VIII. Site Plan Entitlement Decision Criteria:

1. The Technical Committee, composed of the Departments of Planning and Public Works, shall review all Development Review permits with the State Environmental Policy Act and the RZC.

Staff Response: The project has been reviewed for compliance with the Redmond Zoning Code and Redmond Municipal Code. The SEPA checklist was also reviewed against the Washington Administrative Code (WAC) and a Determination of Non-significance was issued on June 25, 2021.

2. The Landmarks and Heritage Commission will review all Certificates of Appropriateness for compliance with the RZC.

Staff Response: The existing structure is not a historic landmark, and the Landmark and Heritage Commission does not have authority over this project.

IX. Code Deviations Granted

The Technical Committee has granted the following deviations to the development standards through the authority referenced.

1. Parking:

A request to reduce the required residential parking ratio of 1.25 stalls per dwelling unit to 0.59 stalls per dwelling unit, was submitted as part of the project. RZC 21.40.010.D allows for the approval of an alternative minimum parking requirement for specific uses on specific development sites where the land use permit applicant demonstrates, through a parking study prepared by a qualified expert, that the alternative requirement will provide sufficient parking to serve the specific use without adversely impacting other uses and streets in the vicinity. Additionally, multifamily structures located within one-quarter mile of at least one transit stop that provides service every 15 minutes or better for at least 12 hours per day shall have a minimum residential parking requirement no greater than one parking space per bedroom. A parking study prepared by TENW recommended a parking ratio of 0.59 per dwelling unit. The study considered the King County Right Size Parking calculator. The requested deviation was approved.

Code Authority: RZC 21.40.010.

2. Tree Exception Request Granted

An exception request was submitted to remove 16 significant trees (including 1 landmark tree), resulting in a retention of 0-percent, which is less than the minimum required tree retention of 35-percent. The exception request was approved by the Administrator as the proposal meets the decision criteria per RZC 21.72.090.B as strict compliance retaining a minimum of 35-percent of the significant trees on-site and one landmark tree would conflict with the increased density intended for Overlake Village and would result in a development inconsistent with the adopted vision of the neighborhood. The removal of all 16 significant trees (including 1 landmark tree) will require a total of 30 replacement trees. The Landscape Plan proposes 12 tree replacements to be installed, where a fee-in-lieu for the remaining 18 replacement trees will be paid. The tree replacement in-lieu fee is currently \$500 for each significant tree and the fee is adjusted annually.

Code Authority: RZC 21.72.080

X. Vesting/Approval Expiration

This decision is not vested to the development regulations in effect until a complete building permit application is submitted. The approval of this project shall expire two years from the date of this decision, unless an approval extension is granted. Extensions can be requested on a yearly basis if proper justification is demonstrated (see RZC 21.76.090.C.2). Requests

for extensions must be submitted in writing to the Technical Committee via the project planner at least 30 days prior to the approval expiration date.

XI. Conditions of Approval

A. Site Specific Conditions of Approval

The following table identifies those materials that are approved with conditions as part of this decision.

Item	Date Received	Notes
Plan Set	12/15/2022	<i>and as conditioned herein.</i>
SEPA Checklist	6/9/2021	<i>and as conditioned herein and as conditioned by the SEPA threshold determination on June 25, 2021.</i>
Architectural Elevations	10/20/2022	<i>and as conditioned herein.</i>
Design Review Board Approval/Plans	10/20/2022	<i>and as conditioned herein.</i>
Conceptual Landscaping Plan	12/15/2022	<i>and as conditioned herein.</i>
Conceptual Lighting Plan	12/15/2022	<i>and as conditioned herein.</i>
Proposed Tree Retention Plan	12/15/2022	<i>and as conditioned herein.</i>
Stormwater Design	12/15/2022	<i>and as conditioned herein.</i>

The following conditions shall be reflected on the Civil Construction Review, unless otherwise noted:

1. Development Engineering - Transportation and Engineering

Reviewer: Min Luo, Senior Engineer

Phone: 425-556-2881

Email: mluo@redmond.gov

- a. **Easements and Dedications.** Easements and dedications shall be provided for City of Redmond review at the time of construction drawing approval and finalized for recording prior to civil construction drawing plan approval. The existing and proposed easements and right-of-way shall be shown on the civil plans. Prior to acceptance of the right(s) of way and/or easement(s) by the City, the developer will be required to remove or subordinate any existing private easements or rights that encumber the property to be dedicated.

- i. Easements are required as follows:

- (a) A 1-foot-wide sidewalk and utility easement, granted to the City of Redmond, abutting west side of Bel-Red Road existing 10 feet wide sidewalk and utility easement.
- (b) A 9-foot-wide public pedestrian access easement, granted to the City of Redmond on the north side of NE 24th Street, as shown on the Transportation Plan prepared by DCI Engineers on December 14, 2022. The clauses including a liability insurance coverage limit not less than \$5,000,000 and the maintenance/indemnity requirements stated in the City's Public Pedestrian Access easement template shall be applied to this public pedestrian access easement.
- (c) A 14-foot-wide public pedestrian access easement, granted to the City of Redmond along the west side of the property line, as shown on the Transportation Plan prepared by DCI Engineers on December 14, 2022. The clauses including a liability insurance coverage limit not less than \$5,000,000 and the maintenance/indemnity requirements stated in the City's Public Pedestrian Access easement template shall be applied to this public pedestrian access easement.
- (d) At the time of construction, additional easements may be required to accommodate the improvements as constructed.

ii. Dedications for right-of-way are required as follows:

- (a) A strip of land 2 feet wide abutting the north side of NE 24th Street existing right-of-way.

Code Authority: RZC 21.52.030.G; RMC 12.12

- b. Construction Restoration and Street Overlay.** Existing pavement damaged by trenching or other work on NE 24th Street and on Bel-Red Road shall be mitigated. If the pavement is damaged on NE 24th Street, the asphalt street shall be planed, overlaid, and/or patched, per the City of Redmond (COR) Standard Specifications and Details (STD) 202 and 203. If the pavement is damaged on Bel-Red Road, the asphalt street shall be planed, overlaid, and/or patched, per the City of Bellevue (COB) Standard Specifications and Details. The Pavement Condition Index (PCI) of the existing pavement on NE 24th Street is below 70, the development shall be required to plane and overlay the half street along the project frontage at a minimum, or as determined by the Traffic Operations and Safety Engineering Division in Public Works. Contact Adnan Shabir at 425-556-2776 for additional questions. In addition, if the existing pavement thickness on NE 24th Street is less than the required thickness per COR STD 301, the pavement shall be reconstructed to meet the street standards.

Code Authority: RMC 12.08; RZC Appendix 2; Redmond Standard Specifications & Details; City of Bellevue (COB) Standard Specifications and Details

c. Street Frontage Improvements

i. The frontage improvements along NE 24th Street must meet current City Standards, which include asphalt paving approximately 28 feet from the centerline to the face of curb with appropriate tapers, type A-1 concrete curb and gutter, 6.5 feet wide planter strips, 6 feet wide cycle track and 9 feet wide concrete sidewalk, storm drainage, streetlights, street trees, street signs and underground utilities including power and telecommunications. If the existing pavement depth does not meet the requirement of the City's Standard Specifications and Details 301, the minimum pavement section shall consist of:

- 4 inches HMA Class ½" PG 64-22
- 5 inches HMA Class 1" PG 64-22
- 4" of 1-1/4" minus crushed rock base course per WSDOT standard spec 9-03.9(3).
- Subgrade compacted to 95% compacted maximum density as determined by modified Proctor (ASTMD 1557)
- Street crown 2% sloped to drain system

Code Authority: RZC 21.52.030; RZC 21.17.010; RZC 21.12.150; RMC 12.12; RZC Appendix 2; Redmond Standard Specifications & Details

ii. The frontage improvements along Bel-Red Road must meet the City of Redmond and City of Bellevue current Standards, which include asphalt paving approximately 39 feet from centerline to face of curb with appropriate tapers, type A-1 concrete curb and gutter, 5 feet wide planter strips, 6 feet wide concrete sidewalks, storm drainage, streetlights, street trees, street signs and underground utilities including power and telecommunications. If the existing pavement depth does not meet the requirement of the City of Bellevue Standard Specification or Redmond's Standard Specifications and Details 301, the minimum pavement section shall consist of:

- 4 inches HMA Class ½" PG 64-22
- 5 inches HMA Class 1" PG 64-22
- 4" of 1-1/4" minus crushed rock base course per WSDOT standard spec 9-03.9(3).
- Subgrade compacted to 95% compacted maximum density as determined by modified Proctor (ASTMD 1557)
- Street crown 2% sloped to drain system or as deemed necessary by City of Redmond through CCR review

Code Authority: RZC 21.52.030; RZC 21.17.010; RZC 21.12.150; RMC 12.12; RZC Appendix 2; Redmond Standard Specifications & Details; Bellevue Standard Specifications & Details

iii. ADA ramp requirements:

- New curb ramps for persons with disabilities are required to be ADA compliant. All existing or replacement curb ramps at NE 24th Street and Bel-Red Road constructed in combination with sidewalks, paths, or other pedestrian access ways shall be ADA compliant.

Code Authority: RCW 35.68.075; RZC Appendix 2-A.21.a

- iv. A separate 20-scale channelization plan may be required for any public street being modified or constructed. The plan shall include the existing and proposed signs, striping and street lighting and signal equipment for all streets adjacent to the site and within at least 150 feet of the site property line (both sides of the street). The plan shall conform to the requirements in the City of Redmond Standard Specifications and Details.

Code Authority: RZC 21.52.030.F, RZC Appendix 2; Redmond Standard Specifications & Details; RCW 47.24.020

- v. Sidewalks constructed to meet ADA compliant requirements and City standards are required at the following locations:
 - A 6-foot concrete sidewalk along west side of Bel-Red Road
 - A 9-foot concrete sidewalk along the north side of NE 24th Street
 - A 6-foot concrete urban path along the west side of the property line

Code Authority: RZC 21.10.150, RZC 21.17.010; RZC 21.52.050; RMC 12.12

d. Access Improvements

- i. The type and location of the proposed site access with right-in and right-out only is approved as shown on the Pixel Apartments Site Plan prepared by DCI Engineers on December 14, 2022.

Code Authority: RZC 21.52.030.E; RZC Appendix 2

- e. **Underground Utilities.** All existing aerial utilities shall be converted to underground along the street frontages and within the development. All new utilities serving the development shall be placed underground.

Code Authority: RZC 21.17.020; RZC Appendix 2 – A.11

- f. **Street and Urban Path Lighting.** Illumination of the street(s) along all property frontages on NE 24th Street, on Bel-Red Rd and along the urban pathway on the west side of the property must be analyzed to determine if it conforms to current City standards. Streetlights may be required to illuminate the property frontage. Luminaire spacing should be designed to meet the specified criteria for the applicable lamp size, luminaire height and roadway width. Contact Hidemi Tsuru, Traffic Operations at (425)

556-2749 with questions. The street lighting shall be designed using the criteria found in the City's Illumination Design Manual which can be accessed at: <https://www.redmond.gov/DocumentCenter/View/424>. Provide a photometric analysis with all calculation points shown for the roadway. Adjust proposed streetlight locations and/or change the pole style, height and streetlight fixture type to achieve target light levels.

Code Authority: RZC 21.52.030.F, RZC Appendix 2

- g. **Temporary Pedestrian Access Plan.** The applicant is required to provide a temporary pedestrian access plan for approval by the City prior to any construction on the project site. This plan needs to show how pedestrian traffic passing by the proposed development will be accommodated during the entire length of the construction phase.

Existing sidewalks or pathways shall be closed only when absolutely necessary during construction. If unavoidable, the pedestrian access plan should provide temporary routes with barricades and cones that parallel existing facilities. These routes must be accessible for persons with disabilities per the current ADA regulations and standards, including the provision of ramps, minimum widths, and smooth surfaces for wheelchair access. When a parallel route is not available, pedestrians must be detoured with advance signing in accordance with the Manual on Uniform Traffic Control Devices (MUTCD). The developer may be required to install temporary crosswalks and street lighting as part of this detour.

In order to keep existing routes open during the construction of new structures adjacent to existing sidewalks, a covered walkway will be required to protect pedestrians from falling debris. Covered walkways should be designed to provide sturdiness, adequate light for nighttime use and safety, and proper sight distance at intersections and crosswalks. Plans and details for the construction of these covered walkways shall be included as part of the civil construction plan set.

Code Authority: MUTCD 2009 (or latest revision) sections 6D.01, 6D.02, & 6D.05

Condition Applies: Civil Construction

- h. **Hard Surface Urban Pathway:** A six-foot-wide concrete sidewalk with eight feet of landscaping along the west side of the property. The urban path needs to meet the ADA requirements and needs to be lit at night.

Code Authority: RZC 21.12.160; Redmond Standard Specifications & Details

2. Development Engineering – Water and Sewer

Reviewer: Heba Awad, Senior Utility Engineer

Phone: 425-556-2861

Email: hawad@redmond.gov

- a. **Water Service.** Water service will require a developer extension of the City of Redmond water system as follows:

The Developer shall install new twelve-inch water main along Bel Red Road, per the approved Water Comprehensive Amendment on 1/25/2023. The Developer shall also install four-inch water residential meter, and one fire hydrant.

The Developer shall provide on the utility plans the following information in the first Civil Coordinated Review:

- Two-inch polyethene line profile from the four-inch water meter's sump pump to the nearest catch basin.
- Relocation plans from PSE and other dry utilities and potential utility conflicts with the gas/power and cables.

Code Authority: RZC 21.17.010

- b. **Sewer Service.** Sewer service will require a developer extension of the City of Redmond sewer system as follows:

The Developer shall install one joint eight-inch side sewer serving the development and parcel number 0673100072 to be connected to the existing City of Bellevue manhole number 18605C along Bel Red Road.

The Developer shall provide on the utility plans the following information before the approval of Civil Coordinated Review:

- The proposed side sewer profile including the cleanouts' full design information, based on the approved City of Bellevue permit drawings.
- A copy of the approved side sewer permit from the City of Bellevue.

Code Authority: RZC 21.17.010

- c. **Easements.** Easements shall be provided for all water improvements as required in the Design Requirements for Water and Sewer System Extensions. Easement for the four-inch water meter shall be provided for City of Redmond review at the time

of construction drawing review. All easements must be recorded prior to construction drawing approval.

Code Authority: RZC 21.17.010, RZC Appendix 3

- i. **Permit Applications.** Water meter applications shall be submitted for approval to the Development Engineering Division. Permits and meters will not be issued until all improvements are constructed and administrative requirements are approved. In certain limited circumstances, at the sole determination of the City of Redmond, water meter may be issued prior to completion of improvements and/or administrative requirements. In such cases, various additional guarantees or requirements may be imposed as determined by the Development Engineering Division.

Code Authority: RMC 13.08.010, 13.12

- j. **Potholing.** All existing utilities at the location of the proposed water/sewer mains and service line crossings shall be potholed prior to submittal of first Civil Plan Review.

Potholing in the City Right-of Way requires a permit, approved traffic control plans, and a performance bond before commencing work. The developer shall include in the Right-of-Way permit, a list of potholing numbers along with the potholing information for each number, such as utility name, type of facility and the reason for potholing.

The developer shall do the following during and after potholing:

1. Follow City of Redmond Detail 203 for pothole restoration.
2. Protect existing traffic loops.
3. Survey all potholing locations.

Based on the final survey, a modified design of sewer and water facilities may be necessary to avoid conflict with existing utilities.

All potholing information shall be included in the plans and profiles of water and sewer designs in first submittal of CCR review. The developer shall add clearance information on the water and sewer profiles at all crossings of existing and proposed utilities. Minimum clearance of one foot is required between the sewer/water mains and other utilities.

Code Authority: Water and Wastewater System Extensions Design Requirements Section IV. 3. M and Section V. 3. K

3. Development Engineering – Stormwater/Clearing and Grading

Reviewer: Jody Conyers, Senior Stormwater Engineer

Phone: 425-556-2468

Email: jconyers@redmond.gov

a. **Water Quantity Control:**

- i. Project lies within the Overlake Regional Stormwater Facility Basin. Stormwater quantity control will be provided by the City of Redmond upon payment of the Overlake Capital Facility Charge. There are credits available against this fee for sites that fully infiltrate stormwater in private systems.

Code Authority: RMC 15.24.080.9

b. **Water Quality Control**

- i. Projects south of NE 26th Street shall provide onsite runoff treatment if thresholds are exceeded, and pay the Overlake Capital Facility Charge. Projects in which the total amount of pollution generating hard surfaces is 5,000 square feet or more in a threshold discharge area require water quality treatment. The proposed work is adding 1,627 square feet of pollution generating hard surfaces and does not meet the thresholds for storm water quality treatment.

Code Authority: RMC 15.24.080.8; RMC 13.20

- c. **Public Stormwater Easements.** Public easements will be required for any public stormwater conveyance systems on private property. Easements shall be provided for City of Redmond review at the time of construction drawing approval. The existing and proposed easements shall be shown on the civil plans. Prior to acceptance of the easement(s) by the City, the developer will be required to remove or subordinate any existing private easements or rights to encumber the property to be dedicated. Prior to construction drawing approval, fully executed and recorded offsite easements shall be provided to the Development Engineering Division. No public utility easements are anticipated for this project.

Code Authority: RZC 21.74.020.C

- d. **Private Stormwater Easements.** Private stormwater easements will be required where drainage systems are located across adjacent properties and will remain under private ownership. Maintenance of private drainage systems will be the responsibility of the property owners benefiting from the easement. Prior to construction drawing approval, fully executed and recorded easements shall be provided to the Development Engineering Division. A 15' private utility easement will be required along the northern portion of the lot for the 15" storm drainage

bypass line connecting drainage from the north to the downstream connection on NE Bellevue-Redmond Road.

Code Authority: RZC 21.74.020.C

- e. **Temporary Erosion and Sediment Control (TESC).**
 - i. Rainy season work permitted October 1st through April 30th with an approved Wet Weather Plan. The Wet Weather Plan will be incorporated as part of the Civil Plan set that will be approved in the CCR submittal.

Code Authority: RMC 15.24.080

- f. **Department of Ecology Notice of Intent Construction Stormwater General Permit.** Notice of Intent (NIO) must be submitted to the Department of Ecology (DOE) at least 60 days prior to construction on a site that disturbs an area of one acre or larger. Additional information is available at: www.ecy.wa.gov/pubs/0710044.pdf.

Code Authority: Department of Ecology Rule

- g. **Regional Capital Facilities Charge:** A Regional Capital Facilities Charge applies to this project, located in the Overlake Sub-basin. Please see the Development Engineering Fee Schedule for current fee information.

Code Authority: RMC 13.20.047 (Overlake)

- h. **Potholing.** All existing utilities at the location of the proposed storm drainage lines and/or structure crossings shall be potholed prior to submittal of first Civil Plan Review.

Potholing in the City Right-of Way requires a permit, approved traffic control plans, and a performance bond before commencing work. The developer shall include in the Right-of-Way permit, a list of potholing numbers along with the potholing information for each number, such as utility name, type of facility and the reason for potholing.

The developer shall do the following during and after potholing:

1. Follow City of Redmond Detail 203 for pothole restoration.
2. Protect existing traffic loops.
3. Survey all potholing locations.

Based on the final survey, a modified design of storm facilities may be necessary to avoid conflict with existing utilities.

All potholing information shall be included in the plans and profiles of storm designs in first submittal of CCR review. The developer shall add clearance information on the storm profiles at all crossings of existing and proposed utilities. Minimum clearance of one foot is required between the storm sewer and other utilities.

Code Authority: Stormwater Technical Notebook, Issue No. 8, Amended June 5, 2019, Section 8.4.4

5. Fire Department

Reviewer: Scott Turner

Phone: 425-556-2273

Email: sturner@redmond.gov

The current submittal is generally adequate for LAND-2020-00907 approval but does not fully represent compliance with all requirements. The following conditions are integral to the approval and shall be complied with in Civil Drawings, Building Permit Submittals, Fire Code Permit submittal, and/or other applicable processes:

a. **Site Plan Condition**

1. Access shall meet the requirements of Redmond Fire Department Standard (RFDS) 2.0.
2. Required water supply and access must be in place prior to construction with combustible materials and shall be maintained throughout construction.
3. Required fire access shall be signed and striped according to Redmond Fire Department Standard (RFDS) 2.0 at the conclusion of the project.
4. Fire service features shall have unobstructed access from the EVAE or public way including firefighter ingress and access to FACP/Riser room, FDC, PIV and stairwells.
5. New hydrants, fire department connections (FDC) and post-indicator valve (PIV) are required.
6. The address for the new building will be determined at the beginning of the civil review process.
7. A minimum of 3,500 gpm shall be provided to the site. Improvements to the city water supply system may be required.

b. **Fire Protection Plan**

1. An IFC, RFDS 5.0 and NFPA 13 compliant sprinkler system shall be installed.
2. An IFC, RFDS 9.0 and NFPA 72 compliant fire alarm system shall be installed.
3. All areas shall have compliant Class I standpipe coverage, as per IFC, NFPA 14 and RFDS 4.0.
4. An emergency responder radio system (ERRS) is required.
5. Emergency and/or standby power will be required for the building's life safety requirements.

6. Preliminary fire flow calculations are acceptable. Final approval of the fire flow calculations shall be reviewed during the building permit process when final gross floor areas of the building have been determined.

c. Change or Modification

1. All required Fire access roadways not in a public way are required to be recorded in an Emergency Vehicle Access Easement.
2. The building will be assigned an address during the civil review process and will be different than the address of the existing building.

d. Fire Code Permit - The following permits may be required but are not limited to:

1. Fire sprinkler
2. Fire alarm
3. Places of Assembly
4. Standpipe
5. Flammable/combustible liquids
6. Emergency Responder Radio System
7. Solar Photovoltaic Power Systems
8. Smoke Control System
9. Fixed suppression system

Code Authority: RMC 15.06; RZC Appendix 2, Redmond Fire Department Standards and Redmond Standard Specifications and Details

6. Planning Department

Reviewer: Lauren Anderson, Senior Planner

Phone: 425-556-2401

Email: landerson@redmond.gov

- a. **Street Trees.** The following street trees are required to be installed in accordance with RZC 21.32.090 and Standard Detail 907. The minimum size at installation is 2 ½ inch caliper with CU-Structural Soil.

Street	Species	Spacing
Bel-Red Road	Summer Shade Norway Maple (Acer platanoides 'Summer Shade')	30' O.C.

Code Authority: RZC 21.32.090 & Standard Detail 907

- b. **Tree In-Lieu-Fee.** An exception request was approved to remove 18 significant trees and requires a total of 28 replacement trees. The Landscape Plan proposes 10 tree replacements to be installed, where a fee-in-lieu for the

remaining 18 replacement trees will be paid. The tree replacement in-lieu fee is currently \$500 for each significant tree are adjusted annually.

Code Authority: RZC 21.72.080.E.2; Ordinance No. 3090

- e. **Transportation Management Program.** As a condition of approval for Pixel Apartments, a Transportation Management Program (TMP) shall be submitted and approved by the City's Transportation Demand Management Division prior to issuance of any building permit or other development permit for this project. The TMP agreement shall be recorded on the property deed. Applicant shall begin finalizing the TMP immediately upon receiving this Approval document. CCRs will not be approved prior to a finalized and recorded TMP.

Code Authority: RZC 21.40.010.D

Condition Applies: Building Permit

- f. **Noise Report.** A noise report prepared by a qualified acoustical consultant must be submitted and approved prior to civil drawing approval. The noise report shall comply with RMC 6.36 and provide sound attenuation measures.

Code Authority: RMC 6.36.060

- g. **Planting Standards.** Landscaping shall be coordinated with water/sewer lines and fire hydrants/connections. Trees shall be planted a minimum of 8 feet from the centerline of any water/sewer lines, unless otherwise approved and provisions provided. Shrubs shall be planted to maintain at least 4 feet of clearance from the center of all fire hydrants/connections.

Code Authority: RZC 21.32.080

- h. **Open Space.** The proposal includes amenity open spaces to meet the usable open space requirement, where 6.25-percent of the gross residential area shall be usable open space. Open space shall provide functional leisure or recreational activity. The average minimum dimension shall be 20 feet, with no dimension less than 12 feet.

Code Authority: RZC 21.12.120

Condition Applies: Building Permits

- i. **Public Open Space Easement.** A public easement is required for the public open space (Plaza Area) of 1,222 sf. The easement shall be provided for City of Redmond review at the time of construction drawing approval and shall

be shown on the civil plans. The Easement shall be recorded prior to the scheduling the Planning final inspection of the building permit. Hours of operation shall be consistent with other city open spaces and/or parks and shall be open at the minimum with the open hours consistent with the adjoining retail use. Final hours of operation shall be approved at the discretion of the City of Redmond.

- j. **Public Plaza Signs.** The public plaza shall include signage indicating that the space is open to the public. The applicant shall work with Senior Parks Planner, Cameron Zapata, czapata@redmond.gov on the design and location of the signs. The signs shall be installed prior to Certificate of Occupancy.

Condition Applies: Building Permit

- k. **Waste Management Approval.** The approved site plan and garbage/recycling enclosure detail must be submitted to Waste Management for review and approval. An approval letter from Waste Management must be submitted to the Planning Department prior to approval any associated building permit.

Code Authority: RZC 21.38.020.F

Condition Applies: Building Permit

- l. **Design Review Board.** The project received Design Review Board approval on April 15, 2021, where the design of the structure was recommended approval. On November 3, 2022, the project went before the Design Review Board again for their approval recommendation on exterior modifications to the north, east and west elevations. The following condition of approval apply:

March 3, 2022, Conditions of Approval:

Where inconsistencies between the floor plans and elevations are found after the Design Review Board has approved this project, the elevations approved by the Design Review Board at their meeting will prevail.

November 3, 2022, Conditions of Approval:

Approval to only the exterior modifications to the north, east and west elevations as shown in the Design Review Board Materials provided at this November 3, 2022 Design Review Board Meeting.

- m. **Impact Fees.** For the Purpose of Impacts, the uses assigned for this project have been determined as the following: 179 units classified as multifamily dwelling units and 500 building square footage is classified as miscellaneous retail. The existing structure is to be demolished. The existing structure with a total square footage of 3,360 classified as office use may be credited for impact fee at the time of impact fee calculation during building permit review. If the proposed development is eligible for any additional credits including right-of-way dedication and system improvements, these additional credits will be assessed and provided after construction, dedication or implementation is completed and accepted by the City.

Code Authority: RMC 3.10

Condition Applies: Building Permit

- n. **Parking.** An alternate minimum parking requirement has been approved on February 3, 2023 for multifamily residential of 0.59 per dwelling unit and one parking stall be reserved for the commercial uses and signed accordingly.

Code Authority: RZC 21.40

Condition Applies: Building Permit

- o. **Bonds.** Bonds for Landscaping and Tree Replacement shall be provided no less than 5 days prior to request for Mylar signatures. Drafts of the Bond Agreements, Bond quantity Worksheets and Bond Calculation Worksheets shall be submitted at time of Civil Construction Application. If not provided at time of CCR submittal, entire submittal will be rejected for intake.

Code Authority: RZC 21.767.090.F

- p. **Affordable Housing.** The Pixel Apartments shall demonstrate conformance with the Affordable Housing Regulations in RZC 21.20.030 by providing 18 affordable units. An agreement in a form approved by the City must be recorded with the King County Recorder's Office to stipulate conditions under which required affordable housing units will remain as affordable housing for the life of the development. This agreement shall be a covenant running with the land, binding on the assigns, heirs, and successors of the applicant. The affordable housing agreement template is provided in Attachment A of this letter. Prior to the issuance of any building permit, the owner shall sign any necessary agreements with the City to implement these requirements. Applicant shall initiate contract by contacting a member of the Housing and Human Services staff at 425-556-2438 and ileftcourte@remond.gov.

Code Authority: RZC 21.20.050
Condition Applies: Building Permit

- q. **Archeological and Historical Preservation:** An Inadvertent Discovery Plan shall be employed.

Code Authority: RZC 21.30.070.D
Condition Applies: Civil Construction & Building Permit

- r. **Construction Parking Requirements and Contact Information.** A sign shall be posted on-site visible to the public throughout the duration of all construction activity per the Construction Contact Sign Handout. Construction activities consist of all site work including, but not limited to grading, landscaping, infrastructure and building permit related construction. Applicant and contractor shall work with city planner prior to mylar signing to determine location(s) of sign(s). Contact information shall remain up-to-date and visible at all times. The assigned city planner shall be notified within two business days when contact person has been changed and a picture of the updated sign shall be e-mailed. Construction Parking requirements for the project shall be denoted on the bottom portion of the sign per handout instructions.

Code Authority: RZC 21.76.070.B.3.a.ii.A; Comprehensive Plan TR-19

B. Compliance with City of Redmond Codes and Standards

This approval is subject to all applicable City of Redmond codes and standards, including the following:

Transportation and Engineering

RZC 21.12	Overlake Regulations
RMC 6.36	Noise Standards
RZC 21.52	Transportation Standards
RZC 21.40.010.E	Design Requirements for Parking Facilities
RZC 21.54	Utility Standards
RMC 12.08	Street Repairs, Improvements & Alterations
RMC 12.12	Required Improvements for Buildings and Development
RMC 12.16	Highway Access Management
RZC 21.76.100.F.9.C	Nonconforming Landscaping and Pedestrian System Area
RZC 21.76.020.G	Site Construction Drawing Review
RZC 21.76.020.G.3	Preconstruction Conference
RZC 21.76.090.F	Performance Assurance

RZC Appendix 2	Construction Specification and Design Standards for Streets and Access
City of Redmond	Record Drawing Requirements, February, 2021
City of Redmond	Standard Specifications and Details (current edition at the time of this approval letter issued)

Water and Sewer

RMC 13.04	Sewage and Drainage
RMC 13.08	Installing and Connecting Water Service
RMC 13.10	Cross-Connection and Backflow Prevention
RZC 21.54.010	Adequate Public Facilities and Services Required
RZC Appendix 3	Design Requirements for Water and Wastewater System Extensions
City of Redmond	Standard Specifications and Details (current edition at the time of this approval letter issued)
City of Redmond	Design Requirements: Water and Wastewater System Extensions – April 2019.

Stormwater/Clearing and Grading

RMC 15.24	Clearing, Grading, and Storm Water Management
City of Redmond	Standard Specifications and Details (current edition at the time of this approval letter issued)
City of Redmond	Stormwater Technical Notebook, Issue No. 8, Amended June 5, 2019
Department of Ecology	Stormwater Management Manual for Western Washington (amended December 2014)

Fire

RMC 15.06	Fire Code
RZC Appendix 2	Construction Specification and Design Standards for Streets and Access
City of Redmond	Fire Department Design and Construction Guide
City of Redmond	Fire Department Standards

Planning

RZC 21.12	Overlake
RZC 21.58, 60, 62	Design Standards
RMC 3.10	Impact Fees
RZC 21.32	Landscaping and Tree Protection
RZC 21.34	Exterior Lighting Standards

RMC 6.36	Noise Standards
RZC 21.38	Outdoor Storage and Service Areas
RZC 21.40	Parking Standards
RZC 21.64	Critical Areas
RZC 21.44	Signs

Building

RMC 15.08	Building Code
RMC 15.12	Electrical Code
RMC 15.14	Mechanical Code
RMC 15.16	Plumbing Code
RMC 15.18	Energy Code
RMC 15.20	Ventilation and Indoor Air Quality Code

Attachments:

Attachment A: Affordable Housing Agreement Template

WHEN RECORDED, MAIL TO:

City of Redmond
 15670 NE 85th Street
 Redmond, Washington 98052

ATTN: City Clerk
 Planning Dept Housing Planner

WASHINGTON STATE COUNTY AUDITOR/RECORDER/S INDEXING FORM

<p>Document Title(s) <i>(or transactions contained therein):</i></p> <p>DEVELOPER SALES AGREEMENT FOR AFFORDABLE UNITS—PROJECT NAME</p>
<p>Reference Number(s) of Documents assigned or released:</p> <p>_____</p> <p><input type="checkbox"/> Additional reference numbers on page ____ of document.</p>
<p>Grantor(s) <i>(Last name first, then first name and initials):</i></p> <p>1. _____</p> <p><input type="checkbox"/> Additional names on page __ of document.</p>
<p>Grantee(s) <i>(Last name first, then first name and initials):</i></p> <p>1. <u>CITY OF REDMOND</u></p> <p><input type="checkbox"/> Additional names on page __ of document.</p>

Legal Description (*abbreviated form; i.e., lot, block, plat name, section-township-range*):

Additional legal on Exhibit "A" of document.

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

The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document.

DEVELOPER SALES AGREEMENT FOR AFFORDABLE UNITS

PROJECT NAME

1. Definitions.
2. Affordable Units.
3. Sale of the Affordable Units.
4. Covenant Running with the Land; Enforcement
5. Termination.
6. General Provisions.

EXHIBITS

- “A” LEGAL DESCRIPTION
- “B” SAMPLE PRICING WORKSHEET
- “C” FORM OF COVENANT RESTRICTING RESALE AND OPTION TO PURCHASE
- “D” DESIGNATION OF AFFORDABLE UNITS
- “E” DESIGN OF AFFORDABLE UNITS
- “F” FORM OF TERMINATION OF DEVELOPER SALES AGREEMENT

DEVELOPER SALES AGREEMENT FOR AFFORDABLE UNITS

PROJECT NAME

This Developer Sales Agreement (this “Agreement”) is made and entered into this ____ day of _____, 20___, by and between the City of Redmond (the “City”), a municipal corporation of the State of Washington; and _____ and/or assigns (the “Owner”).

RECITALS

This Agreement is predicated upon the following:

- A. Owner is owner of property located at _____ in Redmond, Washington and as legally described in attached **Exhibit A** (“Property”).
- B. Owner has applied for _____ approval to construct _____ consisting of a total of _____ () units (the “Project”).
- C. There is a limited stock of land within the city zoned and available for residential development. There is a demonstrated need in the city for housing which is affordable to persons of low and moderate incomes. Therefore, the Redmond Zoning Code (“RZC”) provides for affordable housing within the _____ Neighborhood.

OPTION:

Therefore, the Redmond Zoning Code (“RZC”) allows density bonuses in Planned Unit Developments in exchange for the public benefit of providing affordable housing.

- D. The City finds that the Owner’s Project will benefit the City by providing ownership housing for Eligible Households.
- E. This Agreement is entered into pursuant to Chapter 21.20 RZC, which implements the Affordable Housing policies of the City. Chapter 21.20 RZC provides a density bonus to property owners to encourage construction of affordable housing for low- and moderate-income households. Provision of affordable housing earns a density bonus of up to one (1) dwelling unit per Affordable Unit and is a condition of approval for the Project. In return, the affordable housing condition and covenant apply for the life of the Project.

OPTION

In order to comply with the density bonus provisions as permitted in Section _____ of the Zoning Code, the Owner hereby agrees to the following conditions subject to which the City has approved the project.

NOW, THEREFORE, for and in consideration of the mutual promises aforesaid and made and relied upon by the parties hereto, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner and the City agree as follows:

1. **Definitions.** Capitalized terms used herein shall have the following meanings unless the context in which they are used clearly requires otherwise.

1.1. “Affordable Unit.” A dwelling unit reserved for sale to an eligible household as provided in this Agreement.

1.2. “Designee.” A Regional Coalition for Housing (“ARCH”) or such other agency as the City may designate in writing to the Owner to act on the City’s behalf for purposes of implementing this Agreement. The City shall notify the Owner of any determination not to utilize ARCH as its Designee for the purposes of this designation.

1.3. “King County Median Income.” The median family income in the Seattle-Bellevue, WA Housing and Urban Development Metro Fair Market Rent Area (“Seattle-Bellevue HMFA”) as published by the United States Department of Housing and Urban Development (“HUD”) from time to time. In the event HUD ceases to publish the median family income for the Seattle-Bellevue HMFA, or has not updated it for a period of at least eighteen (18) months, the City may use or develop such other reasonable method as it may choose in order to determine the median family income for King County.

1.4. “Low-Income Household.” Low-Income Household means a household whose gross income is equal to or less than fifty percent (50%) of the King County Median Income, adjusted for household size.

1.5. “Moderate-Income Household.” Moderate-Income Household means a household whose gross income is equal to or less than eighty percent (80%) of the King County Median Income, adjusted for household size.

2. **Affordable Units.**

2.1. Number of Affordable Units. The Owner agrees to sell for owner-occupancy _____ () Affordable Unit(s) comprising the following mix:

Unit Type	Affordable to Households:		Total Units in Project
	Low-Income	Moderate-Income	
Studio			
1-Bedroom			
2-Bedroom			
3-Bedroom			
4-Bedroom			
Total			

2.2. Maximum Initial Sales Price. Unless otherwise approved by the City, the initial maximum sales price for the Affordable Unit(s) shall be determined by the City no more than four

months prior to occupancy. The Owner shall notify the City in writing when the Owner wants the City to determine the initial maximum sales price for the Affordable Unit(s). If said units are not completed and available for occupancy within four months from when the initial maximum sales price is established, the City may elect to issue a new price. The City requires fourteen days notification to establish the sale price. An Affordable Unit must be available for occupancy by a buyer no later than four months from the date in which the initial maximum sales price is determined. If for any reason the Owner suspends marketing or no longer makes an Affordable Unit available for purchase, the City may elect to revoke the prior initial maximum sales price and issue a new initial maximum sales price calculated based on the provisions of this section.

At the request of the Owner, the City may set the initial maximum sales price for the Affordable Unit(s) earlier than four months of when the Affordable Unit(s) are available for occupancy. In such an event, the City at its sole discretion will determine the interest rate used to calculate the maximum initial sales price and will not be bound by Section 2.2.4 of the Agreement for determining the interest rate. In the event the initial maximum price for the Affordable Unit(s) is set earlier than four months than the Affordable Unit(s) is (are) available for occupancy, the City may elect to revoke said price for any Affordable Unit(s) that have not received a Certificate of Occupancy within twelve months of the date the initial maximum sales price is established. A new initial maximum price shall be calculated pursuant to the terms of this Agreement.

For purposes of calculating the maximum initial sales prices for the Affordable Units, the following factors shall be used (**Exhibit B** contains sample calculations of the Initial Sales Price):

2.2.1. Household's gross income will be assumed to be equal to the percent of the King County Median Income in effect at the time the maximum initial sales price for the Affordable Units is determined, adjusted for household size, as shown in the following table.

Household Income Basis for Maximum Initial Sale Price

	Percent of King County Median Income
Low-Income Affordable Unit	50%
Moderate-Income Affordable Unit	80%

2.2.2. For purposes of calculating the maximum initial sales price, household size will be assumed to be one (1) person for a studio, one and one-half (1.5) persons for a one-bedroom unit, three (3) persons for a two-bedroom unit, four and one-half (4.5) persons for a three-bedroom unit, and six (6) persons for a four-bedroom unit.

2.2.3. Thirty percent (30%) of the household's gross income is devoted to housing expenses which includes mortgage principal and interest, mortgage insurance, property taxes, hazard insurance, and, if applicable, homeowner's association dues and assessments.

2.2.4. A ten percent (10%) down payment.

2.2.5. A thirty (30)-year fixed rate mortgage at an interest rate equal to 5.5% or 1% plus the average thirty-year fixed term mortgage rate for King County as identified by the Federal Home Loan Mortgage Corporation's Primary Mortgage Market Survey (or if not available, a comparable indicator chosen by the City) nearest to the date the maximum initial sales price is established, whichever is greater.

2.2.6. Real property taxes at the tax rate for the Property applicable at the time the maximum initial sales price is calculated for the Affordable Unit(s).

2.2.7. Homeowner's association dues and assessments on the same basis as those charged of market-rate homes in the Project. In the event homeowner's association dues and assessments at the time of closing exceed the amount of the dues used to calculate the sales price by more than five percent (5%), the sales price shall be recalculated using the homeowner's association dues amount at the time of closing.

2.3. Resale Restriction Covenant. The Owner hereby agrees to include and require the signing of a Covenant Restricting Resale and Option to Purchase ("Covenant") by the buyer of any of the Affordable Unit(s) as part of the purchase process. The Covenant shall be substantially in the form of **Exhibit C**.

2.4. Location and Design of Affordable Units. The Affordable Unit(s) shall be those units identified in **Exhibit D** and designed substantially as shown in **Exhibit D-1**.

2.4.1. The Affordable Unit(s) shall be intermingled with all other dwelling units. The Owner may propose to change the particular units designated as the Affordable Unit(s), provided that a total of _____ unit(s) is (are) designated as an Affordable Unit(s), and the same affordability and unit mix is maintained as is required in Section 2.1 of this Agreement. The Owner shall request in writing the City's approval of any proposed change to the units designated for the Affordable Unit(s). The City will review the proposed changes and shall base its approval or disapproval of the proposed changes upon the criteria set forth in this section.

2.4.2. The exterior materials and designs of the Affordable Units must be compatible and comparable with the market rate units with similarity in building finishes, rooflines, and landscaping. The interior finish and quality of construction of the Affordable Unit(s) shall at a minimum be comparable to entry level market rate ownership housing in the city, as determined by the City.

2.5. The Owner shall allow the City or City's Designee to enter and complete an inspection at the earliest opportunity prior to closing the initial sale of each Affordable Unit for the purposes of confirming compliance with this Agreement.

3. Sale of the Affordable Units

3.1. Timing of Availability. The Affordable Unit(s) shall be made available in a timely manner and generally made available at the same time that market rate units are made available. Unless otherwise approved by the City, the City shall not issue building permits for more than _____ market rate units prior to issuing building permits for _____ Affordable Unit(s), and also shall not issue certificates of occupancy for more than _____ () market rate units prior to issuing certificates of occupancy for _____ Affordable Unit(s).

3.2. Qualifying Buyers. The City or its Designee must certify the eligibility of any potential buyer of an Affordable Unit prior to the closing of any sale of an Affordable Unit according to the following qualifications.

3.2.1. Minimum Household Size. For the Affordable Unit(s), the buyer's household at the time of purchase shall contain a minimum of one person for studio units, open one-bedroom units, one-bedroom units, and two-bedroom units, a minimum of two persons for three-bedroom units, and a minimum of three (3) persons for four-bedroom units.

3.2.2. Maximum Household Income. Unless the City approves a higher income level, the buyer of an Affordable Unit shall have a household income less than the percentage of the King County Median Income, adjusted for household size, as shown in the following table.

Household Income Limits

	Percent of King County Median Income
Low-Income Affordable Unit	60%
Moderate-Income Affordable Unit	90%

3.3. Marketing and Buyer Selection. The City or its Designee shall be responsible for marketing and selecting qualified buyers to purchase the Affordable Unit(s).

3.3.1. Timing of Marketing. Marketing of the Affordable Unit(s) will not begin until both of the following has occurred: (a) ARCH has established the maximum initial sales price; and (b) the Owner has made reasonable marketing information for the Affordable Unit(s), including floor plans and "finish packages" available for distribution to or viewing on the internet by prospective buyers.

3.3.2. Buyer Selection. ARCH maintains a registry of households who have expressed interest in applying for affordable homeownership opportunities. ARCH will establish criteria for selecting qualified buyers for the Affordable Units, contact households in the registry with the marketing information the Owner has provided, and verify final eligibility of respondents.

3.3.3. Purchase and Sale Agreement Review. The Owner shall provide to ARCH any Purchase and Sale Agreements for Affordable Unit(s) prior to closing. ARCH shall review the Purchase and Sale Agreements to confirm compliance with this Agreement; e.g., that the purchase price does not exceed the maximum initial sale price, that the purchase is subject to an inspection contingency, etc.

3.4. Buyer Walk-Through. The Owner shall allow approved buyers to enter and inspect the Affordable Unit(s), including inspection by a licensed inspector, after all construction is complete and before the sale is closed. All buyers of Affordable Units shall have the right to inspection contingencies and the Owner shall not allow any buyer of an Affordable Unit to waive these rights.

4. Covenant Running with the Land; Enforcement. This Agreement shall constitute a covenant running with the land and shall inure to the benefit of and be binding upon the parties and their respective heirs, successors, and assigns, unless terminated as provided in Section 5 of

this Agreement. The covenants and restrictions contained herein shall benefit the City, and the City is hereby granted full authority to enforce this Agreement by any means available under the law. The Owner hereby represents, warrants, and covenants that it will cause this Agreement to be recorded in the real property records of King County, Washington.

5. Termination. Upon the final sale and closing of the Affordable Unit(s) as provided in this Agreement, then the City shall, at Owner's request, execute a document in recordable form, in substantially the form of **Exhibit F**, that so states and recites that this Agreement and its covenants are therefore terminated. The Owner shall pay all fees and charges incurred in connection with any such recording.

6. General Provisions.

6.1 Notice. All notices required or permitted herein shall be in writing and shall be either delivered in person or sent by U.S. mail, first class postage prepaid, and shall be deemed delivered on the sooner of actual receipt or three (3) days after deposit in the mail, addressed to a party at the addresses set forth below:

If to the City: City of Redmond
Mail Stop 4S PL
Redmond, WA 98052

Attn: Housing Planner

With a copy to:
ARCH
16225 NE 87th Street, Suite A-3
Redmond, WA 98052

If to the Owner: **Name**
Address
City, ST ZIP

Notice of change of address or of recipient of a party shall be given by notice in the manner detailed above.

6.2 Governing Law. This Agreement shall be governed by the laws of the State of Washington. References to statutes are construed to apply to later enactments on the same subject.

6.3 Amendment. This Agreement may be amended only in writing executed by all parties hereto.

6.4 Time of the Essence. Time is of the essence of this Agreement and of every provision hereof.

6.5 Number/Gender. The use of the singular or plural and the masculine and feminine or neuter pronouns shall be construed as interchangeable and such correct pronouns when referring to a particular person, person, entity, or entities shall be construed to have been used herein appropriately and correctly.

6.6 Invalid Provision. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

6.7 No Joint Venture. Each of the parties hereto is acting independently hereunder, and no partnership or joint venture between or among the parties shall be implied or deemed created by reason of the terms and conditions herein.

6.8 Exhibits. All exhibits attached hereto are incorporated herein by this reference as if fully set forth.

[Signature page follows.]

IN WITNESS WHEREOF, the City and the Owner have executed this Developer Sales Agreement for Affordable Units by duly authorized representatives, all on the date first above written.

Owner:

City of Redmond

Name

Angela Birney

Title

Mayor

Approved as to form:

City Attorney

STATE OF WASHINGTON }
 }
COUNTY OF KING } ss.

On this _____ day of _____, 20____, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, known to me to be the _____ of the CITY OF REDMOND, who executed the foregoing document on behalf of said City, and acknowledged the said document to be the free and voluntary act and deed of said City, for the uses and purposes therein mentioned, and on oath stated that s/he was authorized to execute said document.

IN WITNESS WHEREOF I have given under my hand and official seal this ____ day of _____, 20____.

Notary Public in and for the State of Washington.
Print Name _____
Residing at _____
My commission expires _____

STATE OF WASHINGTON }
 }
COUNTY OF KING } ss.

On this _____ day of _____, 20____, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of _____, corporation, who executed the foregoing instrument on behalf of the said corporation, and acknowledged the said document to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that s/he was authorized to execute said document.

IN WITNESS WHEREOF I have given under my hand and official seal this ____ day of _____, 20____.

Notary Public in and for the State of Washington.
Print Name _____
Residing at _____
My commission expires _____

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B

SAMPLE PRICING WORKSHEET

EXHIBIT C

FORM OF COVENANT RESTRICTING RESALE AND OPTION TO PURCHASE

**COVENANT RESTRICTING RESALE
AND OPTION TO PURCHASE AND ASSIGNMENT OF RENTS**

DEVELOPMENT NAME

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COVENANT RESTRICTING RESALE

AND OPTION TO PURCHASE AND ASSIGNMENT OF RENTS

DEVELOPMENT NAME

This COVENANT RESTRICTING RESALE AND OPTION TO PURCHASE AND ASSIGNMENT OF RENTS (“Covenant”) is entered into and made effective as of this ____ day of _____, 20__, by _____ (“Owner”) and Owner’s successors and assigns in interest for the purpose of implementing the City’s goal of creating, preserving, maintaining and protecting housing in the City of _____ (“City”) for households of low and moderate incomes.

The cooperation of the City and DEVELOPER NAME (“Developer”) allows the Property to be sold at less than full market price to households who would not otherwise be able to afford the Property. The City wishes to establish resale controls to provide for the continued availability of the Property to low- and moderate-income households.

In consideration of the benefits received by the Owner, this Covenant shall govern and affect the Owner’s right to sell, convey, encumber, transfer or dispose of in any way the Owner’s interest in the real property described in **Exhibit A** attached hereto and incorporated herein by this reference (“Property”).

The Owner expressly acknowledges that this Covenant addresses a number of issues related to the purchase and resale of the Property, including without limitation that: (a) the Property must be occupied as the Owner’s principal residence; (b) at the time of purchase, the combined maximum income for all household members cannot exceed ____ percent (___%) of the Seattle-Bellevue, WA HUD Metro FMR Area (“Seattle-Bellevue HMFA”) median income, adjusted for household size, unless modified by the City; and (c) the Maximum Resale Price of the Property will be based on the initial price, plus an appreciation factor, plus the value of certain improvements, less deferred maintenance, if any.

The City designates A Regional Coalition for Housing (“ARCH”) as its Designee to administer certain responsibilities of this Covenant and the Owner recognizes ARCH as the City’s Designee for any purpose the City assigns to ARCH. The City may designate in writing to the Owner any other agency as its Designee and shall notify the Owner of any determination not to utilize ARCH as its Designee for purposes of this designation.

SECTION 1. ELIGIBILITY REQUIREMENTS.

The Owner must meet the following requirements and by acceptance of a deed or otherwise acquiring an interest in the Property hereby warrants as follows:

1.1. **Principal Residence.** The Owner will occupy the Property as his or her principal residence for the term of this Covenant unless Owner is otherwise approved by the City or the City’s Designee to lease the Property pursuant to Section 1.2. The Owner shall be considered as occupying the Property as a principal place of residence if the Owner is living on the Property for at least ten (10) months out of each calendar year. In the event the Property is vacant while being actively offered for sale by Owner, this owner-occupancy requirement shall not apply; however, Owner may not rent or lease the Property during such period, unless otherwise approved in writing by the City.

1.2. **Leasing.** During the term of this Covenant, the Owner shall not rent or lease the Property without prior written approval by the City. The City or the City’s Designee may at its sole discretion approve renting or leasing the Property for a period of up to twelve (12) months in order to avoid hardships resulting from the Owner’s employment transfer, reduction, termination, or similar reasons, or resulting from separation, dissolution, or similar domestic occurrences, or from the illness or disability of the Owner or Owner’s dependents, or from similar reasons beyond the

reasonable control of Owner; provided further, that a copy of any lease or rental agreement shall be provided to the City; and provided further, the City in the exercise of its reasonable discretion may extend said 12-month period. It is understood that the City's primary purpose is to provide the opportunity to acquire a personal residence for households of low and moderate income and not to create rental investment property; any lease in violation of this Covenant is void ab initio.

1.3. **Ownership Status Report.** Owner must submit a status report of Owner's occupancy of the Property within 10 days of receipt of any such request from the City. This report must include an explanation of any rental or vacancy questions raised by the City over the time period specified by the City in its request for a status report. Failure to respond to the request will be subject to the default and remedy provisions in Section 8.1 of the Covenant.

1.4. **Income Limitation.** At the time of purchase, the combined maximum income for all household members of the Owner shall not exceed ___ percent (___ %) of the median family income in the Seattle-Bellevue HMFA as published by HUD from time to time, adjusted for household size, or such higher income limit as the City may determine. In the event HUD ceases to publish the median family income for the Seattle-Bellevue HMFA or has not updated it for a period of at least eighteen (18) months, the City may use or develop such other reasonable method as it may choose in order to determine the median family income in King County.

1.5. **Household Size.** The Owner's household at the time of purchase shall contain a minimum number of one member for a studio, one-bedroom, or two-bedroom unit; a minimum number of two members for a three-bedroom unit, and a minimum number of three members for a four-bedroom unit.

SECTION 2. RIGHT OF FIRST REFUSAL.

2.1. **City's Right.** Owner hereby grants and gives to the City a right of first refusal to purchase the Property and any improvements located thereon under conditions as hereinafter set forth. The City may designate a governmental or non-profit organization to exercise its right of first refusal, and the City or its Designee may assign this right to an individual private buyer who meets the City's eligibility qualifications. After the exercise of said right by the City, its Designee or assignee, in the manner as hereinafter prescribed, the City, its Designee or assignee, may assign said right of first refusal to purchase to any substitute, individual, or private buyer who meets the eligibility requirements and is approved by the City; provided, however, that such subsequent assignment shall not extend any time limits contained herein. Any transfer of title to the Property or any interest therein by the Owner, or any attempt thereof, in violation of these covenants shall be void ab initio.

2.2. **Exception of FHA Loans.** Notwithstanding any provision in this Covenant to the contrary, the option granted by Section 2.1 shall not be exercised by the City when a deed of trust insured by the Federal Housing Administration, a division of HUD ("HUD/FHA"), is secured by the subject property, and

2.2.1. Owner is undergoing consideration by HUD/FHA for assignment forbearance relief; or

2.2.2. Owner is undergoing consideration for relief under HUD's Temporary Mortgage Assistance Payment (TMAP) program.

SECTION 3. PROCEDURE FOR PURCHASE/RESALE/REFINANCE.

3.1. **Notice for Financing / Limitation on Financing.**

3.1.1. Owner shall provide notice by certified mail return receipt requested to the City with at least 15 days advance written notice of any proposed financing that will be secured by a deed of trust recorded against the Property, which notice must include: (i) reasonable documentation evidencing the amount of such financing and (ii) the current Maximum Resale Price. Under no circumstances may the total amount of encumbrances recorded against the Property exceed Maximum Resale Price as defined in Section 4.2. The subordination of this Covenant pursuant to Section 11 shall not apply to any Deed(s) of Trust or mortgage(s) by an Institutional Lender (as defined in 7.2.1) that either separately or when accounting for other higher priority Deed(s) of Trust or mortgages(s) that in the aggregate exceeds the Maximum Resale Price as described in Section 4.2, absent specific written approval from the City. For example, if the Property had a Maximum Resale Price of \$200,000, then this Covenant would be subordinate to a first mortgage in the amount of \$180,000 but would not be subordinate to a first mortgage in the amount of \$220,000. As another example, if there was a first mortgage of \$160,000, a second mortgage of \$20,000 and a third mortgage of \$40,000,

then this Covenant would be subordinate to the first and second mortgage but would not be subordinate to the third mortgage.

3.1.2. To assure continued affordability of the Property, no financing obtained or assumed by Owner which results in negative amortization shall be permitted unless approved by the City.

3.2. **Notice for Resale/City First Right of Purchase.**

3.2.1. Whenever the Owner no longer desires to own the Property, the Owner shall notify the City in writing to that effect. Such notice ("Notice of Intent to Sell") shall be personally delivered or deposited in the United States Mail, postage prepaid, or by certified mail and addressed to the City, its Designee or assignee.

3.2.2. The City, its Designee or assignee, shall then have the right to exercise its first right to purchase said Property by delivery of written notice, by personal delivery or certified mail to the Owner at any time within sixty (60) days from the receipt by the City of such written notice from the Owner of Owner's intent to sell or dispose of the Property.

3.3. **City Not Elect to Purchase.** If the City, its Designee or assignee, does not exercise its right to purchase said Property, then the Owner may proceed to sell the Property subject to the remaining provisions of this Covenant, including Section 1.

3.4. **City Elects to Purchase.** If the City, its Designee or assignee, exercises its right to purchase said Property, then close of escrow for said purchase shall be within one hundred twenty (120) days of the City's receipt of Owner's Notice of Intent to Sell, unless such period is extended by the mutual agreement of the Owner and the City, its Designee or assignee.

3.5. **Inspections.** Buyers shall be entitled to an inspection contingency providing for inspection of the Property by a licensed home inspector, including a pest inspection. The Owner shall be responsible for payment of deferred maintenance, as further described in Section 4.24.

3.6. **New Covenant upon Transfer.** Prior to the close of escrow the Owner shall ensure that the proposed buyer executes a new resale covenant, in a form acceptable to the City, under which the proposed buyer shall assume the obligations and duties and agree to be bound by the provisions set forth in this Covenant. The buyer's resale covenant may contain provisions to reflect any changes to the City's adopted affordability policies. The recordation of the buyer's resale covenant shall be a condition of the City's approval of the proposed transfer. The Owner shall pay a reasonable administrative fee to the City and reimburse the City for out-of-pocket costs to cover the costs of administering its rights and obligations under this Covenant. Notwithstanding the foregoing, even if said buyer fails to execute and record a resale covenant, any person acquiring an interest in the Property from or through the Owner shall acquire such interest subject to and be bound by the provisions of the Covenant. Any buyer of the Property or of any portion of or interest in the Property, by the acceptance of a deed therefore, whether from Owner or from any subsequent owner of the Real Property, or by the signing of a contract or agreement to purchase the same, shall by the acceptance of such deed or by the signing of such contract or agreement be deemed to have consented to and accepted the covenants, conditions, restrictions and limitations set forth herein.

3.7. **Establishing the Purchase Price.** The purchase price shall be paid in cash at the close of escrow or as may be otherwise provided by mutual agreement between the buyer and the Owner. The maximum purchase price of the Property shall be fixed by the City or Designee in accordance with Section 4.2 at the time of receipt of the Notice of Intent to Sell.

3.8. **Closing Costs.** The Owner shall pay all seller closing costs including excise tax, Owner's title insurance, a portion of escrow fees, and any miscellaneous costs associated with unpaid balances on utility, homeowner's association, and other items. The buyer shall not pay the Owner's closing costs or any agent fees. The buyer shall be responsible for payment of any assumption or pre-payment fees imposed by any lender by reason of the sale of Property.

3.9. **Escrow Process.** Each Owner and proposed buyer shall approve and sign escrow instructions provided by the City, which instruct escrow regarding the requirements of this Covenant, if any. Owner and proposed buyer shall provide the City with a copy of the final sale contract, settlement statement, copy of signed assumption agreement, recording number of the assumption agreement, escrow instructions, and any other document that the City may reasonably request.

3.10. **Sale or Transfer in Violation.** In the event a sale or transfer is made in violation of the terms of this Covenant or false or misleading statements are made in any documents or certification submitted to the City for its approval of the sale or transfer, the City may declare a default under the Covenant. The City shall also have the right to file action at law or in equity to force the parties to terminate and rescind the sale contract and declare the sale void notwithstanding the fact that the sale or transfer may have closed and become final as between the seller and buyer. In any event, any costs, liabilities, or obligations incurred by the seller and buyer for the return of any moneys paid or received in violation hereunder or for any costs and legal expenses, shall be borne by the seller and buyer, and not by the City. The seller and buyer shall hold the City and its designees harmless for any action the City reasonably takes in good faith in enforcing the terms of this Covenant.

SECTION 4. LIMITATION ON PURCHASE PRICE.

4.1. **Base Price.** The Base Price of the Property is the price the Owner paid to acquire the Property.

4.2. **Maximum Resale Price.** The City or its Designee shall fix the Maximum Resale Price of the Property at the Formula Value or the Current Market Value, whichever is less, as such values may be adjusted pursuant to this section. The Maximum Resale Price shall not be less than the Base Price. The Maximum Resale Price is not a guarantee of sales price.

4.2.1. **Formula Value.** The Formula Value shall be equal to the Base Price plus an Appreciation Factor. The Appreciation Factor shall be based on the change in median income in the Seattle-Bellevue HMFA as published by the United States Department of Housing and Urban Development (HUD). For this purpose, the median income prevailing on the date a recorded interest in the Property was first acquired by Owner shall be compared with the latest median income available on the date of receipt by the City of the Notice of Intent to Sell as provided under Section 3.1.1. The percentage increase in the median income, if any, shall be computed and the Base Price shall be adjusted by that percentage.

4.2.2. **Adjustments for Approved Improvement.** The Formula Value may be adjusted to account for expenses incurred by Owner to make significant capital improvements if the conditions of this Section are met. This Section is not intended to restrict the Owner's rights to make improvements to the Property, nor does it waive the Owner of meeting any homeowner's association requirements. It is for the purposes of calculating adjustments to the Formula Value in the event of improvements.

a. No price adjustment will be made unless approved by the City or the City's Designee prior to installing the improvement, and if Owner presents the City with written documentation of all expenditures made by the Owner for which an adjustment is requested.

b. The City may approve an increase in the Formula Value based on the value of certain substantial fixed improvements which cannot be removed without significant damage to the Property or significant or total loss of value of said improvement. Eligible improvements include replacement or upgrade of essential heating, plumbing, or electrical systems, and the addition of finished bedrooms that increase the potential occupancy size of the home. The value of such improvements will be depreciated based on the life of the improvement, as determined by the City or Designee.

c. The approved value of improvements shall not cause the adjusted Formula Value to be unaffordable to subsequent eligible buyer households, as determined by the City or Designee.

4.2.3. **Current Market Value.** The City, its Designee or assignee, may have an appraisal of the Property prepared at its own expense by an MAI appraiser to establish the Current Market Value. The Owner may also have an appraisal prepared at the Owner's expense by a different MAI appraiser for the same purpose. If the two appraisals show different value, the average of the two values shall be deemed and established as the Current Market Value.

4.2.4. **Escrow for Deferred Maintenance.** Once determined under Sections 4.2.1 and 4.2.2 above, the purchase price shall be adjusted by decreasing said price by an amount to compensate for deferred maintenance cost, if any, which amount shall be determined as follows:

a. Upon receipt of the Notice of Intent to Sell, the City or its Designee shall be entitled to inspect the Property. The City or its Designee shall have an opportunity to determine: whether all plumbing, electrical, and heating systems are in working order; whether any violations of applicable building, plumbing, electric, fire, or

housing codes exists; whether all appliances which were originally furnished to the Owner as part of the Property, or any replacement thereof, are in working order; whether walls, ceilings and floors are clear and free of holes or other defects (except for holes typical for picture hangers); whether doors, windows, screens and similar appurtenances are cracked, broken or torn; and whether carpets, drapes and similar features which were originally furnished to the Owner as part of the Property, or any replacement thereof are clean and free of holes; tears or defects; and when not maintained by the homeowners' association, whether the landscaping has been generally maintained.

b. In the event deficiencies are noted, the Owner shall cure the deficiencies in a reasonable manner acceptable to the City or its Designee within sixty (60) days of being notified of the results of the inspection, but in no event later than the close of escrow. At the option of the City or its Designee escrow may be closed, title passed and monies paid to the Owner subject to the condition that such funds as are necessary to pay for curing such deficiencies (based upon written estimates obtained by the City or its Designee) shall be separated from the monies due to the Owner and held by an escrow holder acceptable to the City or its Designee of the purpose of curing such deficiencies.

c. The City or its Designee shall cause such deficiencies to be cured. Upon certification of completion of work by the City or its Designee, escrow holder shall utilize such funds to pay for said work. Any remaining funds shall be paid to the Owner and thereupon, no other payment shall be due to the Owner.

SECTION 5. LIABILITIES.

In no event shall the City become liable to the Owner, or become obligated in any manner, by reason of the assignment of its first right of refusal to purchase, or after such an assignment become in any way obligated or liable to the Owner for any failure of the City's Designee or assignee to consummate a purchase of the Property or to comply with the terms of any purchase and sale agreement.

SECTION 6. RESTRICTION ON DISPOSITION OF PROPERTY.

6.1 **City's Consent to Transfer.** The Property and any interest in title thereto shall not be sold, leased, rented, assigned, or otherwise transferred to any person or entity without express written consent of the City, or its Designee or assignee, as applicable, which consent shall be consistent with the City's goal of creating, preserving, maintaining, and protecting housing for low and moderate income households, and which consent shall not be unreasonably withheld or denied so long as the proposed transfer of an interest in the Property otherwise complies with this Covenant. Subject to the provisions of Sections 3, this provision shall not prohibit the Owner's right to encumber Owner's title to the Property for the sole purpose of securing financing; however, in the event of foreclosure or transfer by deed in lieu for foreclosure, the provisions of Section 2, Right of First Refusal, and Section 3, Procedure for Purchase, of this Covenant shall govern subject to the provisions of Section 11.

6.2 **Dispositions Not Restricted.** The following transfers of title or any interest therein are not subject to the right of first refusal provisions of this Covenant, and written consent by the City as provided in Section 6.1 will be based solely on the transfer being consistent with the provisions of this section: transfer by gift, devise, or inheritance to grantee's spouse or issue; taking of title by surviving joint tenant; transfer of title to a spouse as part of a divorce or dissolution proceedings; and acquisition of title or interest therein in conjunction with marriage; provided, however, that the covenants and restrictions created herein shall continue to run with the title to said Property following any of said transfers.

SECTION 7. TERMINATION OF RIGHT OF FIRST REFUSAL/COVENANT.

7.1 **Duration of City's Purchase Rights.** The provisions set forth in this Covenant shall be in effect for fifty (50) years from the date of this Covenant written above (or if no date is written above, the date this Covenant was recorded) subject to the following: Upon the first sale to occur after 50 years from the date of this agreement, any surplus of proceeds so distributed remaining after payment of encumbrances of said Property shall be distributed as follows: that portion of the surplus up to but not to exceed the net amount that the Owner would have received under the formula to purchase the Property on the date of sale pursuant to Section 3, shall be distributed to the Owner, and the balance of such surplus, if any, shall be distributed to the City or its successor or assignee in interest.

7.2 **Termination of Covenant.** Notwithstanding any provision in this Covenant to the contrary, and provided that this Section 7.2 applies only to transfers of title to lenders to which this Covenant is subordinate according to Sections 3.1 and 11, all of the provisions of this Covenant shall terminate and have no further force and effect upon the occurrence of one of the following events:

7.2.1 Title to subject property is acquired by HUD/FHA, Veterans Administration ("VA"), Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC") or another party upon foreclosure of a deed of trust or mortgage insured, made or held by HUD/FHA, VA, FNMA, FHLMC or an institutional lender or an institutional investor which is neither a natural person nor directly or indirectly related to or affiliated with Owner or Owner's successors in interest (Institutional Lender).

7.2.2 Title to the subject property is acquired by HUD/FHA, VA, FNMA, FHLMC or another party by deed in lieu of foreclosure of a deed or trust or mortgage insured, made, or held by HUD/FHA, VA, FNMA, FHLMC or an institutional lender or an institutional investor which is neither a natural person nor directly or indirectly related to or affiliated with Owner or Owner's successors in interest.

7.2.3 A deed of trust insured by HUD/FHA on the subject property is assigned to HUD/FHA.

Upon termination of the Covenant, on request of the then record owner of the fee title to the Property, the City shall execute, acknowledge and record a termination of the Covenant.

SECTION 8. DEFAULTS, REMEDIES, RESALE RESTRICTIONS, ASSIGNMENTS OF RENTS.

8.1 **Default and Remedies.** Upon violation of any of the provisions of this Covenant by Owner or Owner's proposed buyer, the City may give written notice to Owner specifying the nature of the violation. If the violation is not corrected to the satisfaction of the City within a reasonable period of time, not longer than thirty (30) days after the date the notice is mailed, or within such further time as the City determines is necessary to correct the violation, the City may declare a default under this Covenant. Upon the declaration of a default or if the Owner or Owner's proposed buyer makes any misrepresentation in connection with receiving any benefits under this Covenant, the City may apply to a court of competent jurisdiction for specific performance of this Covenant, for an injunction prohibiting a proposed sale or transfer in violation of this Covenant, for a declaration that a transfer in violation of this Covenant is void, or for any such other relief at law or in equity as may be appropriate. In the event of default by the Owner, and/or by the Owner's transferee in those circumstances where a transfer has occurred in violation of this Covenant, the Owner or the Owner's transferee shall hold the City and City's respective employees or other agents harmless and reimburse the expenses, legal fees and costs for any action the City takes in enforcing the provisions of these Covenants.

8.2 **City's Option to Purchase.** Notwithstanding, and in addition to, the remedies provided in Section 8.1, Owner hereby grants to the City, the option to purchase the Property effective upon the declaration of a default. Said

option to purchase is given in consideration of the economic benefits received by Owner resulting from ownership of the Property made possible by the assistance of the City in developing the Property.

8.3 **Assignment of Rents.** Owner hereby assigns to City the right to receive the rents due or collected during the entire period the Property is occupied in violation of any of the terms of this Covenant.

SECTION 9. DEFAULT MORTGAGES.

9.1 **Notice of Default.** The Owner covenants to cause to be filed for record in the Office of the Recorder of the King County a request for a copy of any notice of default and of any notice of sale under any deed of trust or mortgage with power of sale encumbering said Property pursuant to RCW 61.24.045. Such request shall specify that any such notice shall be mailed to the City.

9.2 **City's Right to Purchase.** Any notice of default and sale given to and received by the City shall constitute a Notice of Intent to Sell hereunder and the City, its Designee or assignee, may exercise its right of first refusal prior to any trustee's sale, judicial foreclosure sale, or transfer by deed in lieu of foreclosure; provided, however, the time by which the City, its Designee or assignee, may complete the purchase of the Property, shall be limited by the period of foreclosure prescribed in the RCW 61.12 or 61.24 and not the period allowed under Section 3 of this Covenant. In the event the Owner fail to file such request for notice, the City's right to purchase shall run from the date the City has actual knowledge of a sale or proposed sale, but the City's right to purchase shall not extend beyond the period of foreclosure prescribed in RCW 61.12 or 61.24 and a mortgagee's or trust deed beneficiary's rights of foreclosure shall not be affected.

9.3 **Surplus if City Not Purchase.** In the event the City elects not to exercise its right to purchase upon notice of default or sale, any surplus to which the Owner may be entitled shall be paid as follows: that portion of surplus (after payment of encumbrances), if any, up to but not exceeding the net amount that the Owner would have received after payment of encumbrances under the formula set forth above had the City exercised its right to purchase the Property on the date of the foreclosure sale, shall be paid to the Owner on the date of the foreclosure sale, and the balance of surplus, if any, shall be paid to the City or its successor assignee in interest.

SECTION 10. INSURANCE/CONDEMNATION PROCEEDS.

In the event that the Property is destroyed and insurance proceeds are distributed to the Owner instead of being used to rebuild, or if in the event of condemnation, or a dissolution of the homeowners' association and a liquidation and distribution of the associations' assets, any surplus of proceeds so distributed remaining after payment of encumbrances of said Property shall be distributed as follows: that portion of the surplus up to but not to exceed the net amount that the Owner would have received under the formula to purchase the property on the date of liquidation, shall be distributed to the Owner, and the balance of such surplus, if any, shall be distributed to the City or its successor or assignee in interest.

SECTION 11. PRIORITY OF MORTGAGE.

11.1 **Lender's Rights Not Impaired.** Notwithstanding any provisions herein, and provided that Owner complies with the requirements of Section 3.1.1., which among other items requires the total amount of encumbrances recorded against the Property not exceed the lower of the current Formula Value or Current Market Value, this Covenant shall not diminish or affect the rights (including the legal rights to take action following a default under an obligation secured by the Property) of HUD/FHA, FNMA, FHLMC, VA or the holder of any deed of trust or mortgage recorded on Property made, held, or insured by an institutional lender or an institutional investor which is neither a natural person nor directly or indirectly related to or affiliated with Owner or Owner's successors in interest, provided that

Attn: Planning Department -Housing Planner

With a copy to: ARCH
16225 NE 87th St, Suite A-3
Redmond, WA 98052
Attn: Housing Program Administer

OWNER: _____

13.2 **Number/Gender.** The use of the singular or plural and the masculine and feminine or neuter pronouns shall be construed as interchangeable and such correct pronouns when referring to a particular person, persons, entity or entities shall be construed to have been used herein appropriately and correctly.

13.3 **Applicable Law.** This Covenant and the covenants, conditions and restrictions contained herein shall be construed under the laws of the State of Washington. References to statutes are construed to apply to later enactments on the same subject.

13.4 **Owner's Acceptance.** By execution of this Covenant and the acceptance of any interest in the Property, the Owner accepts and agrees to be bound by the covenants contained herein.

13.5 **Invalid Provision.** If any one or more of the provisions contained in this Covenant shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Covenant, and this Covenant shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

13.6 **Successors and Assigns.** Unless otherwise limited and/or indicated herein, this Covenant shall constitute covenants that run with the land, as provided by law, and shall be binding upon and inure to the benefit of all parties and all persons who shall be or shall become the owner of, or otherwise have an interest in the Property.

13.7 **Amendments.** This Covenant may not be amended or terminated without the written consent of the City, unless otherwise specifically provided for in this Covenant.

Dated as of the date first above written.

OWNER:

Name

STATE OF WASHINGTON }
 } ss.
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 _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) who executed this instrument and acknowledged it to be a free and voluntary act and deed for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF I have given under my hand and official seal this ____ day of _____, 20____.

Notary Public in and for the State of Washington.

Print Name _____

Residing at _____

My commission expires _____

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 _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) who executed this instrument and acknowledged it to be a free and voluntary act and deed for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF I have given under my hand and official seal this ____ day of _____, 20____.

Notary Public in and for the State of Washington.

Print Name _____

Residing at _____

My commission expires _____

**EXHIBIT A
TO
COVENANT RESTRICTING RESALE AND OPTION TO PURCHASE**

Legal Description of Property

SAMPLE

**EXHIBIT B
TO
COVENANT RESTRICTING RESALE AND OPTION TO PURCHASE**

Purchase Price Determination Worksheet

A. Original Purchase Price = \$ _____

Date of Purchase: _____

Date of Notice of Intent to Sell: _____

B. Percentage Increase

1) Seattle-Bellevue HMFA Median Income on the date of purchase = \$ _____

2) Latest Seattle-Bellevue HMFA Median Income available on date of receipt by City of Notice of Intent to Sell = \$ _____

3) Percentage increase/decrease = $(B2 - B1) / B1 =$ _____ %

4) Increase in Value = $A \times B3 =$ \$ _____

C. Formula Value = $A + B4 =$ \$ _____

D. Adjusted Formula Value

Formula Value [C] \$ _____

+ Approved Improvement Value \$ _____

= ADJUSTED FORMULA VALUE \$ _____

EXHIBIT D

DESIGNATION OF AFFORDABLE UNITS

See attached.

EXHIBIT E
DESIGNS OF AFFORDABLE UNITS

See attached.

EXHIBIT F

FORM OF TERMINATION OF DEVELOPER SALES AGREEMENT

WHEN RECORDED, MAIL TO:

City of _____

ATTN: City Clerk / Planning Department Housing Planner

**TERMINATION OF DEVELOPER SALES AGREEMENT
FOR AFFORDABLE UNITS**

Reference is made to that certain Developer Sales Agreement for Affordable Units (“Agreement”) dated as of the ____ day of _____, 20__, by and between the City of _____ (“City”) and _____ (“Owner”), recorded under King County Recording No. _____ with respect to certain real property more particularly described in Exhibit A attached hereto and incorporated herein by reference (“Project”).

Pursuant to the Agreement, the Owner has constructed and sold _____ (__) Affordable Unit(s) and has otherwise fully performed and satisfied all of the Owner's duties and obligations under the Agreement.

Now, therefore, pursuant to the Agreement, the City and Owner hereby acknowledge and agree that said Agreement is declared to be terminated, null and void and of no further force and effect with respect to the Property.

Dated as of the ____ day of _____, 20__.

CITY OF _____

OWNER

Name

Name

Title

Title

Approved as to Form:

City Attorney