EXCEPT THAT PORTION CONVEYED TO THE CITY OF ISSAQUAH BY DEED RECORDED UNDER RECORDING NUMBER 9406302366;

SITUATE IN THE CITY OF ISSAQUAH, COUNTY OF KING, STATE OF WASHINGTON.

NOTES CORRESPONDING TO SCHEDULE B SPECIAL EXCEPTIONS

PER COMMITMENT PROVIDED BY FIDELITY NATIONAL TITLE OF WASHINGTON, INC., FILE NO. 20375033-416-416, EFFECTIVE COMMITMENT DATE OF APRIL 24, 2017 AT 8:00 A.M.

ITEMS 1 THROUGH 4 AND 7 THROUGH 8, INCLUSIVE, PERTAIN TO TAXES, SEWER TREATMENT CAPACITY CHARGES, DEED OF TRUST AND UNRECORDED LEASEHOLDS AND OTHER INFORMATIONAL DOCUMENTS. SAID ITEMS DO NOT PERTAIN TO THIS ALTA/NSPS LAND TITLE SURVEY.

5. THIS PROPERTY IS SUBJECT TO COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, EASEMENTS OR OTHER SERVITUDES, IF ANY, DISCLOSED BY THE SHORT PLAT RECORDED UNDER RECORDING NO. 8001020405 AND REVISIONS THERETO BY INSTRUMENT RECORDED UNDER RECORDING

6 6. THIS PROPERTY IS SUBJECT TO AN EASEMENT FOR THE PURPOSE OF AN UNDERGROUND ELECTRIC SYSTEM IN FAVOR OF PUGET SOUND POWER & LIGHT COMPANY, AS DISCLOSED BY INSTRUMENT RECORDED MARCH 25, 1981 UNDER RECORDING NUMBER 8103250387, RECORDS OF KING COUNTY, WASHINGTON. CONTAINS COVENANT PROHIBITING STRUCTURES OVER SAID EASEMENT OR OTHER ACTIVITIES WHICH MIGHT ENDANGER THE UNDERGROUND SYSTEM. (THIS EASEMENT HAS BEEN GRAPHICALLY DEPICTED HEREON.)

GENERAL NOTES

1. EASEMENTS AND LEGAL DESCRIPTION ARE BASED ON THE TITLE REPORT BY FIDELITY NATIONAL TITLE OF WASHINGTON, INC., ORDER NO. 20375033-416-416, DATED APRIL 24, 2017, AT

2. PRIMARY CONTROL POINTS AND ACCESSIBLE MONUMENT POSITIONS WERE FIELD MEASURED UTILIZING GLOBAL POSITIONING SYSTEM (GPS) SURVEY TECHNIQUES USING TRIMBLE R10 GNSS EQUIPMENT. MONUMENT POSITIONS THAT WERE NOT DIRECTLY OBSERVED USING GPS SURVEY TECHNIQUES WERE TIED INTO THE CONTROL POINTS UTILIZING TRIMBLE VX SPATIAL STATION FOR THE MEASUREMENT OF BOTH ANGLES AND DISTANCES. THIS SURVEY MEETS OR EXCEEDS THE STANDARDS SET BY WAC 332-130-090.

3. THE INFORMATION DEPICTED ON THIS MAP REPRESENTS THE RESULTS OF A SURVEY MADE ON JUNE 29-JULY 21, 2017, UPDATED IN SEPTEMBER 2024, AND CAN ONLY BE CONSIDERED AS INDICATING THE GENERAL CONDITION EXISTING AT THOSE TIMES.

4. UTILITY LOCATIONS SHOWN ON THIS SURVEY DRAWING ARE BASED UPON FIELD LOCATION OF EXISTING UTILITY STRUCTURES, FIELD LOCATION OF CONDUCTIBLE UNDERGROUND UTILITIES BASED ON PAINT MARKS OR OTHER MARKINGS ESTABLISHED BY A UTILITY LOCATE SERVICE AND UTILITY LOCATIONS BASED ON UTILITY MAPS PROVIDED BY UTILITY PURVEYORS. OTHER UNDERGROUND UTILITIES MAY EXIST. NO SUB-SURFACE EXPLORATION WAS DONE TO VERIFY UTILITY ROUTINGS. THE ROUTING OF ALL BURIED UTILITIES SHOULD BE CONFIRMED WITH THE UTILITY PURVEYOR AND EXPOSED IN AREAS CRITICAL TO DESIGN.

5. GROSS LAND AREA: 174,189 S.F. (4.0 ACRES)

6. WETLANDS WERE DELINEATED ON THE WEST SIDE OF THE SUBJECT PROPERTY BY WET.LAND CORPORATION IN AUGUST 2024.

FLOOD ZONE INFORMATION

BY GRAPHICAL PLOTTING ONLY THIS PROPERTY LIES WITHIN ZONE "X" (AREA DETERMINED TO BE OUTSIDE 0.2% ANNUAL CHANCE FLOODPLAIN) AS IDENTIFIED ON FLOOD INSURANCE RATE MAP NUMBER 53033C0691J, BEARING A REVISION DATE OF AUGUST 19, 2020.

ZONING INFORMATION

ZONING CLASSIFICATION FOR SUBJECT PROPERTY IS UC (URBAN CORE).

HORIZONTAL DATUM NAD 83/2011

BASIS OF BEARINGS

HELD A BEARING OF NORTH 01°35'43" EAST ALONG THE CENTERLINE OF 12th AVE NW BETWEEN FOUND STREET MONUMENTS AT THE INTERSECTION OF 12th AVE NW WITH NEWPORT WAY NW AND THE INTERSECTION OF 12th AVE NW WITH NW MAPLE ST.

NAVD 88

BENCH MARKS

TBM 'A': CHISELED SQUARE IN NW CORNER OF TRANSFORMER PAD,

BY SE PROPERTY CORNER, EL=78.53'

TBM 'B': TOP SE BOLT AT THE BASE OF TRAFFIC SIGNAL POLE, BY SW PROPERTY CORNER, EL=79.44'

SURVEY REFERENCES

CITY OF ISSAQUAH SHORT PLAT NO. SP-79-12, REC. NOS. 8001020405 AND 9510199010

CITY OF ISSAQUAH SHORT PLAT NO. PLN 06-00147 DF, REC. NO. 20090911900003 ROWLEY INDUSTRIAL PARK, VOL 130 OF PLATS, PGS 4-7, REC. NO. 8502130803

ISSAQUAH BUSINESS CENTER, VOL 177 OF PLATS, PGS 77-78, REC. NO. 9610030885

RECORD OF SURVEY FOR US POSTAL SERVICE, REC. NO. 8704099003 RECORD OF SURVEY FOR SR 900 R/W CENTERLINE ALIGNMENT, REC. NO. 20030409900010

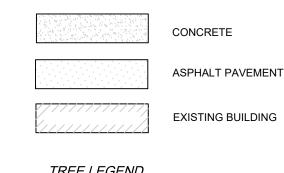
ALL RECORDS OF KING COUNTY, WASHINGTON

NW GILMAN ST NW MALL ST NW MAPLE ST NEWPORT WAY NW

NOT TO SCALE

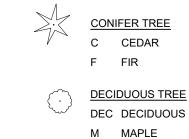
SYN	MBOL LEGE	<u>ND</u>
	СВ	CATCH BASIN (TYP I)
	SDMH	STORM DRAIN MANHOLE (TYP II)
0	SDCO	STORM DRAIN CLEANOUT
0	SSMH	SANITARY SEWER MANHOLE
0	SSCO	SANITARY SEWER CLEANOUT
-	FH	FIRE HYDRANT
M	ICV	IRRIGATION CONTROL VALVE
Ħ	WM	WATER METER
M	WV	WATER VALVE
	GM	GAS METER
\square	GV	GAS VALVE
	EJB	ELECTRICAL JUNCTION BOX
-0-	PP	POWER POLE
\leftarrow	GA	UTILITY POLE ANCHOR
\leftarrow	SL	STREET LIGHT
Р	PV	POWER VAULT
	XFR	PAD MOUNTED TRANSFORMER
\boxtimes	SLB	STREET LIGHT BOX
Ø	PM	POWER METER
	TS	TRAFFIC SIGNAL
\boxtimes	TSV	TRAFFIC SIGNAL VAULT
	TR	TELEPHONE JCT. RISER
T	TMH	TELEPHONE MANHOLE
	TV	TV RISER
	MB	MAILBOX
0	BOL	BOLLARD
Ф	SGN	SIGN
P TP		WETLAND FLAG LOCATION
TP		TEST PLOT
Y	SH	SPRINKLER HEAD
\oplus	MIC	FOUND MONUMENT IN CASE
lacktriangle		BENCH MARK
• ×		SET LEAD AND TACK
•		REBAR WITH CAP "DEA 21467"
	CLF	CHAIN LINK FENCE
	CONC	CONCRETE
	EXTR	EXTRUDED CURB
	FFE PA	FINISHED FLOOR ELEVATION PLANTER AREA
	R/W	RIGHT OF WAY
	SWD	STATI ITORY WARRANTY DEED

<u>HATCH LEGEND</u>



SWD STATUTORY WARRANTY DEED

TREE LEGEND



LINE LEGEND

SD	STORM DRAIN
w	WATER LINE
OHP	POWER OVERHEAD
P	POWER BURIED
TEL	TELEPHONE BURIED
TV	CABLE TELEVISION BURIED
——— G ———	GAS LINE
xx	FENCE LINE

———— SS ———— SANITARY SEWER LINE

REVISIONS:

DESIGN:

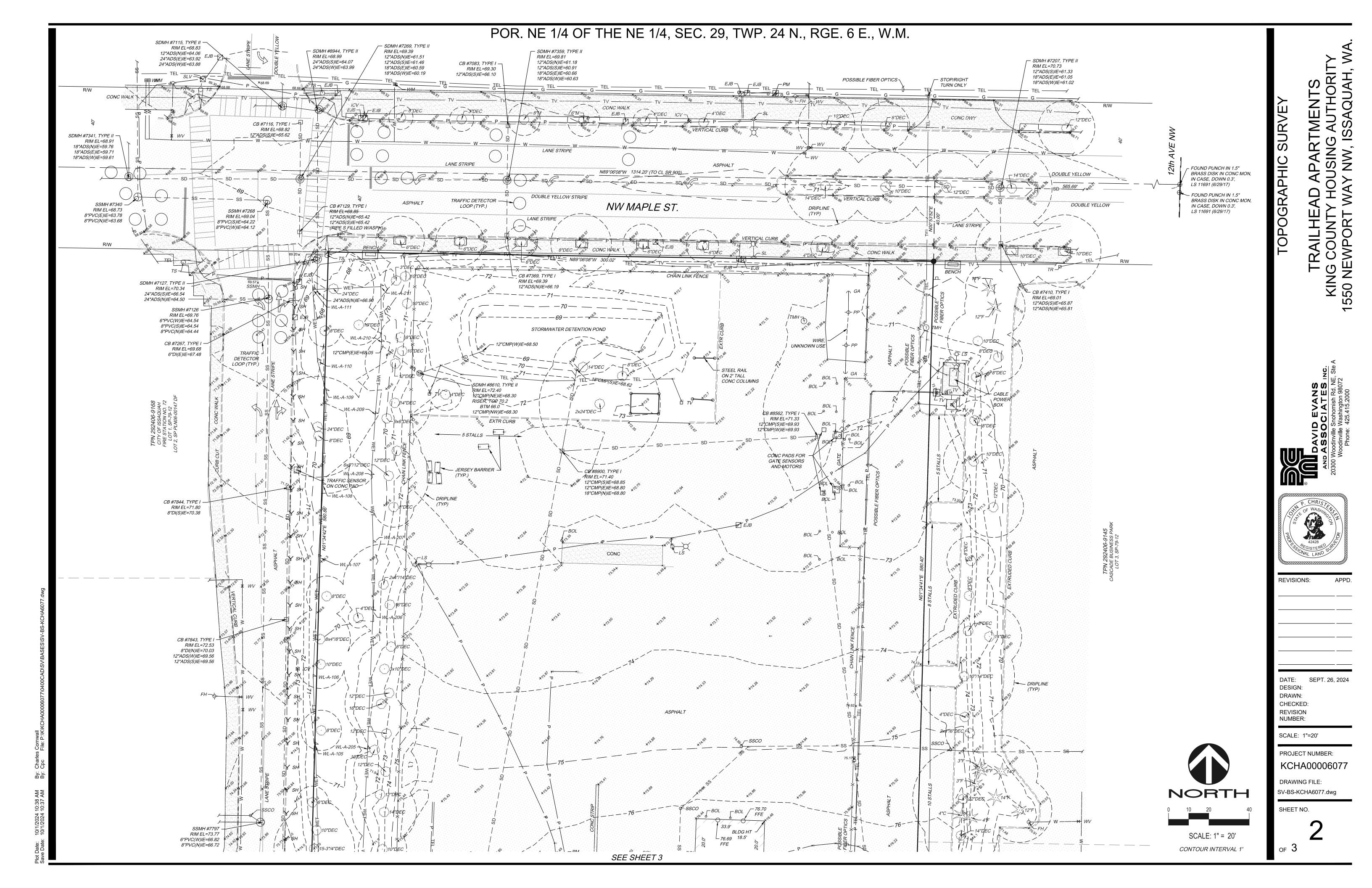
DRAWN: CHECKED: REVISION NUMBER:

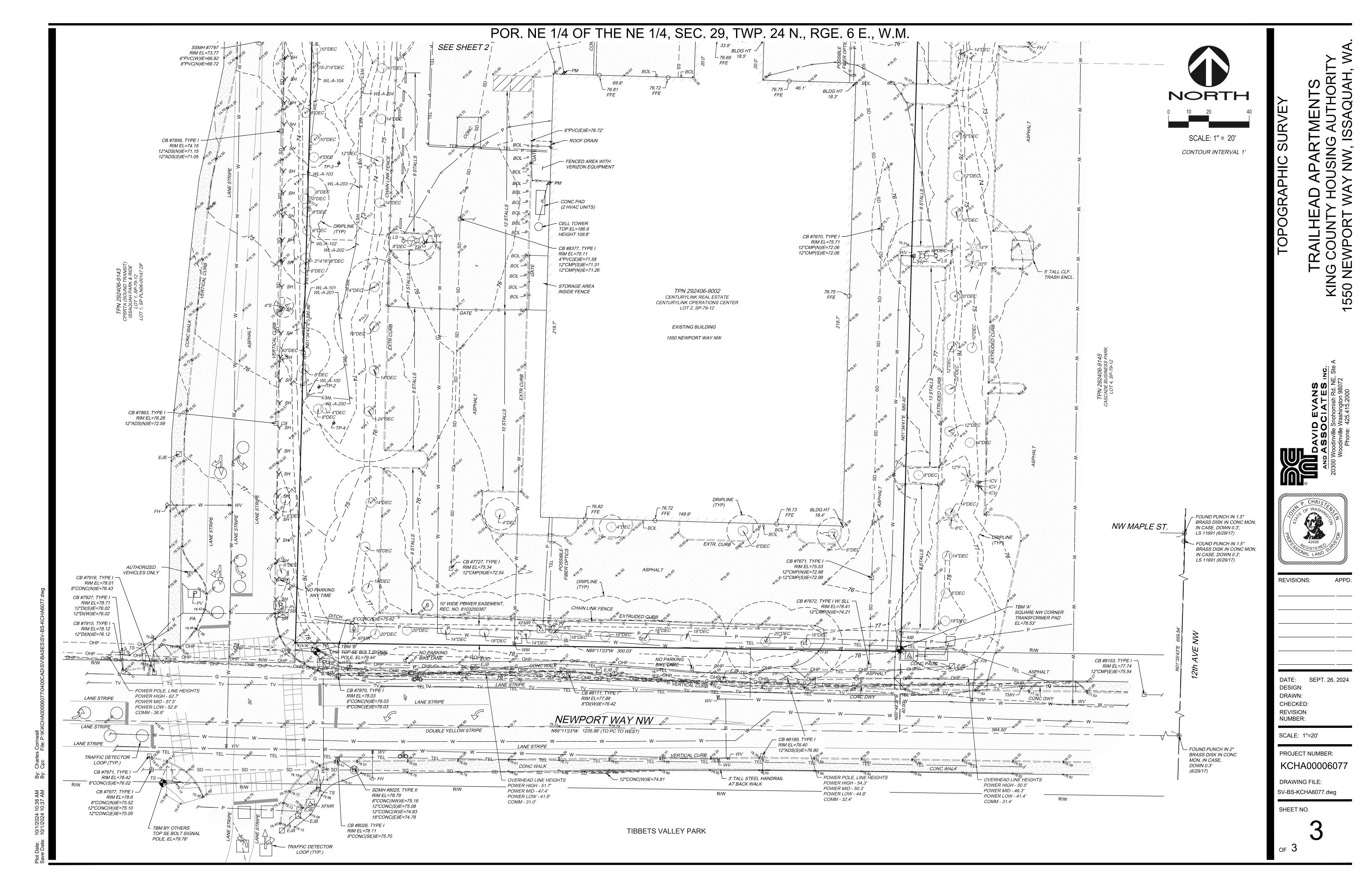
SCALE: 1"=20'

PROJECT NUMBER: KCHA00006077

DRAWING FILE: SV-BS-KCHA6077.dwg

SHEET NO.

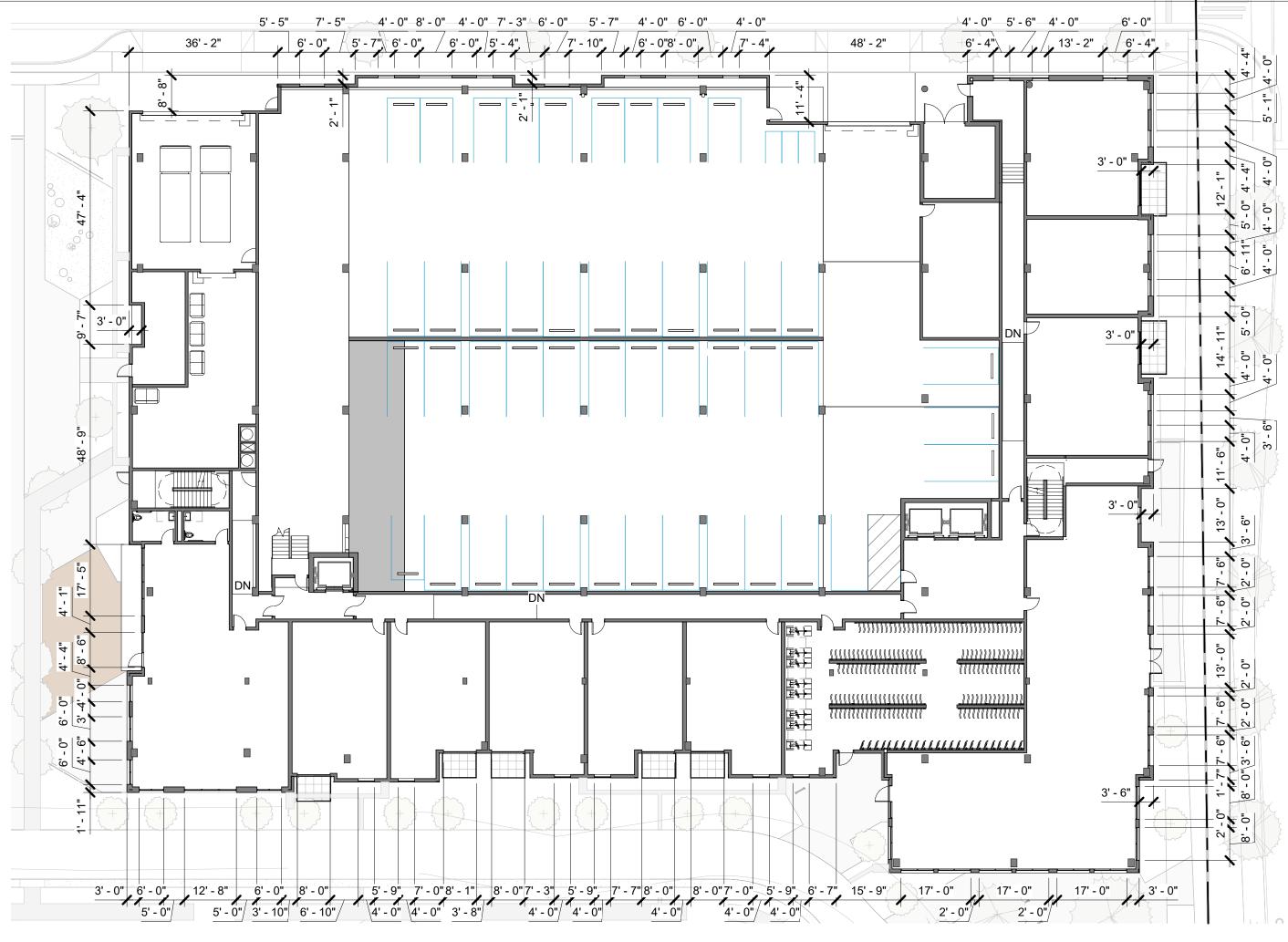




13' - 1" 11' - 6" 11' - 6" 11' - 6" 11' - 2" 11' - 8" 11' - 8" 11' - 8" 2' - 0" 4' - 0" 2' - 0" 4' - 0" 2' - 0" 4' - 0"

The zone base height is 60' above average grade plane; The max height is 125'. The proposed height above average grade is 82'-6". To exceed base height, all the following must be met: Solid walls on the ground floor do not exceed 20' in length and must be softened

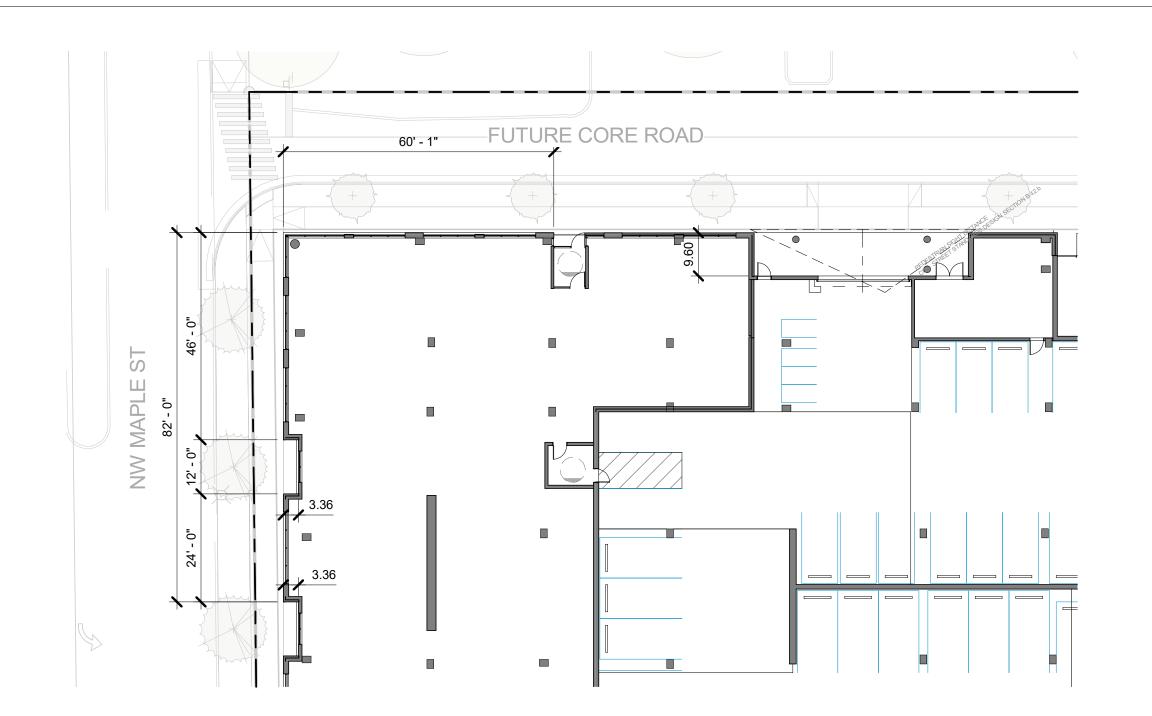
by design details, modulations a minimum of two feet deep and dense landscaping Solid Walls on the ground floor must be separated by a minimum of 10' of



SOUTH BUILDING - NEWPORT WAY NW - PLAN

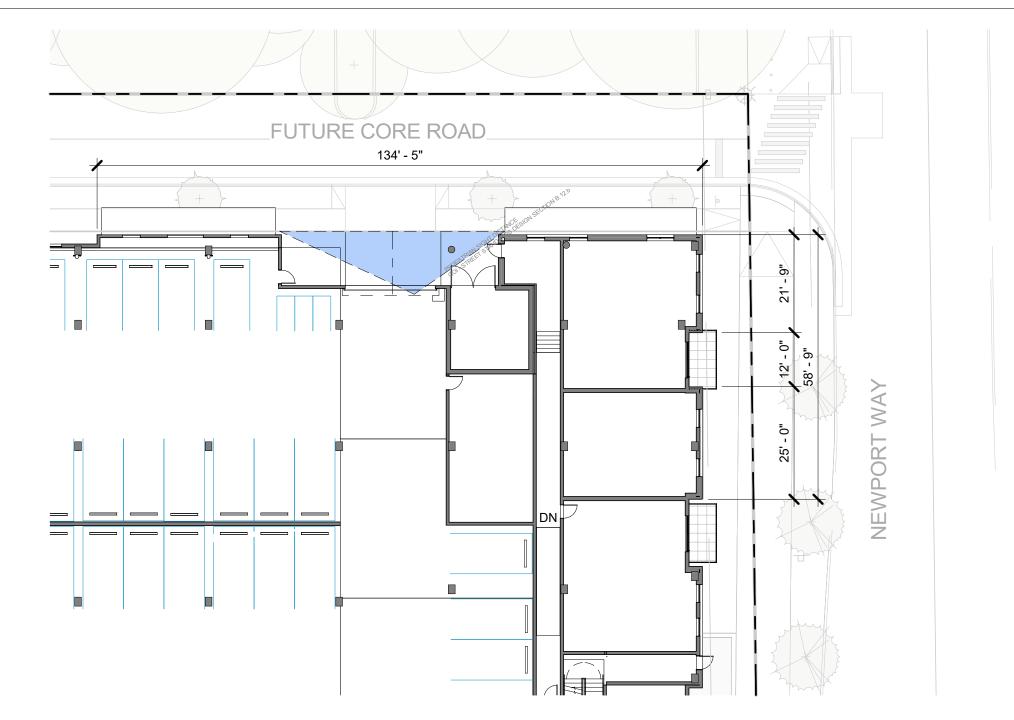
NORTH BUILDING - NW MAPLE ST - PLAN

DEVIATION 2 - MINIMUM BUILDING FRONTAGE



 12' - 3"
 6' - 0"
 6' - 0"
 4' - 0"
 4' - 0"
 4' - 0"
 4' - 0"
 4' - 0"
 4' - 0"
 4' - 0"
 4' - 0"
 4' - 0"
 4' - 0"
 6' - 5"
 6' - 7"
 7' - 1"
 6' - 5"
 6' - 7"
 7' - 0"
 6' - 6"
 18' - 0"
 18' - 0"
 18' - 0"
 3' - 8"
 5' - 6"
 3' - 9"
 3' - 9"
 7' - 6"
 3' - 9"
 7' - 6"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"
 3' - 9"</

MINIMUM BUILDING FRONTAGE (18.404.140.D & 18.404.140.E.2) Sufficient length of buildings must be present at the build to line to maintain a generally continuous street wall and limit spatial gaps to those necessary to accommodate vehicular and pedestrian access. In the Urban Core zone, minimum building frontage is at least 75%. Corner Building Frontage. Building mass must be present at the intersection to amplify the importance of the corner. Building frontage must occupy all of the build to line at intersections for a minimum of 60' from the corner.



SOUTH BUILDING - BUILDING FRONTAGE DIAGRAM

WEBER THOMPSON 900 N 34th Street, Suite 200 Seattle, WA 98103 206.344.5700

THE TRAILHEAD

1550 Newport Way NW Issaguah, WA 98027

TRAILHEAD APARTMENTS LLLP 600 Andover Park W

Seattle, WA 98188

100% SD 50%DD

Construction Revision:

rincipal In Charge:

DEVIATION LIST AND Acceptance of the electronic file version of this drawing

Weber Thompson Electronic Media Receipt Agreement

AREA RESERVED FOR CITY PERMIT STAMP

NORTH BUILDING - BUILDING FRONTAGE DIAGRAM SCALE: 3/64" = 1'-0"

WEBER THOMPSON 900 N 34th Street, Suite 200 Seattle, WA 98103 206.344.5700

THE TRAILHEAD

1550 Newport Way NW Issaquah, WA 98027

TRAILHEAD **APARTMENTS LLLP**

600 Andover Park W

Seattle, WA 98188

100% SD 50%DD SDP Intake

Construction Revision:

Project Manager: Principal In Charge:

| 8.00 | 8.00 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |

SOUTH BUILDING - NEWPORT WAY NW (SOUTH)

SOUTH BUILDING - WETLANDS (WEST)

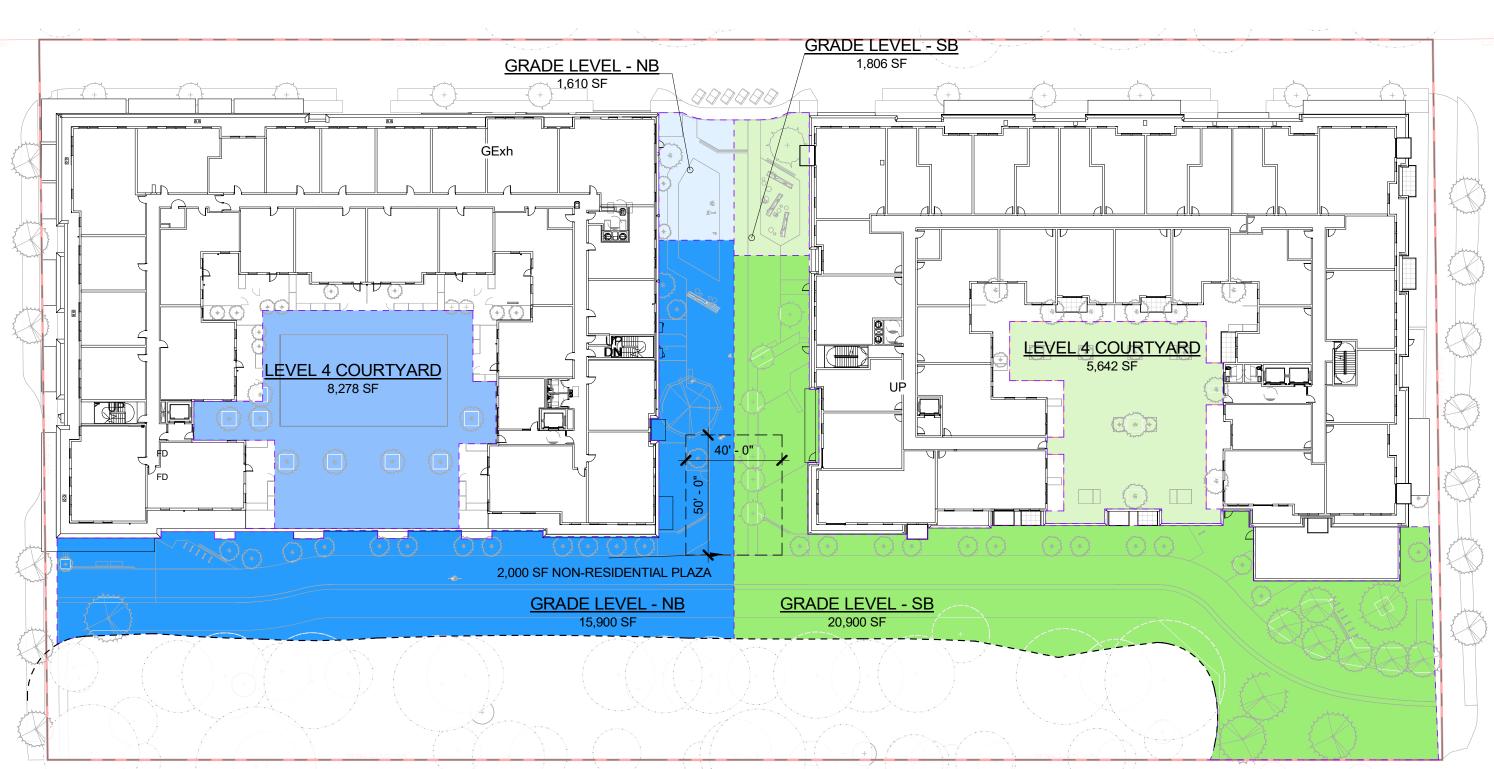
TRANSPARENCY DIAGRAM

TRANSPARENCY DIAGRAM

(8) SCALE: 1" = 20'-0"

SCALE: 1" = 20'-0"

AMENITY REQUIREMENTS FOR <u>NON-RESIDENTIAL</u> USES: 25 SF PER 1,000 SF OF NON-RESIDENTIAL USE. 10,000 SF OF NON-RESIDENTIAL USE PROVIDED 25 x 10 = 250 SF REQ'D MIN. ALLOWED 2,000 SF OF AMENITY PLAZA AMENITY REQUIREMENTS FOR RESIDENTIAL USE: 100 SF PER UNIT MIN OUTDOOR AMENITY 400 SF MIN OF INDOOR AMENITY TOTAL GRADE LEVEL - SE

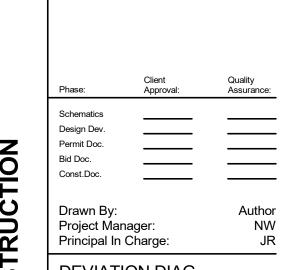


NORTH BUILDING PRIVATE OUTDOOR SPACE COUNT (BALCONIES & PATIOS)					
LEVEL	PRIVATE OUTDOOR AREAS				
1 4	3 10				
TOTAL	13				
	BUILDING PRIVATE OR SPACE COUNT				
OUTDO	BUILDING PRIVATE OR SPACE COUNT ONIES & PATIOS) PRIVATE OUTDOOR AREAS				
OUTDO (BALC	OR SPACE COUNT ONIES & PATIOS) PRIVATE OUTDOOR				

DEVIATION 8 - COMMON RECREATION AREA DIAGRAMS

COMMON OUTDOOR AREA CALCULATION						
REQUIRED PROVIDED						
	NO. OF UNITS	TOTAL REQ'D COMMON OUTDOOR AMENITY (100 SF / UNIT)	OUTDOOR AREA AT GRADE PROVIDED			
NORTH BUILDING	159	15,900	17,502	PROJECT COMPLIES		
SOUTH	205	20,500	20,900	PROJECT COMPLIES		
		PRIVATE	OUTDOOR AREA CA	ALCULATION		
		NO. OF UNITS	REQUIRED NO. OF UNITS WITHOUT PRIVATE OUTDOOR	EQUIVILANT SF (48sf) OF REQ'D PRIVATE	PROVIDED PROVIDED ADDITIONAL COMMON OUTDOOR AREA	
	NO. OF UNITS		REQUIRED NO. OF UNITS WITHOUT	EQUIVILANT SF (48sf) OF		
NORTH BUILDING		NO. OF UNITS PROVIDED WITH 48sf MIN. PRIVATE	REQUIRED NO. OF UNITS WITHOUT PRIVATE OUTDOOR AREA (AREA TO BE REPLACED WITH ADD'L COMMON	EQUIVILANT SF (48sf) OF REQ'D PRIVATE OUTDOOR AREA x NO. OF UNITS WITHOUT PRIVATE	PROVIDED ADDITIONAL COMMON OUTDOOR AREA AS EQUIVILANT TO REQ'D	PROJECT COMPLI
	UNITS	NO. OF UNITS PROVIDED WITH 48sf MIN. PRIVATE OUTDOOR AREA	REQUIRED NO. OF UNITS WITHOUT PRIVATE OUTDOOR AREA (AREA TO BE REPLACED WITH ADD'L COMMON AREA)	EQUIVILANT SF (48sf) OF REQ'D PRIVATE OUTDOOR AREA x NO. OF UNITS WITHOUT PRIVATE OUTDOOR SPACE	PROVIDED ADDITIONAL COMMON OUTDOOR AREA AS EQUIVILANT TO REQ'D PRIVATE OUTDOOR AREA	PROJECT COMPLI





WEBER

Seattle, WA 98103

206.344.5700

THOMPSON

900 N 34th Street, Suite 200

THE TRAILHEAD

1550 Newport Way NW

Issaquah, WA 98027

TRAILHEAD

600 Andover Park W

Seattle, WA 98188

100% SD 50%DD SDP Intake

Construction Revision:

APARTMENTS LLLP

NORTH BUILDING - COMMON OUTDOOR AREA

NORTH BUILDING - ADD'L COMMON AREA

NORTH BUILDING - AREA NOT REQUIRED

SOUTH BUILDING - ADD'L COMMON AREA

SOUTH BUILDING - AREA NOT REQUIRED

SOUTH BUILDING - COMMON OUTDOOR AREA

DEVIATION DIAG

Acceptance of the electronic file version of this drawing

56% MIN TRANSPARENT FAÇADE FAÇADE COMPLIES AREA RESERVED FOR CITY PERMIT STAMP

103 / 194.17 = % TRANSPARENT 53.0% TRANSPARENT PROVIDED.

40% MIN TRANSPARENT FAÇADE

TOTAL FAÇADE LENGTH: 250 FT 40% x 250 = 100 FT MIN REQ'D

140.09 / 250 = % TRANSPARENT 53.0% TRANSPARENT PROVIDED.

6+12.67+6+8+4+4+8+8+4+4+8+8+4+4+3.42+8+8+8+8+8

FAÇADE COMPLIES



CITY COUNCIL AGENDA BILL

City Council Regular Meeting - Jul 21 2025

NEW AB 9019 -Consent Calendar

Transit Oriented Development - Opportunity Center (TOD-OC) Housing Cooperation Agreement Authorize

DEPARTMENT OF Executive Department Andrea Snyder

OTHER COUNCIL MEETINGS May 5, 2025; July 7, 2025

COMP PLAN POLICY NOS. Housing Element

OTHER POLICIES

EXHIBITS A. Housing Cooperation Agreement

City Attorney Review Rachel Bender Turpin

City Attorney Review Date: July 16, 2025

SUMMARY STATEMENT

Introduction

This agenda bill seeks City Council approval of the proposed housing cooperation agreement (HCA) with King County Housing Authority (KCHA) for the Trailhead Development-Opportunity Center, or TOD-OC. The proposed HCA for approval is attached as Exhibit A.

Background

Since 2016, the City has worked to redevelop land near Tibbetts Valley Park into a mixed use and mixed rate development. KCHA is the lead developer of the site, and the City and KCHA have an interlocal agreement from 2022, outlining specific items on the site, including levels of affordability and space for a City-owned health center. When KCHA submitted for site development permits in 2025, KCHA recognized possibly insurmountable costs due to certain requirements in city code, changes on the TOD-OC site and overall construction cost increases, causing them to approach the Administration about an HCA to waive the prohibitive portions of code.

RCW Chapter 35.83 authorizes the City to waive parts of its land use code for a housing authority building within Issaquah. The Administration was interested in an HCA because of the significant public benefit of this project and because some of the items KCHA sought relief from were unintentionally prohibitive. Refer to the May 5, 2025 Staff Report for more information on the TOD-OC project and HCAs.

The Administration and KCHA provided reports and sought City Council feedback on the HCA at the May 5, 2025 Regular Council Meeting (ID 1878) and the July 7, 2025 Regular Council Meeting (ID 1898).

Proposal

The Administration requests City Council approval of the proposed housing cooperation agreement (HCA) with King County Housing Authority (KCHA) TOD-OC. The Housing Cooperation Agreement includes the following waivers or changes to land use code for one or both of the buildings on the TOD-OC site:

- 1. Waive the fifth floor stepback requirement.
- 2. Combine the requirement for common and private outdoor amenity space.
- 3. Waive the requirement for the ground floor to be 40% transparent on certain facades.
- 4. Substitute Evergreen Sustainable Development Standards (ESDS) for LEED Platinum.
- 5. Waive the requirement to front structured parking on a portion of the facade with retail.
- 6. Waive the tree retention requirement.
- 7. Reduce the required transparency for facades facing natural areas.
- 8. Allow bike storage facing the natural area without requiring transparency.

The following table notes which building on the site the item applies to and if a code amendment is anticipated on the topic. This project helped surface some issues with the City's Land Use Code (Title 18) that need adjustment. Further detail on the first five items can be found in the May 5, 2025 Staff Report and the final three items can be found in the July 7, 2025 Staff Report.

Item	Affordable Housing Building	Market Rate Building	Subject to Future Code Amendment
Waive 5th floor stepback requirement	X	X	

Combine the requirement for common and private outdoor amenity space	Х		Х
Waive the requirement for the ground floor to be 40% transparent on certain facades.	Х	Х	
Substitute Evergreen Sustainable Development Standards (ESDS) for LEED Platinum.	Х		
Waive the requirement to front structured parking on a portion of the facade with retail.	Х	Х	
Waive the tree retention requirement.	Х	X	X
Reduce the required transparency for facades facing natural areas.	Х	X	Х
Allow bike storage facing the natural area without requiring transparency.	Х	Х	

Council Review

The Administration and KCHA sought feedback at the May 5, 2025 Regular Council Meeting on if the Administration should proceed with the HCA negotiations and if yes, feedback on the proposed sections of code waived for the TOD-OC development. The Administration and KCHA returned at the July 7, 2025 Regular City Council Meeting to respond to City Council feedback and propose new items for the HCA that had been raised through the site development permit review process.

City Council unanimously agreed that pursing the HCA was an acceptable path for this development. Members of City Council raised concerns around additional sustainability considerations, commercial space requirements for the market rate building, and overall similarity of both buildings on the site. The sustainability concern was addressed through the commitment to exceed minimum ESDS requirements; mandating commercial space was noted as a particular difficulty in this development environment and given that this is the parcel to be redeveloped, without a large existing market for retail or commercial space. The Administration addressed the question of design similarity by proposing that both buildings receive a waiver from the fifth floor stepback requirement and including language in the HCA to guide the Development Commission. After addressing these items, City Council offered unanimous support of the HCA and the eight items proposed in it.

Options/Alternatives

The Administration considered the impact of not waiving portions of code for this project and found that the project may not be financially viable or provide as great a public benefit without exemptions from portions of code. One such public benefit that was considered was the number of three-bedroom affordable units that would be lost in the affordable building if a fifth floor stepback was required.

The HCA exists as the primary alternative for affordable housing developers and city code; there were no further alternatives available for the project. The City and KCHA did negotiate the items that ended up in the first proposed HCA, and not all exemptions from code that KCHA sought were ultimately recommended by the Administration.

Next Steps

The HCA needs a City Council decision on authorization before the site development permit can be issued. If the HCA is authorized, then the site development permitting work will continue, with issuance anticipated in late summer 2025, and building permit submittal following it in the fall. Construction is slated to begin in the summer of 2026, with the building operational in 2028. If the HCA is not authorized, the buildings will need to be redesigned and may face impossible challenges to develop.

Financial Information

No current or future year financial impacts are anticipated, as this agreement solely deals with land use/design code requirements for one site.

Administration's Recommendation

The Administration recommends authorizing the housing cooperation agreement with King County Housing Authority for the TOD-OC site.

Update

n/a

Alternative(s)

There are no alternatives to an HCA; if the City Council does not authorize the HCA, KCAH will need to redesign the building and site to be code compliant. Some of the items in the HCA pose financial hurdles to development - like requirement a duplicative sustainability requirement - but others would likely prevent development on the site altogether, in the case of the tree retention requirement. The development may not move past design if the HCA is not authorized.

RECOMMENDATION

Administration / Executive Department:

MOVE TO: Authorize the Mayor to enter into and execute the Housing Cooperation Agreement with the King County Housing Authority for the Transit Oriented Development Project at 1550 Newport Way NW _____

HOUSING COOPERATION AGREEMENT

This Housing Cooperation Agreement ("Agreement") is by and between the Housing Authority of the County of King, a public body corporate and politic under the laws of the State of Washington ("KCHA"), and the City of Issaquah, a Washington municipal corporation (the "City").

RECITALS

- A. On November 21, 2016, the City issued its Issaquah Transit-Oriented Development (TOD) Opportunity Site Request for Proposals ("RFP"). The City's objective in issuing the RFP was to encourage the development of a mixed-use, transit-oriented project ("TOD Project"), with a market-rate building (aka the south building) and an affordable housing building (aka the north building) providing significant levels of affordable housing to be secured by a 50-year recorded covenant. This TOD Project is intended to serve as the cornerstone project for advancing the vision of the City's Central Issaquah Plan.
- B. The site chosen by the City for the TOD Project is 1550 Newport Way NW (the "TOD Site"), which is legally described as follows:

Lot 2, City of Issaquah Short Plat No. SP-79-12, recorded under Recording No. 8001020405 and amended by instrument recorded under Recording No. 9510199010, records of King County, Washington.

- C. On the basis of its December 19, 2016 response to the RFP, a development team including KCHA and other partners was selected by the City in 2017 as the preferred respondent to the RFP. KCHA's other partners have subsequently withdrawn from the deal, and KCHA has continued to pursue the TOD Project on its own.
- D. Despite KCHA diligently pursuing the purchase and development of the Project Site, preparations for development of the TOD Project have taken several years, primarily due to the need to negotiate with additional third parties regarding the presence of a telecommunication tower on the TOD Site. As a result, KCHA was not able to acquire the TOD Site from the prior owner until December 2022 and since that time, progress has been further delayed by the time-consuming relocation of the tower from the TOD Site to a site in Tibbetts Valley Park.
- E. At the same time, the number of housing units that can be developed on the TOD Site has been reduced. The prior owner of the TOD Site settled a boundary line dispute with the neighbor to the east by quit claiming a thirty-foot strip of property along the eastern boundary of the TOD Site to the neighboring owner. This significantly reduced the amount of developable land on the TOD Site. In addition, in 2023, the City revised its land use code to increase the size of wetland buffers, which again reduced the amount of developable land on the TOD Site.
- F. Throughout this process, KCHA has been steadfast in its commitment to build 154 units of affordable housing with at least 24 of those units at 40% AMI or lower and the balance at

- 60% AMI or lower, provide space for housing for people with intellectual and developmental disabilities, and provide approximately 10,000 sf of space for a City-owned Opportunity Center, even as acquisition and construction costs have increased dramatically since KCHA's 2016 response to the City's RFP.
- G. In 2023, the City revised its land use code revisions to include the previous Design Manual requirement for stepping back floors above the fifth floor. This requirement is now codified in Section 18.702.100(D)(3)(c) and IMC 18.702.100(C)(3)(b) of the Issaquah Municipal Code ("IMC").
- H. Also in 2023, the City revised its land use code to require, in IMC 18.608.060, minimums of both common and private outdoor amenity space, whereas the code previously only required an aggregate amount of both common and private outdoor amenity space.
- I. Application of the stepback requirement in IMC 18.702.100(D)(3)(c) and IMC 18.702.100(C)(3)(b), the outdoor amenity requirements in IMC 18.608.060 to the TOD Site may further reduce the amount of housing, including affordable housing, that can be developed on the TOD Site, depending on the location of the stepback.
- J. The following requirements in the IMC would also limit or impair the amount of housing that can be safely and efficiently developed on the TOD Site, as explained in more detail in the Deviation List prepared by KCHA's architect, which list is attached hereto as Exhibit A ("Deviation List"):
 - a. IMC 18.602.080(F), which requires 40% ground floor façade transparency for areas that front streets, through block passages, natural areas, or publicly accessible open space. With respect to the TOD Site, KCHA has requested relief from this requirement with respect to the building facades facing 13th Ave NW and the midblock crossing, as explained in more detail in the Deviation List.
 - b. IMC 18.602.040(K), which requires that certain mixed-use buildings be LEED Platinum certified, i.e., "certified to meet the current version of the U.S Green Building Council's (USGBC Leadership in Energy and Environmental Design (LEED) Platinum program standards." KCHA has requested that the affordable housing building on the TOD Site be allowed to comply with the Evergreen Sustainable Development Standard (ESDS), which the Washington State Legislature and Department of Commerce developed for application to affordable housing projects within the state pursuant to RCW 39.35D.080.
 - c. IMC 18.604.180(G), which, among other things, requires that where structured parking is provided on the ground level, commercial or residential uses must be provided along the build-to-line with parking facilities placed behind the uses and placed away from the transportation facility. With respect to the TOD Site, KCHA has requested the ability to place structured parking along 13th Ave NW without residential or commercial uses fronting it.

- d. IMC 18.812.070(A), which requires 25% of the total caliper (dbh) of all significant trees in the developable site area be retained.
- e. IMC 18.600.042(A)(3), which requires that buildings be designed with doors and windows making up 50% of the wall(s) oriented toward natural areas.
- f. IMC 18.600.042(A)(10), which prohibits building activities and design that close off buildings from the natural areas, including, but not limited to storage and solid walls with lack of windows and doors.
- K. While the requested waivers to the IMC differentiate between the affordable housing building and the market rate building as set forth below, the City has a long-held interest in the buildings not being immediately distinguishable based on rental costs.
- L. The Housing Cooperation Law, Chapter 35.83, authorizes agreements between cities and public housing authorities intended to further housing developments that address mutually desired affordable housing goals and specifically allows cities to waive local regulations related to such developments by resolution.
- M. The purpose of this Agreement is to facilitate such cooperation and to fulfil the purposes set forth in the City's RFP as well as KCHA's statutory purpose of providing affordable housing.
- N. These recitals are deemed incorporated in the agreements between the City and KCHA set forth below.

NOW, THEREFORE, in conformance with RCW 35.83 the Housing Cooperation Law, the parties agree as follows:

AGREEMENTS

- 1. Effective Date. This Agreement becomes effective upon the City's adoption of this Agreement by resolution or ordinance and execution by the authorized representatives of KCHA and the City.
- 2. City Approval and Code Exceptions.
- **2.1.** The City hereby waives compliance with the following requirement(s) with respect to development of the TOD Site:
 - 2.1.1. IMC 18.702.100(D)(3)(c) and IMC 18.702.100(C)(3)(b) which would otherwise require a stepback requirement above the fifth floor on buildings taller than five stories.

- 2.1.2. IMC 18.608.060, insofar as this requirement includes separate minimums for common and private outdoor amenity space for the affordable housing building. Development on the affordable housing building will be required to include 148 square feet of outdoor amenity space per unit through any combination of common and private outdoor amenity space.
- 2.1.3. IMC 18.602.080(F), the 40% ground floor façade transparency requirement, with respect to the building facades facing 13th Ave NW and the mid-block crossing.
- 2.1.4. IMC 18.602.040(K), insofar as such provision requires LEED Platinum certification on the affordable housing building. Development on the affordable housing building may satisfy this requirement through LEED Platinum certification and/or ESDS compliance.
- 2.1.5. IMC 18.604.180.G, insofar as such provision would require structured parking along 13th Ave NW to be fronted with residential or commercial uses.
- 2.1.6. IMC 18.812.070(A), which requires 25% of the total caliper (dbh) of all significant trees in the developable site area be retained.
- 2.1.7. IMC 18.600.042(A)(3), which requires that buildings be designed with doors and windows making up 50% of the wall(s) oriented toward natural areas. KCHA will ensure that doors and windows make up 20% of both buildings' wall(s) oriented toward the wetlands natural area and 30% of the market rate building's wall(s) oriented toward Tibbetts Valley Park.
- 2.1.8. IMC 18.600.042(A)(10) insofar as such provision would prohibit or require transparency in bicycle storage areas. KCHA will ensure that any bicycle storage areas that lack transparency and that are adjacent to natural areas are a maximum width of 65 feet along the exterior wall so that transparency is preserved along the remaining portion of any walls oriented towards natural areas.
- **2.2.** KCHA will ensure the affordable and market rate buildings are similar in types and qualities of materials used.

3. General Provisions.

- **3.1. Amendment**. No modification to or amendment of this Agreement shall be effective unless a written amendment, approved by the City by resolution, is executed by the authorized representatives of KCHA and the City.
- **3.2.** Choice of Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Washington.
- **3.3. Notice**. Any notice provided for under this Agreement shall be sufficient if in writing and delivered personally to the following addressee or deposited in the United States mail,

postage	prepaid,	certified	mail,	return-red	eipt	requested,	addressed	as	follows,	or to	such	other
address	as the rec	eiving pa	arty sp	ecifies in	writi	ng:						

If to the City:

City of Issaquah Attention: Mayor 130 E. Sunset Way Issaquah, WA 98027

If to KCHA:

King County Housing Authority Attn: Executive Director 600 Andover Park W. Tukwila, WA 98188

4. Term. The Term of this Agreement shall run from the Effective Date until December 31, 2035. If KCHA has not submitted and the City has not accepted complete building permit application(s) for the TOD Project by the end of the Term, this Agreement shall be voided and any unused waivers set forth herein will no longer apply. Nothing herein shall be construed as extending timelines for permits or other approvals as set forth in the IMC.

EXECUTED the dates shown below.		
THE CITY OF ISSAQUAH		
By: Mary Lou Pauly, Mayor	Date:	
THE HOUSING AUTHORITY OF THE COUNTY OF KING		
By: Robin Walls, President / CEO	Date:	

Return Address:	
CC	ONDOMINIUM DECLARATION
CENTRAI	FOR L ISSAQUAH TOD, A CONDOMINIUM
CENTRAL	LISSAQUAII TOD, A CONDOMINIUM
Grantor/Declarant:	HOUSING AUTHORITY OF THE COUNTY OF KING a public body corporate and politic of the State of Washington
Grantee:	CENTRAL ISSAQUAH TOD, A CONDOMINIUM First American Title Insurance Company (Trustee)
Legal Description:	
	Full legal description on Schedule A
Assessor's Tax Parcel ID#:	
NO	TICE TO RECORDER'S OFFICE
	PLEASE INSERT IN SECTION 1.6 OF ARTICLE 1 THE CROSS MAP, AS REQUIRED BY RCW CHAPTER 64.90.
	DEPARTMENT OF ASSESSMENTS Examined and approved this day of, 2025
	Assessor
	Deputy Assessor

TABLE OF CONTENTS

			<u>Page</u>
Article 1.	Definiti	ons	1
Secti	on 1.1	Words Defined.	
Secti	on 1.2	Form of Words	3
Secti	on 1.3	Statutory Definitions	3
Article 2.	Constru	ction and Validity of Declaration	4
Article 3.	Name o	f Condominium.	4
Article 4.	Descrip	tion of Land	5
Article 5.	Descrip	tion of Units; Allocated Interests.	5
_	on 5.1	Number and Identification of Units	
	on 5.2	Unit Boundaries.	
	on 5.3	Allocated Interests	
Article 6	Commo	on Elements.	5
	on 6.1	Description	
	on 6.2	Use	
At.: -1 - 7	T ::4	Common Elements	
Article 7.		Limited Common Elements in the Condominium.	
	_		
Secti	on 8.1	In General	6
Article 9.	Permitte	ed Uses	6
Secti	on 9.1	Unit 1	6
	on 9.2	Unit 2.	6
Secti	on 9.3	Hazardous Substances	7
Article 10.	Mainter	nance	8
Secti	on 10.1	Unit Structure Maintenance	8
Article 11	Owners	Association.	8
	on 11.1	Form of Association.	
	on 11.1	Bylaws	
	on 11.3	Qualification and Transfer	
	on 11.4	Voting	
	on 11.5	Powers of the Association	
Section	on 11.6	Financial Statements and Records	10
Secti	on 11.7	Inspection of Condominium Documents, Books and Records	11

		<u>Page</u>
Article 12 The Box	ard.	11
Section 12.1	Selection of the Board	
Section 12.1 Section 12.2	Powers of the Board	
Section 12.2	Decisions of the Board	
Section 12.4	Managing Agent	
Section 12.5	Limitations on Board Authority	
Section 12.6	Right to Notice and Opportunity to Be Heard	
Article 13 Rudget	and Assessments.	
Section 13.1	Fiscal Year	
Section 13.1 Section 13.2	Preparation of Budget	
Section 13.3	Supplemental Budget	
Section 13.4	Regular Assessments	
Section 13.5	Common Expenses	
Section 13.6	Specially Allocated Expenses	
Section 13.7	Special Assessments	
Section 13.8	Creation of Reserves; Assessments	
Section 13.9	Notice of Assessments	
Section 13.10	Payment of Regular Assessments	
	Proceeds Belong to Association	
	Failure to Assess	
	Reconciliation of Assessments to Actual Expenses	
	Certificate of Unpaid Assessments	
	Recalculation of Assessments	
Section 13.16	Damage to Units	15
Article 14. Lien and	d Collection of Assessments	15
	Assessments Are a Lien; Priority	
Section 14.2	Lien May be Foreclosed; Judicial Foreclosure	
Section 14.3	Assessments Are Personal Obligation	
Section 14.4	Extinguishment of Lien and Personal Liability	
Section 14.5	Joint and Several Liability	
Section 14.6	Late Charges and Interest on Delinquent Assessments	
Section 14.7	Recovery of Attorneys' Fees and Costs	
Section 14.8	Remedies Cumulative	
Article 15 Enforce	ment of Declaration, Bylaws and Rules and Regulations	16
Section 15.1	Rights of Action	
Section 15.1	Failure of Board to Insist on Strict Performance No Waiver	

		<u>Page</u>
Section 16.1	nd Contract Liability. Declarant Liability. Limitation of Liability for Utility Failure, etc. No Personal Liability.	17 17
Article 17. Indem	nification	18
Section 18.1 Section 18.2		18 19
Article 19. RESEI	RVED	20
Article 20. Conde Section 20.1 Section 20.2 Section 20.3 Section 20.4	Condemnation of a Unit	20 20 20
Article 21. Easem Section 21.1 Section 21.2		20
	lures For Subdividing or Altering Units	
Section 23.1	dment of Declaration, Map, Articles or Bylaws Procedure Limitations on Amendments	21
Section 24.1	nation of Condominium. Action Required. Act Governs	22
Article 25. Notice Section 25.1 Section 25.2 Section 25.3	Form and Delivery of Notice Notices to Mortgagees	22
Article 26. Effecti	ive Date	23
Article 27. Assign	nment By Declarant	23
SCHEDULE A	Description of Land in Condominium	

<u>Page</u>

SCHEDULE B Unit Data; Allocated Interests

Article 1. DEFINITIONS.

Section 1.1 <u>Words Defined</u>. For the purposes of this Declaration and any amendments hereto, the following definitions shall apply.

The Act means Articles I and II of the Washington Uniform Common Interest Ownership Act, codified as RCW 64.90.010 through 64.90.325 and RCW 64.90.900, as it may be from time to time amended. Pursuant to RCW 64.90.100(2), only RCW 64.90.010 through 64.90.330 and 64.90.900 apply to this Condominium. All references to the Act in the Governing Documents are references to Articles I and II and not to Articles III and IV of the Washington Uniform Common Interest Ownership Act.

Affordable Housing Unit means Unit 1 of the Condominium.

Allocated Interests means the allocation of Common Expense Liability, Interest in Common Elements and Voting for each of the Units in the Condominium, which is determined in accordance with the formula set forth in Section 5.3 and is listed in 0.

Articles means the Articles of Incorporation for the Association.

Assessments means all sums chargeable by the Association against a Unit, including, without limitation: (a) general and special Assessments for Common Expenses and Specially Allocated Expenses; (b) charges and fines imposed by the Association; (c) interest and late charges on any delinquent account; and (d) costs of collection, including reasonable attorneys' fees, incurred by the Association in connection with the collection of a delinquent Owner's account.

Association means the owners association identified in Article 11.

Board means the board of directors of the Association, as described in Article 12.

Bylaws means the bylaws of the Association as they may from time to time be amended.

Common Elements means all portions of the Condominium other than Units.

<u>Common Expenses</u> means expenditures made by or financial liabilities of the Association, including expenses related to the maintenance, repair and replacement of the Common Elements, allocations to reserves, and expenses related to any utility services provided by or billed through the Association to the Owners. Some Common Expenses are allocated to the Units according to the Common Expense Liability of the Unit. Other Common Expenses are Specially Allocated Expenses.

<u>Common Expense Liability</u> means the liability for Common Expenses allocated to each Unit, as set forth in 0.

<u>Condominium</u> means Central Issaquah TOD, a Condominium, created under the Declaration and the Map.

<u>Conveyance</u> means any transfer of the ownership of a Unit, including a transfer by deed or by real estate contract.

County means King County, Washington.

Declarant means KCHA and its successors and assigns.

<u>Declaration</u> means this Condominium Declaration for Central Issaquah TOD, Condominium, as it may from time to time be amended.

<u>Fee Simple Owner</u> means the Housing Authority of the County of King, a public body corporate and politic of the State of Washington, for as long as it owns a fee simple interest in either Unit 1 or Unit 2.

<u>Foreclosure</u> means a forfeiture or judicial or nonjudicial foreclosure of a Mortgage or a deed in lieu thereof.

<u>KCHA</u> means the Housing Authority of the County of King, a public body corporate and politic of the State of Washington.

<u>Leasehold Interest Holder</u> means any holder of a leasehold interest in a Unit for an initial term of more than seventy-five (75) years which has been designated as such in writing by the Fee Simple Owner. All rights and obligations of the Leasehold Interest Holder in its capacity as such arising under this Declaration shall terminate upon the termination of the underlying lease between the Leasehold Interest Holder and the Fee Simple Owner.

<u>Limited Common Element</u> means a portion of the Common Elements allocated for the exclusive use of one or more but fewer than all of the Units. The Condominium has no Limited Common Elements.

Managing Agent means the person designated by the Board under Section 12.4.

Map means the map filed simultaneously with the recording of this Declaration and any amendments, corrections, and addenda thereto subsequently filed.

Market Rate Housing Unit means Unit 2 of the Condominium.

Mortgage means a mortgage, deed of trust or real estate contract, including but not limited to a leasehold mortgage or leasehold deed of trust.

Mortgagee means any holder of a Mortgage on a Unit.

Notice and Opportunity to be Heard means the procedure described in Section 12.6.

Owner or Unit Owner means the Declarant or other Person who owns a Unit, but does not include any person who has an interest in a Unit solely as security for an obligation or the Leasehold Interest Holder.

<u>Person</u> means a natural person, corporation, partnership, limited partnership, limited liability company, trust, governmental subdivision or agency, or other legal entity.

<u>Unit 1</u> means the Unit identified on the Map as "Unit 1." Unit 1 may also be identified herein as the Affordable Housing Unit.

<u>Unit 2</u> means the Unit identified on the Map as "Unit 2." Unit 2 may also be identified herein as the Market Rate Housing Unit.

Specially Allocated Expenses means certain expenditures or liabilities of the Association which are specially allocated among Units on some basis other than Common Expense Liability.

<u>Special Declarant Rights</u> means those rights reserved for the benefit of the declarant pursuant to RCW 64.90.010 of the Act.

<u>Subassociation</u> has the meaning set forth in Article 2 below.

<u>Unit</u> means a physical portion of the Condominium designated for separate ownership, the boundaries of which are described pursuant to RCW 64.90.225(1)(d) and in Section 5.2 and shown on the Map.

Unit Structures means the improvements located or to be located within a Unit.

Section 1.2 <u>Form of Words</u>. The singular form of words shall include the plural and the plural shall include the singular. Masculine, feminine, and gender-neutral pronouns shall be used interchangeably.

Section 1.3 <u>Statutory Definitions</u>. Some of the terms defined above are also defined in the Act. The definitions in the Declaration are not intended to limit or contradict the definitions in the Act. If there is any inconsistency or conflict, the definition in the Act will prevail.

Section 1.4 <u>Covenant Running With Land</u>. This Declaration shall operate as covenants running with the land, or equitable servitudes, and shall bind Declarant, its successors and assigns, and all subsequent Owners of the Property, together with their grantees, successors, heirs, executors, administrators, devisees or assigns.

Section 1.5 <u>Percentage of Owners or Mortgagees</u>. For purposes of determining the percentage of Owners or Mortgagees, or percentage of voting power for approving a proposed decision or course of action in cases where an Owner owns, or a Mortgagee holds Mortgages on more than one Unit, such Owner shall be deemed a separate Owner for each such Unit so owned and such Mortgagee shall be deemed a separate Mortgagee for each such first Mortgage so held.

	Section 1	.6 Reference	e to Map.	The Map w	as filed v	vith the Recor	der of I	King
Count	y, Washington,	simultaneously	with the	recording	of this	Declaration	under	File
No	, in Volume		of Condominiums, Pages thr				ough	
7	This Declaration	shall be effective	e as of the	first date th	at it and	the Map are 1	recorde	d.

Article 2. CONSTRUCTION AND VALIDITY OF DECLARATION.

The Declaration and the Act provide the framework by which the Condominium is created and operated. In the event of a conflict between the provisions of the Declaration and the Act, the Act shall prevail. In the event of a conflict between the provisions of this Declaration and the Bylaws, the Declaration shall prevail except to the extent the Declaration is inconsistent with the Act. The creation of the Condominium shall not be impaired and title to a Unit and its interest in the Common Elements shall not be rendered unmarketable or otherwise affected by reason of an insignificant failure of this Declaration or the Map or any amendment thereto to comply with the Act.

Declarant has recorded this Declaration for the purpose of creating a master condominium of the real property described in Schedule A under the Act. The recording of the Declaration and the Map shall create two units. The filing of the Articles will create the Association. Pursuant to the provisions of the Act and this Declaration, within the area contained in any Unit, one or more condominiums may hereafter be created. For each condominium that may hereafter be created within a Unit, an owners association shall be created comprised of the owners of all of the units within that condominium, and such an owners association shall be referred to herein as a "Subassociation."

Article 3. NAME OF CONDOMINIUM.

The name of the Condominium created by this Declaration and the Map is Central Issaquah TOD, a Condominium.

Article 4. DESCRIPTION OF LAND.

The real property included in the Condominium and subjected to the Act is described in **Error! Reference source not found.**.

Article 5. DESCRIPTION OF UNITS; ALLOCATED INTERESTS.

Section 5.1 <u>Number and Identification of Units</u>. The Condominium contains two Units. Notwithstanding the fact that residential apartments or dwellings may be located within one or more of the buildings intended to be constructed within the Units, the Units are intended to be non-residential units under the Act. The location and configuration of each Unit created by this Declaration is shown on the Map.

Section 5.2 <u>Unit Boundaries</u>. The Units created as part of this Condominium are of the kind commonly referred to as "airspace units" meaning that the boundaries of the Units are defined by reference to planes in space. For each Unit, (a) the side boundaries are planes in space which pass through the unit boundary lines shown on the Map and (b) the upper and lower horizontal boundaries are planes in space at the elevations described on the Map. A Unit shall include all Unit Structures, improvements, patio and parking areas, and landscaping now or hereafter located with said boundaries.

Section 5.3 <u>Allocated Interests</u>. 0 sets forth the Allocated Interests of each of the Units in the Condominium for purposes of Common Expense Liability, interest in the Common Elements and voting. The Allocated Interest pertaining to each Unit cannot be changed except as provided in this Declaration. The allocated Interest and the title to the respective Units shall not be separated or separately conveyed, and each Allocated Interest shall be deemed to be conveyed with its respective Unit even though the description in the instrument of conveyance or encumbrance may refer only to the title to the Unit. The Allocated Interests of each Unit is allocated equally to each Unit.

Article 6. COMMON ELEMENTS.

Section 6.1 <u>Description</u>. The Common Elements are all portions of the Condominium other than the Units, including but not limited to, specifically, the wetlands, soils below the lower boundaries of the Units and airspace above the upper boundaries of the Units.

Section 6.2 <u>Use</u>. Each Owner shall have the right to use the Common Elements for their intended purposes in common with all other Owners. Each Owner has direct access from the Owner's Unit to the public streets. The right to use the Common Elements extends not only to each Owner, but also to the Leasehold Interest Holder and the agents, tenants, invitees, and licensees of the Owners and the Leasehold Interest Holder. The right to use the Common Elements shall be governed by the provisions of the Act, this Declaration, the Bylaws, and the rules and regulations of the Association.

Article 7. LIMITED COMMON ELEMENTS.

There are no Limited Common Elements in the Condominium.

Article 8. PARKING.

Section 8.1 <u>In General</u>. [At the time of recording of the Declaration, there are [___] surface parking spaces within the Condominium that will be redeveloped upon completion of the Unit Structures.]

Article 9. PERMITTED USES.

Section 9.1 <u>Unit 1</u>. Upon completion of the Unit Structures within the Unit 1, the uses within the Affordable Housing Unit is restricted to multifamily residential uses, as well as other uses permitted under City of Issaquah ordinances, office, recreational, and community services uses. It is contemplated that Unit 1 may be subjected to a vertical condominium creating one or more units within the building to be located within Unit 1; such condominium and its association shall be a Subassociation.

Section 9.2 <u>Unit 2</u>. Upon completion of the Unit Structures within Unit 2, the uses within the Market Rate Housing Unit is restricted to multifamily residential uses, as well as other uses permitted under City of Issaquah ordinances.

Unit 2 may not, however, be used for any of the following:

- (a) Any gas station, service station, auto repair, auto service or auto parts use;
 - (b) Any industrial use or processing or rendering use;
- (c) Any warehouse or any assembling, manufacturing, factory, distilling, refining, smelting, or mining operation or facility;
 - (d) Any dumping, disposing, incinerating or reducing of garbage;
- (e) Any flea market or second-hand store, or any fire sale, bankruptcy sale (unless pursuant to court order) or auction house operation;
- (f) Any central or commercial laundry or dry cleaning plant, coin-operated laundry or laundromat that serves the general public, provided, however, this prohibition shall not be applicable to on-site service-oriented dry cleaners and launderers with pickup and delivery by the ultimate consumer, including nominal supporting facilities, as the same maybe found in retail shopping districts in the local area;

- (g) Any automobile, truck, trailer, mobile home, or recreational vehicle sales, leasing or display use;
 - (h) Any mortuary, funeral parlor or home or similar service establishment;
- (i) Any business involving the boarding, housing or sale of animals, including, without limitation, veterinary office, kennel, pet store and animal boarding or animal daycare establishment;
- (j) Any marijuana dispensary, bowling alley, amusement or game room, amusement park, carnival, game parlor, skating rink, cinema, billiard room, hall or parlor, pool hall, gun range, off-track betting establishment or gambling facility adult book store, peep show store, or any other similar store or club with any inventory, nude photos, sexual devices, magazines, videos, tapes or objects depicting genitalia and other similar items, any business devoted to the sale of articles or merchandise normally used or associated with illegal or unlawful activities, including, without limitation, the sale of paraphernalia used in connection with controlled drugs or substances, check cashing service, or pay-day loan provider; or
- (k) Any other use that is hazardous or offensive, that threatens the safety or security of the residents of the apartments within the Unit Structures or the authorized users of any Unit Structures, or that would be in violation of any laws.

Section 9.3 Hazardous Substances. The Owner of each Unit and any Leasehold Interest Holder shall not permit any Hazardous Substance to be improperly or illegally generated, processed, stored, transported, handled or disposed of on, under, in or through the Unit or the Property; and each Owner or any Leasehold Interest Holder, as applicable, shall indemnify, defend, and hold harmless the other Owner or Owners (or Leasehold Interest Holder, if applicable) and the Association from all fines, suits, procedures, claims and actions of any kind arising out of or in any way connected with any spills or discharges of Hazardous Substances or wastes arising from the operation or use of the Unit Structures or the Property by the Owner, Leasehold Interest Holder, occupants, tenants or invitees of such Unit Owner or Leasehold Interest Holder. As used herein, the term "Hazardous Substance" means any hazardous, toxic or dangerous substance, waste or material which is or becomes regulated under any federal, state or local statute, ordinance, rule, regulation or other law now or hereafter in effect pertaining to environmental protection, contamination or cleanup, including without limitation any substance, waste or material which now or hereafter is designated as a "Hazardous Substance" under the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 et seq.), or under any local or state rule or regulation; without limiting the foregoing, Hazardous Substances shall include, but not be limited to, any substance which after being released into the environment and upon exposure, ingestion, inhalation, or assimilation, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavior abnormalities, cancer and/or genetic abnormalities; provided, however, Hazardous Substances shall not include cleaning solvents, paint, herbicides for landscape maintenance and similar materials which are incidental to normal commercial, rental or residential uses.

Article 10. MAINTENANCE.

Unit Structure Maintenance. Each Owner shall be responsible Section 10.1 for the maintenance, repair and replacement of its Unit Structures, and all associated landscaping located within the Unit boundaries. Each Owner shall, at the Owner's sole expense, keep the Unit Structures, the landscaping, improvements and any other equipment and appurtenances in a neat, clean and sanitary condition, free of rodents and pests, and in good order, condition, and repair and shall do all painting, repair, repaving and landscaping at any time necessary to maintain the good appearance of the Unit Structures and landscaping. The Association and its agents or employees may enter any Unit to effect repairs, improvements, replacements, maintenance or sanitation work deemed by the Board to be necessary in the performance of its duties, to do necessary work that the Owner or Leasehold Interest Holder has failed to perform, or to prevent damage to the other Unit Structures. Except in cases of great emergency that preclude advance notice, the Board shall give the Unit Owner, Leasehold Interest Holder, if any, and occupant advance notice of entry of one (1) business day. Such entry shall be made with as little inconvenience to the Owners and occupants as practicable. The Board may levy a special Assessment against the Owner of the Unit for all or part of the cost of work that the Owner has failed to perform, which may be collected and foreclosed by the Association in the same manner as Assessments are collected and foreclosed under Article 14. Nothing in this section shall be construed to create a duty by the Association or the Board.

Article 11. OWNERS ASSOCIATION.

Section 11.1 <u>Form of Association</u>. The Owners of Units shall constitute an owners association to be known as "Central Issaquah TOD Master Condominium Association." The Association shall be organized as a Washington nonprofit corporation. It will be governed by a Board of two members. For as long as there is a Leasehold Interest Holder, the Leasehold Interest Holder shall appoint Board members on behalf of its Unit Owner.

Section 11.2 <u>Bylaws</u>. The Declarant will adopt Bylaws to supplement the Declaration and to provide for the administration of the Association and the property and for other purposes not inconsistent with the Act or the Declaration.

Section 11.3 Qualification and Transfer. Each Owner of a Unit (including the Declarant) shall be a member of the Association and shall be entitled to one membership for each Unit owned, which membership shall be considered appurtenant to that member's Unit. Ownership of a Unit shall be the sole qualification for membership in the Association. A membership shall not be transferred in any way except upon the transfer of title to the Unit and then only to the transferee of title to the Unit; provided, that if a Unit has been sold on contract,

the contract purchaser shall exercise the rights of the Owner for purposes of the Association, this Declaration, and the Bylaws, except as hereinafter limited, and shall acquire the voting rights and the right to appoint Board members unless otherwise specified. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Unit shall operate automatically to transfer the membership in the Association to the new Owner. For as long as there is a Leasehold Interest Holder, the Leasehold Interest Holder shall exercise the voting rights and right to appoint Board members of such Owner's Unit.

- Section 11.4 <u>Voting</u>. The total voting power of the members in the Association shall be as set forth in Schedule B, allocated as stated in Section 5.3.
- Section 11.5 <u>Powers of the Association</u>. In addition to those actions authorized elsewhere in the Declaration, the Association shall have the power to:
 - 11.5.1 Adopt and amend the Bylaws and the rules and regulations;
- 11.5.2 Adopt and amend budgets for revenues, expenditures, and reserves, and impose and collect Assessments for Common Expenses and Specially Allocated Expenses from Owners;
- 11.5.3 Hire and discharge or contract with Managing Agent and other employees, agents, and independent contractors;
- 11.5.4 Institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself on matters affecting the Condominium;
 - 11.5.5 Make contracts and incur liabilities;
- 11.5.6 Regulate the use, maintenance, repair, replacement, and modification of the Common Elements:
- 11.5.7 Cause additional improvements to be made as a part of the Common Elements;
- 11.5.8 Acquire, hold, encumber, convey, and dispose of, in the Association's name, right, title, or interest to real or tangible and intangible personal property, and arrange for and supervise any addition or improvement to the Condominium. For avoidance of doubt, the foregoing authority of the Association shall include the authority to dedicate street improvements or other facilities required as a condition of permitting the Unit Structures to the City of Issaquah;
- 11.5.9 Grant easements, leases, licenses, and concessions through or over the Common Elements and petition for or consent to the vacation of streets and alleys;

- 11.5.10 Impose and collect any payments for services provided on behalf of the Owners:
- 11.5.11 Acquire and pay for all goods and services reasonably necessary or convenient for the efficient and orderly functioning of the Condominium;
- 11.5.12 Impose and collect charges for late payment of Assessments as further provided in Article 14 and, after Notice and an Opportunity to be Heard by the Board or by such representative designated by the Board and in accordance with such procedures as provided in this Declaration, the Bylaws, or rules and regulations adopted by the Board, levy reasonable fines in accordance with a previously established schedule thereof adopted by the Board and furnished to the Owners for violations of this Declaration, the Bylaws, and rules and regulations of the Association;
- 11.5.13 Impose and collect reasonable charges for the preparation and recording of amendments to this Declaration, resale certificates required by RCW 64.90.640 (if applicable) and statements of unpaid Assessments;
- 11.5.14 Provide for the indemnification of its officers and Board and maintain directors' and officers' liability insurance;
- Assessments; Assign its right to future income, including the right to receive
- 11.5.16 Provide or pay Common Expenses and Specially Allocated Expenses on behalf of the Owners and Leasehold Interest Holder;
- 11.5.17 Exercise all other powers that may be exercised in this state by the same type of corporation as the Association; and
- 11.5.18 Exercise any other powers necessary and proper for the governance and operation of the Association.
- Section 11.6 <u>Financial Statements and Records</u>. The Association shall keep financial records in accordance with generally accepted accounting principles. All financial and other records shall be made reasonably available for examination by any Unit Owner, the Leasehold Interest Holder, and the Owner's or Leasehold Interest Holder's authorized agents. At least annually, the Association shall prepare, or cause to be prepared, a financial statement of the Association in accordance with generally accepted accounting principles. The financial statement shall be completed in time for the Association's annual meeting and in any event within 120 days following the end of the fiscal year. Any Mortgagee shall, upon request, be entitled to receive the annual financial statement within 120 days following the end of the fiscal year. The Board may require that an audit of the Association and management books be

presented at any meeting. An Owner, at the Owner's expense, may at any reasonable time conduct an audit of the books of the Board and Association.

Section 11.7 <u>Inspection of Condominium Documents, Books and Records.</u> The Association shall make available to Owners, Leasehold Interest Holder, Mortgagees, prospective purchasers and their prospective Mortgagees, and the agents or attorneys of any of them, current copies of this Declaration, the Articles, the Bylaws, the rules and regulations of the Association, and other books, records, and financial statements of the Association. "Available" shall mean available for inspection upon request, during normal business hours or under other reasonable circumstances. These records shall be available for inspection without charge, but the Association may require the requesting party to pay a reasonable charge to cover the cost of making any copies.

Article 12. THE BOARD.

Section 12.1 <u>Selection of the Board</u>. The Owners of the Units shall appoint the number of Board members stated in Section 5.3. The Leasehold Interest Holder shall exercise the right of such Owner to appoint Board members. Each Board member shall serve at the pleasure of the appointing Owner or Leasehold Interest Holder, as applicable. The Board shall elect officers in accordance with the procedures provided in the Bylaws. The members of the Board and officers shall take office upon their appointment or election.

Section 12.2 <u>Powers of the Board</u>. Except as provided in this Declaration, the Bylaws or the Act, the Board shall at all times act on behalf of the Association. The Board may exercise all powers of the Association, except as otherwise provided in the Act, the Declaration or the Bylaws.

Section 12.3 <u>Decisions of the Board</u>. All decisions of the Board shall be unanimous. In the event of deadlock, the matter shall be subject to the dispute resolution procedures set forth in the Bylaws, which shall include mediation and arbitration. The rights and duties of the Board and of the Association shall be governed by the provisions of the Act, the Declaration and the Bylaws.

Section 12.4 <u>Managing Agent</u>. The Board may contract with an experienced Managing Agent to assist the Board in the management and operation of the Condominium and may delegate such of its powers and duties to the Managing Agent as it deems to be appropriate, except as limited herein. KCHA shall be the initial Managing Agent.

Section 12.5 <u>Limitations on Board Authority</u>. The Board shall not take final action on behalf of the Association to amend the Declaration in any manner that requires the vote or approval of the Unit Owners and Mortgagees pursuant to Article 23, to terminate the Condominium pursuant to Article 24, or to elect members of the Board or determine the qualifications, powers, and duties, or terms of office of members of the Board.

Section 12.6 Right to Notice and Opportunity to Be Heard. Whenever this Declaration requires that an action of the Board be taken after "Notice and Opportunity to be Heard," the following procedure shall be observed: The Board shall give written notice of the proposed action to all Owners, the Leasehold Interest Holder, Mortgagees, tenants or occupants of Units whose interest would be significantly affected by the proposed action. The notice shall include a general statement of the proposed action and the date, time and place of the hearing, which shall be not less than five days from the date notice is delivered by the Board. At the hearing, the affected person shall have the right, personally or by a representative, to give testimony orally, in writing or both (as specified in the notice), subject to reasonable rules of procedure established by the Board to assure a prompt and orderly resolution of the issues. Such evidence shall be considered in making the decision but shall not bind the Board. The affected person shall be notified of the decision in the same manner in which notice of the meeting was given.

Article 13. BUDGET AND ASSESSMENTS.

Section 13.1 <u>Fiscal Year</u>. The Board may adopt such fiscal year for the Association as it deems to be convenient. Unless another year is adopted, the fiscal year will be the calendar year.

Section 13.2 <u>Preparation of Budget</u>. Not less than 30 days before the end of the fiscal year the Board shall prepare a proposed budget for the Association for the coming year. In preparing its budget the Board shall estimate the Common Expenses and Specially Allocated Expenses of the Association to be paid during the year, including amounts reasonably anticipated to be required for the operation, maintenance, and repair of the Common Elements, and shall take into account any surplus or deficit carried over from the preceding year and any expected income to the Association. The budget may include reserves for repair or replacement of the Common Elements.

Section 13.3 <u>Supplemental Budget</u>. If during the year the budget proves to be inadequate for any reason, including nonpayment of any Assessments, the Board may prepare a supplemental budget for the remainder of the year.

Section 13.4 <u>Regular Assessments</u>. The amounts required by the Association for Common Expenses and Specially Allocated Expenses as reflected by the annual budget and any supplemental budgets shall be divided into installments to be paid regularly, as determined by the Board, over the period of time covered by the budget or supplemental budget or as is necessary for the Association to pay obligations to the third party providers. The regular Assessment for each Unit is the total of (a) the Common Expense Liability for such Unit and (b) any Specially Allocated Expenses. The Leasehold Interest Holder, if any, shall be responsible for the payment of Assessments allocated to its Unit.

Section 13.5 <u>Common Expenses</u>. Common Expenses shall consist of all costs of the Association other than Specially Allocated Expenses and shall be allocated to all Units in accordance with Common Expense Liability.

Section 13.6 <u>Specially Allocated Expenses</u>. The Common Expenses described in this section shall be assessed against the Owners as described herein, and not on the basis of the Common Expense Liability.

- a. <u>Misconduct</u>. To the extent that any Common Expense is caused by the negligence of, misconduct by, or violation of the Governing Documents by an Owner, Leasehold Interest Holder or Authorized User of any Unit, the Association may assess the expense (including the cost of any deductible under the Association's property insurance) against the Unit.
- b. <u>Unequal Benefit</u>. The Board must assess any Common Expense, or portion thereof, that benefits fewer than all the Units solely against the Units receiving the benefit.
- c. <u>Utilities</u>. If utilities paid for by the Association are separately metered or submetered to the Units, the Common Expense for those utilities will be assessed to the user(s) of the service based on the metering. If utilities are not separately metered to the Units, the Board shall assess the Common Expense for those utilities, or any portion thereof, according to the Common Expense Liability if they serve all Units.

Section 13.7 <u>Special Assessments</u>. For those Common Expenses or Specially Allocated Expenses which cannot reasonably be calculated and paid on a monthly basis, the Board may levy special Assessments for such expenses against the Units. To the extent that any Common Expense or Specially Allocated Expense is caused by the misconduct of an Owner, the Leasehold Interest Holder, or tenant or occupant of any Unit, the Association may, after Notice and Opportunity to be Heard, levy a special Assessment for the expense against the Unit.

Section 13.8 <u>Creation of Reserves; Assessments.</u> The Board may create reserve accounts for anticipated expenses for repairs, replacement and improvements to the Common Elements which will occur in the future. The operation of reserve accounts and Assessments for reserve accounts shall be further governed by the Bylaws.

Section 13.9 <u>Notice of Assessments</u>. The Board shall provide reasonable advance notice in writing to each Owner and the Leasehold Interest Holder of the amount of the monthly general and special Assessments to be paid for the Unit and shall furnish copies of all budgets on which the general and special Assessments are based. The Board shall furnish the same information to an Owner's or Leasehold Interest Holder's Mortgagee if so requested.

Section 13.10 Payment of Regular Assessments. The Board shall determine the frequency that Assessments shall be paid by each Owner or the Leasehold Interest Holder, as applicable, and the due date for each payment of regular assessments. Each Owner or the Leasehold Interest Holder, as applicable, shall pay or cause to be paid to the treasurer or designated agent of the Association all Assessments against the Unit for that period. It is intended that the Leasehold Interest Holder shall act as Managing Agent for the Association and collect all Assessments on behalf of the Association, deposit all Assessments in the accounts of the Association, and pay all liabilities of the Association therefrom. Any Assessment not paid within ten (10) days from date upon which it is due shall be delinquent and subject to late charges, interest charges and collection procedures as provided in Article 14.

Section 13.11 <u>Proceeds Belong to Association</u>. All Assessments and other receipts received by the Association on behalf of the Condominium shall belong to the Association.

Section 13.12 <u>Failure to Assess</u>. Any failure by the Board or the Association to make the budgets and Assessments hereunder before the expiration of any year for the ensuing year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of the Owners or Leasehold Interest Holder from the obligation to pay Assessments during that or any subsequent year, and the regular Assessment amounts established for the preceding year shall continue until new Assessments are established. To the extent that the Association has insufficient funds to pay third party expenses as a result of its failure to approve a budget for the then current fiscal year, in addition to collecting regular Assessments based upon the preceding year's budget, the Association may levy special assessments for the payment of third party expenses, to the extent that such third party expenses are known.

Section 13.13 <u>Reconciliation of Assessments to Actual Expenses</u>. The Association shall establish and maintain its accounts and records in a manner that will enable it to credit Assessments for Common Expenses and Specially Allocated Expenses, including allocations to reserves, and income to the Association to the account of the appropriate Units and make its expenditures from the appropriate accounts. In order that the Units are correctly assessed for the actual expenses of the Association, the accounts of the Association shall be reconciled at least annually; and any surpluses (or deficits) in the accounts shall be credited to the benefit of or paid to (or charged to the account of or assessed against) the Owner or Leasehold Interest Holder who paid the surplus (or owe the deficit).

Section 13.14 <u>Certificate of Unpaid Assessments</u>. Upon the request of any Owner, the Leasehold Interest Holder or Mortgagee of a Unit, the Board will furnish a certificate stating the amount, if any, of unpaid Assessments charged to the Unit. The certificate shall be conclusive upon the Board and the Association as to the amount of such indebtedness on the date of the certificate in favor of all purchasers and Mortgagees of the Unit who rely on

the certificate in good faith. The Board may establish a reasonable fee to be charged to reimburse it for the cost of preparing the certificate.

Section 13.15 <u>Recalculation of Assessments</u>. If Common Expense Liabilities are reallocated, Assessments, special Assessments, and any installment thereof not yet due shall be recalculated in accordance with the reallocated liabilities.

Section 13.16 <u>Damage to Units</u>. Each Unit Owner or the Leasehold Interest Holder shall be responsible for any damage to the other Unit or Unit Structure caused by the negligence or willful misconduct of the Owner, Leasehold Interest Holder, or tenant or occupant of their Unit.

Article 14. LIEN AND COLLECTION OF ASSESSMENTS.

Section 14.1 <u>Assessments Are a Lien; Priority</u>. To the extent permitted by law, the Association has a lien on a Unit for any unpaid Assessment levied against a Unit from the time the Assessment is due. A lien under this Article shall be prior to all other liens and encumbrances on a Unit except: (a) liens and encumbrances recorded before the recording of this Declaration; (b) a Mortgage on the Unit recorded before the date on which the Assessment sought to be enforced became delinquent; and (c) liens for real property taxes and other governmental assessments or charges against the Unit. Recording of this Declaration constitutes record notice and perfection of the lien for Assessments; however, the Association may record a notice of claim of lien for Assessments in the real property records of the county in which the Condominium is located. Such recording shall not constitute the written notice of delinquency to a Mortgagee referred to above.

Section 14.2 <u>Lien May be Foreclosed; Judicial Foreclosure</u>. The lien arising under this Article may be enforced judicially by the Association or its authorized representative in the manner set forth in RCW 61.12. The Association or its authorized representative shall have the power to purchase the Unit at the foreclosure sale and to acquire, hold, lease, mortgage, or convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption shall be eight months. Nothing in this Section shall prohibit the Association from taking a deed in lieu of foreclosure. The holder of a Mortgage or other purchaser of a Unit who obtains the right of possession of a Unit through foreclosure shall not be liable for any Assessments or installments thereof that became due prior to such right of possession. Such unpaid Assessments shall be deemed to be Common Expenses collectible from all the Owners, the Leasehold Interest Holder, and including such Mortgagee or other purchaser of the Unit. Foreclosure of a Mortgage does not relieve the prior Owner of personal liability for Assessments accruing against the Unit prior to the date of such sale.

Section 14.3 <u>Assessments Are Personal Obligation</u>. In addition to constituting a lien on the Unit, all sums assessed by the Association chargeable to any Unit, including all charges provided in this Article, shall be the personal obligation of the Owner of the Unit or the

Leasehold Interest Holder when the Assessments are made. Suit to recover personal judgment for any delinquent Assessments shall be maintainable without foreclosing or waiving the liens securing them.

Section 14.4 <u>Extinguishment of Lien and Personal Liability</u>. A lien for unpaid Assessments and the personal liability for payment of Assessments is extinguished unless proceedings to enforce the lien or collect the debt are instituted within three years after the amount of the Assessments sought to be recovered becomes due.

Section 14.5 <u>Joint and Several Liability</u>. In addition to constituting a lien on the Unit, each Assessment shall be the joint and several obligation of the Leasehold Interest Holder, and the Owner or Owners of the Unit to which the same are assessed as of the time the Assessment is due. In a voluntary conveyance, the grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid Assessments against the grantor up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. Suit to recover a personal judgment for any delinquent Assessment shall be maintainable in any court of competent jurisdiction without foreclosing or waving the lien securing such sums.

Section 14.6 <u>Late Charges and Interest on Delinquent Assessments</u>. The Association may from time to time establish reasonable late charges and a rate of interest to be charged on all subsequent delinquent Assessments or installments thereof. In the absence of another established nonusurious rate, delinquent Assessments shall bear interest from the date of delinquency at the maximum rate permitted under RCW 19.52.020 on the date on which the Assessments became delinquent.

Section 14.7 <u>Recovery of Attorneys' Fees and Costs</u>. The Association shall be entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent Assessments, whether or not such collection activities result in suit being commenced or prosecuted to judgment. In addition, the Association shall be entitled to recover costs and reasonable attorneys' fees if it prevails on appeal and in the enforcement of a judgment.

Section 14.8 <u>Remedies Cumulative</u>. The remedies provided herein are cumulative and the Board may pursue them, and any other remedies which may be available under law although not expressed herein, either concurrently or in any order.

Article 15. ENFORCEMENT OF DECLARATION, BYLAWS AND RULES AND REGULATIONS.

Section 15.1 <u>Rights of Action</u>. Each Owner, the Leasehold Interest Holder, the Board and the Association shall comply strictly with this Declaration, the Bylaws, and the rules and regulations adopted pursuant thereto, as they may be lawfully amended from time to time, and the decisions of the Board. Failure to comply with any of the foregoing shall be

grounds for an action to recover sums due and/or damages or for injunctive relief, or any or all of them, maintainable by the Board on behalf of the Association or by an Owner or the Leasehold Interest Holder.

Section 15.2 Failure of Board to Insist on Strict Performance No Waiver. The failure of the Board in any instance to insist upon the strict compliance with this Declaration or the Bylaws or rules and regulations of the Association, or to exercise any right contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of any right, term, covenant, condition, or restriction. The receipt by the Board of payment of an Assessment from an Owner or Leasehold Interest Holder, with knowledge of a breach by the Owner or Leasehold Interest Holder, shall not be a waiver of the breach. No waiver by the Board of any requirement shall be effective unless expressed in writing and signed for the Board. This Article also extends to the Declarant.

Article 16. TORT AND CONTRACT LIABILITY.

Section 16.1 <u>Declarant Liability</u>. Neither the Association, the Leasehold Interest Holder nor any Owner except the Declarant is liable for the Declarant's torts in connection with any part of the Condominium which the Declarant, as Declarant and not as Unit Owner, has the responsibility to maintain. Otherwise, an action alleging a wrong done by the Association must be brought against the Association and not against any Owner, the Leasehold Interest Holder or any officer or director of the Association. An Owner is not precluded from bringing an action against the Association because the Owner is a Unit Owner or is a member or officer or director of the Association, nor is the Leasehold Interest Holder precluded from bringing an action against the Association because it exercises the rights of its Unit Owner or is an officer or director of the Association.

Section 16.2 <u>Limitation of Liability for Utility Failure, etc.</u> Except to the extent covered by insurance obtained by the Board, neither the Association, the Board, the Managing Agent, nor the Declarant shall be liable for the failure of any utility or other service to be obtained and paid for by the Board; for injury or damage to person or property caused by the elements, or resulting from electricity, water, rain, dust, or sand which may leak or flow from outside or from any parts of the building, or from any of their pipes, drains, conduits, appliances, or equipment, or from any other place; or for inconvenience or discomfort resulting from any action taken to comply with any law, ordinance, or orders of a governmental authority. No diminution or abatement of Assessments shall be claimed or allowed for any such utility or service failure, or for such injury or damage, or for such inconvenience or discomfort.

Section 16.3 <u>No Personal Liability</u>. So long as a Board member, or Association committee member, or Association officer, or the Declarant or the Managing Agent has acted in good faith, without willful or intentional misconduct, upon the basis of such information as is then possessed by such person, no such person shall be personally liable to any Owner, the Leasehold Interest Holder, or to any other person, including the Association,

for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error, or negligence of such person; provided, that this Section shall not apply where the consequences of such act, omission, error, or negligence is covered by insurance obtained by the Board.

Article 17. INDEMNIFICATION.

Each Board member, Association committee member, Association officer, the Declarant and the Managing Agent shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed in connection with any proceeding to which such person may be a party, or in which such person may become involved, including appeals of such proceedings, by reason of holding or having held such position, or any settlement thereof, whether or not such person holds such position at the time such expenses or liabilities are incurred, except to the extent such expenses and liabilities are covered by any type of insurance and except in cases wherein such person has engaged in intentional misconduct or willful misfeasance in the performance of such person's duties; provided, that in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being for the best interests of the Association.

Article 18. INSURANCE.

Section 18.1 <u>General Requirements</u>. Unless the Owners and the Leasehold Interest Holder unanimously elect to waive all or a portion of this Article 18 as permitted by RCW 64.90, commencing not later than the time of the first conveyance of a Unit to a person other than the Declarant, the Association shall maintain, to the extent reasonably available, a policy or policies and bonds necessary to provide liability insurance. The Board shall review at least annually the adequacy of the Association's insurance coverage. All insurance shall be obtained from insurance carriers that are generally acceptable for similar projects with an A.M. Best rating of "A VIII" or better, are authorized to do business in the state of Washington, and meet the reasonable requirements of Mortgagees and Owners, except to the extent such coverage is not available on commercially reasonable terms or has been waived in writing by them. All such insurance policies and fidelity bonds shall provide that coverage may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least 30 days' prior written notice to any and all insureds named therein, including Owners, Mortgagees and designated servicers of Mortgagees.

The liability insurance shall insure the Board, the Association, the Owners, the Mortgagees, Leasehold Interest Holder (if any) and the Declarant. The policy shall insure against liability of the insureds for property damage, bodily injury or death arising in connection with the use, operation or maintenance of the Common Elements and any areas under the supervision of the Association. The policy may insure against liability in connection with employment contracts of the Association, host liquor liability, employers' liability insurance, automobile, liability insurance, and such other risks as are customarily covered with respect to projects of similar construction, location and use. The limits of liability shall be at least

\$1,000,000 per occurrence and \$2,000,000 aggregate. The policy shall contain a "Severability of Interest Endorsement" or equivalent which precludes the insurer from denying the claim of an insured because of the negligent acts of another insured. The policy may contain medical payments coverage and any other coverages that the Board deems advisable.

Section 18.2 <u>Insurance for Units</u>. As used in this Section, the term "Owner" shall also include the Leasehold Interest Holder. All Owners shall obtain and maintain property insurance and liability insurance as described in this Section 18.2, and such other insurance as the Board deems advisable, designating the Association as an "Additional Insured" under the owner's policy. All insurance shall be obtained from insurance carriers that are generally acceptable for similar multifamily properties and authorized to do business in the state of Washington. All such insurance policies shall provide that coverage may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least 30 days' prior written notice to the Association.

- a. Owner's Property Insurance. Each Owner shall maintain property insurance covering the Unit Structures located within its Unit. The property insurance maintained by each Owner shall, at the minimum, provide "all risk" or "special cause of loss" coverage in an amount equal to the full replacement cost of the improvements, with such reasonable deductibles and exclusions from coverage as the Board may from time to time approve or by rule or regulation establish.
- b. Owner's Liability Insurance. Each Owner shall maintain liability insurance against the acts of the Owner and its Authorized Users. The liability insurance coverage maintained by each Owner shall cover liability of the insureds for property damage and bodily injury and death of persons arising out of the operation, maintenance, and use of the Unit Structures located within an Owner's Unit, the acts of Owner and Authorized Users and such other risks as are customarily covered for similar properties.

Section 18.3 <u>Use of Insurance Proceeds</u>. Subject to the rights of Mortgagees to receive insurance proceeds under the applicable terms of their Mortgages or other loan documents, any portion of the Condominium for which insurance is required under this Article which is damaged or destroyed shall be repaired or replaced promptly unless: (a) the Condominium is terminated; (b) repair or replacement would be illegal under any state or local health or safety statute or ordinance; or (c) all Owners vote not to rebuild. If all of the damaged or destroyed portions of the Condominium are not repaired or replaced: (i) the insurance proceeds attributable to the damaged portions of the Condominium shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium; and (ii) the insurance proceeds attributable to improvements which are not rebuilt shall be distributed to the Owners of those improvements, or to lienholders, as their interests may appear. Notwithstanding the provisions of this Section, Article 24 governs the distribution of insurance proceeds if the Condominium is terminated.

Article 19. RESERVED.

Article 20. CONDEMNATION.

Section 20.1 <u>Consequences of Condemnation; Notices</u>. If any Unit or portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, notice of the proceeding or proposed acquisition shall promptly be given to each Owner, the Leasehold Interest Holder and the Mortgagees and the provisions of this Article shall apply. The Fee Simple Owner may retain its right to fully exercise its rights under this Article in lieu of the Leasehold Interest Holder exercising such rights.

Section 20.2 <u>Condemnation of a Unit</u>. If a Unit is acquired by condemnation, the award must compensate the Owner for the Owner's Unit and its interest in the Condominium. The proceeds from the condemnation of a Unit shall be paid to the Owner or lienholder of the Unit, as their interests may appear.

Section 20.3 <u>Condemnation of Part of a Unit</u>. If part of a Unit is acquired by condemnation, the award must compensate the Unit Owner for the reduction in value of the Unit and its appurtenant interest in the Condominium. The proceeds from the condemnation awarded to the Unit Owner shall be paid to the Owner or lienholders of the Unit, as their interests may appear. Upon partial condemnation of a Unit, unless the decree otherwise provides: (a) that Unit's Allocated Interests are reduced in proportion to the reduction in the size of the Unit; and (b) the portion of the Allocated Interests divested from the partially condemned Unit are automatically reallocated to that Unit and the other Unit in proportion to the respective Allocated Interests of those Units before the taking, with the partially condemned unit participating in the reallocation on the basis of its reduced Allocated Interests.

Section 20.4 <u>Condemnation of Common Elements</u>. If part of the Common Elements is acquired by condemnation, the portion of the award attributable to the Common Elements taken shall be paid to the Owners based upon their respective interests in the Common Elements.

Article 21. EASEMENTS.

Section 21.1 <u>In General</u>. Each Unit has an easement in and through each other Unit and the Common Elements for all utility service, and for reasonable access thereto, as required to effectuate and continue proper operation of the Unit Structures.

Section 21.2 <u>Utility Easements Granted by the Declarant</u>. The Declarant reserves the right to grant easements to the various companies or municipalities who provide, or wish to provide, utility services to the Condominium or to the Unit Structures for the installation, construction, maintenance, repair and reconstruction of all utilities serving the Condominium or the Owners or Leasehold Interest Holder, including, without limitation, such

utility services as water, sanitary sewer, storm sewer, electricity, cable television, data and telephone, and an easement for access over and under the Common Elements of the Condominium to the utility service facilities.

Article 22. PROCEDURES FOR SUBDIVIDING OR ALTERING UNITS.

Submission of Proposal to Subdivide Unit. No Unit or Units shall be subdivided either by agreement or legal proceedings, except as provided in this Article. The term "subdivision", as used in this Article, shall mean the legal division of a Unit into two or more new Units, with each Unit having a separate and unique identifying unit name and all the attributes of a Unit under this Declaration and the Act. An Owner may propose subdividing a Unit or Units by submitting the proposal in writing to the Board and to all other Owners, the Leasehold Interest Holder and Mortgagees of the Unit to be subdivided or combined, as applicable. Notice of such proposal to subdivide must also be given to the first Mortgagee of each Unit in the Condominium. The proposal must include complete plans and specifications for accomplishing the subdivision and proposed amendments of this Declaration and the Map, which amendments shall assign an identifying number to each Unit created and reallocate the allocated interests and liabilities formerly allocated to the subdivided Unit to the new Units in any reasonable manner prescribed by the Owner of the subdivided Unit. The Owner of the Unit to be subdivided shall bear all costs of the subdivision. The amendments shall be executed by the Owner of the Unit to be subdivided upon approval pursuant to Error! Reference source not found. A proposal that contemplates subdivision of a Unit will be accepted only if approved in writing by all Owners and Mortgagees, and Leasehold Interest Holder if applicable, of the Unit or Units to be subdivided, the Board, and all other Mortgagees. For avoidance of doubt, the submission of a Unit and appurtenances to the Act and creation of condominium units within that Unit shall not be considered to be a subdivision of a Unit within the meaning of this Section.

Article 23. AMENDMENT OF DECLARATION, MAP, ARTICLES OR BYLAWS.

Section 23.1 Procedure. Except in cases of amendments that may be executed by the Declarant under the Declaration or the Act, the Declaration, the Map, the Articles and the Bylaws may be amended only with the consent of the Owners, the Leasehold Interest Holder, and all Mortgagees. An Owner, the Leasehold Interest Holder or a Board member may propose amendments to this Declaration or the Map, the Articles or the Bylaws to the Board. With the approval of the Board, the proposed amendment shall be submitted to the members of the Association, the Leasehold Interest Holder, and Mortgagees for their consideration. Amendments may be adopted at a meeting of the Association or by written consent of the requisite number of persons entitled to vote, after notice has been given to all persons entitled to receive notices. The notice of a meeting at which an amendment is to be considered shall include the text of the proposed amendment. Upon the adoption of an amendment to the Declaration or the Map, it shall become effective when it is recorded or filed in the real property records in the county in which the Condominium is located. The amendment shall be indexed

in the name of the Condominium and shall contain a cross-reference by recording number to the Declaration and each previously recorded amendment thereto. Such amendments shall be prepared, executed, recorded and certified on behalf of the Association by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association. No action to challenge the validity of an amendment adopted by the Association pursuant to this Article may be brought more than one year after the amendment is recorded. An amendment to the Articles shall be effective upon filing the amendment with the Secretary of State. An amendment to the Bylaws shall be effective upon adoption.

Section 23.2 <u>Limitations on Amendments</u>. No amendment may restrict, eliminate, or otherwise modify any Special Declarant Right without the consent of the Declarant and any Mortgagee with a security interest in the Special Declarant Right or in any real property subject thereto, excluding Mortgagees of Units owned by persons other than the Declarant.

Article 24. TERMINATION OF CONDOMINIUM.

Section 24.1 <u>Action Required.</u> The Condominium may be terminated only by agreement or with the written consent of all Unit Owners, and all Mortgagees and in accordance with the Act. The Fee Simple Owner may retain its right to fully exercise its rights under this Article in lieu of the Leasehold Interest Holder exercising such rights. A Mortgagee who receives a written request to consent to termination who does not deliver or post to the requesting party a negative response within 60 days shall be deemed to have consented to such request, provided the request was delivered by certified or registered mail, return receipt requested.

Section 24.2 <u>Act Governs</u>. The provisions of the Act relating to termination of a condominium contained in RCW 64.90.290, as it may be amended, shall govern the termination of the Condominium, including, but not limited to, the disposition of the real property in the Condominium and the distribution of proceeds from the sale of that real property.

Article 25. NOTICES.

Section 25.1 Form and Delivery of Notice. Unless provided otherwise in this Declaration, all notices given under the provisions of this Declaration or the Bylaws or rules or regulations of the Association shall be in writing and may be delivered either personally or by facsimile transmission or mail. If delivery is made by mail, the notice shall be deemed to have been delivered upon being deposited in the United States mail, first class postage prepaid, addressed to the person entitled to such notice at the most recent address known to the Board. Notice to the Owner of any Unit and the Leasehold Interest Holder shall be sufficient if mailed to the Unit if no other mailing address has been given to the Board. Mailing addresses may be changed by notice in writing to the Board. Notices to the Board shall be given to the president or secretary of the Association.

Section 25.2 Notices to Mortgagees. The Board shall send to Mortgagees timely written notice of (a) any proposed amendment of the Declaration or Map effecting a change in (i) the boundaries of any Unit, (ii) the interest in the Common Elements or the liability for Common Expenses of any Unit, (iii) the number of votes in the Association allocated to any Unit, or (iv) the purposes to which a Unit or the Common Elements are restricted; (v) any proposed termination of condominium status, transfer of any part of the Common Elements, or termination of professional management of the Condominium; (vi) any condemnation loss or casualty loss that affects a material portion of the Condominium or that affects any Unit on which a Mortgagee has a Mortgage; (vii) any delinquency which has continued for 60 days in the payment of Assessments or charges owed by an Owner of a Unit on which a Mortgagee had a Mortgage; (viii) any lapse, cancellation, or material modification of any insurance policy maintained by the Association pursuant to Article 18; (ix) any proposed action that would require the consent of a specified percentage of Mortgagees pursuant to Article 22 or Article 23.

Section 25.3 <u>Severability</u>. The provisions of this Declaration shall be independent and severable, and the unenforceability of any one provision shall not affect the enforceability of any other provision, if the remaining provision or provisions comply with the Act.

Article 26. EFFECTIVE DATE.

This Declaration shall take effect upon recording.

Article 27. ASSIGNMENT BY DECLARANT.

The Declarant reserves the right to assign, transfer, sell, lease, or rent all or a portion of the property then owned by it and reserves the right to assign all or any of its rights, duties, and obligations created under this Declaration.

[Signature on Following Page]

DATED:	,
	HOUSING AUTHORITY OF THE COUNTY OF KING, a public body corporate and politic of the State of Washington
	By Its
STATE OF WASHINGTON	
COUNTY OF KING	SS.
signed this instrument, on oath stancknowledged it as the	ave satisfactory evidence that
Dated this day of _	, 2025.
	(Signature of Notary)
	(Legibly Print or Stamp Name of Notary) Notary public in and for the State of
	Washington, residing at My appointment expires

Schedule A

<u>Description of Land in Condominium</u>

SCHEDULE B

Unit Data; Allocated Interests; Voting

- The Unit Number is the Identifying Number of the Unit.
- The Unit Area is the square footage of the Unit.
- "COI" shows the "Common Ownership Interest" of each Unit based on the method set forth in Section 5.3.
- "CEL" shows the "Common Expense Liability" of each Unit based on the method set forth in Section 5.3.
- "VI" shows the "Voting Interest" of each Unit based on the method set forth in Section 5.3.
- Because the Units are non-residential units for the purpose of the Condominium Act, bedrooms, bathrooms and fireplaces are not stated.

UNIT NUMBER	UNIT AREA (SQ. FT.) ¹	COI	CEL	VOTING
Unit 1	[]	50%	50%	1
Unit 2	[]	50%	50%	1
TOTALS	[]	100.00%	100.00%	2

¹ Surface area of Unit at stated elevations per the Map.