



Legislation Text

File #: 2012-0123, **Version:** 3

AN ORDINANCE authorizing the King County executive to execute an amendment to the purchase and sale agreement dated June 21, 2007, in order to facilitate financing and construction of the project located on the North Half of the Former Kingdome Parking Lot parcel, located in Council District 8.

BE IT ORDAINED BY THE COUNTY COUNCIL OF KINGCOUNTY:

SECTION 1. Findings:

A. King County (the Seller) owned a 3.85 acre (167,513 square feet) parcel of land, commonly known as the North Half of the Former Kingdome Parking Lot (the Property), in the City of Seattle, Washington, located adjacent to the King Street Center, the King Street Station, the Weller Street Pedestrian Bridge, and a surface parking lot owned by the Washington State Public Stadium Authority (PSA) and operated by First and Goal, Inc. (FGI). KingCounty facilities management division was the custodian.

B. Pursuant to Ordinance 15820, the KingCounty executive executed a purchase and sale agreement (the Agreement), dated June 21, 2007, for the sale of the Property to North Lot Development, L.L.C. (the Buyer).

C. The dates for the parties to agree on the forms of the Deed and Covenants and the Reserved Easements were extended by a First Amendment dated September 28, 2007; a Second Amendment dated October 28, 2007; a Third Amendment dated November 20, 2007; a Fourth Amendment dated January 31, 2008; a Fifth Amendment dated March 20, 2008; a Sixth Amendment dated April 30, 2008; a Seventh Amendment dated December 17, 2008; an Eighth Amendment dated June 30, 2009; a Ninth Amendment dated August 29, 2009; a Tenth Amendment dated January 26, 2010; and an Eleventh Amendment dated June 28,

2010.

D. The dates for certain actions in the Due Diligence Period were extended by a Fifth Amendment dated March 20, 2008; a Sixth Amendment dated April 30, 2008; a Seventh Amendment dated December 17, 2008; and an Eighth Amendment dated June 30, 2009.

E. Pursuant to Ordinance 16555, the King County executive executed a Twelfth Amendment dated October 20, 2010, which extended Buyer's Due Diligence Period and the closing date on the transaction until December 16, 2011, in return for payments equaling \$1 million and modified certain requirements in the Agreement applicable to Buyer and the project.

F. Pursuant to Ordinance 17149, the King County executive executed a Thirteenth Amendment dated August 15, 2011, restricting the recording of covenants relating to replacement parking and off-site affordable housing on the west block of the development, authorizing the recording of such covenants on the east block of the development only and authorizing the recording of covenants relating to housing constructed on the west block on the condominium unit within which the housing is located, as opposed to burdening the entire project.

G. Sale of the property closed on September 26, 2011, and title to the property was conveyed to Buyer on that date. Construction on the west block of the project has commenced.

H. Certain provisions of the Agreement continue to be applicable to the Buyer following closing of the sale, as well as the covenants recorded at closing against all or portions of the project, in accordance with the Agreement, as amended, which the financing partners of the Buyer wish to be modified as a condition of their financing of the project, beyond those modifications to the Agreement already authorized by ordinance in prior amendments.

I. The proposed modifications would amend the Agreement and the corresponding terms of the North Lot Restrictive Covenant to apply the requirements of the North Lot Restrictive Covenant Agreement separately to the east block and the west block, to apply the housing requirements only to the west block, to increase the housing requirements for the minimum number and amount of square footage of housing units that

must be developed, to allow the housing requirements to be extinguished as to certain portions of the west block when specified amounts of housing are completed, to adjust the remedies for a failure to provide required ownership housing units in the event of foreclosure, to apply the King Street Station parking requirement only to the east block, to allow the stadium and exhibition center operations requirements to be extinguished if a substitute covenant is granted to and accepted by the PSA, and to otherwise clarify and amend the terms as described in the Fourteenth Amendment to the Real Estate Purchase and Sale Agreement attached to this ordinance as Attachment A.

J. It is in the best interests of the citizens of King County, that the Agreement and the referenced covenants be modified, so that development of the Property can proceed, safeguarding the benefits articulated in ordinance 15820.

SECTION 2. The King County executive is hereby authorized to execute the

Fourteenth Amendment to the Real Estate Purchase and Sale Agreement substantially in the form attached to this ordinance as Attachment A.