A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND, AUTHORIZING SETTLEMENT OF CERTAIN LAWSUITS NOW PENDING IN KING COUNTY SUPERIOR COURT IN WHICH THE CITY APPEARS AS DEFENDANT, AND AUTHORIZING AND DIRECTING THE ATTORNEY FOR THE CITY OF KIRKLAND TO SIGN ON BEHALF OF THE CITY THE STIPULATION FOR ENTRY OF ORDER, JUDGMENT AND DECREE.

WHEREAS, Local Improvement District No. 115 provides for a complex series of necessary public improvements, including streets, water facilities for both fire and domestic use requirements, storm drainage facilities, sanitary sewer facilities, and certain improvements in stream bed protections to Forbes Creek; and

WHEREAS, as provided in the ordinance creating Local Improvement District No. 115, the cost of the improvements is to be paid for by a grant from the United States in the approximate amount of one million dollars, with the balance of the estimated cost to be paid by Local Improvement District assessments against the property within the District; and

WHEREAS, a challenge to the validity of the formation of Local Improvement District No. 115 has been raised in King County Superior Court Cause No. 828778 by Kirkland Sand and Gravel, Inc. and others, primarily alleging that the inclusion of their properties within the Local Improvement District boundaries, which included virtually only property zoned light industrial, was arbitrary and capricious in light of the subsequent change in zoning on the plaintiffs' property from light industrial to Planned Area Nine less than a month later; and

WHEREAS, said parties in King County Superior Court Cause No. 828976, and Wallace Litchfield in King County Superior Court Cause No. 830556, have also challenged the adoption of and validity of the new Land Use Policies or Comprehensive Plan and the Zoning Code for the City of Kirkland, as adopted pursuant to Ordinances No. 2346 and 2347; and

WHEREAS, there has been presented to the Kirkland City Council a proposed Stipulation for settlement of all three of said lawsuits; and

WHEREAS, the continued pendency of King County Superior Court Cause No. 828778 impedes the ability of the City to proceed with the improvements provided for by Local Improvement District No. 115; and

WHEREAS, the City Council, having reviewed said proposed Stipulation and considered the same in the light of the Land Use Policies and zoning amendments adopted for Planned Area Nine (all of the properties subject to the three lawsuits constitute Planned Area Nine) under Ordinance No. 2346 and Ordinance No. 2347, concludes that the residential land use and maximum potential developed density of said Planned Area Nine which may be developed pursuant to the proposed Stipulation for settlement, including the conditions imposed therein on development. is in general conformity with the policies and guidelines and land use regulations for Planned Area Nine, and neither substantially nor significantly differs from the land use and maximum potential developed density available for Planned Area Nine under Ordinances No. 2346 and 2347; and

WHEREAS, fair and reasonable resolution of litigation through settlement is, when possible to obtain, within the public interest and a public benefit;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Kirkland as follows:

Section 1. The attorney for the City of Kirkland is hereby authorized and directed to sign on behalf of the City of Kirkland, the Stipulation for Entry of Order, Judgment and Decree, a copy of which is attached to the original of this Resolution as Exhibit A, and by this reference is incorporated herein, and to present the same together with appropriate orders, judgments and decrees carrying out said Exhibit A to the court for entry.

Section 2. Upon entry of the Order, Judgment and Decree, the provisions thereof shall, insofar as the City of Kirkland is concerned, be administered as though said Order, Judgment and Decree were an integral part of the Land Use Policies Plan and the Zoning Code Regulations of the City of Kirkland, insofar as they apply to Planned Area Nine.

PASSED BY MAJORITY VOTE of the Kirkland City Council in regular meeting on the 7th day of November , 1977.

SIGNED IN AUTHENTICATION THEREOF on the 7th day of November , 1977.

MAYOR pro tem

ATTEST:

Director of Administration and Finance

(ex offic o City Clerk)

R-2474

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NO. 828 778 NO. 828 976 NO. 830 556 ORDER, JUDGMENT AND DECREE

The parties, by and through their respective counsel, having entered into a Stipulation for entry of this Order, Judgment, and Docree, and the city having reconsidered all of the evidence and records before it in adopting Ordinance No. 2346 and Ordinance No. 2347, and having adopted Resolution No. /247/, a copy of which is attached hereto and incorporated herein as Exhibit 7, and which authorizes the city to enter into the aforementioned stipulation and to enter this Judgment and Decree, and the court being fully advised, Order, Judg & Decree - 1

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IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

- A. The above three actions be and the same are hereby consolidated.
- B. This same Judgment shall be entered in all three actions.
- The Litchfield ownership, being the subject C. property in King County Superior Court Cause No. 830556, as described in Exhibit 1 attached and incorporated herein, and as shown in yellow on Exhibit 3 attached, is and hereby remains zoned Planned Area Nine, with an underlying zoning of RS-5000, (i.e., residential development shall be allowed with a density of one dwelling unit per 5,000 square feet of land and without the requirement of a PUD or CUP). The owners shall be allowed to develop said area to a density of one dwelling unit per 3,600 square feet of land pursuant to RM-3600 standards in ch. 23.10 of Ordinance No. 2183 as amended by Ordinance No. 2347; provided, that development of the property at a density of one dwelling unit per 3,600 square feet of land area shall be done pursuant to a planned unit development (ch. 23.28, Ordinance No. 2183 as amended by Ordinance No. 2347); provided, that the portion of said property lying south of N.E. 108th Street is to remain natural except as otherwise provided by the council under a PUD or CUP; provided, however, that said area shall be used in computing the density to determine the number of dwellings to be located on the property north of 108th. Except for the north half of Lot 40, Kirkland-Juanita Acre Tracts, where stacking shall not be permitted unless otherwise approved by the City Council within the PUD process, the city shall allow dwelling units to be clustered and/or stacked under said planned unit development as follows, to wit: two stories with dwelling units to be stacked on top of one Order, Judg & Decree - 2

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than one floor. The density bonus permitted in the PUD ch. 23.28 of Ordinance No. 2183 as amended by Ordinance No. 2347 shall not be utilized in determining the maximum density permitted by this order, judgment and decree.

The ownership of Kirkland Sand and Gravel and Van Ε. Smith, Carl Wagganer, Gary Stubenrauch, D. Smith, Lyle Stubenrauch and Al LePierre and their respective wives, described in Exhibit 4, and shown in blue on Exhibit 3, is and hereby remains zoned Planned Area Nine with an underlying zoning of RS-5000, (i.e., residential development shall be allowed with a density of one dwelling unit per 5,000 square feet of land and without the requirement of a PUD or CUP) and will be permitted to be developed to RS-5000 standards; provided, that that portion of the property not heretofore zoned light industrial south of Northeast 108th Street may not be developed to RS-5000 standards unless done through a PUD or CUP process. The city shall allow dwelling units to be clustered and stacked under a planned unit development as follows, to wit: two stories with dwelling units to be stacked on top of one another; provided, that in the areas where the topography permits, the owner shall be allowed to build three stories with dwelling units on each floor so long as access can be gained to all three floors by walking up or down no more than one floor. The density bonus permitted in the PUD ch. 23.28 of Ordinance No. 2183 as amended by Ordinance No. 2347 shall not be utilized in determining the maximum density permitted by this order, judgment and decree.

F. Lots 6, 7, 16 and 17, of Burke & Farrar's Kirkland

Addition to the City of Seattle, Division No. 9, all of

which lie outside of Planned Area Nine and the zoning for

which was not changed through adoption of Ordinance No.

2347, are excluded from this order, judgment and decree;

Order, Judg & Decree - 4

POWELL, LIVENGOOD, BILVERNALE, CARTER & TJOSSEEM

P.O. DOE L 1313 MARKET STREET KIRKLANG, WASHINGTON 98033 1204) 628-6261

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another; provided that in areas where topography permits the owner shall be allowed to build three stories with dwelling units on each story so long as access to all three floors may be gained by walking up or down no more than one floor. The density bonus permitted in the PUD ch. 23.28 of Ordinance No. 2183 as amended by Ordinance No. 2347 shall not be utilized in determining the maximum density permitted by this order, judgment and decree.

The ownership of Kirkland Sand and Gravel and D. others, as described in Exhibit 2 and as shown in red on Exhibit 3, is and hereby remains zoned Planned Area Nine, with an underlying zoning of RS-5000, (i.e., residential development shall be allowed with a density of one dwelling unit per 5,000 square feet of land and without the requirement of a PUD or CUP). The owners shall be allowed to develop said area to a density of one dwelling unit per 3,600 square feet of land pursuant to RM-3600 standards in ch. 23.10 of Ordinance No. 2183 as amended by Ordinance No. 2347; provided, that development of the property at a density of one dwelling unit per 3,600 square feet of land area shall be done pursuant to a planned unit development (ch. 23.28 of Ordinance No. 2183 as amended by Ordinance No. 2347). Except for the south. half of Tract 17, Kirkland-Juanita Acre Tracts, where stacking shall not be permitted unless otherwise approved by the City Council within the PUD or CUP process, the city shall allow dwelling units to be clustered and stacked under said planned unit development as follows, to wit: two stories with dwelling units to be stacked on top of one another; provided, that in the areas where the topography permits, the owner shall be allowed to build three stories with dwelling units on each floor so long as access can be gained to all three floors by walking up or down no more Order, Judg & Decree - 3 POWELL, LIVENGOOD, SILVERNALE, CARTER & TJOSSEM

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provided, that the owners will be permitted to request that these lots be made part of Planned Area 9, or to include any or all said lots in a PUD to develop any of the subject properties.

G. It is acknowledged that there is a need for some buffering between the property zoned single-family residential to the north and east of Planned Area Nine and the development within Planned Area Nine. It is also acknowledged that the Litchfields do not have any definite development plans for their property and particularly for Tract 40 of their ownership. In addition, it is acknowledged that the Litchfields or their successors may ultimately develop a part of Tract 40 for single-family purposes rather than at a higher density.

Accordingly, that portion of Tract 40 shown in green on Exhibit 3 is intended to only represent in general terms the need for a buffer between the single-family residential area and areas within Planned Area Nine developed to a higher density. In determining the size and location of said buffers, it is further ORDERED, ADJUDGED AND DECREED that the following guidelines shall apply:

- (1) If the north half of Tract 40 is:
- (a) Used to compute density for the remaining development at one unit for every 3,600 square feet of ground contained therein; or
- (b) Any portion thereof is developed to a density of one unit for every 3,600 square feet of ground, then the north 25 feet of Tract 40 shall be maintained as a buffer; or
- (2) If the north half of Tract 40 is developed primarily for single-family residential, then a buffer of 20 feet will be maintained between the single-family residential Order, Judg & Decree 5

P.O. BOX L 1313 MARKET STREET KIRKLAND, WASHINGTON 98033 (206) 888-8881

development and that portion thereof developed at a higher density.

(3) It is further ORDERED, ADJUDGED AND DECREED that the delineation and size of the buffers as set forth above shall not be considered to be fixed or inflexible and that said above-specified buffers may be modified and adjusted as part of an approved planned unit development when reasonably required as a buffer between Planned Area Nine and the adjacent single-family neighborhoods.

With the exception of the north half of Tract 40 which is discussed above, the areas shown in green on Exhibit 3 are intended to designate the general location and areas to be maintained as buffers and open space which may not be built upon without approval through a planned unit development or conditional use permit process.

It is further ORDERED, ADJUDGED AND DECREED that the areas which the property owners are ultimately required to maintain as buffers and open space may in any event be used for computing the density of dwelling units allowed on the remaining property and also for satisfying the obligation of the owner or owners to provide open space or greenbelts; provided, that with respect to Tract 40, that any portion thereof developed for single-family residential purposes may not be used to compute additional density allowed on the remaining portion of Tract 40 or on the remaining portions of the Litchfield ownership, which is outlined in yellow on Exhibit 3.

It is further ORDERED, ADJUDGED AND DECREED that predesignation of any buffer and open space area will not in any way be construed to require the owner or owners of the subject property to provide more open space or greenbelts than would otherwise be required in the normal planned unit

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development or conditional use process; and it is further agreed that setback requirements shall be based upon ownership boundaries.

н. The owner or owners of any of the subject property may develop any portion of the property described in Exhibits 1, 2, and 4 as authorized by Ordinance No. 2183 as amended by Ordinance No. 2347 independent of the remaining ownerships and will be subject only to the area requirements for a normal planned unit development or conditional use permit as provided for in ch. 23.28 or ch. 23.56 of Ordinance No. 2183 as amended by Ordinance No. 2347. Any development proposed under the terms of this Order, Judgment and Decree will be done in accordance with the applicable provisions of Ordinance No. 2183 as amended by Ordinance No. 2183 and if done under a PUD, will be done in accordance with ch. 23.28 or if done under a CUP, will be done under ch. 23.56 of Ordinance No. 2183 as amended by Ordinance No. 2347 as presently enacted.

- I. The city or its agents may come upon and may work on the property described in Exhibits 1, 2 and 4 within 100 feet on each side of the centerline of Forbes Creek in order to accomplish the Forbes Creek improvement work heretofore authorized and ordered by the city in connection with the LID 115 storm drainage and stream improvements, provided that said work will not in any way interfere with the normal business operation presently being conducted upon said property, and provided further that this authority will terminate in two years from date hereof.
- For the purposes of ch. 23.10.110(5) or 23.08.130 or 23.28.131 of Ordinance No. 2183 as amended by Ordinance No. 2347 or any other provision of the Subdivision Ordinance or the new Zoning Code for the City of Kirkland, the "assessed valuation" as to any of the property described in Exhibits

Order, Judg & Decree - 7 Revised 11/7/77

POWELL, LIVENGOOD, SILVERNALE, CARTER & TJOBSEM P.O. BOX L 1313 MARKET STREET KIRKLAND, WASHINGTON 05033

(206) 828-9281

1, 2 or 4 shall not exceed the "true and fair value" as determined by the King County Assessor for said property as residential property as distinguished from industrial property.

4 shall be entitled to utilize the utilities provided by
Local Improvement District 115. The amount of the preliminary
assessment for Kirkland Sand and Gravel and the other plaintiffs
named in King County Superior Court Cause No. 828778 is
hereby reduced to \$ 130,333 based upon the change in
design (Exhibit No. 5), and/or the computation or method of
payment as shown in Exhibit No. 6. The statutory right of
the owners of the property described in Exhibits 1, 2 and
4 to challenge the amount of the final LID assessment based
upon the extent of special benefits, if any, to any or all
of their property, shall not in any way be prejudiced or
limited by the entry of this Order, Judgment and Decree.

L. The city shall proceed in good faith to process any and all applications for developments proposed for the property described in Exhibits 1, 2 and 4 in the manner prescribed in this Order, Judgment and Decree, it being the intent hereof that the plaintiffs or their successors or assigns may develop the properties described in Exhibits 1, 2, and 4 as envisioned herein; provided, that this Order, Judgment and Decree judgment shall not be effective as to any application for planned unit development filed with the city more than twelve (12) years after the date of entry hereof.

M. In the event it becomes necessary for either party to bring or institute any judicial proceeding to enforce any of the provisions of this Order, Judgment and Decree, the prevailing party shall be entitled to reasonable attorneys' fees, expert witness fees, and costs.

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Revised 11/7/77

POWELL, LIVENGOOD, SILVERNALE, CARTER & TJOSEM P.O. BOX L 1313 MARKET STREET KIRKLAND, WASHINGTON 98038 (200) 822-9281

- N. Except as provided in the prior paragraph, each party hereto shall bear their own attorneys' fees and costs incurred herein.
- O. This Order, Judgment and Decree shall be for the benefit of, and shall be binding upon, all successors and assigns of each party hereto.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that each of the above-entitled causes of action, being Cause No. 828778, Cause No. 828976, and Cause No. 830556, are hereby dismissed with prejudice and without costs and attorneys' fees to any party herein.

DATED this 8 day of Mrember, 1977.

Head Berer

J. D. D. G. E.

Presented by:

ROBERT P. TJOSSEM OF POWELL, LIVENGOOD, SILVERNALE, CARTER & TJOSSEM Attorneys for Plaintiffs-Petitioners

APPROVED FOR ENTRY AND NOTICE OF PRESENTATION WAIVED:

RALPH I. THOMAS

OF OSTRANDER, VAN EATON, THOMAS

& FERRÊLL

Attorneys for Defendants

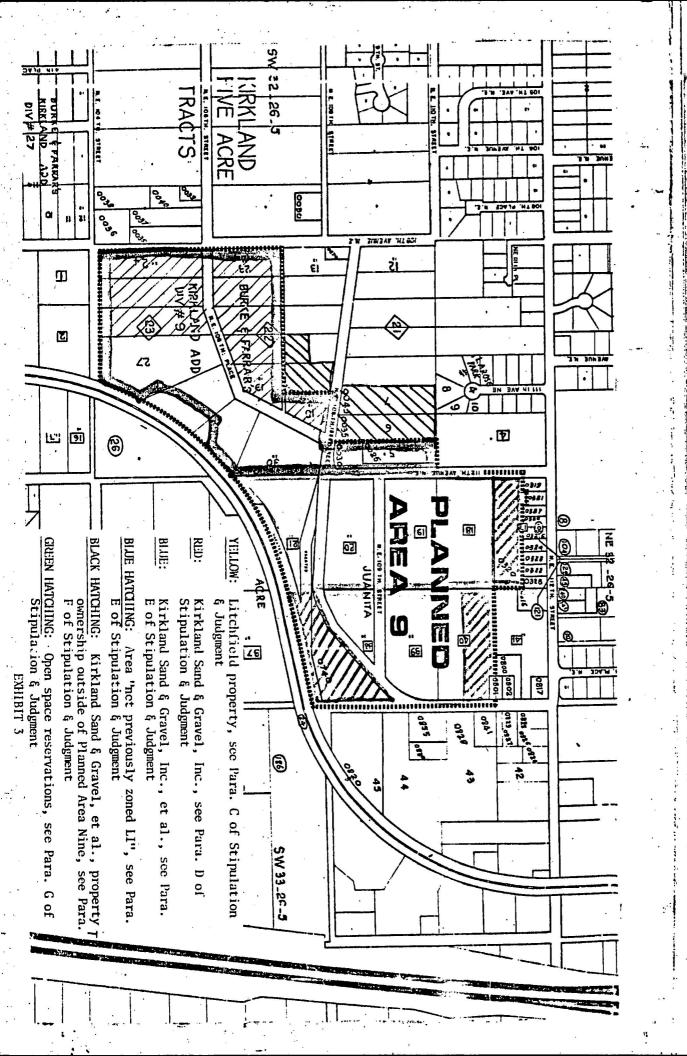
EXHIBIT NO. 1

All that portion of the Kirkland-Juanita Acre Tracts more particularly described as follows:

Tract 38, together with the vacated street and/or right-of-way adjacent thereto, Tract 39 and Tract 40, less the North 25 feet of the East 250 feet of Tract 40, as per the Plat recorded in Volume 16 of Plats, page 63, records of King County, Washington, less all county roads.

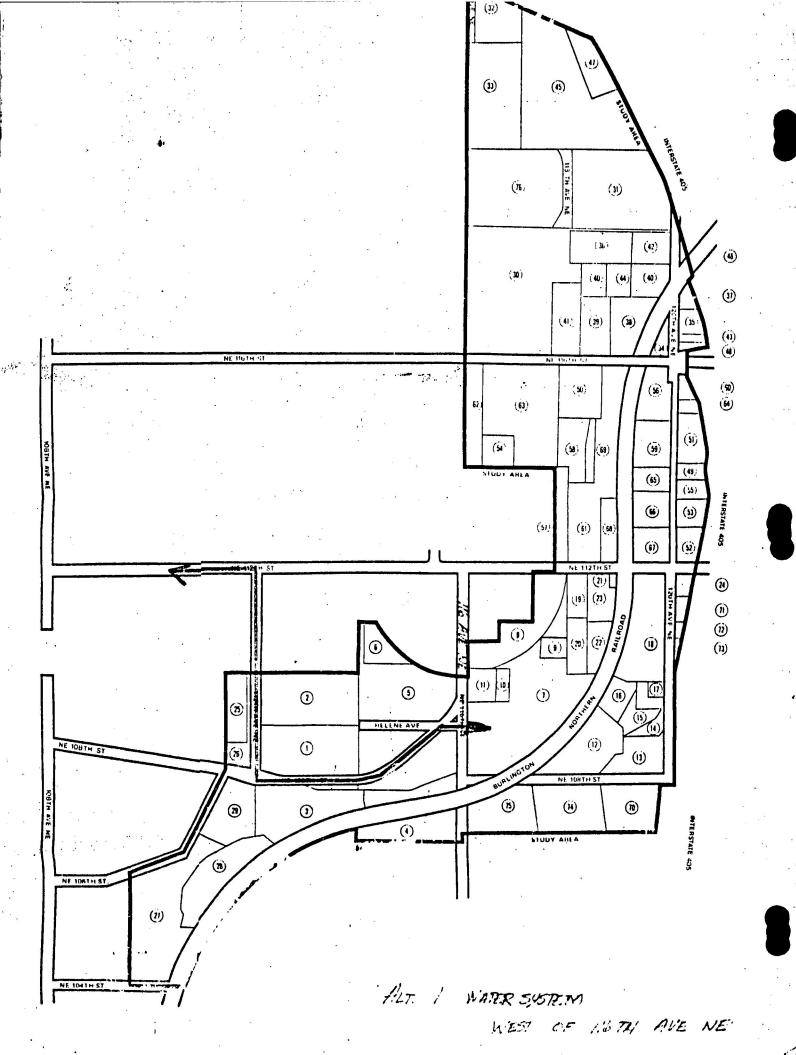
All that portion of the Kirkland-Juanita Acre Tracts more particularly described as follows:

The South one-half of Tract 17, together with Tracts 18, 19, 20 and 21, together with the vacated street and/or right-of-way adjacent to Tract 21, less that portion of Tract 21 acquired in fee by the Municipality of Metropolitan Seattle (METRO), as per the plat recorded in Volume 16 of Plats, page 63, records of King County, Washington, less all county roads.



All that portion of Burke & Farrar's Kirkland Addition to the City of Seattle, Division No. 9, more particularly described as follows:

Lot 5, Block 21, together with Lots 18, 19, 20, 21, 22 and 23, Block 22, together with Lots 24, 25, 26, 27, 28, 29 and 30, Block 23, less that portion of Lots 28, 29 and 30, Block 23, acquired in fee by the Municipality of Metropolitan Seattle (METRO), as per the Plat recorded in Volume 19 of Plats, page 69, records of King County, Washington, less all county roads.



L.I.D. ASSESSMENTS - ALTERNATE IC

Parcel	Sewer	Water	Roads	Drainage	TOTAL
1	\$ 8,796	\$ 18,742	\$ 7,740	\$ 2,940	\$ 38,218
2	4,166	4,166	7,499	2,916	18,747
3.	7,200	17,320	6,212	2,428	33,160
. 5	15,648	21,270	14,472	5,628	57,018
6	956	955	1,720	669	4,300
.25	1,100	1,100	1,980	770	4,950
26	1,228	4,082	1,190	463	6,963
27	0	0	9,324	3,626	12,950
29	3,446	6,695	3,740	1,454	15,335
	\$42,540	\$ 74 , 330	\$53,877	\$ 20,894	\$191.641

Kirkland Sand & Gravel (1,	2,3, & 26)	\$97,088
Litchfield (5 & 6)		61,318
Wegener (25)		4,950
Stubenrauch (27 & 29)	, *	28,285
	TOTAL	\$191.641

RESOLUTION NO. 22474

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND, AUTHORIZING SETTLEMENT OF CERTAIN LAWSUITS NOW PENDING IN KING COUNTY SUPERIOR COURT IN WHICH THE CITY APPEARS AS DEFENDANT, AND AUTHORIZING AND DIRECTING THE ATTORNEY FOR THE CITY OF KIRKLAND TO SIGN ON BEHALF OF THE CITY THE STIPULATION FOR ENTRY OF ORDER, JUDGMENT AND DECREE.

WHEREAS, Local Improvement District No. 115 provides for a complex series of necessary public improvements, including streets, water facilities for both fire and domestic use requirements, storm drainage facilities, sanitary sewer facilities, and certain improvements in stream bed protections to Forbes Creek; and

WHEREAS, as provided in the ordinance creating Local Improvement District No. 115, the cost of the improvements is to be paid for by a grant from the United States in the approximate amount of one million dollars, with the balance of the estimated cost to be paid by Local Improvement District assessments against the property within the District; and

WHEREAS, a challenge to the validity of the formation of Local Improvement District No. 115 has been raised in King County Superior Court Cause No. 828778 by Kirkland Sand and Gravel, Inc. and others, primarily alleging that the inclusion of their properties within the Local Improvement District boundaries, which included virtually only property zoned light industrial, was arbitrary and capricious in light of the subsequent change in zoning on the plaintiffs' property from light industrial to Planned Area Nine less than a month later; and

WHEREAS, said parties in King County Superior Court Cause No. 828976, and Wallace Litchfield in King County Superior Court Cause No. 830556, have also challenged the adoption of and validity of the new Land Use Policies or Comprehensive Plan and the Zoning Code for the City of Kirkland, as adopted pursuant to Ordinances No. 2346 and 2347; and

WHEREAS, there has been presented to the Kirkland City Council a proposed Stipulation for settlement of all three of said lawsuits; and

WHEREAS, the continued pendency of King County Superior Court Cause No. 828778 impedes the ability of the City to proceed with the improvements provided for by Local Improvement District No. 115; and

WHEREAS, the City Council, having reviewed said proposed Stipulation and considered the same in the light of the Land Use Policies and zoning amendments adopted for Planned Area Nine (all of the properties subject to the three lawsuits constitute Planned Area Nine) under Ordinance No. 2346 and Ordinance No. 2347, concludes that the residential land use and maximum potential developed density of said Planned Area Nine which may be developed pursuant to the proposed Stipulation for settlement, including the conditions imposed therein on development, is in general conformity with the policies and guidelines and land use regulations for Planned Area Nine, and neither substantially nor significantly differs from the land use and maximum potential developed density available for Planned Area Nine under Ordinances No. 2346 and 2347; and

WHEREAS, fair and reasonable resolution of litigation through settlement is, when possible to obtain, within the public interest and a public benefit;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Kirkland as follows:

Section 1. The attorney for the City of Kirkland is hereby authorized and directed to sign on behalf of the City of Kirkland, the Stipulation for Entry of Order, Judgment and Decree, a copy of which is attached to the original of this Resolution as Exhibit A, and by this reference is incorporated herein, and to present the same together with appropriate orders, judgments and decrees carrying out said Exhibit A to the court for entry.

Section 2. Upon entry of the Order, Judgment and Decree, the provisions thereof shall, insofar as the City of Kirkland is concerned, be administered as though said Order, Judgment and Decree were an integral part of the Land Use Policies Plan and the Zoning Code Regulations of the City of Kirkland, insofar as they apply to Planned Area Nine.

PASSED BY MAJORITY VOTE of the Kirkland City Council in regular meeting on the _____ day of _____ her__. 1977.

SIGNED IN AUTHENTICATION THEREOF on the 7 day of Mayeuly, 1977.

MAYOR

ATTEST:

Director of Administration and Finance (ex officio City Clerk)

1 2 3 SUPERIOR COURT OF WASHINGTON FOR KING COUNTY KIRKLAND SAND AND GRAVEL, INC., a 5 Washington corporation, et al, 6 Plaintiffs, 7 . vs. NO. 828 778 . 8 CITY OF KIRKLAND, a municipal 9 corporation, 10 Defendant. 11 KIRKLAND SAND AND GRAVEL, INC., 12 et al, -13 Plaintiffs, 14 vs. NO. 828 976 15 CITY OF KIRKLAND, et al, 16 Defendants. 17 WALLACE H. LITCHFIELD, et ux, 18 Plaintiffs, NO. 830 556 19 vs. STIPULATION FOR ENTRY 20 OF ORDER, JUDGMENT AND CITY OF KIRKLAND, et al, DECREE 21 Defendants. 22 23 The City Council of the City of Kirkland having auth-24 orized by resolution its City Attorney to execute the 25 following stipulation, 26 NOW, THEREFORE, the parties hereto, by and through 27 their attorneys of record, hereby stipulate to the entry of 28 an order, judgment and decree in the above-entitled (con-29 solidated) cases as follows: 30 31 32

KRM:seg Rev. 10/24/77

Stipulation - 1 Rev. 10/24/77

POWELL, LIVENGOOD, SILVERNALE, CARTER & TJOSSEM
P.O. BOX L
1313 MARKET STREET
KIRKLAND, WASHINGTON 98033

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DECLARATIONS

- 1. Over the past several years the City of Kirkland has carried on and completed an extensive review of land use and development issues and policies as they pertain to the Consolidated City of Kirkland (Being the successor to the former cities of Kirkland and Houghton).
- 2. As a result thereof, the Kirkland City Council on May 15, 1977, adopted a new Land Use Policies or Comprehensive Plan as Ordinance No. 2346, entitled:

An ordinance of the Consolidated City of Kirkland adopting a comprehensive policies plan including goals, policies and guidelines for the present and future development and land use for the entire Consolidated City of Kirkland and its neighborhood

and certain amendments to the Zoning Code and Zoning Map as Ordinance No. 2347, entitled:

An ordinance of the City of Kirkland relating to planning and zoning, amending Ordinance No. 2183 and comprehensive zoning regulations for the City of Kirkland to be consistent with the Land Use Policies Plan adopted for the Consolidated City of Kirkland by Ordinance No. 2346.

- 3. Prior to the adoption of Ordinance No. 2347, approximately 30 acres of the properties of Kirkland Sand and Gravel and/or the Smith-Stubenrauch and/or LePierre families were zoned light industrial and approximately 14 acres of the property owned by the Litchfields was zoned light industrial. These properties have over the past years been used for industrial purposes and quarrying. The remainder of the properties owned by the parties were zoned single-family residential.
- 4. During the same period of time, the city, upon the petition of owners of property lying to the east and north and northeast of plaintiffs' properties commenced proceedings to create a Local Improvement District, and by Ordinance No. 2345, adopted April 18, 1977, created Local Improvement Stipulation 2

District No. 115, for the construction of certain public improvements within the area of the petitioning property owners and Planned Area Nine. Substantially all of the area included within the Local Improvement District at the time of its creation was either zoned or actually used for industrial purposes.

- 5. Local Improvement District No. 115 provides for a complex series of public improvements including streets, water facilities for both fire and domestic use requirements, storm drainage facilities, sanitary sewer facilities, and certain improvements and stream bed protections to Forbes Creek which extends through a portion of plaintiffs' properties. As provided in the ordinance creating Local Improvement District 115, the cost of the improvements is to be paid for by a grant from the United States in the approximate amount of \$1 million, with the balance of the estimated cost to be paid by Local Improvement District assessments against the property within the district.
- 6. The plaintiff Litchfield in King County Superior Court Cause No. 830556 has challenged the adoption of, and validity of, the new Land Use Policies or Comprehensive Plan and Zoning Code for the City of Kirkland, and the plaintiffs Kirkland Sand and Gravel, Inc., et al, have also challenged the adoption of, and the validity of the new Comprehensive Plan and Zoning Code for the City of Kirkland in King County Superior Court Cause No. 828976. Additionally, Kirkland Sand and Gravel, Inc., et al, have in King County Superior Court Cause No. 828778, challenged the formation of Local Improvement District 115 primarily alleging that the inclusion of their property within the Local Improvement District boundaries, which included virtually only properties zoned light industrial, was arbitrary and capricious in light of Stipulation 3

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the subsequent change in zoning on the plaintiffs' properties from light industrial to Planned Area Nine, less than a month later.

- 7. That the plaintiffs herein timely filed an appeal with respect to the adoption of Ordinance No. 2346 and Ordinance No. 2347 and accordingly said actions by the City of Kirkland are not final.
- That the city recognizes that an increase in residential density is consistent with the general policies, goals, and guidelines of the comprehensive plan and with the evidence and the record submitted at the time of the hearings thereon, which was before the city when adopting said Comprehensive Plan, Ordinance No. 2346, and the zoning code, Ordinance No. 2183 as amended by Ordinance No. 2347. The city further recognizes and acknowledges that the Comprehensive Plan and the evidence and the record submitted in support thereof recognizes the need and justification for clustered and stacked housing on the property owned by the aboveidentified plaintiffs in the areas designated in the recent comprehensive plan and zoning code as Planned Area Nine; and further, that clustered and stacked housing in Planned Area Nine will better insure the goals of the comprehensive plan by providing for more open space, fewer roads and asphalt, and better views for the dwelling units to be located therein.
- 9. Planned Area Nine is recognized by the city to be a unique area and buffer between the adjacent industrial areas to the east sometimes known as Parmac Industrial Park and the Juanita Bay Valley to the west of Planned Area Nine.
- 10. Each party hereto wishes to settle and resolve all of the differences between the parties and in a manner entirely consistent with the Comprehensive Plan as finally adopted.

Stipulation - 4
Rev. 10/24/77

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STIPULATION

NOW, THEREFORE, it is stipulated as follows:

It is agreed and stipulated that an order, judgment, and decree shall be entered as follows in the above-entitled causes:

- A. That the above actions be and the same are hereby consolidated.
- B. That the same Judgment shall be entered in all three actions consistent with the terms hereof.
- That the Litchfield ownership, being the subject property in King County Superior Court Cause No. 830556, as described in Exhibit 1 attached and incorporated herein, and as shown in yellow on Exhibit 3 attached, is and hereby remains zoned Planned Area Nine, with an underlying zoning of RS-5000, (i.e., residential development shall be allowed with a density of one dwelling unit per 5,000 square feet of land and without the requirement of a PUD or CUP). The owners shall be allowed to develop said area to a density of one dwelling unit per 3,600 square feet of land pursuant to RM-3600 standards in ch. 23.10 of Ordinance No. 2183 as amended by Ordinance No. 2347; provided, that development of the property at a density of one dwelling unit per 3,600 square feet of land area shall be done pursuant to a planned unit development (ch. 23.28, Ordinance No. 2183 as amended by Ordinance No. 2347); provided, that the portion of said property lying south of N.E. 108th Street is to remain natural except as otherwise provided by the council under a PUD or CUP; provided, however, that said area shall be used in computing the density to determine the number of dwellings to be located on the property north of 108th. Except for the north half of Lot 40, Kirkland-Juanita Acre Tracts, where

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stacking shall not be permitted unless otherwise approved by the City Council within the PUD process, the city shall allow dwelling units to be clustered and/or stacked under said planned unit development as follows, to wit: two stories with dwelling units to be stacked on top of one another; provided that in areas where topography permits the owner shall be allowed to build three stories with dwelling units on each story so long as access to all three floors may be gained by walking up or down no more than one floor. The density bonus permitted in the PUD ch. 23.28 of Ordinance No. 2183 as amended by Ordinance No. 2347 shall not be utilized in determining the maximum density permitted by this order, Judgment and decree.

The ownership of Kirkland Sand and Gravel and others, as described in Exhibit 2 and as shown in red on Exhibit 3, is and hereby remains zoned Planned Area Nine, with an underlying zoning of RS-5000, (i.e., residential development shall be allowed with a density of one dwelling unit per 5,000 square feet of land and without the requirement of a PUD or CUP). The owners shall be allowed to develop said area to a density of one dwelling unit per 3,600 square feet of land pursuant to RM-3600 standards in ch. 23.10 of Ordinance No. 2183 as amended by Ordinance No. 2347; provided, that development of the property at a density of one dwelling unit per 3,600 square feet of land area shall be done pursuant to a planned unit development (ch. 23.28 of Ordinance No. 2183 as amended by Ordinance No. 2347). Except for the south half of Tract 17, Kirkland-Juanita Acre Tracts, where stacking shall not be permitted unless otherwise approved by the City Council within the PUD or CUP process, the city shall allow dwelling units to be clustered and stacked under

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31 32 said planned unit development as follows, to wit: two stories with dwelling units to be stacked on top of one another; provided, that in the areas where the topography permits, the owner shall be allowed to build three stories with dwelling units on each floor so long as access can be gained to all three floors by walking up or down no more than one floor. The density bonus permitted in the PUD ch. 23.28 of Ordinance No. 2183 as amended by Ordinance No. 2347 shall not be utilized in determining the maximum density permitted by this order, judgment and decree.

The ownership of Kirkland Sand and Gravel and Van E. Smith, Carl Wagganer, Gary Stubenrauch, D. Smith, Lyle Stubenrauch and Al LePierre and their respective wives, described in Exhibit 4, and shown in blue on Exhibit 3, is and hereby remains zoned Planned Area Nine with an underlying zoning of RS-5000, (i.e., residential development shall be allowed with a density of one dwelling unit per 5,000 square feet of land and without the requirement of a PUD or CUP) and will be permitted to be developed to RS-5000 standards; provided, that that portion of the property not heretofore zoned light industrial south of Northeast 108th Street may not be developed to RS-5000 standards unless done through a PUD or CUP process. The city shall allow dwelling units to be clustered and stacked under a planned unit development as follows, to wit: two stories with dwelling units to be stacked on top of one another; provided, that in the areas where the topography permits, the owner shall be allowed to build three stories with dwelling units on each floor so long as access can be gained to all three floors by walking up or down no more than one floor. The density bonus permitted in the PUD ch. 23.28 of Ordinance No. 2183 as amended by

Ordinance No. 2347 shall not be utilized in determining the maximum density permitted by this order, judgment and decree.

- F. Lots 6, 7, 16 and 17, of Burke & Farrar's Kirkland Addition to the City of Seattle, Division No. 9, all of which lie outside of Planned Area Nine and the zoning for which was not changed through adoption of Ordinance No. 2347, are excluded from this order, judgment and decree; provided, that the owners will be permitted to request that these lots be made part of Planned Area 9, or to include any or all said lots in a PUD to develop any of the subject properties.
- G. It is acknowledged by both parties that there is a need for some buffering between the property zoned single-family residential to the north and east of Planned Area Nine and the development within Planned Area Nine. It is also acknowledged that the Litchfields do not have any definite development plans for their property and particularly for Tract 40 of their ownership. In addition, it is acknowledged that the Litchfields or their successors may ultimately develop a part of Tract 40 for single-family purposes rather than at a higher density.

Accordingly, it is agreed that that portion of Tract 40 shown in green on Exhibit 3 is intended to only represent in general terms the need for a buffer between the single-family residential area and areas within Planned Area Nine developed to a higher density. In determining the size and location of said buffers, it is also agreed that the following guidelines shall apply:

- (1) If the north half of Tract 40 is:
- (a) Used to compute density for the remaining development at one unit for every 3,600 square feet of ground contained therein; or

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- (b) Any portion thereof is developed to a density of one unit for every 3,600 square feet of ground, then the north 25 feet of Tract 40 shall be maintained as a buffer; or
- (2) If the north half of Tract 40 is developed primarily for single-family residential, then a buffer of 20 feet will be maintained between the single-family residential development and that portion thereof developed at a higher density.
- (3) It is also agreed that the delineation and size of the buffers as set forth above shall not be considered to be fixed or inflexible and that said above-specified buffers may be modified and adjusted as part of an approved planned unit development when reasonably required as a buffer between Planned Area Nine and the adjacent single-family neighborhoods.

With the exception of the north half of Tract 40, which is discussed above, the areas shown in green on Exhibit 3 are intended to designate the general location and areas to be maintained as buffers and open space which may not be built upon without approval through a planned unit development or conditional use permit process.

It is further agreed that the areas which the property owners are ultimately required to maintain as buffers and open space may in any event be used for computing the density of dwelling units allowed on the remaining property and also for satisfying the obligation of the owner or owners to provide open space or greenbelts; provided, that with respect to Tract 40, that any portion thereof developed for single-family residential purposes may not be used to compute additional density allowed on the remaining portion of Tract 40 or on the remaining portions of the Stipulation - 9

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Litchfield ownership, which is outlined in yellow on Exhibit 3.

It is further agreed that the predesignation of any buffer and open space area will not in any way be construed to require the owner or owners of the subject property to provide more open space or greenbelts than would otherwise be required in the normal planned unit development or conditional use permit process; and it is further agreed that setback requirements shall be based upon ownership boundaries.

Η. The owner or owners of any of the subjects property may develop any portion of the property described in Exhibits 1, 2, and 4 as authorized by Ordinance No. 2183 as amended by Ordinance No. 2347 independent of the remaining ownerships and will be subject only to the area requirements for a normal planned unit development or conditional use permit as provided for in ch. 23.28 or ch. 23.56 of Ordinance No. 2183 as amended by Ordinance No. 2347. It is further agreed that any development proposed under the terms of this stipulation will be done in accordance with the applicable provisions of Ordinance No. 2183 as amended by Ordinance No. 2347 and if done under a PUD, will be done in accordance with ch. 23.28 or if done under a CUP, will be done under ch. 23.56 of Ordinance No. 2183 as amended by Ordinance No. 2347 as presently enacted.

I. It is agreed that the city or its agents may come upon and may work on the property described in Exhibits 1, 2 and 4 within 100 feet on each side of the centerline of Forbes Creek in order to accomplish the Forbes Creek improvement work heretofore authorized and ordered by the city in connection with the LID 115 storm drainage and stream improvements, provided that said work will not in any way

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interfere with the normal business operation presently being conducted upon said property, and provided further that this authority will terminate in two years from date hereof.

- J. For the purposes of ch. 23.10.110(5) or 23.08.130 or 23.28.131 of Ordinance No. 2183 as amended by Ordinance No. 2347 or any other provision of the Subdivision Ordinance or the new Zoning Code for the City of Kirkland, the "assessed valuation" as to any of the property described in Exhibits 1, 2 or 4 shall not exceed the "true and fair value" as determined by the King County Assessor for said property as residential property as distinguished from industrial property.
- K. All of the property described in Exhibits 1, 2 and 4 will be entitled to utilize the utilities provided by Local Improvement District 115. The amount of the preliminary assessment for Kirkland Sand and Gravel and the other plaintiffs named in King County Superior Court Cause No. 828778 is hereby reduced to \$130,323 based upon the change in design (Exhibit No. 5), and/or the computation or method of payment as shown in Exhibit No. 6. The statutory right of the owners of the property described in Exhibits 1, 2 and 4 to challenge the amount of the final LID assessment based upon the extent of special benefits, if any, to any or all of their property, shall not in any way be prejudiced or limited by this stipulation.
- L. The city will proceed in good faith to process any and all applications for developments proposed for the property described in Exhibits 1, 2 and 4 in the manner prescribed in this stipulation and the order, judgment and decree to be entered as a result hereof, it being the intent hereof that the plaintiffs or their successors or assigns may develop the properties described in Exhibits 1, 2, and 4 as envisioned herein; provided, that this order and Stipulation 11

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 POWELL, LIVENGOOD, BILVERNALE, CARTER & TJOSSEM PROCESSORS

ATTACHMENT "A" to Resolution R- 2475

SPIRITVIEW

LEGAL DESCRIPTION

That portion of Government Lot No. 4 in Section 8, T25N, R5E, W.M., in King County, Washington described as follows:

BEGINNING at the intersection of the east line of 102nd Avenue N.E. (formerly 2nd Street) as platted in French's Homestead Villa Division No. 1, as recorded in Vol. 20 of plats, Page 74, records of King County, Washington with the intersection of the north line of N.E. 62nd Street (formerly Pine Street) as platted in Burke & Farrar's Kirkland Addition to the City of Seattle, Division No. 30, as recorded in Vol. 25 of plats, Page 24, records of King County, Washington; thence N 89°24'50" E along said north line of N.E. 62nd Street, 310.40 feet to the true point of beginning; thence N 0 14'50" W, parallel to said east line of 102nd Avenue N.E., 359.52 feet to the south line of Block 3, French's Homestead Villa as recorded in Vol. 20 of plats, Page 24, records of King County, Washington; thence N 89045'10" E along said south line, 477.21 feet to the west line of the Burlington Northern Railroad Company right-of-way; thence S 15°53'50" W along said west line, 73.26 feet; thence N 74°06'10" W. 30.00 feet; thence S 15°53'50" W, 130.00 feet; thence S 74°06'10" E, 30.00 feet; thence S 15°53'50" W, along said west line, 168.72 feet to the north line of the aforesaid N.E. 62nd Street; thence S 89°24'50" W along said north line 373.79 feet to the true point of beginning.

judgment shall not be effective as to any application for planned unit development filed with the city more than twelve (12) years after the date of entry hereof.

- M. In the event it becomes necessary for either party to bring or institute any judicial proceeding to enforce any of the provisions of this stipulation, judgment, order and decree, the prevailing party shall be entitled to reasonable attorneys' fees, expert witness fees, and costs.
- N. Except as provided in the prior paragraph, each one party hereto shall bear their own attorneys' fees and costs incurred herein.
- O. This agreement shall be for the benefit of, and shall be binding upon, all successors and assigns of each party hereto.
- P. Each party agrees to approve and support for entry, a judgment in all three actions incorporating the provisions of this stipulation and dismissing the actions with prejudice and which shall be a final and binding judgment on all of the parties.

DATED at Kirkland, Washington, this 7 day of October 1977.

ROBERT P. TJOSSEM OF POWELL, LIVENGOOD, SILVERNALE, CARTER & TJOSSEM Attorneys for Plaintiffs-Petitioners

RALPH I. THOMAS

OF OSTRANDER, VAN EATON, THOMAS

& FERRELL

Attorneys for Defendants

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