

RESOLUTION R- 3852

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND DECLARING THE PROPERTY AT 12500 NE 85TH, KIRKLAND, WASHINGTON, COMMONLY KNOWN AS THE OLD ROSE HILL FIRE STATION, TO BE SURPLUS TO THE NEEDS OF THE CITY FOR OWNERSHIP OF REAL PROPERTY AND AUTHORIZING THE SALE OF SAID PROPERTY.

Whereas, the City Council finds that previously approved plans for future delivery of fire services do not include utilization of the old Rose Hill Fire Station; and

Whereas, the property at 12500 NE 85th, Kirkland, Washington is not needed for other city purposes; and

Whereas, it is in the public interest for the City to enter into a purchase and sale agreement at this time to secure terms which the City desires; and

Whereas, one of the conditions of such a purchase and sale agreement will enable the City to continue using the property as a fire station without payment of rent until the new fire station is ready;

Now, therefore, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. Ownership of the property located at 12500 NE 85th, Kirkland, Washington, commonly known as the old Rose Hill Fire Station, is hereby declared surplus to the needs of the City.

Section 2. The City Manager is hereby authorized to sell the above described property on terms which are substantially similar to those included in the attached form of purchase and sale agreement.


Passed by majority vote of the Kirkland City Council in regular, open meeting this 14TH day of December, 1993.

Signed in authentication thereof this 14th
day of December, 1993.



MAYOR

Attest:



City Clerk

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OFFER TO PURCHASE AND AGREEMENT TO SELL REAL PROPERTY

This Agreement made the last date below signed, by and between the City of Kirkland, a municipal corporation of the State of Washington, its successors and/or assigns, owner of the real property hereinafter described (hereinafter "Seller") and JACKL, Inc., its successors and/or assigns (hereinafter "Buyer").

WITNESSETH

1. Purchase Price. Seller and Buyer hereby agree to the sale and purchase of the real property described in Exhibit A ("Subject Property") on the terms and conditions herein set forth, for the total purchase price of \$340,000.00, payable in full on closing. Earnest money shall be credited to the purchase price.

2. Title Insurance and Deed. Buyer shall order a preliminary commitment for title insurance within 10 days of the execution of this Agreement. Within 10 days of receipt of the preliminary commitment, Buyer shall notify Seller in writing of any exceptions which must be removed by closing. If said exceptions cannot be removed, this Agreement shall be null and void. Buyer shall pay the cost of the title insurance policy.

3. The entire purchase price shall be payable upon closing by Buyer. Within 20 days after Seller's receipt of preliminary title commitment, Seller will notify Buyer as to whether title will be conveyed by Statutory Warranty Deed. If not, within 20 days, Buyer will choose: 1) to declare this Agreement null and void, or 2) to keep this Agreement in force with the property to be conveyed by Quit Claim Deed. Seller warrants that it has done nothing to encumber the property and knows of no easements or restrictions except those of record.

4. Sale shall close on the date selected by Buyer, so long as that date is before January 30, 1995. Closing shall take place through the escrow office of Stewart Title, Seattle, Washington. Each party shall pay one half of the standard escrow fee. City believes the transaction will be exempt from excise tax, and Seller will not pay excise tax. Because Seller is exempt from payment of property tax, Seller does not require that property tax be paid at closing, however, Buyer agrees to pay to King County the pro rata amount due. Utility costs shall be prorated at closing, unless Seller has not yet vacated the Subject Property.

5. Title to and ownership of all of the Subject Property shall pass to Buyer upon closing. Right to possession of the Subject Property shall be as follows: Seller has the right to occupy or use so much of the Subject Property as is reasonably necessary for fire station purposes up to December 31, 1994. Buyer shall have the right to possession after the Seller has vacated the Subject Property. Until the right of possession passes to Buyer, Seller has the right to remove any personal property or fixtures from the Subject Property. No rent will be due Buyer under this paragraph. Seller will timely pay all utility charges associated with Seller's possession of the Subject Property. While Seller remains in possession of the Subject Property, Buyer will have no duty to maintain or inspect the building or premises. The provisions in this paragraph shall survive closing.

6. Earnest Money. Buyer shall pay \$10,000.00 earnest money to Seller within 10 days after the date of this Agreement. This \$10,000.00 will be applied to the purchase price at closing. Earnest money shall be deposited in escrow where it shall be placed in an interest bearing account designated by the Buyer. Interest earned shall be the property of the Buyer unless the earnest money and accrued interest is forfeited to the Seller for Buyer's failure to close without legal excuse.

7. Maintenance of Subject Property During Contingency Period. Seller intends to continue using the Subject Property as a fire station until December 31, 1994. Seller agrees that it will keep the Subject Property insured on its property/casualty policy, with valuation of more than \$340,000.00. In the event of any loss or destruction to the improvements while Seller is in possession of the property, Seller shall either repair the building or assign the insurance proceeds to the Buyer at the Buyer's option.

8. Rezone Contingency. Seller understands that Buyer wishes to have the property rezoned. Seller will promptly sign such documents as are necessary for Buyer to proceed with its application for rezone. Buyer shall have reasonable access to the Subject Property to conduct surveys of the land and buildings as required to complete the rezone application and to evaluate the Subject Property for other contingencies. Buyer will pay all costs associated with such application. Seller makes no promise that the City of Kirkland will approve Buyer's rezone application. Buyer's agreement to purchase the Subject Property under this Agreement is contingent on the City of Kirkland's approval of a commercial rezone which is satisfactory to Buyer. Buyer will seek such rezone with due diligence, and the contingency is waived if not exercised before December 31, 1994. Seller will agree to the refund of \$10,000.00, plus accrued interest, to Buyer within 20 days after Seller is notified that this sale will not close due to the rezone contingency, so long as Seller is so notified before December 31, 1994.

9. Hazardous Wastes. Buyer, at its sole expense, shall commission a Level I Hazardous Waste Assessment on the Subject Property. This purchase agreement is contingent upon Buyer's satisfaction with the Level 1 Study. Seller will receive a copy of said study. This contingency is waived if not exercised by February 28, 1994. Seller warrants that it knows of no hazardous or toxic wastes on the property and knows of no violations of any federal, state, or local environmental laws on the Subject Property. Seller agrees to indemnify and hold Buyer harmless from any and all liabilities, fines, or penalties assessed against the Subject Property or Buyer as a result of hazardous or toxic wastes as defined by any federal, state, or local law which were caused to be on the Subject Property during Seller's ownership or possession. This warranty shall survive closing.

10. Structural Review. This Agreement is contingent upon the Buyer, at Buyer's sole expense, conducting a survey of the building for structural and mechanical condition and approving purchase of the property in its current "as is" condition. Seller shall allow Buyer's agents access to the Subject Property to conduct the necessary evaluation of the Subject Property. This contingency is waived if not exercised by February 28, 1994. After approval of the condition of the structure and waiver to this contingency, Seller shall maintain the Subject Property in the condition shown in the structural and mechanical review and shall not commit waste on the Subject Property.

11. This agreement is binding on successors or assigns of Seller and Buyer.

12. This paragraph shall survive closing and be included in the deed of conveyance. This conveyance is subject to the following condition subsequent which shall not apply to use by the City of Kirkland. If Grantee, or anyone claiming under the Grantee, permits use of the subject property other than as an addition to the existing Honda of Kirkland before the Subject Property has first functioned as a part of Honda of Kirkland for 60 days, the title to the land hereby conveyed shall forthwith without notice and without entry, revert to and rest in the Grantor.

13. The provisions of this Agreement may be enforced by civil action commenced in King County Superior Court by either party for specific performance, civil damages, equitable relief, or declaratory judgment. The prevailing party in any enforcement action upon this Agreement shall be entitled to reasonable attorneys' fees and costs.

DATED this _____ day of _____, 1993.

BUYER:

SELLER:

JACKL, INC.

CITY OF KIRKLAND

By _____
ALLEN COURTER

By _____
TERRENCE L. ELLIS
City Manager

EXHIBIT A

West 170 feet of Lot 12 and West 170 feet of the South 40 feet of Lot 13 all in Block 15, Burke and Farrar's Kirkland Addition to the City of Seattle, Division No. 6, less any portion within State Highway 908, commonly known as King County Tax Parcel 123310-0872, commonly known as Fire Station 26, 12500 Northeast 85th, Kirkland, Washington.