Planning and Economic Development Committee Agenda
SPECIAL MEETING

November 6, 2025
4:00 pm–5:00 pm
Hybrid Meeting

This meeting will be conducted in a hybrid format with in-person and remote options for public participation. The meeting will be broadcast on SeaTV Government Access Comcast Channel 21 and live streamed on the City's website https://seatacwa.gov/seatvlive and click the "live" channel 1 grey box.

A quorum of the Council may be present.

Committee Members: Councilmember James Lovell, Chair
Councilmember Jake Simpson
Mayor Mohamed Egal

Staff Coordinator: Evan Maxim, CED Director

ITEM	TOPIC	PROCESS	WHO	TIME
1	Call to Order		Chair	4:00
2	**PUBLIC COMMENTS:** The committee will hear in-person public comments and will also provide remote oral and written public comment opportunities. All comments shall be respectful in tone and content. Providing written comments and registering for oral comments must be done by 2:00 pm, the day of the meeting. Registration is required for remote comments and encouraged for in-person comments. Any requests to speak or provide written public comments which are not submitted following the instructions provided or by the deadline will not be included as part of the record. • Instructions for registering to providing oral public comments are located at the following link: Registration for Oral Public Comments - Council Committees and Citizen Advisory Committees • Submit email/text public comments to pedpubliccomment@seatacwa.gov. The comment will be mentioned by name and subject and then placed in the committee handout packet posted to the website.		Chair	4:00 (5 min)
3	Bullpen Property: Purchase and Sale Agreement Review	Review and Recommendation	Aleksandr Yeremeyev	4:05 (45 min)
4	Adjourn		Chair	4:50

MEMORANDUM
COMMUNITY & ECONOMIC DEVELOPMENT

Date: 11/6/2025
To: Planning and Economic Development (PED) Committee
From: Aleksandr Yeremeyev, Economic Development Manager – CED
Subject: Bullpen Property: Purchase and Sale Agreement (PSA)

Summary

Starting in June of 2025, staff has worked with representatives of the property at 20001 International Boulevard, known as the "Bullpen" property, to establish initial terms for the purchase of this property by the City of SeaTac. Within October, the terms have been further refined as reflected in the proposed Purchase and Sale Agreement (PSA).

The purpose of this briefing is to update the PED Committee on the proposed terms for the purchase of the property, and request recommendation to the City Council to authorize the City Manager to sign the PSA.

Background / Analysis

In March of 2024 the City Council passed a motion directing staff to engage in further evaluation of the Bullpen property for possible acquisition. On July 22, 2025, the City Council referred this item to the PED committee for further review and a recommendation to the full City Council. On September 18th, the PED Committee reviewed a proposed budget amendment for due diligence work and at the RCM on September 23, 2025, the City Council approved the budget amendment to support the needed due diligence consultant work.

The March 2024 motion was based on analysis by the City (attached), which noted three categories of opportunities related to the City's purchase and use of the Bullpen property. These opportunities are:

1. The environmental cleanup of the property by removing hazardous and / or toxic chemicals from the SeaTac community and a groundwater wellhead protection area.
2. Removal of under-developed and visually problematic buildings to promote visual enhancement and economic growth, investment, and new development in the subarea.
3. Additional policy objectives through the strategic sale or use of the property. This may entail the re-sale of the property for private development, development of the site for civic or community use, or the creation of affordable housing through a public-private partnership.

Since March of 2024, the City has identified a fourth opportunity related to the upcoming 2026 FIFA world cup games, creating a visually pleasant and safe environment for residents and visitors, and supporting site activation. Proposed activations include evaluating "food truck" village and other types of programing.

Letter of Intent & Purchase and Sale Agreement: Following consultation with the City Council, staff has negotiated a "Letter of Intent" and subsequently a "Purchase and Sale Agreement" (attached) that establishes binding terms for the purchase of the Bullpen property. The following is a summary of the most substantive terms:

Purchase price & earnest money:

The property owner ("Seller") and the City have agreed on a purchase price of $2,000,000. This price reflects an estimated $1,250,000 in site remediation and clean-up costs. The earnest money is 2.5% of the purchase price. The seller and the City have agreed that a reduction in the purchase price may be proposed if site remediation and clean-up costs are greater than anticipated.

Due diligence:
From when LOI is fully signed, the City has 150 days to complete due diligence and feasibility work on the site (fully executed on 8/29 and 150 days is January 26, 2026).

The Bullpen property is known to be contaminated; the focus of the City's due diligence is currently focused on the completion of a Limited Phase 2 Environmental Site Assessment. The purpose of this assessment is to confirm the extent of contamination and develop a preliminary strategy and cost estimate for remediation.

Closing:
Closing is anticipated to be 30 days after due diligence is complete, and all contingencies are waived – and not later than 180 days from the date the Letter of Intent is signed. At present, closing is anticipated in February 2026.

If Closing occurs, the property will be delivered to the City's possession with no tenants or occupants and all the personal property will have been removed.

Release of Liability:
If/when the Due Diligence is completed and waived, and purchase occurs, the Buyer (City) would release the Seller of Environmental Claims as reflected in the PSA and the PSA Memo Exhibit D. The Due Diligence waiver is at the City's sole discretion.

Initial due diligence is already underway, and the City anticipates that all due diligence work will occur no later than January of 2026. Depending on the outcome of the Limited Phase 2 ESA, it is possible that additional investigation will be required. If this is the case, staff anticipate seeking additional guidance from the City Council.

Next Steps:

- November 6, 2025 – Special PED Committee meeting to review the terms of PSA and recommendation to City Council to authorize City Manager to sign PSA
- November 20, 2025 – PED Committee review: Updated site information from due diligence; with additional briefings anticipated in December.
- November 2025: Regular Council Meeting action or consent: Authorize City Manager to sign Purchase and Sale Agreement.
- December 2025: Regular Council Meeting action: Approve mid-biennium budget amendment to fund purchase of Bullpen property.

Budget Significance

Previously approved expenditure of $245,000 from the Light Rail Station Areas CIP Fund (308) for due diligence. Additional funds will need to be authorized for the purchase, if closing is to occur.

PED Committee Direction

Staff is seeking PED Committee recommendation to the City Council to authorize the City Manager to sign the Purchase and Sale Agreement at the November 25th RCM, if there is consensus, on Consent Agenda.

Packet Materials

- This memo
- Strategic Real Estate Plan Analysis, dated February 27, 2024
- Purchase and Sale Agreement (PSA)
- PowerPoint presentation

MEMORANDUM
COMMUNITY & ECONOMIC DEVELOPMENT

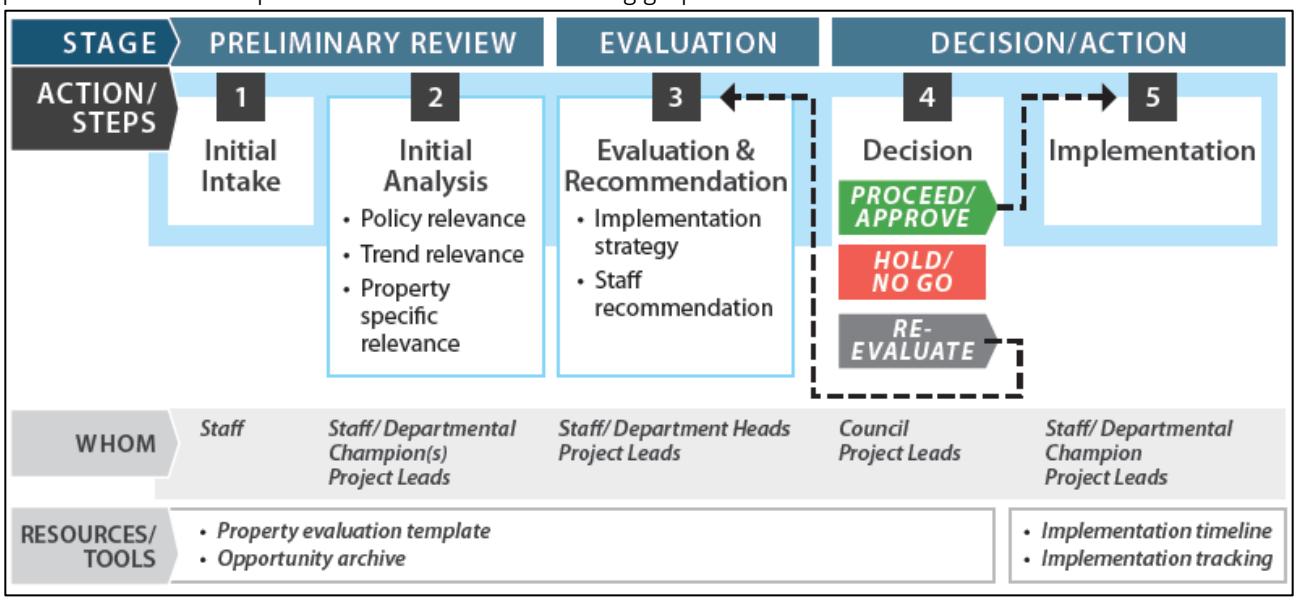
Date: 2/27/2024
To: City Council
Carl Cole, City Manager
From: Evan Maxim, Director of Community & Economic Development
Subject: Bullpen Property: Initial Strategic Real Estate Plan analysis

Summary

The purpose of this memo is to provide the City Council with the information necessary to evaluate an opportunity for SeaTac to acquire a property located at 20001 International Boulevard (the "Bullpen" property). Based upon the analysis below, staff recommend that the City Council pass a motion authorizing further research and investigation to evaluate this property for possible City acquisition or other action by the City Council.

The Bullpen property is in the "district center" of the Angle Lake Station area. Staff understands that the site may be contaminated, which has prevented re-development of the site to date. The Bullpen property presents an opportunity for the City to advance three policy objectives on behalf of the SeaTac community: 1) removing hazardous / toxic chemicals from the site; 2) support the redevelopment of an under-developed and visually problematic site; and 3) advance several community goals through the strategic disposition of the property following acquisition. There is strong support for these three policy objectives in the SeaTac Comprehensive Plan and the Angle Lake Subarea plan.

In March 2022, the City Council passed Resolution No. 22-06, adopting the City of SeaTac Strategic Real Estate Plan (SREP, attached). The SREP establishes a standard methodology for the City Council to ensure that property acquisition and disposition decisions are based on established City Council policy objectives. The SREP establishes a three-stage process with five action / steps to evaluate real estate decisions, the phases and action steps are identified in the following graphic:



This memorandum reflects completion of the "Preliminary Review" stage of the Bullpen property. Based upon preliminary review, staff recommends that the City Council authorize staff to proceed to the next

phase. In the evaluation stage, staff anticipates working with the Bullpen property owner / agent to obtain more information (e.g. extent of contamination, estimated clean-up costs, etc.) and to identify possible approaches advancing the three policy objectives noted above. Following completion of the evaluation stage, staff will return to City Council for further direction.

Initial Intake

The potential to acquire the property located at 20001 International Boulevard was identified through ongoing staff discussions with property owners in the Angle Lake subarea. Previously, economic development staff worked with the property owner and owner's agent to facilitate the sale of the property to private developers. Several previous purchase and sale agreements were unsuccessful, and staff were approached by the owner's agent regarding whether the City would be interested in acquiring the property. The opportunity is for the City to support the clean-up of hazardous / toxic contamination on the property and leverage the property to achieve other policy objectives.

Initial Analysis

The property currently contains three buildings; two buildings are vacant, and the third building is partially occupied with a small grocery (All Star Grocery). One vacant building is a former restaurant / tavern (The Bullpen); the other vacant building was most recently a retail store (Crazy Furniture). Both vacant buildings are in disrepair and would require improvements prior to occupancy. The property is also known to be contaminated and in a groundwater wellhead protection buffer (5 years); the property owner has information related to the extent of the contamination. Staff have been informed by private developers that the cost of removing contamination on the site privately represents too high a risk to secure financing for redevelopment of the site. Further, staff understand that the condition of the property and buildings makes re-development in the Angle Lake subarea challenging. Finally, the property is located on a prominent corner in the Angle Lake subarea, which allows the City to evaluate several different possible policy objectives as it disposes of the property.

Property Characteristics

The following information about the property is currently available to City staff:

- Address: 20001 International Boulevard, SeaTac, WA
- Area: 38,582 square feet (0.89 acres)
- Zoning: CB-C (Community Business in the Urban Center)
- Subarea: Angle Lake
- Buildings: Three buildings, two currently vacant, one partially occupied
- Contamination: Yes, extent of contamination unknown
- Environmental: Groundwater wellhead protection; no other known constraints
- Topography: Flat

All Star Grocery (North Side)

The Bullpen (North Side)

The Bullpen (East Side)

Crazy Furniture (East Side)

Opportunity

Based upon currently available information, property acquisition presents three opportunities:

1. The environmental cleanup of the property by removing hazardous and / or toxic chemicals from the SeaTac community and a groundwater wellhead protection area.
2. Removal of under-developed and visually problematic buildings to promote visual enhancement and economic growth, investment, and new development in the subarea.
3. Additional policy objectives through the strategic sale or use of the property. This may entail the re-sale of the property for private development, development of the site for civic or community use, or the creation of affordable housing through a public-private partnership.

There is strong policy language in SeaTac's adopted documents that support action by the City to advance the opportunities identified above. The policy language contained in the Comprehensive Plan and Angle Lake Subarea plan are summarized below.

Opportunity No. 1 – adopted SeaTac goals and policies supporting this opportunity:

Comprehensive Plan

- Environmental Element, Goal 9.8: Protect the quality and quantity of groundwater used for public water supplies.
- Environmental Element, Policy 9.8A: Protect aquifers, aquifer recharge areas, and wellhead protection areas used for domestic water supply from contamination.

Opportunity No. 2 – adopted SeaTac goals and policies supporting this opportunity:

Comprehensive Plan

- Community Design Element, Goal 7.1: Provide residents and visitors with a positive, identifiable image of the City of SeaTac.
- Community Design Element, Goal 7.2: Provide a well-designed, pedestrian-friendly, and community-oriented environment in the Urban Center.
- Community Design Element, Policy 7.2K: Maintain the City Center's and Station Areas Plans' development standards for building design and orientation to ensure that buildings are designed to accommodate a comfortable and pleasant human experience on the street and are visually pleasing above.
- Economic Vitality Element, Goal 8.7: Enhance and utilize the City's natural and built environment to increase the desirability of locating in SeaTac.

- Economic Vitality Element, Policy 8.7A: Beautify and enhance the commercial and residential areas of the City through the application of urban design standards and support for public facilities and amenities to attract commercial and residential growth.

Angle Lake Subarea

- Open Space, Landscaping and Public Amenities, UD-20: Preserve and enhance existing open space that serves the District and promote opportunities for new open space enhancements.
- Open Space, Landscaping and Public Amenities, UD-22: Create and promote the District brand and enhance the visual environment by encouraging the provision of public amenities.
- Facilitating Community & Economic Opportunity, CEO-1: Increase access to opportunities for entrepreneurship, employment, housing, services, entertainment and recreation needs of residents, employees, businesses and visitors.
- Facilitating Community & Economic Opportunity, CEO-7: Refine the District's identity and establish branding.
- Facilitating Community & Economic Opportunity, CEO-3: Facilitate the creation of the District Center as an employment hub.
- Collaboration, CEO-9: Work with property owners to promote new development that implements the vision and goals of the District.

Opportunity No. 3 - – adopted SeaTac goals and policies supporting this opportunity:

Comprehensive Plan

- Land Use Element, Goal 2.1: Focus growth to achieve a balanced mix and arrangement of land uses that support economic vitality, community health and equity, and transit access.
- Land Use Element, Policy 2.1A: Implement the City Center, South 154th Street Station Area, and Angle Lake District Station Area Plans to focus the majority of SeaTac's commercial and residential growth and redevelopment into three distinct complete communities within SeaTac's designated Urban Center.
- Land Use Element, Policy 2.1B: Direct moderate and high density residential development to the Urban Center, especially within the City Center and station areas.
- Land Use Element, Goal 2.2: Create walkable, compact, transit-oriented communities with a range of transportation, employment, housing, recreation, goods, and service choices for residents of all income levels.
- Land Use Element, Policy 2.2B: Promote dense residential and employment uses in transit communities to provide current and future residents with greater access to transportation, housing, and economic opportunities.
- Land Use Element, Policy 2.2F: Foster high quality, diverse, and affordable housing.
- Land Use Element, Goal 2.6: Provide an adequate amount of accessible parks, recreational land, and open space throughout the City.
- Housing & Human Services Element, Goal 3.1: Maintain and enhance the quality of life for all community members by providing and supporting effective and accessible human services that are culturally relevant, physically accessible, near adequate public transportation, affordable, and immediate.
- Housing & Human Services Element, Goal 3.4: Increase housing options in ways that complement and enhance nearby residential and commercial uses.
- Housing & Human Services Element, Policy 3.4A: Encourage development of residential areas and lots with adequate existing utilities and transportation systems.
- Housing & Human Services Element, Policy 3.4B: Promote a variety of housing types and options in all neighborhoods, particularly in proximity to transit, employment, and educational opportunities.

- Housing & Human Services Element, Goal 3.6: Increase housing opportunities for all economic segments of the community, especially in SeaTac's transit communities.
- Housing & Human Services Element, Policy 3.6C: Offer incentive programs for developers to preserve, replace, or build additional affordable housing units.
- Housing & Human Services Element, Policy 3.6D: Cooperate with the private sector, non-profit agencies, and public entities in the planning and development of affordable housing in SeaTac.
- Community Design Element, Goal 7.2: Provide a well-designed, pedestrian-friendly, and community-oriented environment in the Urban Center.
- Community Design Element, Policy 7.2A: Implement the City Center and Station Area Plans to encourage the development of distinctive focal points (i.e., high activity neighborhood and commercial centers) within the Urban Center.
- Community Design Element, Policy 7.2D: Partner with developers to catalyze high-quality, transit-oriented developments in the station areas.
- Community Design Element, Policy 7.2G: Establish a variety of public spaces throughout the Urban Center.
- Community Design Element, Policy 7.2P: Encourage the development of buildings and structures in the Urban Center which provide civic functions.

Angle Lake Subarea

- Transit-Oriented Uses, LU-2: Concentrate people-intensive uses in the District Center.
- Transit-Oriented Uses, LU-3: Promote active, pedestrian focused ground floor uses, especially in the District Center.
- Transit-Oriented Uses, LU-6: Remove barriers to high density residential development.
- Transit-Oriented Uses, LU-12: Work with public and private property owners and developers to promote transit-oriented uses in the District.
- Open Space, Landscaping and Public Amenities, UD-20: Preserve and enhance existing open space that serves the District and promote opportunities for new open space enhancements.
- Facilitating Community & Economic Opportunity, CEO-1: Increase access to opportunities for entrepreneurship, employment, housing, services, entertainment and recreation needs of residents, employees, businesses and visitors.
- Facilitating Community & Economic Opportunity, CEO-6: Promote a variety of housing choices for people of all income levels, backgrounds, and ages.
- Facilitating Community & Economic Opportunity, CEO-9: Work with property owners to promote new development that implements the vision and goals of the District.

Next Steps

Presuming the City Council authorizes staff to engage in further research and investigation of the Bullpen property, staff anticipates the following components to the "Evaluation" stage:

A. Determining the extent of contamination on the Bullpen site. This will require completion of an Environmental Assessment by a consultant.
B. Developing the estimated cost to remove the contamination and obtain a "No Further Action" determination by the Washington Department of Ecology.
C. Contacting the property owner to determine possible options for acquiring the subject site and anticipated terms of any property acquisition. Staff understands that the property owner is willing to sell the subject site. However, if the property owner is not willing to sell the Bullpen property, staff will explore other options with the proeprty owner.
D. Investigating other factors currently unknown that may be disclosed by the property owner.
E. Once the Evaluation stage is complete, staff will seek further direction from the City Council.

PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT ("Agreement") is entered into by and between THE CITY OF SEATAC, a municipal corporation of the State of Washington, its successors or assigns ("Buyer"), and VICART L.L.C., a Washington limited liability company ("Seller"), as of the last date on which both Parties have signed this Agreement (the "Effective Date"). Buyer and Seller are hereafter referred to individually as "Party" and collectively as the "Parties."

RECITALS

A. Seller owns certain real property in the City of SeaTac, King County, Washington, more particularly described on Exhibit A attached.

B. Seller desires to sell the Property (as defined below) to Buyer, and Buyer desires to purchase the Property from Seller, on the terms and conditions set forth in this Agreement.

Intending to be legally bound, for good and valuable consideration, including the mutual covenants and promises of the Parties, the adequacy and receipt of which is hereby acknowledged, the Parties agree as follows:

1. PROPERTY. The "Property" subject to this Agreement consists of all of the following:

a. That certain real property consisting of approximately 0.8 acres, more or less, located at 20001 International Blvd. in SeaTac, Washington, Tax Parcel Number 344500-0030 and more particularly described in Exhibit A attached (the "Land").

b. All rights, privileges and easements appurtenant to the Land, including without limitation: all minerals, oil, gas and other hydrocarbon substances on or under the Land; all development rights, air rights, and ground water rights relating to the Land; any and all easements, rights-of-way, rights of ingress or egress or other interest in, on, or to, any land, highway, street, road, or avenue, open or proposed, in, on, or across, in front of, abutting or adjoining the Land; all rights to utilities serving the Land; and all other appurtenances used in connection with the beneficial use and enjoyment of the Land.

c. All buildings upon and other improvements appurtenant to the Land.

d. All of Seller's rights, titles and interests in and to the originals and all copies of all documents, other writings, computer files and any other materials owned or developed by or on behalf of Seller with respect to the Land including, without limitation, all plans, specifications, permit files, and any items made or contemplated by or on behalf of Seller with respect to or relating to the development of the Land.

e. All of Seller's rights, titles and interests in and to any intangible property utilized in connection with the ownership and/or operation of the Land including, without limitation, drawings, plans, specifications and other architectural or engineering work product; all government permits, certificates, licenses, authorizations and approvals; all rights, claims, causes of action, and warranties under contracts with contractors, engineers, architects, consultants or other parties; all utility, security and other deposits

and reserve accounts made as security for the fulfillment of any of Seller's obligations; and guaranties, warranties or other assurances of performance.

2. PURCHASE. Seller shall sell and convey the Property to Buyer, and Buyer shall purchase the Property from Seller, on the terms, covenants and conditions set forth in this Agreement. Buyer will be purchasing the Property in its present physical condition, "AS/IS AND WITH ALL FAULTS," except for the express covenants, representations and warranties and indemnities contained in this Agreement.

3. PURCHASE PRICE.

3.1. Amount. The purchase price ("Purchase Price") for the Property shall be Two Million and 00/100 Dollars ($2,000,000.00). Buyer reserves the right to request a reduction in the Purchase Price based on the results of its investigation during the Due Diligence Period although Seller is under no obligation to agree to any requested reduction.

3.2. Payment. Buyer shall pay Seller the Purchase Price in immediately available funds at Closing.

3.3. Earnest Money. Within ten (10) Business Days after the Effective Date, Buyer will execute a promissory note in favor of Seller (the "Earnest Money Note") in the amount of 2.5% of the Purchase Price and in the form attached hereto as Exhibit B, and deposit the Earnest Money Note in escrow with either First American Title Company or Chicago Title Insurance Company, as selected by Buyer (the "Escrow Holder" or "Title Company"), with the Earnest Money Note to be held by the Escrow Holder as earnest money. Funds in payment of the Earnest Money Note are due within five (5) Business Days after delivery of Buyer's Due Diligence Satisfaction Notice (as hereafter defined). The funds in payment of the Earnest Money Note together with any other amounts that are specified in this Agreement as being added to the Deposit (collectively, the "Deposit") shall be held by Escrow Holder and applied to the Purchase Price at Closing. Concurrently with the payment of the funds in payment of the Earnest Money Note to the Escrow Holder, the Earnest Money Note shall be returned to Buyer by Escrow Holder marked "Paid in Full." Except as otherwise expressly provided in this Agreement, the Earnest Money Note or Deposit, as applicable, shall be returned to Buyer unless all of Buyer's Conditions Precedent (as defined below) are satisfied or removed. IN THE EVENT BUYER FAILS, WITHOUT LEGAL EXCUSE, TO COMPLETE THE PURCHASE OF THE PROPERTY, THE DEPOSIT SHALL BE FORFEITED TO SELLER AS LIQUIDATED DAMAGES AND AS THE SOLE AND EXCLUSIVE REMEDY AVAILABLE TO SELLER. Buyer and Seller agree that the liquidated damages represent a reasonable sum considering all of the circumstances existing on the date of this Agreement and represent a reasonable estimate of the losses that Seller will incur if Buyer fails to purchase the Property after all Buyer's Conditions Precedent have been completely satisfied in Buyer's sole and absolute discretion.

4. TITLE.

4.1. Condition of Title. Title shall be insurable by a 2006 ALTA Owner's Standard Coverage Policy in the amount of the Purchase Price (the "Title Policy"), subject only to the Permitted Exceptions (as defined below). Seller shall satisfy all requirements of the Title Company in connection with issuance of the Title Policy in accordance with the Commitment (as that term is defined below).

4.2. Title Insurance Commitment. Within ten (10) Business Days after the Effective Date, Seller shall obtain and deliver to Buyer a current title insurance commitment issued by the Title Company, showing title to the Property as vested in Seller and committing to insure such title in Buyer by the issuance of the Title Policy. The commitment (or one or more updates thereto) (collectively, the "Commitment") shall also commit the Title Company to issue such policy endorsements as reasonably required by Buyer. If Buyer will require an extended coverage policy, Buyer shall promptly arrange for a survey of the Land to be performed and delivered to the Title Company for inclusion in an update to the Commitment (the "Survey").

4.3. Review of Title. Buyer shall have fifteen (15) Business Days after receipt of the Commitment and Survey and, if applicable, the updated Commitment following completion of the Survey, to notify Seller in writing (a "Title Objection Notice") of any objection Buyer in its sole discretion may have to any matter of record shown on the Commitment or disclosed by the Survey (the "Title Objections"). General taxes and assessments, but not special assessments, due after Closing, and those matters of record disclosed in the Commitment or Survey that Buyer does not disapprove constitute permitted exceptions ("Permitted Exceptions"). Seller shall have five (5) Business Days from its receipt of a Title Objection Notice to notify Buyer in writing whether Seller commits to cause the Title Objections to be removed or insured against at Closing. If Seller does not commit to remove or provide insurance against any Title Objection, Buyer's sole remedy shall be to either:

a. proceed with this transaction and, subject to any other conditions or requirements provided for in this Agreement, purchase the Property, and any Title Objections that Seller has not committed to remove or insure over shall be considered Permitted Exceptions; or

b. elect not to proceed to purchase the Property and terminate this Agreement, by giving Seller written notice of such election within ten (10) Business Days after receiving Seller's response to the Title Objection Notice, in which case this Agreement shall terminate, the Earnest Money Note or the Deposit, as applicable, shall be returned to Buyer and neither Seller nor Buyer shall have any further rights or obligations under this Agreement, except such obligations of the Parties that expressly survive the termination of this Agreement.

Buyer shall have ten (10) days after receipt of Seller's notice described above to elect, by written notice to Seller, to terminate this Agreement.

4.4. Intervening Exceptions. Seller shall immediately notify Buyer of any liens, leases, encumbrances, easements, restrictions, conditions, covenants, rights-of-way and other matters affecting title to the Property that are created and which may appear of record or be revealed by survey or otherwise after the date of the Commitment but before the Closing (collectively, "Intervening Exceptions"). Intervening Exceptions shall be subject to Buyer's approval and Buyer shall have ten (10) Business Days after notice in writing of any Intervening Exception, together with a description thereof and a copy of the instrument creating or evidencing the Intervening Exception, if any, to either accept it (whereupon the Intervening Exception shall become a Permitted Exception) or submit written objection. Seller will promptly remove all Intervening Exceptions objected to by Buyer that resulted from the acts or omissions of Seller that do not become Permitted Exceptions. As to an Intervening Exception resulting other than from the acts or omissions of Seller, if Seller is unwilling to remove it and Buyer refuses to withdraw its objection, then this Agreement shall terminate and, as its sole remedy, Buyer's Earnest Mone

Note or Deposit, as applicable, shall be returned to Buyer whereupon neither Party shall have any further rights or obligations under this Agreement.

4.5. Non-Permitted Exceptions. Notwithstanding any provision of Section 4.3 or 4.4 to the contrary, the following are not considered Permitted Exceptions and must be removed by Seller at or prior to Closing: (i) liens and security interests securing loans obtained by Seller; (ii) any other monetary liens or security interests; and (iii) all taxes and assessments due and payable for or applicable to any period prior to the Closing.

5. Buyer's CONDITIONS PRECEDENT.

5.1. Conditions to Purchase. Buyer's obligations with respect to the purchase of the Property and the Closing are subject to fulfillment of the conditions precedent ("Buyer's Conditions Precedent") described below, or waiver thereof by Buyer, not later than the Closing Date:

a. Title Policy. All requirements set forth in the Commitment (including any update) shall have been satisfied or waived by the Title Company and the Title Company shall be prepared to issue the Title Policy.

b. Representations, Warranties and Covenants of Seller. Seller shall have performed each and every obligation to be performed by Seller under this Agreement, and Seller's representations and warranties in this Agreement shall be true and correct as of the Closing.

c. No Adverse Changes. There shall have been no material adverse change in the physical condition of the Property since the Effective Date caused by the Seller or the Buyer.

d. No Seller Bankruptcy. There shall not have been filed against or by Seller a petition in bankruptcy or insolvency or a petition seeking to affect any plan or other arrangement with creditors or seeking the appointment of a receiver unless it shall have been discharged or dismissed before Closing. No receiver or liquidator has been appointed for all or substantially all of Seller's property. Seller shall not have made an assignment for the benefit of creditors or taken or had taken against it any other similar action for the benefit or protection of creditors.

e. **Due Diligence Satisfaction Notice.** Buyer shall have given Seller the Due Diligence Satisfaction Notice.

5.2. Benefit of Buyer. The Buyer's Conditions Precedent are solely for the benefit of Buyer and may be waived only in writing by Buyer. Buyer shall at all times have the right to waive any condition. The waiver by Buyer of any condition in any specific circumstances shall not be a waiver of such condition with respect to any other circumstances or a waiver of any other condition and shall not relieve Seller of any liability or obligation with respect to any representation, warranty, covenant or agreement of Seller, unless the waiver expressly so provides.

5.3. Termination. If any of Buyer's Conditions Precedent is not timely fulfilled and is not waived by Buyer, Buyer may terminate this Agreement by written notice to Seller and Escrow Holder in which event the Earnest Money Note or Deposit shall be returned to Buyer, any

other items delivered to the Escrow Holder shall be returned to the Party who delivered it, and neither Party shall have any further rights or obligations under this Agreement other than those obligations which are expressly provided as surviving the termination of this Agreement.

6. INVESTIGATION OF THE PROPERTY.

6.1. Seller's Initial Deliveries. Seller has previously provided Buyer with the documentation identified in Exhibit C hereto (the "Existing Environmental Documentation"). Within five (5) Business Days from the Effective Date, Seller shall, at its sole expense, deliver to Buyer all other documents in Seller's possession or control relating to the ownership, operation, renovation or development of the Property including, without limitation: real estate taxes, assessments and utilities for the last three years and year to date; franchise agreements, property management agreements and any other agreements with professionals or consultants; leases or other agreements relating to occupancy and records of amounts received thereunder; plans, specifications, permits, applications, drawings, surveys and studies (including, for example, environmental studies); any environmental reports not listed in Exhibit C; maintenance records, accounting records and audit reports for the last three years and year to date; maintenance or service contracts; installment purchase contracts; leases of personal property; and the disclosure form required to be delivered by sellers of real property in accordance with RCW Ch. 64.06 ("Seller's Disclosure Documentation").

6.2. Entry. Without limiting any other rights of Buyer under this Agreement, as of the Effective Date, Buyer and Buyer's agents, contractors and employees, subject to the rights of and after legal notice to tenants and at Buyer's sole expense, shall have the right to enter the Property at reasonable times to conduct structural and other inspections and testing including, without limitation, pest, soils, ground water, engineering, environmental and similar tests and assessments. Seller agrees to cooperate with any such investigations, inspections, or studies made by or at Buyer's direction. The exercise by Buyer of any of the preceding rights or any other act of Buyer shall not negate any representation, warranty or covenant of Seller, or modify any of Buyer's rights or Seller's obligations in the event of any breach by Seller of any of its representations, warranties or covenants under this Agreement. Buyer shall indemnify and hold Seller harmless from any and all damages, expense, liens or claims (including attorneys' fees) arising from Buyer's negligence in the exercise of its rights under this Section 6.2 or failure to pay third parties, and the provisions of this indemnity shall survive termination of this Agreement, provided that Buyer's indemnity obligation under this Section shall not apply to the extent Buyer merely discovers preexisting conditions, facts, or circumstances that affect or may affect the value of the Property.

6.3. Period for Investigation. Buyer's obligation to proceed to Closing is conditioned on Buyer's satisfaction with the Property, the suitability of the Property for Buyer's intended uses and the feasibility of this transaction in Buyer's sole and absolute discretion. Buyer shall have until January 24, 2026 to conduct its investigation (as such may be extended by mutual written agreement of the Parties, the "Due Diligence Period"). If Buyer fails to notify Seller and the Escrow Holder in writing that this condition is satisfied or waived ("Due Diligence Satisfaction Notice") prior to 5:00 p.m. Pacific Time on the final day of the Due Diligence Period, then this Agreement shall be deemed terminated in which event: (i) the Earnest Money Note or Deposit shall be returned to Buyer; (ii) any other items delivered to the Escrow Holder shall be returned to the Party who delivered it; (iii) a copy of each third party report obtained by Buyer as part of its investigation of the Property shall be delivered to Seller without any warranty by Buyer as to the report's contents or useability; and (iv) neither Party shall have any further rights or obligations

under this Agreement other than those obligations which are expressly provided as surviving the termination of this Agreement.

7. SELLER'S OBLIGATIONS. Before the Closing Seller shall, at its sole expense:

7.1. Promptly notify Buyer upon learning of any fact or event that would make any of the representations or warranties of Seller contained in this Agreement (including, without limitation, Buyer's Conditions Precedent and the representations and warranties set forth in Sections 12 and 13 hereof) unsatisfied, untrue or misleading in any material respect or that would cause Seller to be in violation of any of its covenants or other obligations hereunder.

7.2. Notify Buyer promptly upon receiving notice of a claim or pending litigation affecting the Property, or notice of any event, transaction, or occurrence before Closing that would materially and adversely affect the Property or any part thereof.

7.3. With respect to the Property or any interest therein or part thereof, not take any action that will adversely affect title including, without limitation, convey, mortgage, grant a deed of trust, abandon, relinquish, cloud or encumber title, or contract to do any of the foregoing or consent to any of the foregoing.

7.4. Maintain the Property in good order, condition and repair, and otherwise operate the Property and maintain its business records in the same manner as before the making of this Agreement, the same as though Seller were retaining the Property. Notwithstanding the foregoing, without the prior consent of Buyer which shall not be unreasonably withheld, Seller shall not enter into or modify existing rental agreements or leases, service contracts or other agreements relating to the operation or ownership of the Property.

7.5. Maintain and, if necessary, renew, all casualty, liability and hazard insurance policies currently in force with respect to the Property through the Closing without diminution in coverage.

7.6. [INTENTIONALLY OMITTED]

7.7 Cause all mechanics', laborer's, materialmen's or similar liens to be discharged and pay for all labor, material or services that have been furnished in, on or about the Property that could result in any such lien to be filed, asserted or enforced subsequent to Closing.

8. DELIVERIES TO ESCROW HOLDER.

8.1. By Seller. Seller shall deliver or cause to be delivered to Escrow Holder on or prior to the Closing Date the following items, the delivery of each of which shall be a condition to the performance by Buyer of its obligations under this Agreement:

a. Deed and Other Conveyance Documents. A statutory warranty deed, in form and substance satisfactory to Buyer and its counsel and the Title Company, duly executed and acknowledged by Seller (the "Deed"), together with an assignment or other appropriate instrument(s) conveying personal property, in form and substance satisfactory to Buyer and its counsel and duly executed by Seller, conveying to Buyer or its designee indefeasible good and marketable fee simple title to the Property, free and clear of all liens, encumbrances, restrictions and easements, except only the Permitted Exceptions.

b. FIRPTA Affidavit. A certificate in form and substance acceptable to Buyer and its counsel, duly executed by Seller, evidencing that Seller is exempt from the withholding requirements of Section 1445 of the Code. If Seller is a foreign person, and this transaction is not exempt under the Foreign Investment in Real Property Tax Act, Escrow Holder is instructed to withhold at Closing the required amount from amounts otherwise due Seller and pay that amount to the Internal Revenue Service.

c. ALTA Affidavits. Any affidavits, certifications or instruments, including any lien affidavits or mechanic's lien indemnifications, duly executed and acknowledged by Seller, as reasonably may be required by the Title Company in order to issue the Title Policy.

d. Closing Certificates. A certificate of Seller dated as of the Closing Date certifying that all of Seller's representations and warranties remain true as of the Closing Date and that Seller has performed all of its obligations under this Agreement to be performed on or prior to the Closing Date, or if not, specifying the respect in which any representation or warranty is no longer true or the agreement that has not been performed.

e. Certificates of Authority. Such certificates as are necessary or reasonably required by Buyer or the Title Company to evidence the authority of Seller and its signatories to execute the instruments to be executed by Seller in connection with this Agreement, and evidence that the execution of such instruments is the official act and deed of Seller.

f. Excise Tax Affidavit. A real estate excise tax affidavit signed by Seller or its agent reasonably satisfactory to the Title Company and Buyer.

8.2. By Buyer. Buyer shall deliver or cause to be delivered to Escrow Holder on or before the Closing Date, the delivery of each of which shall be a condition to the performance by Seller of its obligations under this Agreement:

a. Closing Funds. Cash by federal funds, wire transfer or cashier's check in the amount necessary to pay the portion (after applying the Deposit) of the Purchase Price due at Closing and Buyer's share of Closing costs and prorations.

b. Excise Tax Affidavit. A real estate excise tax affidavit signed by Buyer or its agent reasonably satisfactory to the Title Company and Seller.

c. Certificates of Authority. Such certificates as are necessary or reasonably required by Seller or the Title Company to evidence the authority of Buyer and its signatories to execute the instruments to be executed by Buyer in connection with this Agreement, and evidence that the execution of such instruments is the official act and deed of Buyer.

9. CLOSE OF ESCROW.

9.1. Time. The close of escrow (the "Closing") shall occur at the offices of Escrow Holder on a date to be agreed by Buyer and Seller that is no more than thirty (30) days following the date on which Buyer provided the Due Diligence Satisfaction Notice (the "Closing Date"). When all documents and funds have been deposited with Escrow Holder and the Title

Company is in a position to issue the Title Policy, Escrow Holder shall immediately proceed with Closing as provided in Section 9.2. The failure of either Seller or Buyer to be in position to close by the Closing Date, without lawful excuse under this Agreement, shall constitute a default by such Party.

9.2. Procedure. Escrow Holder shall proceed with Closing as follows:

a. Obtain the release of the Property from any liens described in the Commitment except the Permitted Exceptions.

b. Pay applicable real estate transfer excise taxes and record the Deed and complete the prorations.

c. Issue and deliver the Title Policy to Buyer.

d. Deliver to Buyer any other documents deposited by Seller into Escrow that are intended for Buyer.

e. Deliver the Purchase Price less Seller's closing costs and Seller's share of prorations, to Seller.

f. Forward to Buyer and Seller, in duplicate, a separate accounting of all funds received and disbursed for each Party and copies of all executed and recorded or filed documents deposited into escrow, with such recording and filing date endorsed thereon.

9.3. Incorporation of Escrow Instructions. This Agreement shall serve as escrow instructions, and an executed copy of this Agreement shall be deposited by Buyer with Escrow Holder following its execution. The Parties shall execute additional escrow instructions if required by Escrow Holder provided that such additional escrow instructions shall not change the terms of this Agreement without mutual agreement of the Parties.

9.4. Closing Costs and Prorations.

a. Closing Costs. Buyer and Seller shall each pay their own attorneys' fees. Buyer shall pay the cost of recording the Deed and one-half (1/2) of escrow fees. Seller shall pay real estate excise transfer taxes, brokerage commissions, one-half (1/2) of escrow fees, and the title insurance premium charged by the Title Company for a standard owner's policy. If required by Buyer, Buyer shall pay the additional premium charged by the Title Company for extended coverage and the endorsements and the cost of the Survey.

b. Prorations. Seller shall be responsible for paying real property taxes, general assessments, utilities and operating expenses relating to the Property through the Closing Date. Any special assessments against the Property in existence as of the Closing Date shall be paid in full by Seller. All expenses of the Property, including but not limited to, real property taxes, utility charges, amounts payable under contracts, annual permits and other expenses normal to ownership, use, operation and maintenance of the Property shall be prorated as of 12:01 a.m. on the Closing Date. After Closing, Buyer and Seller shall reconcile the actual amounts of expenses upon receipt or payment thereof to the extent those items were prorated or credited at Closing based on estimates.

9.5. Possession. Possession of the Property shall be delivered to Buyer upon Closing. Seller shall provide Buyer with all such assistance as Buyer may reasonably request in order to implement a smooth transition in possession. Prior to Closing, Seller shall have removed all personal property that is not included in the Property and shall have repaired any damage to the Property caused by that removal. Seller is responsible for ensuring that all tenants and other occupants of the Property have vacated the Property and removed all of their equipment, furnishings, materials and other personal property from the Property prior to Closing.

9.6. Deliveries Outside of Escrow. On the Closing Date, Seller shall deliver to Buyer outside of Escrow all books and records of account, contracts, leases and leasing correspondence, receipts for deposits, unpaid bills and other papers pertaining to the Property, architectural and engineering plans, drawings and specifications for the improvements to the Property, all "As-Built" plans and specifications, original operating permits and certificates relating to use, occupancy or operation of the Property, all advertising materials, booklets, keys and other items, if any, used in operation of the Property.

10. BROKERAGE

10.1. AGENCY DISCLOSURE. At the signing of this Agreement, Listing Broker, Neil Walter Company, and Realty Connections (collectively, "Listing Team") represented Seller, and Buyer is unrepresented. Listing Team, Listing Team's Designated Broker, Listing Broker's Branch Manager (if any) and Listing Broker's Managing Broker (if any) represent the same party that Listing Broker represents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency."

10.2. BROKERAGE AGREEMENT. The commission due the Listing Team shall be paid by the Seller and shall be as specified in the listing agreement. Seller assigns to Listing Team a portion of the sales proceeds equal to the commission. If the earnest money is retained by Seller as liquidated damages, any costs advanced or committed by Listing Team for Seller shall be reimbursed or paid therefrom, and the balance shall be paid as provided in the listing agreement. In any action by Listing Team to enforce this Section, the prevailing party is entitled to reasonable attorneys' fees and expenses. Listing Team is not receiving compensation from more than one party to this transaction unless disclosed on an attached addendum, in which case Buyer and Seller consent to such compensation. The Property described in attached Exhibit A is commercial real estate.

10.3. DISCLOSURE. EXCEPT AS OTHERWISE DISCLOSED IN WRITING TO BUYER OR SELLER, THE LISTING BROKER AND THE LISTING FIRM HAVE NOT MADE ANY REPRESENTATIONS OR WARRANTIES OR CONDUCTED ANY INDEPENDENT INVESTIGATION CONCERNING THE LEGAL EFFECT OF THIS AGREEMENT, BUYER'S OR SELLER'S FINANCIAL STRENGTH, BOOKS, RECORDS, REPORTS, STUDIES, OR OPERATING STATEMENTS; THE CONDITION OF THE PROPERTY OR ITS IMPROVEMENTS; THE FITNESS OF THE PROPERTY FOR BUYER'S INTENDED USE; OR OTHER MATTERS RELATING TO THE PROPERTY, INCLUDING WITHOUT LIMITATION, THE PROPERTY'S ZONING, BOUNDARIES, AREA, COMPLIANCE WITH APPLICABLE LAWS (INCLUDING LAWS REGARDING ACCESIBILITY FOR DISABLED PERSONS), OR HAZARDOUS OR TOXIC MATERIALS INCLUDING MOLD OR OTHER ALLERGENS. SELLER AND BUYER ARE EACH ADVISED TO ENGAGE QUALIFIED EXPERTS TO ASSIST WITH THESE DUE DILIGENCE AND FEASIBILITY MATTERS, AND ARE FURTHER ADVISED TO SEE INDEPENDENT LEGAL AND TAX ADVICE RELATED TO THIS AGREEMENT.

10.4. NO OTHER BROKERS. Each Party represents and warrants to the other Party that it has not retained any firm or broker other than in the case of the Seller the Listing Team identified above and further that no other broker and no finder can properly claim a right to a commission or finder's fee based upon contacts between the claimant and that Party with respect to the other Party or the Property. Each Party shall indemnify, defend and hold the other Party harmless from and against any loss, cost or expense, including, but not limited to, attorneys' fees and court costs, resulting from any claim for a fee or commission by any other broker or finder in connection with the Property and this Agreement resulting from the indemnifying Party's actions. The obligations of the Parties under this Section shall survive the termination of this Agreement.

11. CASUALTY OR CONDEMNATION.

11.1. If there is a condemnation of all or part of the Property initiated before Closing, Seller shall promptly notify Buyer and Buyer shall have the option for ten (10) Business Days following the date the notice is received either to, by notice to Seller: (i) proceed with the Closing, in which event all condemnation proceeds received by Seller prior to Closing shall be paid to Buyer and the right to receive such proceeds not yet received by Seller shall be assigned to Buyer at the Closing, or (ii) terminate this Agreement. Unless this Agreement is terminated, Seller shall take no action with respect to any condemnation proceedings without the prior written consent of Buyer.

11.2. Before Closing, except for actions taken by or on behalf of the City of SeaTac, its agents or representatives, the entire risk of loss or damage by casualty to the Property however caused shall be borne and assumed by Seller. The Parties agree and acknowledge that the buildings on the Property are not in optimal repair and have minimal, if any, value for Buyer's purposes. No loss or damage to those buildings before Closing shall relieve Buyer of its obligations under this Agreement. Nevertheless, Seller shall promptly notify Buyer of any casualty and any insurance proceeds received by Seller as a consequence of such loss or damage shall be applied by Seller to the repair of the Property or if not applied or received prior to Closing, assigned to Buyer at Closing.

11.3 The termination of this Agreement by Buyer under this Section 11 shall be by notice to Seller and Escrow Holder in which event the Earnest Money Note or Deposit shall be returned to Buyer, any other items delivered to the Escrow Holder shall be returned to the Party who delivered it, and neither Party shall have any further rights or obligations under this Agreement other than those obligations which are expressly provided as surviving the termination of this Agreement.

12. REPRESENTATIONS, WARRANTIES AND COVENANTS.

12.1. Seller's Representations, Warranties and Covenants. In addition to the representations, warranties and covenants contained elsewhere in this Agreement, Seller, as of the date of this Agreement and as of the Closing Date, makes the following representations, warranties and covenants:

a. Title. Seller is the sole owner of the Property. At Closing, Buyer will acquire the entire fee simple estate and right, title and interest in and to the Property, free and clear of all recorded or unrecorded liens, encumbrances, covenants, restrictions, reservations, easements, options, tenancies, leases, encroachments, claims or other

matters affecting title or possession of the Property, subject only to the Permitted Exceptions. Any existing financing as to the Property is not subject to any "lock out" or similar covenant which would prevent the lender's lien from being released at Closing.

b. Agreements to Transfer or Encumber. Seller has neither committed nor obligated itself in any manner whatsoever to sell, lease or encumber the Property or any interest therein to any person or entity other than Buyer. Prior to Closing, existing leases for the Property shall have been terminated, and the lessees thereunder shall have vacated the Property and removed all of their equipment and other personal property from the Property without causing any damage to the Property.

c. [INTENTIONALLY OMITTED]

d. Bankruptcy, Etc. No bankruptcy, insolvency, rearrangement or similar action involving Seller or the Property, whether voluntary or involuntary, is pending, threatened by a third party, or contemplated by Seller.

e. Litigation. Except as disclosed to Buyer as to demands asserted by Skyway, LLC. there is no pending, or to the best of Seller's knowledge threatened, judicial, municipal or administrative proceedings with respect to Seller, this transaction or in any manner affecting the Property or in which Seller is or will be a party by reason of Seller's ownership of the Property or any portion thereof.

f. Notices. Except as to matters disclosed in the Existing Environmental Documentation, Seller has not received any notices from any insurance company, governmental agency or from any other persons or entities with respect to any violations or other matters concerning the Property.

g. Taxes and Assessments. Other than amounts disclosed by the Commitment, to the best of Seller's knowledge, no other property taxes have been or will be assessed against the Property for the current tax year, and there are no general or special assessments or charges that have been levied, assessed or imposed on or against the Property nor are any pending or threatened.

h. Tax Returns. Seller has filed all local, state and federal tax forms that are required to be filed by Seller, has paid all taxes due and payable by Seller to date and will pay all such taxes that become due and payable by Seller prior to the Closing.

i. Violation of Property Restrictions. To the best of Seller's knowledge, excepting any ordinance that has been or is hereafter enacted by the City of SeaTac, the conveyance of the Property will not constitute a violation of any subdivision ordinance.

j. Good Standing and Due Authority. Seller has all requisite power and authority to execute and deliver this Agreement and to carry out its obligations hereunder and the transactions contemplated hereby. This Agreement has been, and the documents contemplated hereby will be, duly executed and delivered by Seller and constitute the Seller's legal, valid and binding obligations enforceable against Seller in accordance with their terms. The consummation by Seller of the sale of the Property is not in violation of or in conflict with nor does it constitute a default under any term or provision of any agreement or instrument to which Seller is or may be bound, or of any

provision of any applicable law, ordinance, rule or regulation of any governmental authority or of any provision of any applicable order, judgment or decree of any court, arbitrator or governmental authority to which Seller is subject.

k. No Omissions. All representations and warranties made by Seller in this Agreement, and all information contained in any certificate furnished by Seller to Buyer in connection with this transaction, are free from any untrue statement of material fact and do not omit to state any material facts necessary to make the statements contained herein or therein not misleading. The copies of any documents furnished to Buyer in connection with this transaction are true and complete copies of the documents they purport to be and to the best of Seller's knowledge contain no untrue statement of material fact and do not omit to state any material facts necessary to make the statements contained therein not misleading.

n. Provide Further Information. From the Effective Date to the Closing Date, Seller will notify Buyer of each material event of which Seller becomes aware affecting the Property or any part thereof promptly upon learning of the occurrence of such event.

12.2. Effect of Buyer's Inspections. The representations, warranties and covenants made by Seller in this Agreement shall not be diminished or deemed to be waived by any inspections, tests or investigations made by Buyer or its agents.

12.3 Buyer's Representations and Warranties. In addition to the representations, warranties and covenants contained elsewhere in this Agreement, Buyer, as of the date of this Agreement and as of the Closing Date, makes the following representations, warranties and covenants:

a. Good Standing. Buyer is a municipal corporation in the State of Washington.

b. Due Authority. Buyer has all requisite power and authority to execute and deliver this Agreement and to carry out its obligation under this Agreement and the transactions contemplated by this Agreement. This Agreement has been, and the documents contemplated hereby will be, duly executed and delivered by Buyer and constitute the Buyer's legal, valid and binding obligations enforceable against Buyer in accordance with their terms. The consummation by Buyer of the purchase of the Property is not in violation of or in conflict with nor does it constitute a default under any term or provision of any agreement or instrument to which Buyer is or may be bound, or of any provision of any applicable law, ordinance, rule or regulation of any governmental authority or of any provision of any applicable order, judgment or decree of any court, arbitrator or governmental authority to which Buyer is subject.

13. ENVIRONMENTAL COMPLIANCE. In addition to and without limiting Sections 12 and 17, Seller represents, warrants, covenants and agrees:

13.1. Definitions. The term "Hazardous Substance" includes, without limitation (i) those substances included within the definitions of "hazardous substances", "hazardous materials", "toxic substances", "hazardous wastes" or "solid waste" in any Environmental Law; (ii) petroleum products and petroleum byproducts; (iii) polychlorinated biphenyls; and (iv) chlorinated solvents. The term "Environmental Law" includes any federal, state, municipal or

local law, statute, ordinance, regulation, order or rule pertaining to health, industrial hygiene, environmental conditions or hazardous substances.

13.2. Hazardous Substances. Seller has not used, generated, manufactured, produced, stored, released, discharged or disposed of, on, under, above or about the Land (or off-site of the Land that might affect the Land) or transported to or from the Land, any Hazardous Substance or allowed any other person or entity to do so. Other than as disclosed in the Existing Environmental Documentation and other than the possibility of drug use by unsheltered persons who may have temporarily been staying on the Land, Seller has no knowledge, nor has Seller observed any questionable practice or conduct (including with respect to the acts or omissions of any prior owner of the Land) indicating, that any Hazardous Substance has been used, generated, manufactured, produced, stored, released, discharged or disposed of on, under or above the Land (or off-site of the Land that might affect the Land) or transported to or from the Land by any entity, firm or person, or from any source whatsoever.

13.3. Pre-closing Covenant. During the period beginning with the execution of this Agreement and continuing through Closing, Seller shall not use, generate, manufacture, produce, store, release, discharge or dispose of on, under, above or about the Land (or off-site of the Land that might affect the Land), or transport to or from the Land, any Hazardous Substance or authorize any other person or entity to do so.

14. RELEASE AND NO ASSUMPTION OF LIABILITIES.

14.1. Release. Following Closing, Buyer shall release Seller and its successors and assigns from and against any and all claims or causes of action relating to or in connection with the presence of Hazardous Substances on, in under or about the Land and/or the migration of Hazardous Substances from the Land to an adjacent property (”Environmental Claims”). At Closing, Buyer and Seller shall execute and record a Memorandum of Release in substantially the form as attached hereto as Exhibit D hereto.

14.2 No Assumption of Liabilities. Buyer, by virtue of the purchase of the Property, will not be required to satisfy any liability or obligation of Seller arising prior to the Closing Date. Other than such liabilities or obligations expressly assumed in writing by Buyer or which result from any action or activities by or on behalf of Buyer after Closing, Seller will pay and discharge after Closing any and all liabilities and obligations of each and every kind arising out of or by virtue of the possession, ownership or use of the Property prior to Closing, and shall indemnify, defend and hold Buyer harmless therefrom; provided, however, Seller shall have no obligation to defend, indemnify and hold Buyer harmless with respect to Environmental Claims. Without limiting the generality of the foregoing, any bills or invoices received by Buyer after Closing which relate to services rendered or goods delivered to Seller or the Property prior to Closing shall be paid by Seller upon presentation of such bill or invoice. Any amount paid by Buyer due to the failure of Seller to promptly satisfy its obligations hereunder shall be reimbursed by Seller together with interest thereon at the rate of 12% per annum from the date paid by Buyer. Notwithstanding the foregoing, Seller shall have no liability to, nor obligation to defend or indemnify Buyer, remove or satisfy any lien or notice of lis pendens, as a consequence of a claim made by Sound Health relating to its 2024-25 effort to acquire the Property to the extent the claim is based on actions taken by the City of SeaTac.

15. SURVIVAL. The covenants, agreements, representations, warranties made in this Agreement, and the remedies and indemnities provided for in this Agreement, shall survive the Closing unimpaired and shall not merge into the Deed and the recordation thereof.

16. ENTIRE AGREEMENT. This Agreement contains the entire integrated agreement of the Parties, including all of the covenants and conditions between the Parties with respect to the subject matter of this Agreement, and supersedes all prior correspondence, agreements and understandings, both verbal and written. No addition or modification of any term or provision of this Agreement shall be effective unless set forth in writing and signed by Seller and Buyer. The Parties do not intend to confer any benefit under this Agreement to any person, firm or corporation other than the Parties.

17. DEFAULT; REMEDIES

17.1. Specific Performance. This Agreement pertains to the conveyance of real property, the unique nature of which is hereby acknowledged by the Parties. Consequently, if Seller breaches or defaults under this Agreement or any of the representations, warranties, terms, covenants, conditions or provisions hereof, Buyer shall have, in addition to a claim for damages for such breach or default, and in addition and without prejudice to any other right or remedy available under this Agreement or at law or in equity, the right: (i) to specific performance of this Agreement; or (ii) to terminate this Agreement by notice to Seller and Escrow Holder in which event the Earnest Money Note or Deposit shall be returned to Buyer, any other items delivered to the Escrow Holder shall be returned to the Party who delivered it, and neither Party shall have any further rights or obligations under this Agreement other than those obligations which are expressly provided as surviving the termination of this Agreement.

17.2. Attorneys' Fees. If either Party brings an action or other proceeding against the other Party to enforce any of the terms, covenants or conditions hereof or any instrument executed pursuant to this Agreement, or by reason of any breach or default hereunder or thereunder, the Party prevailing in any such action or proceeding shall be paid all costs and reasonable attorneys' fees by the other Party, and in the event any judgment is obtained by the prevailing Party all such costs and attorneys' fees shall be included in the judgment.

18. NOTICES. All notices required to be given pursuant to the terms hereof are required to be in writing and shall be either delivered personally, deposited in the United States mail, certified mail, return receipt requested, postage prepaid, or sent by email so long as receipt is confirmed, and addressed to the addresses listed below with copies to the Parties listed after such address:

SELLER

Vicart L.L.C.
4645 Somerset Ave. SE
Bellevue, WA 98006
chickivi@gmail.com

And a copy to:
Steven A. Reisler, Attorney at Law
Steven A. Reisler PLLC
5615 64th Ave. NE
Seattle, WA 98105
sar@sarpllc.com

BUYER

City of SeaTac
4800 S. 188th St.
SeaTac, WA 98188
Attn: Evan Maxim
Email: emaxim@seatacwa.gov

With a copy to:

Pacifica Law Group LLP
401 Union Street, Suite 1600
Seattle, WA 98101
Attn: John De Lanoy
Email: john.delanoy@pacificalawgroup.com

The foregoing addresses may be changed by notice to the other Party as provided herein. Mailed notice properly given shall be deemed received four (4) days after deposit in the mail.

19. PARTIAL INVALIDITY. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby; and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

20. WAIVERS. No waiver of any breach of any covenant or provision in this Agreement shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision in this Agreement. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

21. CONSTRUCTION. Captions are solely for the convenience of the Parties and are not a part of this Agreement. This Agreement shall not be construed as if it had been prepared by one of the Parties, but rather as if both Parties had prepared it. If the date on which Buyer or Seller is required to take any action under the terms of this Agreement is not a Business Day, the action shall be taken on the next succeeding Business Day.

22. TIME. Time is of the essence for every provision of this Agreement. As used in this Agreement, the term "Business Days" refers to Monday – Friday other than legal holidays in the State of Washington.

23. FORCE MAJEURE. Performance by Seller or Buyer of their obligations under this Agreement shall be extended by the period of delay caused by force majeure. Force majeure is war, natural catastrophe, strikes, walkouts or other labor industrial disturbance, order of any government, court or regulatory body having jurisdiction, shortages, blockade, embargo, riot, civil disorder, or any similar cause beyond the reasonable control of the Party who is obligated to render performance (but excluding financial inability to perform, however caused). A Party desiring to assert force majeure is required to promptly notify the other Party of the event upon which the assertion will be based and thereafter provide the other Party with such information regarding the event and its duration as the other Party may reasonably request.

24. SUCCESSORS. The terms, conditions and covenants contained in this Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto. Either the Buyer or Seller may assign their rights and obligations under this Agreement with the written approval of the other, said approval not to be unreasonably withheld. Any assignment by a Party shall not relieve the assignor of its obligations under this Agreement.

25. APPLICABLE LAW. This Agreement shall be governed by the laws of the State of Washington.

26. RECITALS AND EXHIBITS. The Recitals and Exhibits are incorporated into this Agreement by this reference.

27. COUNTERPARTS. This Agreement may be signed in counterparts, any of which shall be deemed an original.

Remainder of this page left blank intentionally

SELLER:

VICART L.L.C.

By: _____
Name: VIOLET DIPIETRO
Title: GOVERNOR
Date: 10/28/25, 2025

BUYER:

ATTEST:

_____
Evan Maxim, Community and Economic *Development Director*

Approved as to Legal Form:

_____
Cindy Corsilles, Interim City Attorney

CITY OF SEATAC

By: _____
Name: Jonathan Young
Title: City Manager
Date: _____, 2025

EXHIBIT LIST

A Legal Description
B Earnest Money Note
C List of Environmental Documentation
D Memorandum of Release

EXHIBIT A

LEGAL DESCRIPTION

[TO BE ADDED ONCE TITLE COMMITMENT IS RECEIVED]

EXHIBIT B

FORM OF EARNEST MONEY NOTE

PROMISSORY NOTE

$50,000.00 SeaTac, Washington
_____ ___, 2025

FOR VALUE RECEIVED, the undersigned promises to pay VICART L.L.C., a Washington limited liability company ("Seller"), and to deliver such payment to Escrow Holder (upon the terms set forth in the Purchase and Sale Agreement dated _____, 2025, between Seller and the undersigned as Buyer ("Agreement")), the sum of FIFTY THOUSAND DOLLARS ($50,000.00) with no interest thereon, payable concurrently with, and only upon, the issuance by the undersigned of the Due Diligence Satisfaction Notice (as that term is defined in the Agreement).

CITY OF SEATAC

By:_____
Name: Jonathan Young
Title: City Manager

EXHIBIT C

EXISTING ENVIRONMENTAL DOCUMENTATION

1. March 10, 2016 Summary of Work Performed Through August 2015 Through December 2015 prepared by Antea Group.
2. December 11, 2023 Supplemental Site Investigation prepared by Atlas Geosciences NW.
3. November 26, 2024 Supplemental Subsurface Investigation by Atlas Geosciences NW.
4. June 2, 2025 Notice from Davis Wright Tremaine to the Washington Department of Ecology.
5. November 19, 2019 Limited Phase II Environmental Site Assessment prepared by Envitechnology.
6. March 11, 2016 Email from Eric Sanchez of the Antea Group to Steven Reisler.
7. July 14, 2020 Email from Don Spencer of Environmental Associates Inc. to Lars Neste and Stacy Krantz.
8. February 1, 2023 letter from Friedman & Bruya, Inc. to Eric Buer.
9. July 1, 2025 Proposal for Scope Implementation from JS/Held to Skyway L.L.C.
10. January 13, 2025 letter from Houlihan Law to Seller regarding Skyway Property.
11. January 23, 2023 drawing (entitled Figure 2 Site Plan Showing Boring Locations 20023 International Blvd.) prepared by Farallon Consulting.
12. Undated Table 1 and Table 2 with Soil Sample Analytical Results and Groundwater Sample Analytical Results for “Vicart Property-South Adjoining Property”).

EXHIBIT D

MEMORANDUM OF RELEASE

FILED FOR RECORD AT REQUEST OF
AND WHEN RECORDED RETURN TO:

Steven Reisler
Steven A. Reisler PLLC
5615 64th Ave. NE
Seattle, WA 98105-2000

MEMORANDUM OF RELEASE

Buyer: The City of SeaTac, a Washington municipality
Seller: Vicart, LLC, a Washington limited liability company
Abbreviated Legal Description: Ptn. Tract 2, Homestead Park 5 Acre Tracts, KING Cty., Wa.

Complete legal description is at Exhibit 1

Assessor's Tax Parcel No.: 3445000030

The City of SeaTac, a municipal corporation of the State of Washington ("Buyer"), and, Vicart L.L.C., a Washington limited liability company ("Seller"), are parties to that certain Purchase and Sale Agreement with the effective date of _____, 2025 (the "Purchase Agreement"), concerning the real property located at 20019 International Boulevard, SeaTac, WA and legally described on Exhibit 1 hereto ("Land").

Pursuant to the Purchase Agreement, Buyer has agreed to release Seller and its successors and assigns from and against any and all claims or causes of action relating to or in connection with the presence of Hazardous Substances on, in under or about the Land and/or the migration of Hazardous Substances from the Land to an adjacent property. The term "Hazardous Substance" includes, without limitation (i) those substances included within the definitions of "hazardous substances", "hazardous materials", "toxic substances", "hazardous wastes" or "solid waste" in any Environmental Law; (ii) petroleum products and petroleum byproducts; (iii) polychlorinated biphenyls; and (iv) chlorinated solvents. The term "Environmental Law" includes any federal, state, municipal or local law, statute, ordinance, regulation, order or rule pertaining to health, industrial hygiene, environmental conditions or hazardous substances.

Buyer and Seller specifically intend and agree that the Release in the Purchase Agreement and this Memorandum of Release: (a) directly touch and concern the Land; (b) run with the Land; (c) bind all existing and future owners of the Land; whether such ownership interest is direct or indirect; and (d) benefit Seller.

DATED this ____ day of _____, 2026.

[SIGNATURE LINES AND ACKNOWLEDGEMENTS]

BULLPEN PROPERTY
PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

November 06, 2025

PRESENTATION OVERVIEW

PURPOSE OF PRESENTATION

Starting in early 2024, the City of SeaTac has been exploring the possible purchase of the "Bullpen" property. The property is located at 20001 International Boulevard, near the recently selected Civic Campus site.

Following City Council guidance, staff have negotiated initial terms to purchase the property have begun due diligence.

Seeking authorization to sign PSA

WHY IS THIS ISSUE IMPORTANT?

1. In Spring 2024, the City identified several opportunities associated with purchasing the Bullpen property.
2. More recently, the site is also a candidate for additional site activation considering the 2026 FIFA World Cup and related activities.
3. Staff has negotiated preliminary terms with the property owner to purchase the property.
4. The site is contaminated, requiring careful evaluation prior to a final decision on purchasing the property.
5. Staff is seeking approval for City Manager to sing a purchase and sale agreement (PSA).

POTENTIAL COMMITTEE ACTION

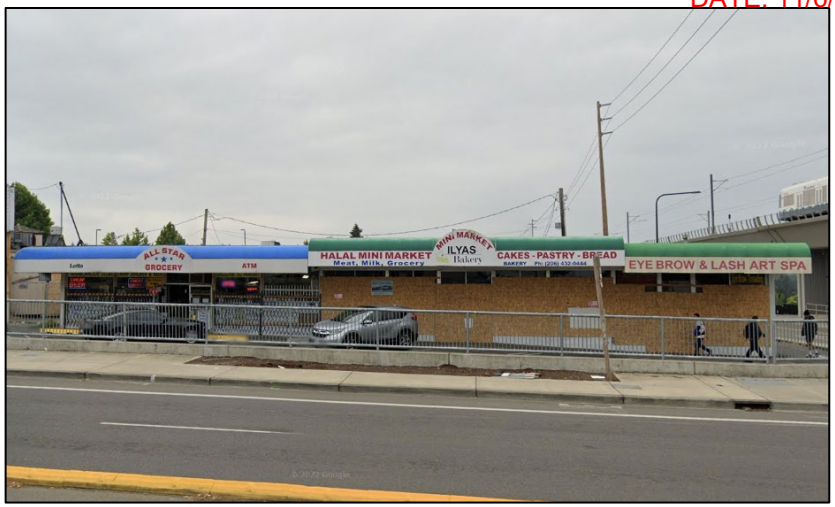
COMMITTEE ACTION REQUESTED:

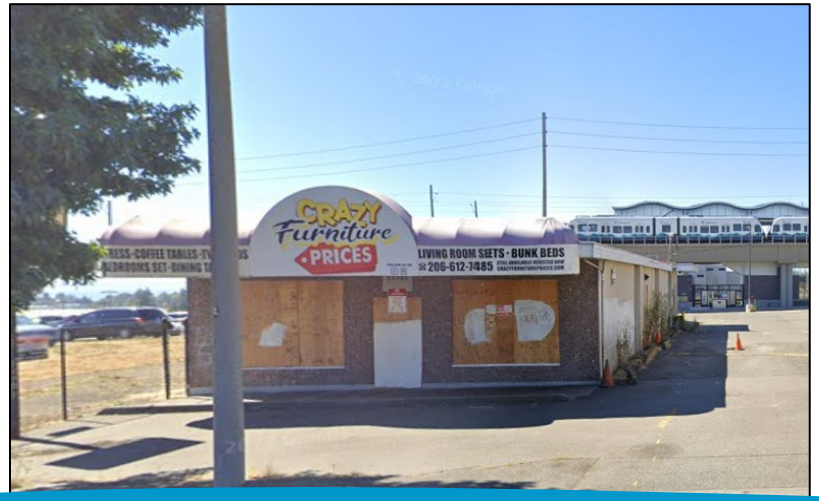
- Requesting Committee recommendation to place authorization to sign PSA on consent agenda at next available Council Meeting

REVIEWS TO DATE:

- CSS: 03/12/2024
- RCM: 03/26/2024; 07/22/2025
- A&F: 09/04/2025
- PED: 09/18/2025
- PED: 11/06/2025 (tonight)

BULLPEN PROPERTY (NORTH, EAST FRONTAGES)





CITY OF SEATAC EST. 1990

BULLPEN: BACKGROUND

PROPERTY INFORMATION

- Address: 20001 International Boulevard, SeaTac, WA
- Area: 38,582 square feet (0.89 acres)
- Zoning: CB-C (Community Business in the Urban Center)
- Subarea: Angle Lake
- Buildings: Three buildings, two currently vacant, one partially occupied
- Contamination: Yes, extent of contamination unknown
- Environmental: Groundwater wellhead protection area (5 years)
- Topography: Flat

BULLPEN PROPERTY: POLICY OBJECTIVES

POLICY OBJECTIVES IDENTIFIED DURING PRELIMINARY REVIEW

- **Environmental** – removal of hazardous and / or toxic chemicals from the SeaTac community and a groundwater wellhead protection area.
- **Economic development / investment** – removal of under-developed and visually problematic buildings to promote visual enhancement and economic growth, investment, and new development in the Angle Lake subarea.
- **Additional policy objectives** – if the City acquires the property, the City Council could leverage the property to accomplish other policy objectives. Possible objectives include, but are not limited to: Private re-development as a multifamily or mixed use building; Civic or community use of the site; or, Affordable housing.

- **2026 FIFA World Cup Tournament** – in advance of the 2026 FIFA tournament, the City is working to ensure a visually pleasant and safe environment for residents and visitors.

TERMS FOR PURCHASE

LETTER OF INTENT & PURCHASE AND SALE

- **Purchase price:** $2,000,000
  - "Base" asking price of $3,250,000 for 0.89 acres
  - Reflects estimated $1,250,000 for site remediation and clean up costs
  - May be negotiated further if anticipated costs are greater than estimated
  - Earnest Money 2.5% of purchase price = $50K promissory note
    - Refundable until Due Diligence is waived
    - Applied to purchase price
- **Due Diligence:** 150 days from letter of intent
  - Focus of due diligence is completion of Limited Phase 2 Environment Site Assessment (ESA) and related survey work
- **Release of Liability:**
  - If/when Due Diligence is completed and waived and purchase occurs, Buyer (City) would release Seller of Environmental Claims (PSA & Memo)
  - Due Diligence is at City's full discretion

TERMS FOR PURCHASE - CONTINUED

LETTER OF INTENT & PURCHASE AND SALE

- **Closing Date:** Anticipated in February 2026
  - 30 days after due diligence
  - Within 180 days of the Letter of Intent

- **Property Vacant**
  - No tenants/occupants
  - All personal property removed

- **If Closing Occurs**
  - Seller pays Listing Broker's Commission
  - Buyer pays Buyer's broker consultant success fee

BULLPEN: PREVIOUS BUDGET AMENDMENT

DUE DILIGENCE & SURVEY

- During Due Diligence, the City is seeking to:
  - Confirm extent of contamination (in ground and in buildings)
  - Develop an initial strategy to mitigation
  - Develop preliminary cost estimates

- Budget Amendment: $245,000
  - $200,000 for site environmental assessment, mitigation strategy, costing
    - 15% contingency ($30,000)
  - $10,000 for in building hazardous materials determination
  - $5,000 for survey and title confirmation

NEXT STEPS

SCHEDULE / COUNCIL TOUCHPOINTS

- September / October 2025
  - Regular Council Meeting – budget amendment
    - Bullpen due diligence expenditures
    - Started due diligence work
  - PED Committee – review of Purchase and Sale Agreement - November
- November 2025 Regular Council Meeting / Study Session – Purchase and Sale Agreement review and authorization
- November / December 2025
  - PED Committee Meeting – Review of due diligence findings
  - Regular Council Meeting – Mid-biennium budget amendment (acquisition)
- January 26, 2026 – end of due diligence period
- February 2026 – anticipated closing date

POTENTIAL COMMITTEE ACTION

COMMITTEE ACTION REQUESTED:

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