City of Issaquah
Development Services Department
Administrative Site Development Permit

NOTICE OF DECISION

TO: Dan Swallow
Intracorp
2505 Second Ave, Suite 300
Seattle, WA 98121

SUBJECT: Administrative Site Development Permit for mixed use in Parcel 16-1, Talus.

Number: **ASDP08-001EV REVISED**

Decision Date: May 28, 2008; REVISED February 25, 2013

Request: Application for an Administrative Site Development Permit for 60 units of multi-family and 6000 sq.ft. of commercial/retail on a 1.13 acre site. The site consists of two three-level residential buildings with one floor of structured parking below the residential, a two level-retail/commercial building, plaza, and surface parking. Landscaping is also included. Additionally, three residential units are requested for temporary approval.

Location: Parcel 16, Lot 1 of Talus, bordered by:
North: Talus Drive and Parcel 1, multi-family
West: Shy Bear Way and Parcel 13, mixed use townhouses and retail
South: Cougar Ridge Road and Parcel 16, Lots 2 and 3 (townhouses)
East: Parcel 16, Lots 2 and 3 (townhouses)

Decision: On February 25, 2013, the Development Services Department approved a revision to the original Administrative Site Development Permit dated May 28, 2008. Approval of this application is based the March 21, 2008 submittal and the May 27, 2008 and October 23, 2012 resubmittals, and is subject to the following conditions:

Site/General

1. The landscaping and site detail shown outside of the lot boundaries on the plans are not approved through this decision, except for those elements required by this permit, e.g. on-street parking. The applicant must receive permission to work on adjacent property or ROW.

NOTES
1. If any of the Conditions or portion thereof is declared invalid or unenforceable, the application must be remanded to the Responsible Official for reconsideration and evaluation for consistency and appropriateness of the remaining Conditions.
2. Appeals may be filed by the applicant, the City Designated Official, property owners within three hundred feet of the proposed action, or other persons claiming to be directly harmed by the proposed action within 14 calendar days after the Designated Official issues the decision and mails it to the applicant. Appeals shall meet the Criteria identified in Section 5.2 of Appendix J of the Development Agreement and follow the process identified in that Section.
3. Any major change (as determined by the Responsible Official) to the approved site plan or accompanying drawings must be reviewed and approved by the Urban Village Development Commission. Less substantial changes may be approved administratively by the Responsible Official.
4. Building, utility, and sign permits will not be approved unless all applicable Conditions of this Notice of Decision are satisfied to the satisfaction of the Responsible Official.
5. This action does not indicate nor imply that any development activities may occur without the required permits being issued.

2. Remove or revise the one-way arrow on the northern leg of Cougar Ridge Road.

3. Prior to submitting construction permits, determine where USPS will require Parcel 16-1's mail kiosk and incorporate it into the site design of Parcel 16-1.

4. Consider providing Convertible Accessory Units along Shy Bear Way.

5. At least 6,000 square feet of retail/office square footage, shall be provided on Parcel 16-1.Building 3's foundations must have been constructed prior to the issuance of the first Temporary Certificate of Occupancy in Phase 2/second residential building; Building 3 must be complete (i.e. the final inspection of/Certificate of Occupancy for the Building 3 shell) prior to issuance of the final Temporary Certificate of Occupancy in Phase 2/second residential building.

6. In the event the project is phased, the Designated Official has the right to apply additional conditions with Building or Utility Permits to ensure each phase complies with the Development Agreement, such as but not limited to access, fire circulation, parking, and landscaping requirements, and minimizes construction impacts to adjacent neighborhoods. For example, Talus Drive modifications must be complete prior to occupancy of Building 3 to provide a portion of its parking.

Pedestrian

7. All exterior staircases and walkways shall be at least 5 feet wide, clear of intruding handrails, mature landscape, car overhangs, light poles, tables and chairs, etc.... There shall be at least two steps in each stair and they shall be generally level.

8. All pedestrian pathways must be paved in concrete, pavers, or other pedestrian friendly materials and shall not be paved in asphalt.

9. The design of the pedestrian route shall fulfill the Master Trails plan and create a pedestrian friendly route through the site that is comprehensible, pedestrian friendly, direct, and interesting. Signage and distinctive trail elements, such as lighting, will be provided to guide users to and through Parcel 16-1's portion of the trail. The trail shall be encumbered by easements to the City that allow access by the general public. This easement will be dedicated prior to Certificate of Occupancy for the first building.

10. As part of the Building or Utility Permit, provide a method for stopping cars from driving past the end of the parking lot as well as screening the parking lot from the walkways and pedestrian areas.

11. Where pedestrians are in proximity to the edges of the parking garage, the applicant shall provide materials that are pedestrian friendly. This performance standard will be met through using materials that are visually and texturally interesting at a pedestrian scale. Long unbroken use of a single material probably will not meet this standard, unless supplemented with plant materials such as green screen, pilasters, or other architectural relief, artwork, etc....

Landscape

12. The internal parking lot must provide 10% landscaping or submit an AMM (Administrative Minor Modification) prior to the submittal of any additional permits to modify how the project will achieve 10% parking lot landscaping and tree requirements. Currently less than 10% internal landscape and insufficient trees have been provided.

13. Compliance with the water conservation standards shall be evaluated as part of the Utility or Building Permit which includes landscape as no information was provided with this application.

14. Root barrier shall be installed adjacent to any publicly owned sidewalks, curbs, roadway, or similar types of paving where trees will be located within 8 ft. of this paving.

15. Street trees on Cougar Ridge Road will match the type (genus, species) previously planted on the south side of the street. Street tree installation (tree wells or parking strips) on all three streets surrounding the site will match that on the opposite side of the street.

16. The design approach for the northeastern slope, east of Building 2, shall be one of dense, native planting. Plantings at different scales (groundcovers, shrubs, trees) shall be employed to create an interesting transitional landscape between Building 23 of Parcel 16-2 and the Building 2 of Parcel 16-1. Trees shall be selected and located to both create a screen as well as openings, consistent with the mountain village character; consideration shall be given to windows and views in Parcel 16-1, Building 2 as well as Parcel 16-2, Building 23. Trees shall be grouped to create stands. If the owner(s) of Building 23, Parcel 16-2 allows and approves landscaping in the easement on their lot, landscape screening shall extend into the easement located on that property.

17. The trail must provide 4 ft landscaped borders and the internal parking lot must provide 3 ft hedge adjacent to walkways or submit an AMM (Administrative Minor Modification) prior to the submittal of any additional permits to modify how the project will achieve the trail border and parking lot hedge requirements. Currently the proposal does not provide either the border or the hedge.

18. The landscape character, except in the northeastern portion of the site as discussed above in Approval Condition #16, shall be of an urban character both in terms of configuration and species. Insufficient distinction between tall shrubs, low/medium shrubs, and groundcovers was provided to complete the landscape review.

Urban and Building Design

19. The design and construction of Building 3 must accommodate and facilitate the achievement of the Village Center and Village as envisioned in the Development Agreement as well as a minimum of 6,000 sq. ft. of non-residential uses as required by AM04-001EV. This would include:
    a. Building 3 shall be constructed so that a minimum of 6,000 sq. ft. is provided for non-residential uses and all units within the building must meet building codes and ADA requirements for non-residential use.
    b. Each unit shall have the capability to be individually metered for potable water; thus there could potentially be 6 sub-meters with the Master Meter.
    c. Ground floor units must be designed with a retail character including weather protection, shop windows, and entrances from the plaza.
    d. Upstairs units must be designed to be used separately for non-residential uses, e.g. commercial or office uses. This would include for instance, facades and walkways that are interesting, welcoming and pedestrian oriented; doors with glass and/or other elements that are "front" doors; stairs easily accessible and which may be segregated from the ground floor uses.
    e. Non-residential style architecture.
    f. No further subdivision of the land may occur.
    g. Marketing materials must be used in the sale of Building 3's units that explain the non-residential potential of the upper floor units. This shall be reviewed and approved by the City.

20. No portion of the plaza which is credited toward meeting the Recreational Requirement may be fenced off for the exclusive use of a business. Also a 5 foot clear path through the parcel must remain open and unencumbered by tables, chairs, fences, and similar site furniture at all times.

21. Minimize the amount of landscape, grade difference, and stairs separating the plaza from the adjacent sidewalk to maximize the interconnection between the street and the plaza/retail space. The potential of increasing the grade of the plaza and retail spaces 1-2 feet or providing a grade change within the plaza shall be evaluated prior to Utility or Building Permit submittal. A minimum of 50% of the Village Square plaza's adjacent to public streets shall be open, i.e. allow pedestrians to move between the street and sidewalk which may include stairs with no more

than 6 steps, or as otherwise approved by the Designated Official, and avoid plazas below grade as much as possible. Trees around the plaza shall be reviewed for their impacts to solar exposure.

22. Provide architectural treatment for the garage entrances to minimize their presence to the pedestrian while not obscuring their presence to drivers.

23. Parcel 16-1 as part of the Village Center and containing a portion of the Village Square shall be designed to create the lively, pedestrian oriented character as described in the Development Agreement. Achievement of this will include:
- moving Buildings 1 and 3 as close as possible to Shy Bear Way and Talus Drive; where buildings cannot be moved closer to roadways, utilize urban elements to provide a strong connection to the adjacent sidewalk such as expanding the sidewalk, terraces, stairs, etc…
- to the extent feasible, providing entries from Building 1 to Shy Bear Way; where entries are not possible, balconies or terraces will be provided on ground floor units facing Shy Bear Way
- Building 3's Talus Drive side will be interactive with pedestrians to the extent possible. Landscape, if included, between the sidewalk and building will not be used as a screen or buffer, but provide an attractive, urban element that is friendly to pedestrians.
- all buildings shall provide windows and balconies facing adjacent streets.
- avoiding blank walls especially at the pedestrian's level; if blank walls are unavoidable, articulation or other features should be provided. Appropriate articulation and features would include doors, windows, building articulation, and/or other architectural features to create an interesting and varied environment.
- lower foundation walls proposed adjacent to sidewalks or Parcel 16-2 shall be reviewed by the Development Services Department to ensure they are designed to be consistent with the adjacent buildings, and that their mass is softened through patterns, landscaping, and/or articulation.
- Stairs proposed at the northeastern corner the site, off Talus Drive, shall be constructed as a distinctive architectural feature, welcoming pedestrians walking west bound on Talus Drive.
- the urban design of Parcel 16-1 shall support a continuation of the sociable public realm from across the street or as a continuation of the street. For example, Building 3, the plaza, and their adjacent sidewalks shall relate to lots 83 and 84 in Parcel 13-1, whether as a retail center or recreation space., including a 10 ft sidewalk on Shy Bear Way; Buildings 1 and 2 shall urbanistically relate to residential buildings in Parcel 16-2, both on Shy Bear Way and Cougar Ridge Road.

24. Weather protection shall be provided at pedestrian entries for all buildings and shall be a minimum of 6 feet in depth and not less than 8 feet or more than 12 feet above the walking surface; as the weather protection is raised,

weather protection shall increase to provide the equivalent level of coverage for the pedestrian.

For Building 3, weather protection shall be provided where there is a relationship between the building and the plaza and thus is required along the west and south sides of the building at a minimum. Weather protection does not have to be connected to the building.

25. Parcel 16-1's garages shall be designed to:
    - ensure no direct light spill from fixtures or vehicles
    - minimize reflective light and exterior glare spilling from the garage
    - eliminate or significantly reduce visibility of pin point light sources.
    This may include limiting openings, screening openings with architectural and/or landscape elements, fixture selection (e.g. cut off, lenses), fixture location, turning off fixtures late at night/early in the morning, etc.... This should be balanced with safety and security concerns.

Parking

26. The modification to Talus Drive shall generally be based on the configuration shown on Sht. C2 of the March 21, 2008 ASDP submittal.

27. At Building Permit, the Development Services Department will confirm that the configuration of the dwelling units is consistent with the IBC definition of what is and is not a bedroom.

28. No compact spaces may be located adjacent to fire lanes.

29. Bike racks shall be distributed throughout the site for use by patrons, visitors and residents, and some must be in covered locations, if they can be identified. The back racks shall be positioned to not block the sidewalk, walkways, entrances, parallel parking, etc... as well as to function when full of bicycles; the racks should likewise be accessible when adjacent activities, such as parking are occurring. Final bike rack locations must be shown on Building or Utility (e.g. landscape) Permit. The actual number of bike parking spaces may be adjusted by the final unit count.

30. Parking stalls which have low landscape or additional hardscape at the head of the stall, may reduce the paved portion of the stall length by up to 2 ft as long as the car can overhang the landscape or hardscape by an amount equivalent to the reduction. The overhang shall not impact pedestrian walkway widths or the proposed landscape. This shall be clearly indicated on all building and/or utility permits which permit parking.

31. Adopted standard stall dimensions shall be the maximum; adopted compact stall dimensions shall be the minimum. Stalls smaller than

standard stall dimensions, in one or both directions, shall be considered compact stalls.

32. The number, type, and location of ADA compliant parking spaces shall be reviewed by the Building department during the building permit review. The applicant should meet with the Building Official prior to the submittal of any construction permits to confirm the number and distribution of ADA parking stalls.

33. Drives and drive aisles will be only 18-20 ft wide where cars will not be backing out; where all standard or a combination of standard and compact stalls are located, drive aisles shall be 24 ft wide; where only compact stalls are located on a drive aisle, it may be reduced to 22 ft, though for design simplicity the drive aisle may be up to 24 ft wide.

Utilities

34. All dry and wet utility vaults, meters, equipment, and appurtenances are assumed to be shown on the ASDP submittal. Anything not shown on the ASDP submittal is assumed to be located within the structure. Any revisions or additions to what the ASDP has shown and approved outside of the structure requires a modification to the ASDP, except fire hydrants.

35. *Dry Utility Easement Notes* on Sheet 1/1 do not supersede any City or Development Agreement authority.

36. Hydrants, PIVs, FDCs within the property shall be located to minimize their impact on landscape and aesthetics while acknowledging they must be located for important functional purposes. To the extent possible, use riser rooms, instead of PIVs.

37. Design and placement of the above ground facilities, such as buildings, walkways, significant plant materials, etc… should take priority over the convenient location of utilities, unless this would significantly compromise the function of the utilities. On all subsequent permits, utilities and their necessary easements shall be shown.

38. Exterior lighting shall be reviewed with the utility and/or building permit. A lighting plan shall be proposed which maintains lighting at the minimum necessary for safety, and balances the goal of minimizing night glow and off-site lamp visibility with pedestrian scale lighting. Full cut off fixtures will be used and lighting shall be located in areas where drivers and pedestrians are likely to be.

    The lighting plan shall comprehensively address building, street, plaza, parking lot, and landscape lighting so that lighting impacts are not compounded in portions of the site by overlapping illumination patterns. To facilitate review of the lighting, a point-by-point photometric

calculation, stamped by a professional engineer, showing illumination levels on the pavement shall be submitted with the permit for construction of lighting. The illumination calculation shall include all fixtures that contribute light to the site (poles, bollards, building mounted lighting). Low wattage decorative fixtures such as sconces or porch lights can be excluded from the calculation.

39. Modify the following utility and road elements as indicated:
    - The 8" water main is too small to meet the City's velocity criteria during a fire.
    - Existing mains must be kept in service when water main taps are made.
    - There must be 15 ft of clear easement between Buildings 1 and 3 where the water line is unless the water line is sleeved, and removable from each end, then the easement may be reduced to 10 ft. No eaves or building overhangs may extend into this area.
    - Smooth the Talus Drive lane transition edges in the vicinity of station 14+00.

40. Oil/water separators that serve the parking garages or an oil/water separator/grease trap, e.g. for a future restaurant in Building 3, must either be located within the garages or within paved rights-of-way so that they do not impact or reduce the amount of landscaping in planting areas or impinge on pedestrian areas.

Miscellaneous

41. Prior to issuance of Building Permit, the applicant must dedicate easements to allow emergency service and garbage access onto the site.

42. The 6,000 sq.ft. of Recreation Area Requirement is currently provided by the following elements with provisional square footages: plaza (4,040 sq.ft.), and trail (2,020 sq.ft.). Until the facilities and/or equipment for these as well as actual/final square footages are identified, final approval is not granted. For the plaza to be counted as recreational space, elements which allow the space to be used for "play" shall be introduced. These elements would include an interactive sculpture and other elements to provide recreational opportunities within the plaza. An easement shall be recorded on the main Village Square plaza and trail, allowing public use. Since the project is phased, the recreational area requirement may be phased as follows:
    <u>Phase 1:</u> construction of the trail portion located within the Phase 1 perimeter. The trail must be completed (permitted and accepted) prior to Temporary Certificate of Occupancy of the last residential unit in this phase.
    <u>Phase 2:</u> completion of the plaza (permitted and accepted) prior to Temporary Certificate of Occupancy of the last residential unit in this phase. This timing can be revised prior to Building Permit approval based

upon the order in which the buildings are constructed and the number of units to be built.

43. Any future construction permits (utility or building) need to include a separate traffic and pedestrian control plan to comply with City of Issaquah Code. This plan shall indicate where construction worker parking will be located. Saturday work permits shall not be issued.

44. Regrade the northeast corner of Parcel 16-1 so that Appendix E steep slope regulations, buffers, and setbacks will not apply to this site or neighboring properties.

45. Fire and General Government mitigation fees specified in Appendix I must be paid on a per-square-footage basis for each individual building at the time of individual building permit approval. The amount of this fee may be adjusted in accordance with Section 4.0 of Appendix I.

46. Portions of interior drives not used for parking shall be signed "No Parking" or "No Parking – Fire Lane" as appropriate.

47. All curbs at Talus must be vertical, unless otherwise approved by the Development Services Department such as for fire access or some other unique circumstance. No extruded curbs are allowed.

48. The applicant must modify the garbage configuration prior to submitting for a Building or Utility Permit. Modifications shall include:
- trash collection under or adjacent to each residential building shall provide space for two 4-yard roll out containers (trash, recycling) and one 96 gallon food waste container. If no gate is provided at the garage entrance and the enclosures are *immediately* adjacent to the garage entry, Cleanscapes will roll out the containers; otherwise, other persons will be responsible for staging the containers for Waste Management's pick up. The drive into Building 2 shall be at a grade that will allow the containers to be safely rolled out and speared. Provide grade information for review with construction permits. Grades shall not exceed 3% if containers will be rolled out.
- trash enclosures for the retail building are sized appropriately; however, Cleanscapes will *not* roll out the containers. Containers shall be moved immediately adjacent to the parking lot (location to specified in future permits) by retail building personnel or other persons.

49. Any walls, rockeries, or slopes with greater than a 2.5 ft. fall shall have approved fall protection if people might reasonably use an area near the top of the wall.

50. The applicant shall consider applying techniques identified in the current Talus green building program. Prior to submitting for Building Permit the applicant shall schedule and hold a meeting with the City to discuss ways

the buildings could be modified to minimize its impacts on natural resources.

51. Building or utility permit must show the location of site furniture such as benches, trash cans, pet pick up stations, etc…

52. An additional hydrant is required at the intersection of Cougar Ridge Road and the driveway into Parcel 16-1.

Reasons for Decision:

1. The purpose of the ASDP process is to ensure that proposed projects are:
   - consistent with Talus and City policies and regulations;
   - designed to harmonize with the neighborhoods;
   - designed with consideration of the site attributes (topography, wetlands, waterways, and views);
   - designed for the efficient and effective layout of the infrastructure; and
   - designed to achieve, protect, and enhance the character of Talus.

   Finally, the planning level review of the ASDP allows an applicant to obtain a land use decision prior to preparing detailed construction plans. As such, the plans are intentionally conceptual in nature and will likely receive further refinement and development during development of construction plans. Additional permits will be required for signs, buildings, and on-site improvements and utilities.

2. The application met City of Issaquah noticing requirements.

3. The proposal has been reviewed for its consistency with Talus' development standards. With incorporation of the conditions, the application is generally consistent with these standards including goals (Appendix A), urban design guidelines (Appendix B), uses and densities (Appendix C), stormwater (Appendix D), critical areas, (Appendix E), capital facilities (Appendix I), parks/plazas (Appendix L), parking (Appendix P), landscape (Appendix Q), and Environmental Mitigation (Appendix T).

4. The proposal has been reviewed for its consistency with previous approvals including the preliminary plat (PP00-007EV, Master Plat), the final plat (FP00-001EV), the lot line adjustment (LLA03-004EV), and site development permit for the balance of Parcel 16 (SDP03-001EV) as well as Parcel 13 (ASDP06-001EV). With the above conditions, the application is consistent with these permits.

5. The requirement to construct a Community Center within Parcel 16-1 was released and forgiven upon the conveyance of Lots 83 and 84 in Parcel 13 to the City of Issaquah per the terms of the Memorandum of Understanding executed between Talus Parcel 16-1 LLC, Talus Village Center II LLC, and the City of Issaquah on June 16, 2012. See Attachment 4

   Talus Village Center II completed the conveyance of Lots 83 and 84 in Parcel 13 to the City on February 12, 2013 per and the attached Statutory Warranty Deed (Rec. No. 20130212001724). See Attachment 5

6. On October 23, 2012, the applicant requested a revision to the original Administrative Site Development Permit (ASDP08-001EV) that was approved on May 28, 2008 and was subsequently renewed and extended until May 28, 2013 per MIS11-00001-Revised.

7. The Main Body of the Development Agreement establishes the framework for satisfying the requirements of the Development Agreement. It also contains the base information for the proposed development (i.e. land allocation, number of residential units, amount of commercial, required mitigation, etc.). Section 9.0 identifies Allowable Development limits for Talus of 1,735 residential units, 50,000 gross sq.ft. of retail, and 800,000 gross sq.ft. of commercial office uses. Projects which have, through previous permitting, applied retail and commercial uses are:

Location	Square Footage	Use	Permit type
Parcel 13	6,000 sq.ft.	Village Center retail	Building Permit
Parcel 16.1	6,000 sq.ft.	Village Center retail	Administrative Site Development Permit, ASDP05-001EV as modified by ASDP06-001EV for Parcel 13
Parcel 17A	300,000 sq.ft	Commercial converted or committed for 253 residential units (total number adjusted using density bonus) and 32,655 sq.ft. office	▪ AM04-001EV, converting residential and allow the use (See NOD Rationale #4; Triad request for Election, Bullet 11) ▪ Site Development Permit, SDP03-002EV ▪ Phase 1Bldg Permit, BLD06-00070: containing 184 independent living units, 36 skilled nursing beds
Parcel 17B	505,259 sq.ft. 9,730 sq.ft.	Commercial Retail (office support)	SDP07-001EV

This proposal contains 6,000 sq.ft. of retail, just as ASDP05-001EV as modified by ASDP06-001EV did. With the proposals identified above, all the commercial is accounted for through planning level permits and there remains 28,270 sq.ft. of retail. Approximately 1,160 building permits have been issued, out of the 1,735 total residential allowed. (300,000 sq.ft. of commercial was converted to residential, but all of this additional residential is associated with Timber Ridge. The Master Developer has also committed, in a December 4, 2007 letter, to allow up to 5 dwelling units to be converted back to office for the purpose of providing the Talus Corporate Campus applicant with the square footage needed for the Parcel 17B's proposal. This would leave at least 1,730 residential units to be developed, separate from Timber Ridge; approximately 1,267 building permits have been issued.) Thus sufficient Allowable Development is available for this proposal.

8. AM04-001EV, Condition #9, states: "At least 12,000 square feet of retail development will be provided in the Village Center area of Parcels 13 and 16 at the time those parcels develop." Parcel 13's building permits (BLD07-00254 and -00255) contain just over 6,000 sq.ft. of retail space. Thus Parcel 16-1 must contain 6,000 sq.ft. of retail space to result in a total of 12,000 sq.ft. of retail in Parcels 13 and 16-1. Such retail should be provided early enough in the construction of the residential portion of the project that the provision of the retail space is ensured.

9. Specifically, the request would provide the option for up to three additional multi-family residential units to be temporarily located on the upper floor of Building 3. Because Building

3 was approved for non-residential uses under the original ASDP08-001EV, the applicant has stated that Building 3 will be constructed entirely to commercial specifications so as to facilitate the incremental achievement of the conversion of residential units to non-residential units in Building 3, and to ensure compatibility between alternative building uses. In order to encourage the conversion from residential to non-residential uses and compliance with the retail development provisions of AM04-001EV , Building 3 will:

- be constructed entirely to non-residential specifications according to current building and ADA and other applicable codes (minimum 6,000 sq. ft);
- be designed so that the upstairs units can be used separately for non-residential;
- have the capability for each of its units to be individually sub-metered for potable water;
- be designed so that the ground units are constructed with retail character through the use of, weather protection, separate entrances to individual units from the plaza; shop windows, etc..;
- utilize a non-residential architectural style;
- utilize marketing materials that explain the non-residential potential of the units;
- not be subdivided in order to ensure that at least 6,000 sq. ft. of retail space is available on Parcel 16-1.

10. This Parcel 16-1 proposal is for 60 dwelling units on 1.13 acres. Additionally, 3 residential units may be temporarily located within the upper level of Building 3 until such time as there is economically feasible demand for non-residential uses to occupy those spaces. The parcel is Village Center which permits community center, personal services, neighborhood retail, multifamily, etc… uses, consistent with the proposal. The allowed density is 23-150 or 200 du/ac; the proposed density is between 53 and 56 du/ac.

11. The Village Center is the heart and hub of the community. The Village Center has been split between Parcels 13 and 16-1 which was anticipated in the Development Agreement, e.g. Exhibit C-1 of Appendix C. All the descriptions of the Village Center in the Development Agreement, also include a description of its pedestrian friendly character and high-density mix of uses with "…a lively, bustling atmosphere." It is further described as
"The multi-story, architecturally varied and articulated, often mixed use buildings relate to one another to form the boundaries of the share public realm. Building setbacks are minimal and at street level buildings contain active uses such as shops, lobbies, or courtyards to create an extension of the public space. Entrances to buildings will be from streets, parks, plazas, or similar public areas;…. Pedestrian amenities such as wide sidewalks adjacent to retail and commercial uses, street furniture, and well-marked pedestrian crossings create a pleasant and comfortable atmosphere and draw people to the area. The Village Center is also aesthetically connected to the other neighborhoods in Talus through the use of reoccurring elements such as indigenous or native type landscaping and building materials. … Art work is encouraged in the Square to provide interest, festivity, and focal points. For pedestrian convenience, the [Village] Square contains weather protection as well as directional and informational signage."
Blank walls adjacent to pedestrian areas, buildings setback or buildings lacking windows or entries adjacent to the sidewalk, missing weather protection, inconsistency of design between both sides of the street, etc… do not support the expectations of the Development Agreement.

12. The Urban Design Guidelines state that stairs to the Village Square will "…create visually prominent and interesting travel and entry ways while taking up grade."

13. The Development Agreement calls for a Community Center to be provided within the Talus Village Center. E.g. Goal 12.4: "Plan the Village Center to accommodate a privately owned community center with space for senior activities, day-care, recreation activities for adolescents, meetings, social events, exhibits, etc…". Other parcels are still available within the Village Center for construction of a Community Center.

14. Appendix C, Section 5.0 establishes the setbacks for buildings in Talus. The setbacks for Village Center retail or High Density Residential are 0 ft. from ROW; 0 ft. from interior property lines unless low density uses are adjacent. The Master Developer has established that Parcels 16-2 and 16-3 are medium density, so no setbacks are necessary.

15. No new roads are proposed with this permit. Sidewalks surrounding the site have been constructed with previous adjacent roads and subdivisions, except on Cougar Ridge Road. However, some modification to Talus Drive is proposed: to restripe for on-street parking. Spine Road Type III is the applicable standard as it is to be used "…where on-street parking is necessary or desirable." Type I is for Talus Drive where it meets SR900, Type II is with a median but no parking, and Type IV is where there will be no median and the road is transitioning to other road types. It appears that the permit meets the Spine Road Type III standard which can be confirmed with construction permits. The curb configuration on sheet A2.00 conflicts with the information shown on sheet C2. Sheet C2 is more appropriate to the standards and expectations of the Development Agreement.

16. Parking needs at Talus are accommodated three ways: on-street to the greatest extent possible; structure parking whenever possible; and surface parking when necessary. This hierarchy of parking has been utilized in designing Parcel 16-1. The proposal places 19% of parking on-street, 53% in structured parking, and 28% in surface parking (includes 6 shared spaces).

17. The following table summarizes the required parking for the Parcel 16-1 proposal per the Development Agreement, Appendix P:

Use	Required Parking
Residential	
48 1-bedroom units x 1.25 parking spaces/unit12 2-bedroom units x 2 parking spaces/unit	60 24
Total Residential parking	84 parking spaces
Village Center Commercial/Retail	
6000 sq.ft. ÷ 350 non-res'l sq.ft./parking space	17 parking spaces
Total Required Parking	101 parking spaces

Location	Provided Parking
On Site:	
Under Building 1	29
Under Building 2	25
Surface Parking	22
Total On-Site parking	76 parking spaces
Parking Credits*	
Talus Drive	11(does not include 2 motorcycle spaces)

Shy Bear Way	08
Total On-street parking	19 parking spaces
Shared Parking	6
Total Provided Parking	101 parking spaces

* The required amount of parking would not increase in the event that the upper level of Building 3 is used provisionally as residential, and therefore, the parking assumptions are not changed.

** Parking credits: some on street parking may be credited to required parking. Each 20 ft of roadway adjacent to a parcel may be credited for up to 25% of the required on site residential parking which for this proposal would be 21 parking spaces (84 required residential parking spaces x 25%) and 10% of the required on-site non-residential parking which for this proposal would be 2 parking spaces (17 required non-residential parking spaces x 10%), for a total of 23possible on-street parking credits. The proposal includes 19 parking credits.

Additional parking requirements:

Loading: There are also two required loading spaces (residential projects with over 40 units must provide 2 loading spaces; non residential uses need only one loading space for up to 10,000 sq.ft. It seems these uses could share one of the two loading spaces.)

Bikes: For every 12 required car parking spaces, there must be 1 bike parking space. These 8 bike parking spaces should be located to serve both the residential and non-residential uses.

Compact: 25 stalls are designed as compact, which is less than the 50% allowed. In addition, the City's code precludes compact stalls adjacent to fire lanes to ensure that if a full size vehicle parks in a compact stall it does not intrude in the required width of a fire lane.

ADA: the building department will need to determine if the proposal is appropriate based on the IBC and ADA requirements.

18. The Master Trails Plan for Talus includes a trail connecting from Parcel 17 through Parcels 16-2 and -3 to Parcel 16-1. The Master Trails Plan showed and SDP for Parcels 16-2 and -3 assumed that the pedestrian trail would go through the middle of Parcel 16-1 to provide a pleasant and direct pedestrian connection to the Village Square. Though not marked, the pedestrian route to the east of the surface parking, connecting north of the surface parking, and then to the plaza serves as the required trail. This trail must be a Neighborhood Trail which would be a minimum of 5 ft wide with 4 ft borders on each side. There is a 5 ft border on the east side and no border shown between the parking and the trail. In addition, a parking lot is required to have a 3 ft hedge adjacent to sidewalks to encourage pedestrian orientation. Through an Administrative Minor Modification the applicant can propose alternative measures to meet these purposes, e.g. architectural elements, such as a trellis, with vines. To ensure this required trail is accessible and available to the public, way-finding signage shall be provided to direct pedestrians to the trail; and a public access easement must be recorded.

19. This proposal includes a plaza at the intersection of Shy Bear Way and Talus Drive; it is regulated per Appendix L. The determining factor is size with a threshold of 2,000 sq.ft.; the plaza is 4,040 sq.ft. The regulated plaza meets the requirements with non-asphalt paving; however, at least two seats are required, and no more than 50% of the edge may be

obstructed with structures over 36 inches in height. The guidelines also indicate that sidewalks should be integrated into the plaza as well as obstructions and differences in level between a plaza and adjacent streets should be minimized. With modifications to grades and edge elements, a closer relationship between the adjacent sidewalk and plaza may be created, consistent with the guidelines. No areas of the plazas are specified to be for the exclusive use of any tenant; however, as this plaza is also counting toward the Recreational Requirement, the plaza shall be generally available to the tenants and public without requiring patronage of a business.

20. Some minor information is incomplete which can be added with construction permits such as site furniture such as benches and trash cans. Location and/or number will be determined with the utility or building permits. The Urban Design Guidelines state that the Village Square will include "pedestrian amenities such as benches, drinking fountains, and trash receptacles."

21. The BMP for walkways especially those which include steps or ramps is that they provide 5 feet clear, just like a sidewalk. This provides the public, especially in a denser project, the ability to safely and comfortably walk. Also the Master Trails plan requires a Neighborhood Trail be a minimum of 5 ft wide. The use of two steps together, improves people's ability to notice the steps and thus prevent tripping. Asphalt is associated with vehicular routes, not pedestrian ones. Also sidewalks must be constructed in concrete. While there are some locations where asphalt pedestrian trails may be allowed, a dense urban environment is not one of them.

22. There are several ways to achieve the parking stall standard dimensions and provide wheel stops. In the case of this proposal, the applicant, in some locations, appears to reduce the paved length of the stall by 2 ft by moving the sidewalk or landscape out to where the wheel stop would be traditionally located, effectively widening the sidewalk or landscape bed. However, though the sidewalks appear to be wide, with the car overhangs there must be at least 5 ft. of walkway available if the project was fully parked. In addition in some cases, landscape adjacent to the walkway, curb ramps, or other elements may impinge on the walkways and decreases the walkway to less than 5 ft. At utility or building permit, we will confirm that a minimum of 5 ft. of walkway width is available.

23. Parking lot standards require drive aisles of a certain width to ensure cars have sufficient distance to back out of parking stalls. Where cars are not backing out, but using the drive aisle solely as a travel lane, the paved width only has to meet minimum travel lane dimensions. The minimum travel lane width, for two-way traffic, is 18 ft. In addition, the standards for parking lots should be treated as minimums as well as maximums to balance both functionality and reduction of paved areas. Reducing paved areas while maintaining functionality is consistent with the Urban Design Guidelines, e.g. "reduce pavement widths" "decrease impervious roadway surfaces" and "design streets to be as narrow as possible while also considering safety."

24. The Talus standard requires 100 sq.ft. of recreation area (passive, active, trails,...) per unit. As this project has 60 units, 6,000 sq.ft. of recreation area is required. The application indicates that 6,060 sq.ft. has been provided. The Development Services Department will

have to confirm this information with construction permits. No information was provided on the elements that would be incorporated into the plaza to support them counting as recreational use. However, the Village Square should have elements such as artwork and fountains per the Urban Design Guidelines to add "interest and fun." These will also function to introduce a play element, supporting the recreational uses. Finally, a centrally located sculpture will provide a complementary relationship to the future one in Parcel 13; that kind of harmonizing of each side of the street is also anticipated by the Urban Design Guidelines.

25. Parks mitigation fees are required for the project, pursuant to Appendix I of the Development Agreement. The fees will need to be paid unless it is determined that other recreation facilities offset the required fees, pursuant to Section 5 of Appendix I. Other impact fees are due with certain milestones specified in Appendix I.

26. The Talus standard requires 10% of parking lots to be landscaped. The applicant has provided information on landscaping located in and around the surface parking lot. Based on staff calculations, the surface parking lot is approximately 5,930 sq.ft. thus requiring 590 sq.ft. of landscape. The application shows many landscaped areas that are not internal to the parking lot, as required to count toward the 10% requirement. The internal landscape appears to be only 508 sq.ft. Also at least 3 trees are required. With an Administrative Minor Modification, the applicant can modify the carports and count them toward these requirements, e.g. with green roofs, architectural detailing to provide shade and aesthetic contributions to the parking lot, consistent with the purposes identified in Appendix Q.

27. Parking lot landscape standards require hedges to provide a more pleasant and defined edge for pedestrians adjacent to parking lots. A parking garage, through its nature as a structure, has a vertical, defined edge. Another purpose of the required hedges is to improve the pedestrian orientation of the parking lot edge. Thus, the materials provided along pedestrian routes adjacent to the garage should humanize the edges where pedestrians will be nearby. Parcel 16-1's garages, though primarily underground, will place pedestrians in proximity to above ground garages along the northern portion of the Building 1's west façade and possibly other locations.

28. The guidelines direct that parking structures should use architectural treatments to minimize the impact to the streetscape. Furthermore, the guidelines also direct that the design should eliminate headlight glare from escaping the garage. Both garage entrances face the street as well as trail corridor and homes in Parcels 16-2 and 16-3. Design of the garage and its entrances can both reduce the visual impacts of the entries as well as the potential light impacts on adjacent residences.

29. Generally the landscape in the Village Center is more urban especially adjacent to the street. However, the eastern portion of the site both transitions from the lower scale of Parcel 16-2 as well as the mountain village character of landscaping along Talus Drive. By requiring a natural, dense landscape, both a screen for Parcel 16-2 and a relationship with Talus Drive landscape will be established. At the same time, views and light should be considered to ensure that interior spaces are pleasant.

30. When an ASDP is submitted, the entire development of the property must be shown, even if it will be built in phases. A project built in phases allows areas to be used for parking and other construction or temporary needs as well as timing construction to respond to the market. However, the City of Issaquah code requires that following grading, landscape must be installed no longer than 3 years after the grading occurs; a bond will be collected with the permit to ensure this landscaping occurs. Additional conditions may be necessary to ensure that sufficient services and facilities for functionality, safety, etc…are provided for each phase, e.g. landscape, parking, recreation, etc….

31. CAUs (Convertible Accessory Units) are a tool adopted by Issaquah Highlands which allow a street facing, ground related portion of a unit to be used for residential or non-residential; a portion of the unit must always be used for residential uses. This tool can be used at Talus, but an AMM is necessary. This or another tool may be appropriate for accommodating the ground floor units facing Shy Bear Way.

32. Since this site is small and the surrounding area is fully developed, any construction plan should show the location or method for staging construction materials and equipment and for housing (and parking) workers and facilities needed during construction. The goal is to minimize impacts on the existing neighbors.

33. The existing roads surrounding Parcel 16-1 were reviewed to compare the proposed land uses with the capacity of the roads. Talus Drive, Shy Bear Way, and Cougar Ridge Road each have capacity for the land uses proposed in Parcel 16-1.

34. Identifying wet and dry utility vaults, meters, equipment, and appurtenances now is just as critical as identifying buildings, landscape, pedestrian facilities, roads, and other elements as last minute additions or modifications can have significant site-wide implications. Changes to buildings, landscape, pedestrian facilities, and roads likewise require permit modification.

35. A hydrant as well as FDCs and PIVs are proposed to be located in the center of landscape beds, central to the proposal. Other less visible locations may be equally or more appropriate for fire fighting as well as overall site configuration.

36. An easement is needed to ensure access for public access for the plaza and pedestrian trail.

37. On the northern portion of Cougar Ridge Road a one-way arrow is currently installed near the proposed drives into Parcel 16-1. However, this road is designed for two way traffic. The arrow will be removed or revised to clearly communicate that this road is designed for two way traffic.

38. The right-of-way, as a publicly owned and maintained facility, must meet certain minimum design requirements to ensure that the construction is durable. Thus root barrier must be installed adjacent to it.

39. Another way of creating a sustainable community is through building and site design, also known as green building. The master developer and City are working together to ensure that the community works toward this goal.

40. Street standards for public and private roads are the same at Talus. With a few exceptions, only vertical curbs are allowed and extruded curbs are not.

41. Appendix T, Section 7.3 requires that lighting be kept to the minimum needed for public safety. With structured parking, light spill adjacent to residential units in Parcels 16-2 and -3, may occur all night. The design of the entries, landscape, and lighting should be used to minimize or eliminate these impacts.

42. As all the properties surrounding this site have been developed, a final grading plan for Parcel 16-1 which resulted in steep slopes, as defined in Appendix E, could require buffers or building setback lines on adjacent properties which could not be met as they have already been developed. Thus avoiding grades which would be categorized as steep slopes will avoid these conflicts.

43. No signs are approved with this approval. Separate sign review is required.

44. Copies of the submittal were distributed to City departments and Waste Management. Comments were received from Eastside Fire and Rescue and Waste Management; these were incorporated into the approval conditions as appropriate. No comments were received from the Public Works Operations, Building, Planning, and Police Departments.

45. Public notice was distributed as required by sending a Notice of Application to property owners within 300 feet. Thirty-six comments were received. In summary the comments, and the responses in italics, are provided below. The comments have been consolidated and the topics which received the most comments appear first:
    A. Parking:
    - insufficient parking in area
    - insufficient parking in the proposal
    - all of the on-street parking is always occupied already
    - there's no visitor parking right now
    - people park illegally
    - EF&R can't get in
    - the proposal shouldn't be allowed to use on-street parking
    - the proposal should provide enough or all parking onsite (with various ratios proposed)
    - the proposal shouldn't result in parking overflowing into Copper Ridge
    - the proposal is removing parking from Cougar Ridge Road which is needed
    - the two new townhome projects being built [Parcels 13 and 1] will spillover into Copper Ridge

    Response: The proposal for Parcel 16-1 must be held to the same adopted standard as other Talus developments. The Development Agreement identifies specific parking requirements for various uses. This proposal provides the required parking, consistent with the Development Agreement, through on-site parking and on-street parking credits. (See Reason for the Decision #14 above for specific parking requirements and provided parking.)

    B. Parcel 16-1 Access:
    - access for the proposal should be from Talus Dr.; if not that then Shy Bear Way, but not Cougar Ridge Road
    - Cougar Ridge Road is: Copper Ridge's road, private, too narrow, only meant for residential traffic, unsafe, two cars can't pass each other, a driveway not a road, not to public standards, one-way, at capacity, not for construction traffic
    - the neighbors don't want traffic driving through their community

- change feel of the Copper Ridge community
- interfere with access to mailbox kiosk

Response: Per the Development Agreement, Talus Drive is classified as a Spine Road which allows only limited access for driveways. Access to Parcel 16-1 could occur from Shy Bear Way or Cougar Ridge Road; however, the applicant, who also developed Copper Ridge, granted Parcel 16-1 an access easement on Cougar Ridge Road at the time they developed Copper Ridge. The City does not have the legal right to preclude access from this parcel to Cougar Ridge Road and Cougar Ridge Road has the capacity for the additional traffic.

C. Construction Impacts:
- there is too much construction in the area already and the existing residents are tired of it.
- construction access shouldn't be from Cougar Ridge Road
- area overburdened
- will impact property values
- Talus Drive and Shy Bear Way are reduced to a single lane; trucks and machinery block roads making it hard to get in and out of Copper Ridge
- roads are being damaged

Response: The City doesn't have the authority to control the timing of construction. However, the City can require applicants to have construction and staging plans to minimize construction impacts to the area and to maintain safety. This permit has an Approval Condition requiring the applicant to provide a plan for how the construction will be staged and where construction workers will park in an attempt to minimize impacts to adjacent neighborhoods. This will be approved with construction permits.

D. Talus Access and Roads: The project will increase traffic, create additional congestion, encourage reckless driving; SR-900 and I-90 exit are already overcrowded; there is only one way in and out of the Talus community and more development will be unsafe; none of the streets in Talus are built wide enough for traffic and safety.

Response: Talus' anticipated traffic impacts have been used to size the roads within the project, e.g. Talus Drive, Shy Bear Way, Shangri-la Way. Talus Drive, Shy Bear Way, and Cougar Ridge Road have all been designed consistent with the expected traffic volumes. Appendix H, Master Transportation Financing, of the Talus Development Agreement, requires offsite transportation improvements to mitigate the impacts of the Talus project. Offsite transportation impacts required by Appendix H have already been constructed, or are in the process of being constructed through regional transportation projects (phase one and phase two of the SR900 improvements, Newport sidewalk improvements, etc). All of Talus' roads are built to adopted standards. As noted in Response E below, the roads in Talus are intentionally narrow to slow vehicular speeds to improve pedestrian safety.

E. Small children's safety: Small children like to ride bikes and skate around Copper Ridge and this project will make the streets unsafe for them.

Response: All of the streets have been designed to meet the adopted standards and traffic from Parcel 16-1 project was anticipated when the streets were designed and built for Copper Ridge. Narrow streets increase safety by encouraging drivers to drive more slowly and significantly reduce vehicular-pedestrian collisions.

F. Density: There is too much density; leave open space and wetlands alone; don't put higher density next to lower density. Don't want to be like Issaquah Highlands or downtown Seattle.

Response: The Development Agreement identified which areas could be developed, at what densities and uses, and which areas must be left as critical areas or open space. Parcel 16-1 has always been an approved area for construction. The anticipated uses were Village Center which includes community center, commercial, retail, as well as multi-family uses at high densities (23-200 du/ac). The proposal is consistent with Appendix C (Land Uses) of the Development Agreement.

F. Road changes: The proposal will remove the turn lane on Talus Drive, shouldn't give up the turn lane for parking or sidewalk on Talus Drive, parking on Talus Drive will be unsafe, inappropriate, or unattractive. Don't want to lose bike lane on Talus Drive.
Response: The modifications to Talus Drive will not remove the turn lane, sidewalk, or the bike lane even though it may have appeared that way in the site plan that was mailed to neighbors. The standard for Talus Drive allows for on-street parking.

G. Information provided during purchase: Neighbors were told that Parcel 16-1 will only have: only retail uses, only residential uses; Timber Ridge is bigger than they were told. Areas they thought wouldn't be built on are currently under construction.
Response: The City can not control what real estate agents or others may tell a potential buyer. City staff, if contacted, provide accurate information.

H. Incorrect information in the application: The proposal is described having two-story buildings but the buildings are actually 4-5 stories.
Response: The Notice of Application described a two-story retail building and didn't state the number of stories in the residential buildings. The site plan distributed with Notice of Application Letter included a building section that indicated the residential buildings would have a single floor of structured parking under three residential floors for a total of four stories. The top residential units also include a loft which may have appeared as an additional story.

I. Will the units be for rent or apartments?:
Response: Zoning allows for either ownership or rental housing on this parcel. The ownership of units in Parcel 16-1's buildings is not something the City of Issaquah has included in its review. This proposal has no elements, such as affordable housing, that necessitate City review of ownership.

46. The proposal is within the Project Envelope for Talus and so no further SEPA review is required per Appendix G.

Mike Martin, DSD Associate Planner

2.25.2013
Date

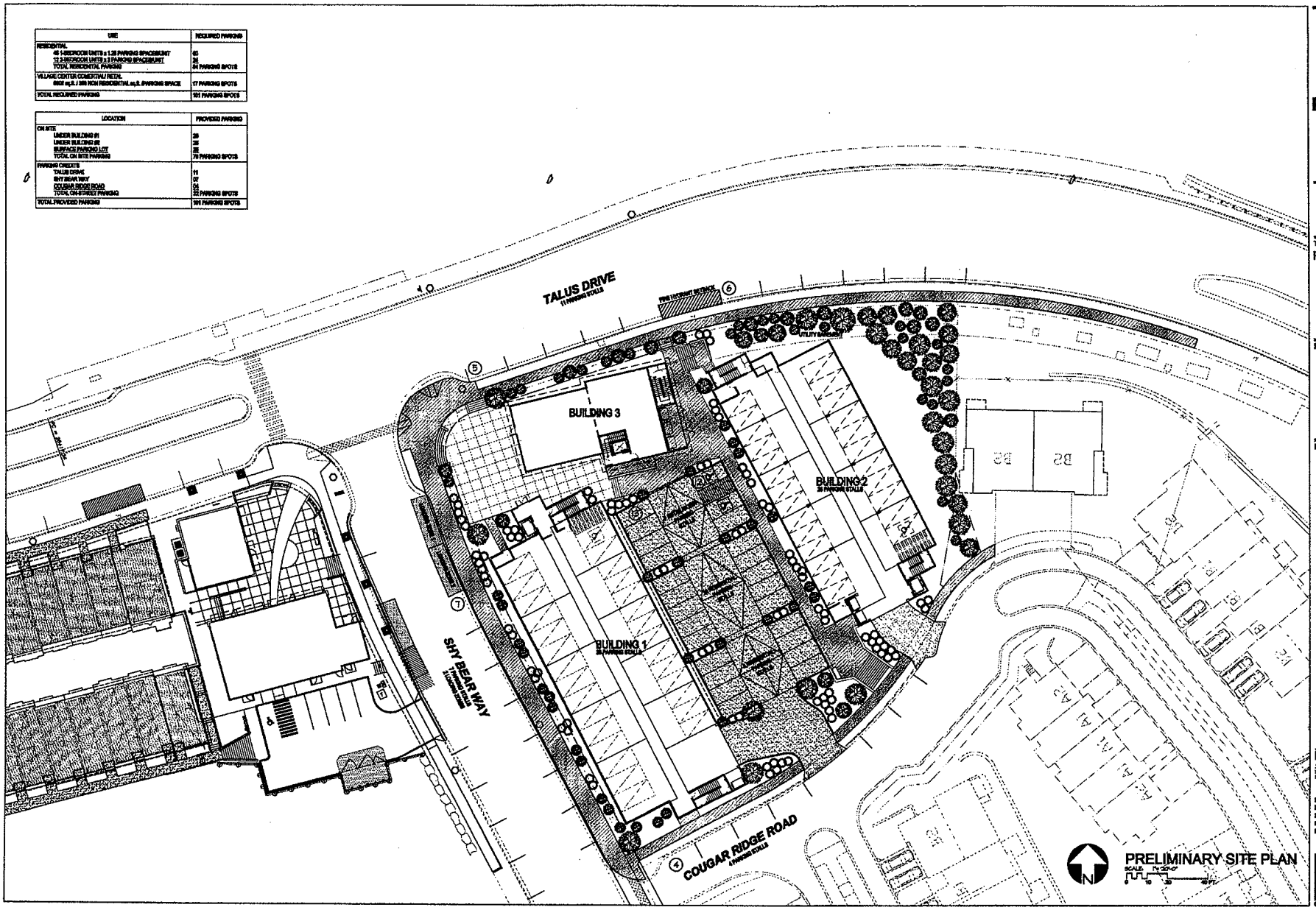
Attachment List:

1. May 27, 2008 site plan
2. November 30, 2012 site plan
3. Memorandum of Understanding, June 06, 2012
4. Statutory Warranty Deed, February 12, 2013

Cc via email: John Minato, DSD Director
Dave Favour, DSD Deputy Director
Lucy Sloman, DSD Land Development Manager
Keith Niven, Economic Development Director
Dan Ervin, RH2 Engineering Consultant (by email)
Darren Peugh, Talus Management Services (by email)
Terrie Thompson, Talus ARC (by email)
Bill Stalzer, Talus ARC (by email)

USE	REQUIRED PARKING
RESIDENTIAL	
45 1-BEDROOM UNITS x 1.25 PARKING SPACES/UNIT	63
12 2-BEDROOM UNITS x 2 PARKING SPACES/UNIT	24
TOTAL RESIDENTIAL PARKING	84 PARKING SPOTS
VILLAGE CENTER COMERCIAL/ RETAIL	
6600 sq.ft. / 388 NON RESIDENTIAL sq.ft. /PARKING SPACE	17 PARKING SPOTS
TOTAL REQUIRED PARKING	101 PARKING SPOTS

LOCATION	PROVIDED PARKING
ON SITE	
UNDER BUILDING #1	39
UNDER BUILDING #2	28
SURFACE PARKING LOT	28
TOTAL ON SITE PARKING	76 PARKING SPOTS
PARKING CREDITS	
TALUS DRIVE	11
SHY BEAR WAY	07
COUGAR RIDGE ROAD	04
TOTAL ON-STREET PARKING	22 PARKING SPOTS
TOTAL PROVIDED PARKING	101 PARKING SPOTS



PRELIMINARY DRAWINGS FOR

TALUS PARCEL 16-1

ISSAQUAH, WA

TALUS VILLAGE CENTER LLC

TITLE:
PARKING EXHIBIT

REVISIONS:

REGISTRATION:

Attachment 1

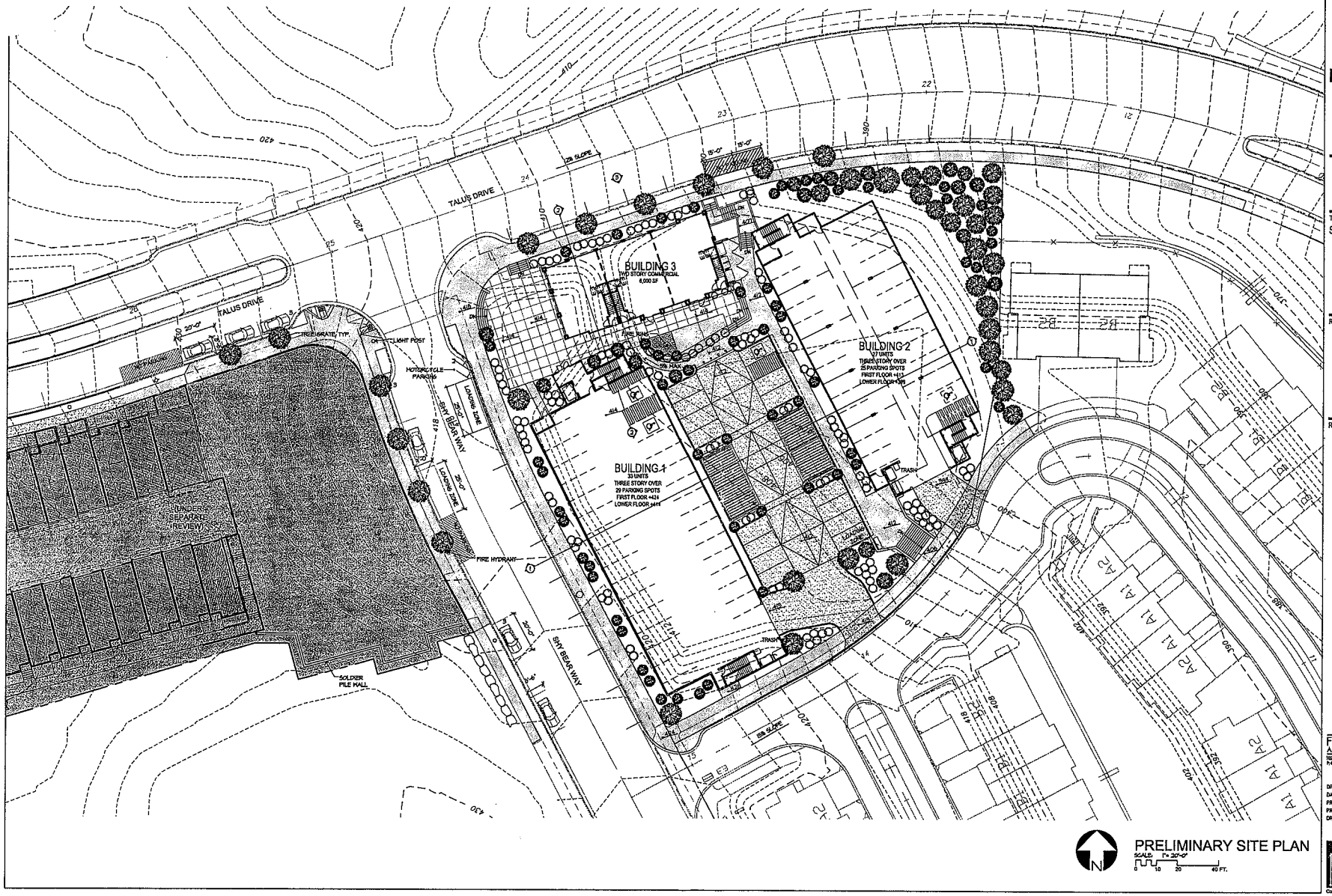
FREIHEIT & HO ARCHITECTS, INC., P.S.
1200 NE KONG DRIVE SUITE 300 ISSAQUAH, WA 98029
P:425.837.2100 F:425.836.0899

DRAWN BY: AM
DATE: 09/27/07
PROJECT NO.: A05-101
PRINT SCALE: SCALE 1 - 8.5pxy
DRAWING NAME: A05-201 A2.02.dwg

SHEET NO.: A2.02

Copyright 2006 Freiheit & Ho Architects, Inc., P.S.

ATTACHMENT 2



PRELIMINARY DRAWINGS FOR

TALUS PARCEL 16-1

ISSAQUAH, WA

TALUS VILLAGE CENTER LLC

TITLE:
SITE PLAN

REVISIONS:

REGISTRATION:

FREIHEIT & HO ARCHITECTS, INC., P.S.
15230 NE 95ND STREET SUITE 200 REDMOND, WA 98052
P: 425.827.3100 F: 425.828.6899

DRAWN BY: AC
DATE: 11/29/2012
PROJECT NO.: A06-408
PRINT DATE: 11/30/12 - 8:56am
DRAWING NAME: A06-204 A2.00.dwg

SHEET NO.: A2.00

Copyright 2006 Freiheit & Ho Architects, Inc., P.S.

ATTACHMENT 2

ATTACHMENT 3

WHEN RECORDED RETURN TO:
Thomas W. Read
Alston, Courtnage & Bassetti LLP
1000 Second Avenue, Suite 3900
Seattle, Washington 98104-1045

Document Title: **Memorandum of Understanding**

Grantor: City of Issaquah

Grantee:
1. Talus Parcel 16-1 LLC
2. Talus Village Center II LLC

Legal Description: Tracts D and E, Talus Div. 13, according to the Plat thereof recorded in Volume 242 of Plats, Page 78 through 84, inclusive, in King County, Washington

Assessor's Tax Parcel Nos.: 856278-0830-06; 856278-0840-04

Reference Nos. of Documents Released or Assigned: N/A

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the "Agreement") is dated as of February 23, 2012, and is made by and between the City of Issaquah ("City"), Talus Village Center II LLC ("TVC") and Talus Parcel 16-1 LLC ("TP16-1).

RECITALS

A. TVC owns the real property legally described on attached Exhibit A, and referred to herein as "Parcel 13". The property described on Exhibit A includes Lots 83 and 84, which are referred to herein as "Lots 83 and 84".

B. TP16-1 owns the real property legally described on attached Exhibit B, and referred to herein as "Parcel 16-1".

C. In issuing a Site Development Permit and providing plat approval for Parcel 13, the City required that Lots 83 and 84 be developed with at least 5,818 square feet of retail/office space (the "Retail/Office Requirement"). Under the terms of the Parcel 13

permits and approvals, the issuance of a certificate of occupancy for the 55th residential unit constructed on Parcel 13 may not be issued until final inspection of the shell space of the entire retail/office improvements on Lots 83 and 84 occurs.

D. TVC requested a revision to Final Plat Condition No. 3 of the Talus Parcel 13 Final Plat, and in a decision of the Hearing Examiner dated October 20, 2011 (the "Decision"), Condition No. 3 to the Talus Parcel 13 Final Plat was modified to read as follows:

> At least 5,818 square feet of retail/office, including any interior community center square footage, shall be provided on Lots 83 and 84. Issuance of the certificate of occupancy for the 55th residential unit may not occur until either: (1) the final inspection of the shell space for the entire amount of retail/office square footage is issued; or (2) rights to develop the parcels (Lots 83 and 84) are conveyed to the City or to another acceptable to the City for the purpose of fulfilling the non-residential component of this project.

AGREEMENT

For valuable consideration, the receipt of which is acknowledged, City, TVC and TP16-1 agree to implement the Decision as follows:

1. Pursuant to the Decision, in lieu of TVC's performance of the Retail/Office Requirement, TVC may fully satisfy the Retail/Office Requirement by conveying to the City Lots 83 and 84 as described in this Agreement. TVC shall make this election by written notice to the City (the "Conveyance Notice"), and if TVC gives a Conveyance Notice, it shall convey Lots 83 and 84 to the City within 30 days after giving such notice. The conveyance of Lots 83 and 84 to the City shall be in full satisfaction of all obligations of TVC with respect to the construction of any Retail/Office improvements within Parcel 13, and upon recording of such conveyance, the condition to TVC's ability to obtain a certificate of occupancy on the 55th residential unit in Parcel 13 shall be fully satisfied, provided TVC is in compliance with all other conditions of approval and with the provisions of the building permit.

2. If TVC conveys Lots 83 and 84 to the City as described herein:

A. Upon such conveyance, the City's requirement that a portion of the retail/office improvements on Parcel 16-1 be built out as ~~"community space" shall be released~~ and forgiven.

B. TVC shall convey Lots 83 and 84 to the City by Statutory Warranty Deed (the "Deed") which shall be free and clear of all monetary encumbrances, liens and leases.

C. TVC shall provide the City with a commitment for an owner's standard coverage title policy from Chicago Title, covering Lots 83 and 84, within 10 days after giving the Conveyance Notice. TVC shall be required to satisfy and release all monetary liens encumbering Lots 83 and 84, other than non-delinquent real estate taxes and assessments, as a condition of closing.

D. The conveyance of Lots 83 and 84 to the City shall require no payment of consideration by the City.

E. TVC shall convey title to Lots 83 and 84 subject to any existing oil, gas and minerals reservations, covenants, conditions or restrictions, and easements and other matters that are consistent with the Talus Development Agreement and agreed to by the City. TVC shall also reserve in the Deed permanent, non-exclusive easements for the benefit of the TVC adjoining Lots 83 and 84 to the west (i) the right to make slopes, cuts and fills, and (ii) an easement for construction, maintenance, repair and replacement of a retaining wall within the western three (3) feet of Lot 84.

F. At closing TVC shall cause Chicago Title to issue to City an owner's standard coverage title insurance covering Lots 83 and 84, insuring the City as owner in the amount equal to assessed value of such parcels and consistent with the condition of title provisions in this Agreement. TVC shall pay the costs of recording the Deed and of the owner's standard coverage title insurance. TVC shall also pay any escrow fees associated with closing of the conveyance of Lots 83 and 84 to the City. TVC shall also pay all real estate taxes prorated to date of closing.

G. No real estate excise tax shall be due on the transfer, pursuant to WAC 458-61A-205 (4). If any such tax is deemed to be due, TVC shall pay such tax, and any penalty and interest.

H. City shall be entitled to possession of Lots 83 and 84 upon recording of the Deed, subject to the Easement described in Section 3 below.

I. If neither TVC nor TP 16-1 plans to exercise its rights under the Easement described in Section 3 below, then prior to TVC's conveyance of Lots 83 and 84 to the City, TVC shall complete the items listed in Exhibit D attached hereto. TVC shall be required to post a surety bond or other monetary guarantee acceptable to the City in an amount determined by the City to cover the estimated costs of completing the items listed in Exhibit D. All such work shall be completed within 60 days after commencement of construction, weather permitting. The parties may extend this date by mutual agreement.

3. Temporary Construction Easement. Concurrent with the closing of TVC's conveyance of Lots 83 and 84 to the City, and immediately following recording of the Deed described above, City will grant to TVC and record a construction easement ("Easement"), in the form of Exhibit C attached hereto.

4. Option to Reacquire Property. If a complete building permit application for the development of building(s) consisting of at least six thousand (6,000) square feet of area on Lots 83 and 84 has not been filed with the City of Issaquah within twelve (12) months after the recording of the Deed described above, then TVC may, at its option (which option shall be exercised by written notice to the City), require the City to convey Lots 83 and 84 back to either TVC or to such other entity as TVC shall designate in its written notice to the City. If TVC exercises this option, then the City shall convey Lots 83 and 84 to TVC or its designated grantee by special warranty deed, and the City shall be required to satisfy and release all monetary liens encumbering Lots 83 and 84 that were the result of City acts or omissions, other than non-delinquent real estate taxes and assessments. No consideration shall be payable by TVC or the grantee to the City in consideration of this conveyance. Title to Lots 83 and 84 shall be conveyed to its designated grantee subject to all existing oil, gas and mineral reservations, covenants, conditions or restrictions general to the area, and easements and other matters that are consistent with the Talus Development Agreement. If TVC exercises this option: (i) TVC shall be responsible for obtaining any title insurance which it or its grantee desires; (ii) TVC shall pay any closing costs associated with the conveyance of the property, recording costs, real estate excise taxes and other taxes; and (iii) TVC must complete construction of a project approved by the City of Issaquah on Lots 83 and 84, and obtain a certificate of occupancy for such improvements, within eighteen (18) months after the date on which TVC reacquires title to Lots 83 and 84.

5. Attorneys' Fees. The prevailing party in any legal proceeding brought in connection with this Agreement shall be entitled to recover court costs and reasonable attorney fees from the non-prevailing party or parties.

6. Notices. Any notice required or permitted to be given under this Agreement shall be in writing and (i) personally delivered, (ii) sent by Federal Express or similar nationally recognized overnight courier service, or (iii) transmitted by facsimile with a hard copy sent within one (1) business day by any of the foregoing means. Such notice shall be deemed to have been given upon the date of actual receipt or delivery (or refusal to accept delivery), as evidenced by the notifying party's receipt of written or electronic confirmation of such delivery or refusal, if received by the party to be notified between the hours of 8 a.m. and 5 p.m. Pacific time on any business day, with delivery made after such hours to be deemed

received on the following business day. For the purposes of notice, the addresses of the parties shall be as follows:

City: City of Issaquah
PO Box 1307
Issaquah, WA 98027
Attn: Keith Niven

TVC: Talus Village Center II LLC
419 Occidental Avenue South, Suite 300
Seattle, WA 98104
Attn: Dan Swallow
Facsimile 206-625-9133

TP16-1: Talus Parcel 16-1 LLC
419 Occidental Avenue South, Suite 300
Seattle, WA 98104
Attn: Dan Swallow
Facsimile 206-625-9133

or such other address as either party may from time to time specify in writing delivered to the other in accordance with this Section 6.

7. Integration. This Agreement contains the complete agreement between the parties and cannot be varied except by the written agreement of the parties. The parties agree that there are no oral agreements, understandings, representations or warranties that are not expressly set forth herein.

8. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, representatives, successors and assigns where permitted by this Agreement and shall be deemed to run with the property described on Exhibit A, and shall be recorded with the King County Department of Records and Elections.

9. Date of Performance. If the date for performance of any act under this Agreement falls on a Saturday, Sunday or federal holiday, the date for such performance shall automatically be extended to the first succeeding business day that is not a Saturday, Sunday or federal holiday.

10. Further Instruments. Each party will, whenever and as often as it shall be requested so to do by the other, cause to be executed, acknowledged or delivered any and all such further instruments and documents as may be necessary or proper, in the reasonable opinion of the requesting party, in order to carry out the intent and purpose of this Agreement.

11. Counterparts/Facsimile/Electronic Mail. This Agreement may be executed in any number of counterparts, provided each of the parties hereto executed at least one counterpart; each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement. This Agreement may be signed by facsimile or by electronic mail, and each facsimile and electronic copy so signed shall be deemed an original hereof.

CITY

CITY OF ISSAQUAH

By Ava Frisinger
Its

TVC

TALUS VILLAGE CENTER II LLC

By
Its Vice President

TP16-1

TALUS PARCEL 16-1 LLC

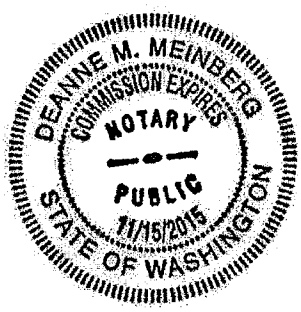
By
Its Vice President

STATE OF WASHINGTON)
) ss.
COUNTY OF King)

On this 9th day of March, 2012, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared Ava Frisinger, known to me to be the Mayor of **CITY OF ISSAQUAH**, the municipal corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

WITNESS my hand and official seal hereto affixed the day and year in the certificate above written.



Deanne M. Meinberg
Signature
Deanne M. Meinberg
Print Name
NOTARY PUBLIC in and for the State of Washington, residing at Issaquah, WA.
My commission expires 11-15-2015.

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 23rd day of February, 2012, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared Dan J. Swallow, known to me to be the V.P. of **TALUS VILLAGE CENTER II LLC**, the limited liability company that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

WITNESS my hand and official seal hereto affixed the day and year in the certificate above written.

Cathy M. Long
Signature

Cathy M. Long
Print Name

NOTARY PUBLIC in and for the State of Washington, residing at Snohomish.
My commission expires 6-16-12.

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 23rd day of February, 2012, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared Dan J. Swallow, known to me to be the V.P. of **TALUS PARCEL 16-1 LLC**, the limited liability company that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

WITNESS my hand and official seal hereto affixed the day and year in the certificate above written.

Cathy M. Long
Signature

Cathy M. Long
Print Name

NOTARY PUBLIC in and for the State of Washington, residing at Snohomish.
My commission expires 6-16-12.

Exhibit A

Parcel 13 Legal Description

Tracts D and E, Talus Div. 13, according to the Plat thereof recorded in Volume 242 of Plats, Page 78 through 84, inclusive, in King County, Washington.

Exhibit B

Parcel 16-1 Legal Description

Revised Parcel 16-1, City of Issaquah Boundary Line Adjustment No. BLA03-004EV, recorded under Recording No. 20040526900004.

Exhibit C

Construction Easement

ATTACHMENT 4

CHICAGO TITLE INS. CO (9)
REF# 1342752-6

20130212001724
CHICAGO TITLE WD
PAGE-001 OF 009 80.00
02/12/2013 12:59
KING COUNTY, WA

WHEN RECORDED RETURN TO:
Thomas W. Read
Alston, Courtnage & Bassetti LLP
1420 Fifth Avenue, Suite 3650
Seattle, Washington 98101-4011

E2588745
02/12/2013 12:57
KING COUNTY, WA
TAX - $10.00
SALE $0.00

PAGE-001 OF 001

Unofficial Document

Document Title: **STATUTORY WARRANTY DEED**

Grantor: Talus Village Center II LLC

Grantee: City of Issaquah

Legal Description: Parcels D and E of Talus Div. 13, according to the plat thereof, recorded in Volume 242 of plats, pages 78 through 84, inclusive, in King County, Washington.

Assessor's Tax Parcel Nos.: 856278-0830-06 and 856278-0840-04

Reference Nos. of Documents Released or Assigned:

STATUTORY WARRANTY DEED

THE GRANTOR, Talus Village Center II LLC, a Washington limited liability company, for and in consideration of transfer to a municipality for a public purpose in connection with Grantor's development of property, conveys and warrants to the City of Issaquah, a municipal corporation, the real estate situated in the County of King, State of Washington, legally described above, subject to the matters disclosed on attached Exhibit A, and Grantor further reserving into itself and its successors and assigns perpetual nonexclusive easements for the benefit of the property legally described on attached Exhibit B for (i) the right to make slopes, cuts and fills, and (ii) an easement for construction, maintenance, repair and replacement of a retaining wall within the westerly three (3) feet of Lot 84.

DATED: January 30, 2013.

GRANTOR:

TALUS VILLAGE CENTER II LLC

By _____
Dan Swallow, Vice President

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STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 30th day of January, 2013, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared **Dan Swallow**, known to me to be the Vice President of **TALUS VILLAGE CENTER II LLC**, the limited liability company that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

WITNESS my hand and official seal hereto affixed the day and year in the certificate above written.

CATHY M. LONG
STATE OF WASHINGTON
NOTARY PUBLIC
MY COMMISSION EXPIRES
06-16-16

Cathy M. Long
Signature

Cathy M. Long
Print Name

NOTARY PUBLIC in and for the State of Washington, residing at Snohomish
My commission expires 6-16-16.

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EXHIBIT A

Permitted Exceptions

1. COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS, NOTES, DEDICATIONS AND SETBACKS, IF ANY, SET FORTH IN OR DELINEATED ON THE BOUNDARY/LOT LINE ADJUSTMENT RECORDED UNDER RECORDING NUMBER 20060803900003, AFFECTING ENTIRE PLAT.

2. COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS, NOTES, DEDICATIONS AND SETBACKS, IF ANY, SET FORTH IN OR DELINEATED ON THE PLAT OF TALUS DIV. A, A MASTER PLAT, VOLUME 201 OF PLATS, PAGES 38 THROUGH 50 RECORDED UNDER RECORDING NUMBER 20010815000871, AFFECTING ENTIRE PLAT .

3. COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS, NOTES, DEDICATIONS AND SETBACKS, IF ANY, SET FORTH IN OR DELINEATED ON CITY OF ISSAQUAH BOUNDARY LINE ADJUSTMENT NO. LLA06-004EV, RECORDED UNDER RECORDING NUMBER 20061220900008, AFFECTING ENTIRE PLAT.

4. COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS, NOTES, DEDICATIONS AND SETBACKS, IF ANY, SET FORTH IN OR DELINEATED ON SAID PLAT OF TALUS DIV. 13.

5. EASEMENTS, COVENANTS, COSTS AND ASSESSMENTS, AS SET FORTH IN DECLARATION OF EASEMENTS AND COVENANT TO SHARE COSTS FOR TALUS:

   GRANTOR: OLY/INTRACORP GENERAL PARTNERSHIP
   RECORDED: SEPTEMBER 13, 2001
   RECORDING NUMBER: 20010913001304

   AFFECTS: ENTIRE PLAT

   AMENDMENT AND/OR MODIFICATION OF SAID DECLARATION OF EASEMENTS:

   RECORDED: DECEMBER 23, 2003
   RECORDING NUMBER: 20031223001555

   AMENDMENT AND/OR MODIFICATION OF SAID DECLARATION OF EASEMENTS:

   RECORDED: APRIL 16, 2004
   RECORDING NUMBER: 20040416001050

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AMENDMENT AND/OR MODIFICATION OF SAID DECLARATION OF EASEMENTS:

RECORDED: MARCH 15, 2005
RECORDING NUMBER: 20050315001242

ASSIGNMENT OF DECLARANT RIGHTS UNDER SAID DECLARATION:

RECORDED: JULY 10, 2007
RECORDING NUMBER: 20070710000991
ASSIGNEE: TALUS MANAGEMENT SERVICES, LLC, A WASHINGTON LIMITED LIABILITY COMPANY

6. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

GRANTEE: PUGET SOUND ENERGY, INC., A WASHINGTON CORPORATION
PURPOSE: UTILITY SYSTEMS FOR TRANSMISSION, DISTRIBUTION AND SALE OF GAS AND ELECTRICITY
AREA AFFECTED: PORTIONS OF SAID PREMISES AND OTHER PROPERTY LYING WITHIN A STRIP OF LAND 10 FEET IN WIDTH HAVING 5 FEET OF SUCH WIDTH ON EACH SIDE OF THE CENTERLINE OF GRANTEE'S FACILITIES AS NOW CONSTRUCTED, TO BE CONSTRUCTED, EXTENDED OR RELOCATED
RECORDED: DECEMBER 14, 2007
RECORDING NUMBER: 20071214000095

7. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

GRANTEE: COMCAST OF WASHINGTON IV, INC.
PURPOSE: BROADBAND COMMUNICATIONS SYSTEM
AREA AFFECTED: THE DESCRIPTION CONTAINED THEREIN IS NOT SUFFICIENT TO DETERMINE ITS EXACT LOCATION WITHIN THE PROPERTY HEREIN DESCRIBED.
RECORDED: DECEMBER 24, 2007
RECORDING NUMBER: 20071224000183

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8. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

GRANTEE:	CITY OF ISSAQUAH, A MUNICIPAL CORPORATION
PURPOSE:	INSTALLATION, OPERATION AND MAINTENANCE OF A WATER MAIN
AREA AFFECTED:	PORTION OF TRACTS C AND E AND LOT 58 IN SAID PLAT AS DESCRIBED AND DELINEATED IN DOCUMENT
RECORDED:	APRIL 28, 2008
RECORDING NUMBER:	20080428000970

9. EXCEPTIONS AND RESERVATIONS CONTAINED IN DEED:

FROM:	NORTHERN PACIFIC RAILROAD COMPANY
RECORDED:	JULY 6, 1901
RECORDING NUMBER:	212072

AND AMENDED BY INSTRUMENT

RECORDED:	MARCH 16, 1977
RECORDING NUMBER:	7703160431

AS FOLLOWS: EXCEPTING AND RESERVING UNTO THE GRANTOR, ITS SUCCESSORS AND ASSIGNS, FOREVER, ALL MINERALS OF EVERY NATURE WHATSOEVER, INCLUDING BUT NOT LIMITED TO URANIUM, COAL, IRON, NATURAL GAS AND OIL, IN, UPON OR UNDER SAID LAND, AND INCLUDING ALL STEAM AND WATERS AND THE MINERALS THEREIN, TOGETHER WITH THE RIGHT TO THE USE OF SUCH PART OF THE SURFACE AS MAY BE NECESSARY OR CONVENIENT FOR THE PURPOSE OF EXPLORING FOR (BY GEOLOGICAL, GEOPHYSICAL OR OTHER METHODS), AND DRILLING FOR, PRODUCING, MINING, EXTRACTING, TAKING, STORING AND TRANSPORTING THE SAME AND FOR CONSTRUCTING AND OPERATING AN ELECTRIC GENERATING PLANT OR THEIR FACILITY FOR UTILIZATIONN OF GEOTHERMAL WATERS OR STEAM FOUND OR UNDER SAID LAND TOGETHER WITH THE RIGHT TO THE USE OF SUCH SUBSURFACE STRATA AS MAY BE NECESSARY OR CONVENIENT FOR THE PURPOSE OF UNDERGROUND STORAGE OR INJECTION OF OIL, GAS OR OTHER HYDROCARBONS, WATER, OR OTHER SUBSTANCES THEREIN, WHETHER PRODUCED FROM THE LAND OR ELSEWHERE. GRANTEE SHALL HAVE THE RIGHT TO USE SUCH WATER, EXCEPT GEOTHERMAL WATERS AND STEAM FOUND IN OR UPON OR PRODUCED FROM SAID PREMISES AS IS NECESSARY OR CONVENIENT FOR ITS

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OPERATIONS.

THE GRANTOR, ITS SUCCESSORS AND ASSIGNS, SHALL BE OBLIGATED TO REASONABLY COMPENSATE THE GRANTEE OR ITS SUCCESSORS OR ASSIGNS ONLY FOR ACTUAL PHYSICAL DAMAGE TO GROWING CROPS, TREES, BUILDINGS, FENCES OR OTHER STRUCTURES UPON SAID LANDS, SUSTAINED AS A RESULT OF THE USE THEREOF BY GRANTOR, ITS SUCCESSORS OR ASSIGNS.

AFFECTS: ENTIRE PLAT AND OTHER PROPERTY

10. COVENANTS, CONDITIONS AND RESTRICTIONS CONTAINED IN INSTRUMENT, BUT OMITTING ANY COVENANTS OR RESTRICTIONS, IF ANY, BASED UPON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, HANDICAP, NATIONAL ORIGIN, ANCESTRY, OR SOURCE OF INCOME, AS SET FORTH IN APPLICABLE STATE OR FEDERAL LAWS, EXCEPT TO THE EXTENT THAT SAID COVENANT OR RESTRICTION IS PERMITTED BY APPLICABLE LAW:

RECORDED: SEPTEMBER 14, 2001
RECORDING NUMBER: 20010914001232
REGARDING: DEVELOPMENT

AFFECTS: ENTIRE PLAT AND OTHER PROPERTY

11. COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS AND LIABILITY FOR ASSESSMENTS CONTAINED IN INSTRUMENT, BUT OMITTING ANY COVENANTS OR RESTRICTIONS, IF ANY, BASED UPON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, HANDICAP, NATIONAL ORIGIN, ANCESTRY, OR SOURCE OF INCOME, AS SET FORTH IN APPLICABLE STATE OR FEDERAL LAWS, EXCEPT TO THE EXTENT THAT SAID COVENANT OR RESTRICTION IS PERMITTED BY APPLICABLE LAW:

RECORDED: SEPTEMBER 24, 2001
RECORDING NUMBER: 20010924001305

AFFECTS: ENTIRE PLAT AND OTHER PROPERTY

AMENDMENT AND/OR MODIFICATION OF SAID RESTRICTIONS:

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12. AGREEMENT AND THE TERMS AND CONDITIONS THEREOF:

BETWEEN:	NORTHWEST PROPERTY INVESTORS II, A WASHINGTON LIMITED PARTNERSHIP
AND:	CITY OF ISSAQUAH
RECORDED:	JUNE 17, 1996
RECORDING NUMBER:	9606170285
REGARDING:	PRE-ANNEXATION AGREEMENT FOR COUGAR MOUNTAIN EAST VILLAGE

AFFECTS: ENTIRE PLAT AND OTHER PROPERTY

13. DEVELOPMENT AGREEMENT, DISCLOSED BY MEMORANDUM THEREOF, AND THE TERMS AND CONDITIONS THEREOF:

BETWEEN:	COUGAR MOUNTAIN EAST VILLAGE PARTNERSHIP
AND:	CITY OF ISSAQUAH
RECORDED:	FEBRUARY 9, 2000
RECORDING NUMBER:	20000209001923

AFFECTS: ENTIRE PLAT AND OTHER PROPERTY

14. AGREEMENT AND THE TERMS AND CONDITIONS THEREOF:

BETWEEN:	TALUS RESIDENTIAL ASSOCIATION, A WASHINGTON NON-PROFIT CORPORATION
AND:	TALUS VILLAGE CENTER LLC, A WASHINGTON LIMITED LIABILITY COMPANY
RECORDED:	DECEMBER 21, 2006
RECORDING NUMBER:	20061221001088
REGARDING:	DECLARATION AND GRANT OF EASEMENTS BENEFICIAL TO SAID PREMISES

AFFECTS: ENTIRE PLAT

15. MEMORANDUM OF UNDERSTANDING, INCLUDING THE TERMS AND PROVISIONS THEREOF:

BETWEEN:	CITY OF ISSAQUAH
AND:	TALUS VILLAGE CENTER II LLC AND TALUS PARCEL 16-1 LLC
RECORDED:	MAY 16, 2012
RECORDING NUMBER:	20120516001087

16. Taxes and assessments levied but not yet due and payable.

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EXHIBIT B

Benefitted Property

Lots 1 through 82, inclusive, and all common area parcels and tracts, Talus Div. 13, according to the Plat thereof recorded in Volume 242 of Plats, Pages 78 through 84, inclusive, in King County, Washington.