



ACCEPTANCE LETTER

Olympia PropCo LLC
4 Park Plaza Ste 850
Irvine, CA 92614

SUBJECT: Ensign Road Pathway
Project No. 1604G
Property Address: 425 Lilly Road NE, Olympia WA
Thurston County Tax 11817220600

We accept the offer made in the City of Olympia's (City) ***emailed offer of compensation and settlement letter***, dated February 27, 2018, attached hereto and incorporated by reference (the "Offer Letter"), to acquire an easement over a portion of our property for the above-referenced project, subject to the terms and conditions set forth below. We hereby conditionally accept \$24,000.00 along with the items and conditions outlined in the Offer Letter as compensation for the proposed Pedestrian and Bicycle Easement described in the Offer Letter.

At reasonable times, the City's representatives may enter the proposed easement area and our property for the purpose of making surveys and studies to complete the pathway design and project.

Closing the transaction is contingent on the City obtaining Title Insurance in a form and manner acceptable to the City. The closing of the transaction is also contingent on the property being free of all other encumbrances and liabilities not acceptable to the City. We understand that final closing and disbursement will be after recording of the deed by the City. Furthermore, we understand that the closing is contingent upon approval by the Olympia City Council.

This letter and the acceptance of the Offer Letter does not create a binding agreement between the parties hereto. Such a binding agreement would occur only upon the execution of an easement agreement (the "Agreement") by the parties reflecting the terms and conditions set forth herein. Until the execution of the Agreement, each party hereto specifically reserves the right to withdraw from or terminate negotiations at any time, for any reason and neither party will have any liability of any kind to the other by reason of such withdrawal or termination.

The terms contained herein are subject to approval and/or ratification by any lender of the property owner, Olympia PropCo LLC ("PropCo"). While its lender has been notified of this transaction, formal approval to move forward has not been granted at this time.

DATED this 16th day of March, 2018.

Owner:
OLYMPIA PROPCO LLC, a Delaware limited liability
company

By: S-H MRE/HCP PropCo Ventures LLC,
a Delaware limited liability company,
its Sole Member

By: 山 中 元 夫
Name: Katsuo Yamanaka
Title: Vice President



February 27, 2018

Olympia Propco, LLC
4 Park Plaza Ste 850
Irvine, CA 92614

Mr. Roger Green and Mr. Kevin Hanlon:

**SUBJECT: Final Revised Offer of Compensation and Settlement
Ensign Pathway Project #1604G
425 Lilly Road NE, Olympia WA
Thurston County Tax Parcel # 11817220600**

This letter revises the City's offer of settlement dated December 6, 2017. All previous offers of compensation to acquire right-of-way for the above referenced project, verbal or written, are hereby rescinded.

The City's revised offer to acquire the necessary property rights to construct and maintain the pedestrian/bike pathway is as follows:

- Pedestrian and Bicycle Access Easement (3,651 SQ FT): **\$24,000**
- Survey and place wooden lath (for the purpose of fence construction) along the North (approx. 150 LF), East (approx. 165 LF), and South (approx. 190 LF) property lines as highlighted on the attached "Fence Layout Sketch". Property owner is responsible for fencing materials, installation and tree trimming costs.
- Install one (1) streetlight in the landscape island between the two parking lot entrances on the south side of Ensign Road. The install will require the removal of one tree and some additional vegetation trimming around the light. The City will be responsible for the removal of the tree and minor trimming for the appropriate light casting, see attached design plans. No replacement trees or plantings are included.
- Upgrade the existing streetlight located at the Southeast corner of the parking lot to LED. The City will be responsible for minor tree trimming around the existing light for appropriate light casting.
- Install two (2) "Employee Only Parking" signs one at each entrance of the above parking lot. Exact wording and location will be coordinated with the owner prior to the project advertising for bids.
- Install two (2) to four (4) "No Parking" signs along Ensign Road within the owner's property. Exact wording and locations to be coordinated with the owner prior to the project advertising for bids.
- Install two (2) "Private Property, Public Pedestrian and Bicycle Traffic Welcome" signs at or near the South property line. Exact wording and location will be coordinated with the owner prior to the project advertising for bids.

MAYOR: Cheryl Selby, **MAYOR PRO TEM:** Nathaniel Jones, **CITY MANAGER:** Steven R. Hall
COUNCILMEMBERS: Jessica Bateman, Clark Gilman, Julie Hankins, Jeannine Roe, Jim Cooper

- The owner's business sign for "The Firs" is currently located on private property at the corner of the private drive, known as 10th Ave, and Lilly Road. The private property may redevelop in the future and require the removal of the sign. Should that happen, the City will allow the placement of a new sign that meets the following criteria:
 - The sign size shall meet City standards at the time of placement.
 - The sign shall be placed in the planter strip between back of curb and face of sidewalk.
 - The placement shall be no less than twenty feet from the south curb line of 10th Ave extended or per current sign placement standards for sight triangles at the time of installation.
 - The owner is responsible for all sign costs to include installation.
 - The City will waive all sign permitting fees, if any.
- The City will be responsible for all engineering, permitting, construction and ongoing maintenance associated with pathway between the Chehalis Western Trail and the private roadway known as Ensign Road.
- The City be responsible for the hard surface maintenance within the defined Easement Area.
- Olympia Propco, LLC and its partners will have the opportunity to review the design plans prior to solicitation of bids.

If you accept this offer, please sign and date the enclosed Acceptance Letter and Easement Agreement. The Easement Agreement will need to be notarized.

Once the City receives the signed documents, the Easement Agreement will be scheduled for City Council final approval. All property right acquisitions are subject to Council approval. If approved, a check, in the amount of \$24,000.00 will be mailed and the City Manager will execute the Easement Agreement. A recorded copy of the agreement will be provided to Olympia Propco, LLC. All other items listed in the offer section above will be completed with the construction of the pathway project.

Thank you for your willingness to work with the City to complete this much needed and important project. If you have questions or concerns or would like to schedule a meeting, please feel free to contact me at 360.753.8389 or via e-mail at lcluff@ci.olympia.wa.us.

Sincerely,



LADD F. CLUFF, PLS

City Surveyor
Public Works Engineering

LC/dn
Enclosures
ec: To File
Rich Hoey, P.E., Public Works Director