King County

1200 King County
Courthouse
516 Third Avenue
Seattle, WA 98104

Meeting Agenda

Budget and Fiscal Management Committee

Councilmembers:
Rod Dembowski, Chair;
Jorge L. Barón, Vice Chair;
Steffanie Fain, Rhonda Lewis, Teresa Mosqueda, Sarah Perry

Lead Staff: April Sanders (206-263-3412)
Co-Lead Gene Paul (206-477-9378)
Committee Clerk: Gabbi Williams (206-477-7470)

9:30 AM	Wednesday, July 22, 2026	Hybrid Meeting

Hybrid Meetings: Attend King County Council committee meetings in person in Council Chambers (Room 1001), 516 3rd Avenue in Seattle, or through remote access. Details on how to attend and/or provide comment remotely are listed below.

Pursuant to K.C.C. 1.24.035 A. and F., this meeting is also noticed as a meeting of the Metropolitan King County Council, whose agenda is limited to the committee business. In this meeting only the rules and procedures applicable to committees apply and not those applicable to full council meetings.

HOW TO PROVIDE PUBLIC COMMENT: The Budget and Fiscal Management Committee values community input and looks forward to hearing from you on agenda items.

There are three ways to provide public comment:
1. In person: You may attend the meeting and provide comment in the Council Chambers.
2. By email: You may comment in writing on current agenda items by submitting your email comments to committees@kingcounty.gov. If your email is received before 8:00 a.m. on the day of the meeting, your email comments will be distributed to the committee members and appropriate staff prior to the meeting.
3. Remote attendance at the meeting by phone or computer (see "Connecting to the Webinar" below).

Sign language and interpreter services can be arranged given sufficient notice (206-848-0355).
TTY Number - TTY 711.
Council Chambers is equipped with a hearing loop, which provides a wireless signal that is picked up by a hearing aid when it is set to 'T' (Telecoil) setting.

You are not required to sign up in advance. Comments are limited to current agenda items.

You have the right to language access services at no cost to you. To request these services, please contact Language Access Coordinator, Tera Chea at 206 477 9259 or email tera.chea2@kingcounty.gov by 8:00 a.m. three business days prior to the meeting.

CONNECTING TO THE WEBINAR:

Webinar ID: 867 1228 9077

By computer using the Zoom application at https://zoom.us/join and the Webinar ID above.

Via phone by calling 1-253-215-8782 and using the Webinar ID above.

HOW TO WATCH/LISTEN TO THE MEETING REMOTELY: There are several ways to watch or listen in to the meeting:

1) Stream online via this link: http://www.kingcounty.gov/kctv, or input the link web address into your web browser.

2) Watch King County TV on Comcast Channel 22 and 322(HD) and Astound Broadband Channels 22 and 711(HD)

3) Listen to the meeting by telephone – See "Connecting to the Webinar" above.

To help us manage the meeting, if you do not wish to be called upon for public comment please use the Livestream or King County TV options listed above, if possible, to watch or listen to the meeting.

To show a PDF of the written materials for an agenda item, click on the agenda item below.

1. Call to Order

2. Roll Call

3. Approval of Minutes p. 5

July 8, 2026 meeting minutes

4. Public Comment

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Discussion and Possible Action

5. Proposed Motion No. 2026-0119 p. 9

A MOTION acknowledging receipt of the Harbor Island Studio Assessment Report required by the 2026-2027 Biennial Budget Ordinance, Ordinance 20023, Section 20, Proviso P1.

Sponsors: Dembowski

Gene Paul, Council staff

6. Proposed Motion No. 2026-0146 p. 28

A MOTION acknowledging receipt of the Harbor Island surplussing analysis as required by the 2026-2027 Biennial Budget Ordinance, Ordinance 20023, Section 110, Proviso P3.

Sponsors: Dembowski

Gene Paul, Council staff

Discussion Only

7. Proposed Ordinance No. 2026-0160 p. 57

AN ORDINANCE relating to solid waste fees charged at recycling and transfer facilities, at the Cedar Hills regional landfill; amending Ordinance 12564, Section 2, as amended, and K.C.C.10.12.021 and establishing an effective date.

Sponsors: Lewis

Contingent Upon Referral to the Budget and Fiscal Management Committee

Terra Rose, Council staff

Discussion and Possible Action

8. Proposed Ordinance No. 2026-0161 p. 102

AN ORDINANCE authorizing the execution of a new lease to support the operation of department of public health.

Sponsors: Dembowski

Sam Porter, Council staff

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TTY Number - TTY 711.
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9. Proposed Ordinance No. 2026-0165 p. 153

AN ORDINANCE that adopts the Harborview Medical Center 2027 Capital Improvement Program Annual Budget for the year ending June 30, 2027, and makes appropriations for the capital improvements for the Harborview Medical Center.

Sponsors: Dembowski

Sam Porter, Council staff

10. Proposed Ordinance No. 2026-0097 p. 169

AN ORDINANCE relating to the sale of the surplus property parcel 152104-9016, located near South 328th Street and Military Road South, Federal Way, Washington, in council district seven.

Sponsors: von Reichbauer

Nick Bowman, Council staff

Other Business

Adjournment

Sign language and interpreter services can be arranged given sufficient notice (206-848-0355).
TTY Number - TTY 711.
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Meeting Minutes

Budget and Fiscal Management Committee

Councilmembers:
Rod Dembowski, Chair;
Jorge L. Barón, Vice Chair;
Steffanie Fain, Rhonda Lewis, Teresa Mosqueda, Sarah Perry

Lead Staff: April Sanders (206-263-3412)
Co-Lead Gene Paul (206-477-9378)
Committee Clerk: Gabbi Williams (206-477-7470)

9:30 AM | **Wednesday, July 8, 2026** | **Hybrid Meeting**

DRAFT MINUTES

1. Call to Order

Chair Dembowski called the meeting to order at 9:33 a.m.

2. Roll Call

Present: 5 - Barón, Dembowski, Fain, Lewis and Perry

Excused: 1 - Mosqueda

3. Approval of Minutes

Councilmember Barón moved approval of the June 10, 2026 meeting minutes. There being no objections, the minutes were approved.

4. Public Comment

There were no individuals present to provide public comment.

Consent

5. **Proposed Ordinance No. 2026-0128**

AN ORDINANCE relating to the sale of the surplus property located at 8923 Fauntleroy Way SW, Seattle, Washington, in council district eight.

This matter was expedited to the July 14, 2026 council agenda.

A motion was made by Councilmember Barón that this Ordinance be Recommended Do Pass Consent. The motion carried by the following vote:

Yes: 5 - Barón, Dembowski, Fain, Lewis and Perry

Excused: 1 - Mosqueda

Discussion and Possible Action

6. **Proposed Ordinance No. 2026-0108**

AN ORDINANCE relating to the sale of the surplus property located at 46502 268th Avenue SE, King County, Washington, in council district nine.

April Sanders, Council staff, briefed the committee and answered questions from the members. Amanda Tran, Real Property Agent IV, Facilities Management Division, also addressed the committee and answered questions from the members.

Councilmember Barón moved Amendment 1. The Amendment was adopted.

A motion was made by Councilmember Barón that this Ordinance be Recommended Do Pass Substitute Consent. The motion carried by the following vote:

Yes: 5 - Barón, Dembowski, Fain, Lewis and Perry

Excused: 1 - Mosqueda

7. **Proposed Ordinance No. 2026-0069**

AN ORDINANCE relating to the sale of the property parcel 212205-9183 located in Kent, Washington, in council district five.

Nick Bowman, Council staff, briefed the committee and answered questions from the members.

Councilmember Fain moved Amendment 1. The Amendment was adopted.

This matter was expedited to the July 14, 2026 council meeting.

A motion was made by Councilmember Fain that this Ordinance be Recommended Do Pass Substitute Consent. The motion carried by the following vote:

Yes: 5 - Barón, Dembowski, Fain, Lewis and Perry

Excused: 1 - Mosqueda

8. **Proposed Ordinance No. 2026-0083**

AN ORDINANCE amending an interim loan program to facilitate acquisition of property for low-income housing, allowing for the executive to extend loan terms and grant further flexibility to county partners; and amending Ordinance 16693, Section 3, as amended, and K.C.C. 24.22.020, Ordinance 16693, Section 4, and K.C.C. 24.22.030, and Ordinance 16693, Section 5, and K.C.C. 24.22.040.

April Sanders, Council staff, briefed the committee and answered questions from the members.Kristin Pula, Chief of Capital Programs, Housing and Community Development Division, Department of Community and Human Services, also addressed the committee and answered questions from the members.

Councilmember Barón moved Striking Amendment S1. The Amendment was adopted. Councilmember Barón moved Amendment 1 to Striking Amendment S1. The Amendment was adopted.

This matter was expedited to the July 14, 2026 council meeting.

A motion was made by Councilmember Barón that this Ordinance be Recommended Do Pass Substitute Consent. The motion carried by the following vote:

Yes: 5 - Barón, Dembowski, Fain, Lewis and Perry

Excused: 1 - Mosqueda

Other Business

There was no further business to come before the committee.

Adjournment

The meeting was adjourned at 10:08 a.m.

Approved this _____________ day of _________________

Clerk's Signature

Metropolitan King County Council
Staff Report

Committee:	Budget and Fiscal Management Committee		
Agenda Item:	5	**Analyst:**	Gene Paul
Proposed No.:	2026-0119	**Meeting Date:**	July 22, 2026

OVERVIEW

TOPIC: A motion that would acknowledge receipt of the Harbor Island Studios Assessment report, which was required under a budget proviso.

LEGISLATION SUMMARY

To inform decisions on the ongoing support of Harbor Island Studios, the Council included a proviso in the 2026-2027 Biennial Budget asking the Office of Economic Opportunity and Creative Economy to prepare an assessment of the Studios. The assessment includes an analysis of how the studios support the local film industry, the data related to productions and revenues, and an estimate of the fair market value to lease the facilities. The transmitted report appears to comply with the proviso requirements.

KEY ISSUES FROM THE ANALYSIS

No issues have been identified. The proviso appears to comply with the Biennial Budget's requirements. As required, the report includes:

- Analysis of how Harbor Island Studio serves the local film industry and industry needs;
- Data on the number of productions at the Harbor Island Studios;
- Information on the rates and fees charged each production for use of the Harbor Island Studio in 2024, 2025, and January through March 2026 and total revenues generated each month; and
- An estimate of the true and fair market value of a lease of comparable studio facilities.

AMENDMENTS

- **Amendment 1** would update the reference to the proviso to reflect its movement from the Office of Economic Opportunity and Creative Economy to the Executive's Office in Ordinance 20086, the 2026-2027 1st Omnibus supplemental budget.

- **Title Amendment T1** would conform the title with the changes in Amendment 1.

BACKGROUND & TIMING CONSIDERATIONS

↑ BACK TO TOP

Harbor Island. The Solid Waste Division (SWD) purchased the former Fisher Flour Mill property on Harbor Island in 2003 for $8.5 million.[1] The site was expected to be used as an intermodal facility for solid waste to be exported by rail out of King County once the Cedar Hills Regional Landfill reached capacity. The site has been retained by SWD but not developed into an intermodal facility pending a final decision on the long-term disposal method of solid waste.

Harbor Island Studios. Harbor Island Studios is located in Warehouse E on the property owned by the Solid Waste Division. According to the proviso report, it was first used as a soundstage in 2020 for a film production. It was further developed and officially launched as Harbor Island Studios in June 2023. The studios were managed by the former Office of Economic Opportunity and Creative Economy with support from the Facilities Management Division of the Department of Executive Services until January 2026.

In recent news, according to a July 7, 2026, Executive Office press release, the studios have been leased for one year to CREATE48 Media Network, a nonprofit organization supporting filmmakers, media artists, and creative workers across the Pacific Northwest through hands-on programs, community events, podcasts, mentorship, and access initiatives.[2]

Proviso. To inform decisions on the ongoing support of Harbor Island Studios, the Council included a proviso in the 2026-2027 Biennial Budget asking the Office of Economic Opportunity and Creative Economy to prepare an assessment of the Studios. Proviso P1 from Section 20 of Ordinance 20023 stated that:

> *"Of this appropriation, $50,000 shall not be expended or encumbered until the executive transmits a Harbor Island Studio assessment report and a motion that acknowledges receipt of the report, and a motion acknowledging receipt of the report is passed by the council. The motion should reference the subject matter, the proviso's ordinance, ordinance section, and proviso number in both the title and body of the motion.*
>
> *The report should include, but not be limited to:*

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[1] Ordinance 14710. https://mkcclegisearch.kingcounty.gov/LegislationDetail.aspx?ID=551407&GUID=11C8AF4E-B5C9-4B20-9539-14741E1C7462&Options=Advanced&Search=

[2] "Executive Zahilay Announces One-Year Lease for Harbor Island Studios with CREATE48 Media Network." https://executive.kingcounty.gov/2026/07/07/executive-zahilay-announces-one-year-lease-for-harbor-island-studios-with-create48-media-network/

A. Analysis of how Harbor Island Studio serves the local film industry and industry needs;

B. Data on the number of productions at the Harbor Island Studio in 2024, 2025, and January through March 2026, including the number of productions led by women or Black, Indigenous, and People of Color ("BIPOC") individuals and the number of studio use days and number of unique crew members employed for all productions and for productions led by women or BIPOC individuals;

C. Information on the rates and fees charged each production for use of the Harbor Island Studio in 2024, 2025, and January through March 2026 and total revenues generated each month; and

D. An estimate of the true and fair market value of a lease of comparable studio facilities.

The executive should electronically file the plan and a motion required by this proviso by May 1, 2026, with the clerk of the council, who shall retain a copy and provide a copy to all councilmembers, the council chief of staff, and the lead staff for the budget and fiscal management committee or its successor."[3]

ANALYSIS

↑ BACK TO TOP

Harbor Island Studios Assessment report. The transmitted report, which is Attachment A to Proposed Motion 2026-0019, addresses the required issues in the proviso.

A. Analysis of how Harbor Island Studio serves the local film industry and industry needs. The Assessment Report indicates that Harbor Island Studios is the only soundstage in Washington State with its particular set of features and the only publicly owned soundstage in the region. The features include three studio spaces, ranging from an unfinished flexible space to a 13,500 square foot space with interior soundproofing, a green screen wall, carpenters mill, prop and set storage, conference and office space, and a loading dock with six bays. The Studios have supported the range of workers employed for local film production, including carpenters, electricians, makeup artists, prop makers, costume designers, art directors, cinematographers, set builders, caterers, drivers, and other skilled trades. The facility has hosted 69 feature and independent films, 12 episodic

[3] Ordinance 20023. https://mkcclegisearch.kingcounty.gov/LegislationDetail.aspx?ID=7680373&GUID=B4E9E09C-A982-4A8C-A0DA-6CC195D69EE0&Options=Advanced&Search=

series, and 39 commercials or music videos. It has also hosted 27 training events. Combined studio use days over this period of roughly 27 months total 668 days.

B. Data on the number of productions at the Harbor Island Studio in 2024, 2025, and January through March 2026, including the number of productions led by women or Black, Indigenous, and People of Color ("BIPOC") individuals and the number of studio use days and number of unique crew members employed for all productions and for productions led by women or BIPOC individuals. Table 1 below provides the requested data from the Assessment Report.

Table 1. Data on the number of productions at Harbor Island Studios

	2024	2025	Jan-March 2026	Apr-May 2026 (Scheduled)
Number of Productions	67	88	8	5
Led by Women and BIPOC	17	38	3	3
Number of Studio Use Days (all studios combined)	191	401	15	63
Number of Unique Crew Members	922	880	100	
Number of Unique Crew Members on Women & BIPOC led productions	267	299	34	

C. Information on the rates and fees charged each production for use of the Harbor Island Studio in 2024, 2025, and January through March 2026 and total revenues generated each month. The Assessment Report indicates that rental rates are "weighed across several priorities, including union representation, living wage and benefits provision, inclusion of local vendors and crews, equity and sustainability plans, and workforce development opportunities." The price incentives tied to these priorities could decrease rates by as much as 90%. The report also indicates that while fully outfitted stages in the Los Angeles area can rent for $3,000-$5,000 per day, the Harbor Island rates reflect the condition of the building and the lack of certain amenities, like climate control and a lighting grid. The report indicates that the pricing structure is currently being revisited by the King County Film Advisory Board (KCFAB) to reflect recent improvements to the building. Table 2 below provides the daily cost of renting the different components of the facility.

Table 2. Daily Facility Rental Costs

Facility	Pre-Light / Shoot Days	Prep / Build Days
Stage 1	$1,250	$875
Stage 2	$750	$525
Stage 3	$250	$175
Parking Lot Only	$25	$25
Office Only	$25	$25

The report also provides three tables with a breakdown of the fees for each production. In summary, 24 productions in 2024 generated $20,500 in revenue, 26 productions in 2025 generated $53,150, and 8 productions through March of 2026 had generated $5,150. The total of all revenue generated since 2024 was $78,800.

D. An estimate of the true and fair market value of a lease of comparable studio facilities. According to the report, the Facilities Management Division obtained an appraisal of the Harbor Island site that encompassed the entire property. Comparable rentals of warehouse space provided a range from $14.86 to $18.50 per square foot per year. The report indicates that $16.50 per square foot per year was the conclusion as the possible market rate. This amount aligned with the range of $11.64 to $24 per square foot that the King County Film Advisory Board has gathered in their search for other warehouse properties that could be converted into a soundstage. Using $16.50 per square foot for the 89,625 studio space would require an estimated $1,478,812.50 per year to rent.

Next steps. Council action on the transmitted Harbor Island Assessment Report (Proposed Motion 2026-0119) would acknowledge receipt of the report and release $50,000 that the budget ordinance encumbered. As noted above, the transmitted report appears to satisfy the requirements in the budget proviso.

AMENDMENTS

↑ BACK TO TOP

The following amendments are publicly available as of the date of packet distribution and are attached to this staff report. Additional amendments may be released prior to the committee meeting.

Amendment	Sponsor	Effect Statement
1 Technical Amendment	Dembowski	Amendment 1 would update the reference to the proviso to reflect its movement from the Office of Economic Opportunity and Creative Economy to the Executive's

Amendment	Sponsor	Effect Statement
		Office in Ordinance 20086, the 2026-2027 1st Omnibus supplemental budget
T1 Title Amendment	Dembowski	Title Amendment T1 conforms the title to changes in Amendment 1.

INVITED

- Derek Baker, Director of Strategic Initiatives, Office of the Executive

ATTACHMENTS

1. Proposed Motion 2026-0119 (and its attachment)
2. Amendment 1
3. Title Amendment 1
4. Transmittal Letter

KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

Motion

Proposed No. 2026-0119.1 **Sponsors** Dembowski

A MOTION acknowledging receipt of the Harbor Island Studio Assessment Report required by the 2026-2027 Biennial Budget Ordinance, Ordinance 20023, Section 20, Proviso P1.

WHEREAS, the 2026-2027 Biennial Budget Ordinance, Ordinance 20023, Section 20, Proviso P1, requires the executive to transmit a Harbor Island Studio Assessment report, and

WHEREAS, Ordinance 20023, Section 20, Proviso P1, further requires the executive to submit a motion that acknowledges receipt of the Harbor Island Studio Assessment report;

NOW, THEREFORE, BE IT MOVED by the Council of King County:

The receipt of the Harbor Island Studio Assessment report, which is Attachment

A to this motion, in compliance with Ordinance 20023, Section 20, Proviso P1, is hereby acknowledged.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

____

Sarah Perry, Chair

ATTEST:

____

Melani Hay, Clerk of the Council

APPROVED this _____ day of _______________, ______.

____

Girmay Zahilay, Chair

Attachments: A. Harbor Island Studio Assessment Report, May 1, 2026

Harbor Island Assessment

May 1, 2026

King County

Summary

King County Ordinance 20023 requests additional information to inform the Council's determination regarding ongoing support of the Harbor Island Studio.

Harbor Island Studios is located in Warehouse E on property owned by the King County Solid Waste Division. Warehouse E was first used as a soundstage in 2020 for a film production. This initial production led to the warehouse's continuing development as a soundstage with Harbor Island Studio's official launch in June 2023. Until January 2026, the studio had been managed by the Office of Economic Opportunity and Creative Economy with support from the Facilities Management Division of the Department of Executive Services.

Since 2024, Harbor Island Studios has hosted 162 productions, generating $77,450 in fees. Rates for the sound stages range from $175 to $875 for prep/build days and $250 to $1250 for filming days. The pricing structure is currently being revisited by the King County Film Advisory Board (KCFAB) to reflect recent improvements to the building.

The Facilities Management Division has received an appraisal report, dated May 1, 2026, of the Harbor Island Property providing an opinion on the market value of the entire 16.19 acre site including tidelines. In informing the income capitalization of the property, a rental analysis of comparable warehouse spaces indicates a revenue potential of $16.50 per square foot per year for the warehouse currently occupied by Harbor Island Studios. Based on the rental square footage of 89,625 lease income for use of the space as a warehouse is estimated to be $1,478,812.50 per year.

Report Requirements

This section is organized to respond to each of the requirements included in Ordinance 20023, Section 20, Proviso P1.

A. Analysis of how Harbor Island Studio serves the local film industry and industry needs

One of the facilities on the Harbor Island property is Warehouse E, a large warehouse that is approximately 90,000 sq ft, with 25-foot ceilings, large open spaces, and six large bay doors.
In 2020 Warehouse E was first used as a studio/soundstage for a film production. This initial production employed over 200 film workers for five months and provided an early demonstration of the viability of the property for film production. Over the next several years, improvements were made to the building, including soundproofing and roof repair, that allowed the building to host more productions.

Currently, Harbor Island Studios has the following features:

- Interior soundproofing
- Carpenters mill
- Green screen wall
- Three studio spaces
    - Stage One – 13,500 sq ft space with interior soundproofing and double elephant doors
    - Stage Two – 9,000 sq ft space with interior soundproofing and double elephant doors
    - Stage Three – unfinished flexible space
- Prop and set storage space
- One large conference room and four offices
- Sewing room, makeup room, and wardrobe
- Loading dock with six bays

Harbor Island Studios is the only soundstage with these features in Washington State and is the only publicly owned soundstage regionally. The closest comparable US based soundstage is Studio A in Spokane, Washington. Workers employed in the local film industry include carpenters, electricians, makeup artists, prop makers, costume designers, art directors, cinematographers, set builders, caterers, drivers, and other skilled trades. Since its official launch in June 2023, Harbor Island Studios (HIS) has hosted productions from Paramount Studios, HBO, Amazon and Netflix, as well as number of independent short films and features, commercials, and music videos. Over the studio's history, HIS has hosted 69 feature and independent films, 12 episodic series, and 39 commercials/music videos. It has also hosted 27 training events. Combined studio use days over this period total 668 days.

Harbor Island Studios has also been utilized for short film competitions, industry training, and student workshops/tours. These workforce training and career awareness activities are sponsored by local trades, school districts and industry professionals typically at zero or minimal cost to participants.

B. Data on the number of productions at the Harbor Island Studios

	2024	2025	Jan-March 2026	Scheduled April/May
Number of Productions	67	88	8	5
Led By Women and BIPOC	17	38	3	3
Number of Studio Use Days (all studios combined)	191	401	15	63
# of Unique Crew Members	922	880	100	
# of Unique Crew Members on Women & BIPOC led productions	267	299	34	

C. Information on the rates and fees charged each production for use of the Harbor Island Studio in 2024, 2025, and January through March 2026 and total revenues generated each month; and

Harbor Island Studios rental rates are weighed across several priorities, including union representation, living wage and benefits provision, inclusion of local vendors and crews, equity and sustainability plans, and workforce development opportunities. To the extent productions address these goals, there is a price incentive that could decrease rental rates by as much as ninety percent. In addition, tours and training programs are typically not charged.

The daily pricing structure reflects the condition of the building, which lacks certain amenities, as well as climate control and a lighting grid. According to Film Advisory Board members, comparables of fully outfitted soundstages in the Los Angeles area have daily rates between $3,000-$5,000.

Daily Cost of Facilities (without incentives)

Facility	Pre-Light/Shoot Days	Prep/Build Days
Stage One	$1,250	$875
Stage Two	$750	$525
Stage Three	$250	$175
Parking Lot Only	$25	$25
Office Only	$25	$25

The following table summarizes the production fees invoiced in 2024, 2025, and January and February of 2026. Note that some fees are negotiated as a total production fee, rather than a daily rate.

2024 Production Fees				
Month	**Production**	**Description**	**Daily Fee**	**Total Fee Generated**
Jan	Cheryl Ediss	Music Video	$300	$300
Jan	Jake McGraw	Music Video		$2,100
Feb	Bayan Joonam	Film	$300	$900
Feb	Buzzy Cancilla (Brotherton)	Commercial	$250	$250
Mar	Blake Rizzo	Kentwood Tour	$150	$150
Apr	Dylan Priest Photo/ Chris Cunningham	Music Video	$200	$200
Apr	Manor House	Commercial	$200	$200
Apr	Sara Torres/ Amazon Studios	Internal Video	$500	$500
Apr	Craig Stewart/Manor House Films		$200	$200
May	Sean Shkurhan	Film		$400
May-Aug	Ed Castaneda	Film		$400
May	We Are Royale	Commercial		$3,600
Jun	Friends & Family	Commercial		$2,000
Jun	Hungry Man		$100	$400
Aug	Twist of Time	Short Film	10 days	$450
Sep	Emerald City Media	Short Film	$100	$100
Aug	Galen Andrus	Short Film	$100	$100
Sep/ Nov	Belief Agency	Commercial		$1,800
Sep	Straight Eight	Commercial	$400	$400
Sep	Color Creative	Short Film	$300	$300
Oct	Uncertain Detective	Episodic	$150	
Oct/Nov	Mssng Peces	Art Dept		$2,350
Nov	Element		$500	$1,000
Dec	Sixtwentysix	Commercial	$375	$2,250
2024 TOTAL				**$20,500**

2025 Production Fees				
Month	**Production**	**Description**	**Daily Fee Amount**	**Total Fee Generated**
Jan	Empower Video	Short Film		$200
Jan-Apr	Passenger (Paramount)	Film		$11,500
Jan/Apr Jul/Nov	Belief Agency	Commercials		$700
Mar-Apr/ Aug	Uncertain Detective	Episodic August -		$1,050
Apr/ May/ Nov/ Dec	Fresh Face Inc (We are Royale)	Commercials	$150	$450
Apr	Lost Woods Entert.	Short Film	$100	$100
May/ Jun/Aug	Envision Response	Commercial		$1,900
Jun	Midnite Pictures	Short Film	$150	$150
Jul	Kings Kaleidoscope	Music Video	$100	$200
Jul	Dot the Eye Films	48 Hr Film	$100	$100
Jul	Empower Productions	48 Hr Film	$100	$100
Jul	Film Vandals	48 Hr Film	$100	$100
July	Friends & Family/ Rosy Nolan	Commercial	$150	$1,400
Jul/Sep	A Dying Art (Cut It & Print It)	Feature		$5,000
Aug	Under the Same Sky (Ragged Films)	Independent Film	$200	$400
Aug	Belief Agency	Commercial July - $700	$700	$2,500
Aug	On the Fence Productions (Tapped House TV)	Episodic	$170	$850
Aug	Illuxion Studio	Commercial	$250	$2,500
Aug-Oct	Kinetic Productions	Episodic		$16,000
Aug-Oct	CAA Film (Susan LaSalle)	Independent Film		$1,000
Oct	Laugh/Cry/Wow	Independent Film	$300	$1,200
Oct	Production Pros	Music Video	$150	$150
Oct-Nov	Anduril	Commercial		$3,500
Dec	Emerald City Media (Before I Fade to Black)	Independent Film	$100	$400
Dec	COPSE (A-Design Systems)	Independent Film		$200
Dec	Comrade	Commercial	$250	$1,500
2025 TOTAL				**$53,150**

2026 Production Fees Generated thru March				
Month	**Production**	**Description**	**Daily Fee Amount**	**Total Fee Generated**
Jan & Feb	Patchwood Studios/Beau Preiser	Short Film	$250	$1,500
Jan	IATSE	Training	$500	$1,000
Feb	Emmet Fifield	Episodic	$250	$500
Feb	Kings Kaliedoscope	Music Video	$300	$600
Feb	Kris Flink	Documentary	$100	$200
Mar	James Chick	Script	$200	$200
Mar	Mural Studios	Commercial	$150	$150
Mar	March Campbell	Commercial	$1,000	$1,000
2026 TOTAL TO DATE				**$5,150**

D. An estimate of the true and fair market value of a lease of comparable studio facilities.

The Facilities Management Division has obtained a property appraisal of the Harbor Island Site encompassing the total site area of 16.19 acres including tidelines and the rental areas. The appraisal does not include a valuation of the silos or adjacent office building and assumes that these structures are removed. To determine property valuation, the appraisal includes an income capitalization analysis of the potential market rent of the property, including a potential lease value of Warehouse E, for industrial use. Comparable rentals of warehouse space provided an overall range of $14.86 to $18.50 per square foot per year and concluded with a possible market lease term of $16.50 per square foot per year.

The industrial lease rate of $16.50 per square feet per year identified in the appraisal is consistent with leasing costs gathered by the King County Film Advisory Board (KCFAB) for industrial warehouse properties which could potentially be converted into a soundstage. These warehouses contained large open spaces, high ceilings and accessible areas for props and set development and varied between $11.64 to $24.00 per square foot per year. However, none of the warehouses had existing soundproofing and varied in some other material aspects including level of finish, square footage and office areas, which also influence pricing.

1

6/25/26
Technical Corrections

[G. Paul]

Sponsor: Dembowski

Proposed No.: 2026-0119

AMENDMENT TO PROPOSED MOTION 2026-0119, VERSION 1

On page 1, at the beginning of line 6, strike "Section 20, Proviso P1" and insert "Section 16, as amended by Ordinance 20086, Section 3, Proviso P11"

On page 1, line 8, after "Ordinance 20023," strike "Section 20, Proviso P1" and insert "Section 16, as amended by Ordinance 20086, Section 3, Proviso P11"

On page 2, line 13, after "Ordinance 20023," strike "Section 20, Proviso P1" and insert "Section 16, as amended by Ordinance 20086, Section 3, Proviso P11"

EFFECT prepared by *G. Paul*: *Would update the reference to the proviso to reflect its movement from the Office of Economic Opportunity and Creative Economy to the Executive's Office in Ordinance 20086, the 2026-2027 1st Omnibus supplemental budget.*

T1

6/25/26
Title amendment

[G. Paul]

Sponsor: Dembowski

Proposed No.: 2026-0119

AMENDMENT TO PROPOSED MOTION 2026-0119, VERSION 1

On page 1, line 3, after "Ordinance 20023," strike "Section 20, Proviso P1" and insert "Section 16, as amended by Ordinance 20086, Section 3, Proviso P11"

EFFECT prepared by *G. Paul*: *Would amend the title to comport with the changes in Amendment 1.*

King County | Office of the Executive

Executive Girmay Zahilay
Chinook Building, CNK-EX-0800
401 Fifth Avenue, Suite 800
Seattle, WA 98104-2391

May 1, 2026

The Honorable Sarah Perry
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Perry:

This letter transmits the Harbor Island Assessment report in response to Ordinance 20023, Section 20, Proviso P1, and a proposed Motion that would, if enacted, acknowledge receipt of the report.

As required, the enclosed report outlines information regarding Harbor Island Studio's contributions to the film industry during 2024-2026. The report summarizes the number of productions hosted at the studio during this time period, the number of production days, crew members and the number of BIPOC and women-led productions to the extent this data was available. The report also lists the fees generated by the studio and an assessment of lease rates for comparable studio facilities.

Thank you for your consideration of this report. If your staff have any questions, please contact Aaron Rubardt, Chief Budget Officer, Executive Department, at 206-263-9715.

Sincerely,

Girmay Zahilay
King County Executive

Enclosure

cc: King County Councilmembers
ATTN: Stephanie Cirkovich, Chief of Staff, King County Council
Melani Hay, Clerk of the Council
Karan Gill, Deputy Executive, Office of the Executive
Jasmin Weaver, Chief of Staff, Office of the Executive
Hyeok Kim, Chief Operating Officer, Office of the Executive
Sierra Howlett Browne, Policy Director, Office of the Executive
Garrett Holbrook, Council Relations Manager, Office of the Executive
Aaron Rubardt, Budget Director, Office of the Executive

King County

Metropolitan King County Council
Staff Report

Committee:	Budget and Fiscal Management Committee		
Agenda Item:	6	**Analyst:**	Gene Paul
Proposed No.:	2026-0146	**Meeting Date:**	July 22, 2026

OVERVIEW

TOPIC: A motion that would acknowledge receipt of the Harbor Island Surplussing Analysis, which was required under a budget proviso.

LEGISLATION SUMMARY

The Council included a proviso in the 2026-2027 Biennial Budget asking the Solid Waste Division (SWD) of the Department of Parks and Natural Resources (DNRP) to prepare a surplussing analysis for the Harbor Island property. The report includes an analysis of the costs and benefits of retaining and surplussing the property, the annual real property report from SWD to the Facilities Management Division (FMD), a letter signed by the FMD Director with the division's judgement whether SWD has justified retention of the property, and an appraisal. The transmitted report appears to comply with the proviso requirements.

KEY ISSUES FROM THE ANALYSIS

No issues have been identified. The proviso appears to comply with the Biennial Budget's requirements. As required, the report includes:

- Analysis of the costs and benefits of retaining and surplussing the property located on Harbor Island;
- A copy of SWD's real property report submitted to FMD;
- A letter from FMD with the division's judgement on whether SWD has justified retention of the property. Of note, the letter expresses the opinion that FMD does not believe retention is justified and recommends sale of the property in its current "as-is" condition; and
- An appraisal of the property.

BACKGROUND & TIMING CONSIDERATIONS

↑ BACK TO TOP

Harbor Island. The Solid Waste Division purchased the former Fisher Flour Mill property on Harbor Island in 2003 for $8.5 million.[1] The site consists of 12.75 acres of uplands, a rail access easement from the Port of Seattle for access to two rail lines, and 3.44 acres of tidelands leased from the Washington Department of Natural Resources. The site was expected to be used as an intermodal facility for solid waste to be exported by rail out of King County once the Cedar Hills Regional Landfill reached capacity. According to the proviso, SWD is still considering two options, waste export by rail or waste to energy, for long-term disposal. A decision is expected in late 2029 or early 2030 with the adoption of the Comprehensive Solid Waste Management Plan.

Proviso. The Council included a proviso in the 2026-2027 Biennial Budget asking the Solid Waste Division (SWD) of the Department of Parks and Natural Resources (DNRP) to prepare a surplussing analysis for the Harbor Island property. Proviso P3 from Section 110 of Ordinance 20023 stated that:

> *"Of this appropriation, $1,000,000 shall not be expended or encumbered until the executive transmits a Harbor Island surplussing analysis and a motion that acknowledges receipt of the Harbor Island surplussing analysis, and a motion acknowledging receipt of the Harbor Island surplussing analysis is passed by the council. The motion should reference the subject matter, the proviso's ordinance, ordinance section, and proviso number in both the title and body of the motion.*
>
> *The Harbor Island surplussing analysis shall include, but not be limited to:*
>
> *A. An analysis of the costs and benefits of retaining and surplussing the solid waste division property located on Harbor Island. The analysis shall identify the intended solid waste purpose if the property is to be retained, any legal or regulatory considerations that currently prevent, restrict, or impede the property from being used as a solid waste facility or for the identified solid waste purpose, such as but not limited to permitting, zoning, or cost;*
>
> *B. A copy of the department of natural resources and parks's 2026 report submitted to the facilities management division in compliance with K.C.C. 4.56.070;*

[1] Ordinance 14710. https://mkcclegisearch.kingcounty.gov/LegislationDetail.aspx?ID=551407&GUID=11C8AF4E-B5C9-4B20-9539-14741E1C7462&Options=Advanced&Search=

C. A letter or other written narrative signed by the facilities management division manager reporting the division's judgment whether the department of natural resources and parks and the solid waste division have justified retention of the solid waste division's properties on Harbor Island or whether the facilities management division has determined that another county department has a need for the property that is related to the provision of essential government services consistent with K.C.C. 4.56.070.C.1.; and

D. A property appraisal for the site.

The executive shall electronically file the Harbor Island surplussing analysis and motion required by this proviso by June 1, 2026, with the clerk of the council, who shall retain an electronic copy and provide an electronic copy to all councilmembers, the council chief of staff, and the lead staff for the budget and fiscal management committee or its successor."[2]

ANALYSIS

↑ BACK TO TOP

Harbor Island Studios Assessment report. The transmitted report, which is Attachment A to Proposed Motion 2026-0146, addresses the required issues in the proviso.

A. An analysis of the costs and benefits of retaining and surplussing the solid waste division property located on Harbor Island. The Surplussing Analysis indicates that if the property were to be retained, Harbor Island could be used as a waste to export facility. This option was confirmed by a 2020 study commissioned by SWD, which concluded that either rail or barge transport were technically viable options at the site. However, the analysis indicates that with complex permitting and management requirements for barge export, rail export would be the more feasible option. The analysis also indicates that the 13-acre site is not large enough to develop a waste to energy facility because roughly 40 acres is estimated as needed to handle the County's expected waste tonnage.

The Surplussing Analysis indicates that the benefits of retaining the property include providing a potential site for a publicly owned waste export facility, which was considered strategically important at the time the property was purchased. The site currently provides lease revenue of about $143,000 per month ($1.7 million per year) from the lease to Ray-Mont Logistics. The site also hosts the Harbor Island Studios facility which has not historically paid rent but has an estimated rent value of $1.4 million per year.

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[2] Ordinance 20023. https://mkcclegisearch.kingcounty.gov/LegislationDetail.aspx?ID=7680373&GUID=B4E9E09C-A982-4A8C-A0DA-6CC195D69EE0&Options=Advanced&Search=

The report provides that the near-term costs of retaining the property are roughly $1 million per year. These costs include $680,000 for operating costs like utilities, security, property management, and property tax and $320,000 budgeted for any emergency maintenance required. Besides these near-term costs, the analysis also indicates that SWD has already invested $1.65 million in a new roof for the warehouse and $5.1 million to demolish a derelict dock. The division also expects that dock repairs and piling replacements planned for 2031 would require an additional $22 million in capital funding.

The report addresses the required legal, regulatory, and cost considerations that could prevent, restrict, or impede the property from being used as a solid waste facility if it were retained. While the analysis indicates that a solid waste export facility would fit within the current City of Seattle zoning, there are regulatory and cost considerations for developing the site. On the regulatory side, the site is located within the Harbor Island Superfund site, which is under a consent decree with the U.S. Environmental Protection Agency (EPA). As such, there would be significant environmental regulations, permits, and approvals needed to conduct any demolition or new construction on the property. An attachment provided to the analysis estimates 26 permits or approvals from at least 11 federal, state, local or tribal entities.[3] The estimated costs for environmental assessments, permitting, and cleanup, which would depend on the levels of hazardous materials identified during the process, range from $14 million to $32.6 million. The estimated costs for demolishing the existing infrastructure, disposing and recycling materials from demolition, environmental remediation, and constructing an intermodal waste facility on the property range between $47 million and $57.2 million.

The analysis addresses the costs of surplussing the property by indicating SWD would have to either contract with an existing privately-owned intermodal facility or acquire a new property in the event that the long-term disposal decision involves waste export by rail. On the other hand, the benefits of surplussing would include revenue from the sale of the property. The appraisal required in the proviso appraised the property in its current state at $22.5 million. It also indicated that the property could be valued at $45 million if all the structures were removed and all environmental contamination were remediated.

B. A copy of the department of natural resources and parks's 2026 report submitted to the facilities management division in compliance with K.C.C. 4.56.070. The spreadsheet report from SWD was provided as an attachment to the proviso response.[4] The spreadsheet indicates that SWD did not consider Harbor Island as surplus to the agency's needs.

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[3] Appendix B to Surplussing Analysis, Permits and Approvals Required for Development of Harbor Island Property, is Attachment 4 to this staff report.
[4] Appendix C to Surplussing Analysis, Custodial Real Property Form from SWD, is Attachment 5 to this staff report.

C. A letter or other written narrative signed by the facilities management division manager reporting the division's judgment whether the department of natural resources and parks and the solid waste division have justified retention of the solid waste division's properties on Harbor Island or whether the facilities management division has determined that another county department has a need for the property that is related to the provision of essential government services consistent with K.C.C. 4.56.070.C.1. The Surplussing Analysis includes a letter signed by FMD Director, Lisa Pearson. The letter provides FMD's judgment that "that the Department of Natural Resources and Parks (DNRP) has not justified retention of this property, nor is there another County department that has a need for the property related to the provision of essential government services consistent with K.C.C. 4.56.070.C.1." Based on FMD's review of the environmental conditions and the significant anticipated costs, the letter goes on to state that "FMD has determined that continued ownership does not represent the highest and best use of the asset. Accordingly, FMD recommends disposition of the property in its current "as-is" condition in accordance with applicable King County policies and procedures. Current appraised value in "as-is" condition is $22,500,000."

Since the transmittal of the FMD letter and the proviso response, the July 7, 2026, Executive Office press release that announced Harbor Island Studios have been leased for one year to CREATE48 Media Network also stated "[d]ue to the cost of ongoing maintenance needs, the Solid Waste Division plans to move forward with the surplussing process over the next year to determine if there is another government or private entity who would like to purchase the space."[5]

D. A property appraisal for the site. The required appraisal, which was described above, was provided as an attachment to the proviso response.[6]

Next steps. Council action on the transmitted Harbor Island Assessment Report (Proposed Motion 2026-0146) would acknowledge receipt of the report and release $1,000,000 that the budget ordinance encumbered in the Solid Waste appropriation and $100,000 encumbered in the Facilities Management Internal Service appropriation. As noted above, the transmitted report appears to satisfy the requirements in the budget proviso.

INVITED

- Rebecca Singer, Division Director, Solid Waste Division, Department of Natural Resources and Parks

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[5] "Executive Zahilay Announces One-Year Lease for Harbor Island Studios with CREATE48 Media Network." https://executive.kingcounty.gov/2026/07/07/executive-zahilay-announces-one-year-lease-for-harbor-island-studios-with-create48-media-network/

[6] Appendix A to Surplussing Analysis, Appraisal of Harbor Island, is Attachment 3 to this staff report.

- Lisa Pearson, Division Director, Facilities Management Division

ATTACHMENTS

1. Proposed Motion 2026-0146 (and its attachment)
2. Transmittal Letter
3. Appendix A to Surplussing Analysis, Appraisal of Harbor Island
4. Appendix B to Surplussing Analysis, Permits and Approvals Required for Development of Harbor Island Property
5. Appendix C to Surplussing Analysis, Custodial Real Property Form from SWD
6. Appendix D to Surplussing Analysis, Harbor Island Disposition Recommendation Letter from FMD

KING COUNTY

Signature Report

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Motion

Proposed No. 2026-0146.1 **Sponsors** Dembowski

A MOTION acknowledging receipt of the Harbor Island surplussing analysis as required by the 2026-2027 Biennial Budget Ordinance, Ordinance 20023, Section 110, Proviso P3.

WHEREAS, the 2026-2027 Biennial Budget Ordinance, Ordinance 20023, Section 110, Proviso P3, the King County council adopted and the executive approved a proviso encumbering $1,000,000 from the solid waste operating fund and requiring an Harbor Island surplussing analysis and a motion acknowledging receipt of said Harbor Island surplussing analysis, and

WHEREAS, the executive has transmitted to the council the requested analysis entitled Harbor Island Surplussing Analysis along with a motion acknowledging the receipt thereof;

NOW, THEREFORE, BE IT MOVED by the Council of King County:

The King County council hereby acknowledges receipt of the Harbor Island

Surplussing Analysis, Attachment A to this motion, as required by Ordinance 20023, Section 110, Proviso P3.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

____

Sarah Perry, Chair

ATTEST:

____

Melani Hay, Clerk of the Council

APPROVED this _____ day of _______________, ______.

____

Girmay Zahilay, Chair

Attachments: A. Harbor Island Surplussing Analysis Report June 1, 2026

ATTACHMENT A

Harbor Island Surplussing Analysis

June 1, 2026

King County

Summary

The Solid Waste Division (SWD) purchased the former Fisher Flour Mill property on Harbor Island in 2003 for $8.5 million to provide SWD with a site for a County-owned solid waste intermodal facility (IMF) once the Cedar Hills Regional Landfill reaches permitted capacity.

The site consists of 12.75 acres of uplands, along with a rail access easement from the Port of Seattle used for rail yard and railroad activity, with access to both Burlington Northern Santa Fe and Union Pacific Railroad rail lines. The site also includes 3.44 acres of tidelands leased from the Washington Department of Natural Resources.

SWD is considering two options for long-term disposal: waste export by rail and waste-to-energy (WTE); the long-term disposal decision will be finalized with the adoption of the Comprehensive Solid Waste Management Plan in late 2029 or early 2030. The Harbor Island property is too small to house a WTE facility under current technology. SWD originally retained the property for potential waste export pending a final decision on a long-term disposal method. A 2020 study commissioned by SWD concluded that the site would be viable to develop a waste-export facility using either rail or barge transport. Barge export would present complex permitting and management requirements. While rail export would be feasible, there are also other locations that could be developed for such a facility.

SWD currently receives $1.7 million per year for use of the site from Ray-Mont Logistics Seattle, while operational costs, insurance, and property taxes cost $680,200 per year.

If the property were to be converted from its current uses to a waste-export facility, demolition of all existing structures would be required. Because the property is located within the Harbor Island Superfund site, which is under a consent decree with the U.S. Environmental Protection Agency, there are significant environmental regulations, permits, and approvals needed to conduct any demolition or new construction on the property. Environmental assessments, permitting, and cleanup would be expected to cost up to $32.55 million. Demolition and construction costs for conversion of the site for waste export are estimated to be between $47.02 million and $57.2 million.

A traffic study was conducted in April 2026 to evaluate the impacts of traffic generated by an IMF near the Harbor Island property and found that the forecasted additional traffic would not be expected to cause significant impacts at the four intersections closest to the site.

Surplussing the property would benefit the division through revenue from the sale; the appraised value of the property is its current state is $22.5 million.

Report Requirements

Intended solid waste purpose if property is retained

The Solid Waste Division (SWD, or the division) purchased the former Fisher Flour Mill property on Harbor Island in 2003 for $8.5 million. King County Council authorized the use of funds to provide SWD with a County-owned solid waste intermodal/transfer facility once the Cedar Hills Regional Landfill (CHRLF) reaches permitted capacity, currently estimated to occur in 2038 to 2040.

The site consists of 12.75 acres of uplands and 3.44 acres of tidelands, along with a rail access easement from the Port of Seattle.[1] The easement area is used for rail yard and railroad activity with access to both Burlington Northern Santa Fe (BNSF) and Union Pacific Railroad (UPRR) rail lines, which would allow SWD to contract with either rail company for waste export services A 2020 study commissioned by SWD concluded that the site would be viable to develop a waste-export facility using either rail or barge transport.[2] Barge export would present complex permitting and management requirements. While rail export would be feasible, there are also other locations that could be developed for such a facility.

SWD has retained the property for potential waste export pending a final decision on long-term disposal. The division is currently considering two options for long-term disposal: waste export by rail and waste-to-energy (WTE).[3] The long-term disposal decision will be finalized with the adoption of the Comprehensive Solid Waste Management Plan in late 2029 or early 2030. The Harbor Island property is not suitable for developing a WTE facility because, with current technology, the property is too small. To handle the county's projected waste tonnage, a WTE facility would require an approximately 40-acre site, and the Harbor Island site is less than 13 acres.[4]

Benefits of retaining

Retaining the Harbor Island property would provide SWD with the potential to develop a publicly owned waste-export facility. At the time of purchase, King County considered ownership of its own export facility strategically important.

While the long-term disposal decision is pending, SWD receives monthly revenue from a lease to Ray-Mont Logistics Seattle. The monthly rent between November 2020 and November 2025 was $198,758. Ray-Mont recently agreed to a new lease term for $143,115 per month ($1,717,380 per year) for three years, with two one-year options to renew.[5]

The Harbor Island property includes Warehouse E, which is currently being used by Harbor Island Studios, a film production studio. There is currently no rent paid for use of Warehouse E. Past budget proposals for the 2023-2024 and 2026-2027 budgets included rent payments to SWD from Internal Support and the General Fund, respectively, but were disapproved by Council.[6] Warehouse E is appraised at $1.33 per month per square foot. At 89,625 square feet, this equals approximately $119,500 per month, or $1.4 million per year.

Costs of retaining

As owner of the Harbor Island property, SWD incurs ongoing operational costs and invests in required capital improvements of the site. In total, SWD budgets $552,200 per year for operational costs, itemized in Table 1. In addition to operating expenses, SWD pays $6,000 annually for insurance and $122,000 in property taxes.[7] There is also an annual budget of $320,000 for emergency maintenance and repairs to address urgent risks to infrastructure, safety, compliance, and operational continuity.[8]

Table 1. Harbor Island Operational Budget, 2025

Property management (FMD and FESS) *	$90,000
Fire sprinkler maintenance (Warehouse E and Admin. Building)	$35,000
Water service (Warehouse E)	$8,000
Electricity service	$85,000
Industrial Stormwater General Permit	$30,000
Shoreline Aquatic (DNR) Permit	$35,000
Fire alarm monitoring and maintenance	$3,000
Admin. Building, roof repair/annual gutter cleanup/annual inspection	$5,000
Repair fence per year	$5,000
Removal of vegetation	$5,000
Security guard services	$240,000
Rodent and pest control	$1,200
Security alarm and maintenance	$10,000
Total	**$552,200**

*FMD=Facilities Management Division; FESS=SWD Facility Engineering and Science Section

SWD has also invested in significant capital improvements to the Harbor Island property, including a new roof costing $1.65 million and demolition of a derelict dock costing $5.12 million. SWD has budgeted an additional $22.04 million for dock repairs and piling replacement to take place in 2031.

Benefits and costs of surplussing

If the long-term disposal decision involves waste export by rail, surplussing the property would require that SWD either contract with an existing privately owned intermodal facility or purchase a new property with rail access.

If SWD does surplus the property, it would benefit from the revenue of the property sale. The appraised value for the property in its current state is $22.5 million. A separate appraisal was done for the property based on assumptions that (1) the silos and other structures have been removed, (2) the land under the former structures has undergone remediation, (3) the environmental impacts of creosote-treated pilings under the pier have been remediated, and (4) the site has been cleaned up so that there is no remaining environmental contamination. This appraisal valued the property at $45 million.[9,10]

The appraisal report for the property is included as Appendix A.

Legal, regulatory, and environmental considerations

The Harbor Island site is zoned by the City of Seattle as MML, or Marine, Manufacturing, and Logistics, and sited within the Urban Industrial Shoreline Environment, which protects marine and rail-related industrial areas from unrelated uses. Developing the property as a solid-waste-export facility would fit within the current zoning requirements.

Converting the property from its current uses to a waste-export facility would require a full-scale demolition of all existing structures. Because the property is located within the Harbor Island Superfund site, which is under a consent decree with the U.S. Environmental Protection Agency (EPA), there would be significant environmental regulations, permits, and approvals needed to conduct any demolition or new construction on the property.[11] Institutional controls associated with the Superfund site regulatory requirements are in place both for the upland soil and groundwater for the currently capped areas of the project site. The Superfund site institutional controls consist of long-term maintenance and repair of existing and new asphalt or concrete capped areas; informing any future tenants of the conditions at the Superfund site; and coordinating with the EPA prior to conducting major construction or excavations within the Superfund site boundaries.

Before any work in demolition and new construction, SWD would need to conduct a full environmental assessment delineating the extent of contamination, prepare a Cleanup Action Plan, and complete the plan in accordance with EPA Superfund regulatory requirements.

Cost estimates and permitting information included in this report are informed by a Harbor Island Silos Demolition Project Environmental and Financial Impact Assessment Report, in conjunction with SWD in-house facilities and engineering expertise and estimates from the Facilities Management Division's contracted appraiser.[12]

Environmental assessments, permitting, and cleanup would be expected to cost between $14.1 million and $32.55 million. The actual cost would be substantially influenced by the levels of hazardous materials identified in the surveys.

Table 2. Phases of Environmental Assessments and Cleanup

Environmental data collection, investigations, surveys, and conceptual engineering (including multi-agency coordination, communications plan, hazardous materials, and site surveys)	**$1.05-$2.15 million**
Permitting and approvals (including federal, state, and municipal permits through final approval)	**$0.75-$1.6 million**
Procurement and mobilization (including contractor acquisition and disposal approvals)	**$1.0-$2.2 million**
Site preparation (including baseline monitoring and staging)	**$0.8-$1.6 million**
Hazardous materials abatement	**$10.5-$25.0 million**
Total estimated costs for environmental assessments and cleanup	**$14.1-$32.55 million**

Harbor Island has been designated as a Superfund site for decades, and permitting and development would carry risks due to its history of contamination. The permits and approvals required for development of the property are listed in Appendix B.

Projected costs of building an intermodal facility at Harbor Island

In addition to the costs associated with environmental assessments, data collection, and cleanup, demolishing the existing structures and carrying out the necessary environmental remediation prior to constructing an IMF would impose significant costs. Demolishing the existing infrastructure, disposing and recycling materials from demolition, environmental remediation, and constructing an IMF on the property would be expected to cost between $47.02 and $57.2 million.

Table 3. Demolition and Construction Costs

Structural demolition (including cranes, dust suppression, and debris removal)	**$17.5-$19.9 million**
Transport, disposal, and recycling	**$20.0-$20.8 million**
Remediation, capping, and restoration (including Superfund compliance and hot-spot removal)	**$1.62-$6.1 million**
Closeout and post-construction reporting (including municipal-required final reporting, updates, and presentation)	**$400,000-$900,000**
Construction of rail yard IMF[13]	**$7.5-$9.5 million**
Total estimated costs for demolition and construction	**$47.02-$57.2 million**

Traffic impacts

A traffic study was conducted in April 2026 to evaluate the impacts of IMF-related traffic near the Harbor Island property.[14] The study found that the forecasted additional traffic would not be expected to cause significant impacts at nearby intersections, however, it did not evaluate traffic impacts on any additional roads or intersections between SWD's transfer stations and the Harbor Island site.

Additional considerations

Other factors that may affect the feasibility of developing Harbor Island as a waste-export facility include current and future Port of Seattle development plans, current and future Seattle rate of urbanization and zoning adjustments, down-track rail capacity, services, and use projections, as well as road infrastructure and access capacity to and from Harbor Island.

Appended Material

In addition to the appendices cited in this report, two additional appendices (C and D) are attached in compliance with these proviso requirements:

1. A copy of DNRP's 2026 report submitted to the Facilities Management Division (FMD) in compliance with K.C.C. 4.56.070;
2. A letter or other written narrative signed by the FMD Manager reporting the division's judgment whether DNRP and SWD have justified retention of the Harbor Island property or whether FMD has determined that another County department has a need for the property consistent with K.C.C. 4.56.070.C.1.

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[1] The tidelands are leased from the Washington Department of Natural Resources.
[2] Rolluda Architects, Moffat & Nichol, and Parametrix. Feasibility Study for Solid Waste Multi-Modal Transshipment Facility, Harbor Island, WA. June 2020.

[3] Waste export by rail involves transporting loaded, compacted containers of garbage via rail to an out-of-area landfill (either eastern Washington or eastern Oregon). Waste-to-energy (WTE) involves incineration of garbage that generates electricity via steam turbines.
[4] King County Long-Term Waste Disposal Options - Final Report - King County Solid Waste Division.
[5] The updated lease price for Ray-Mont reflects current market conditions.
[6] In the earlier instance, and subsequently in 2025, the Council declined to approve the rent payment due to needed roof repairs for Warehouse E.
[7] SWD pays $12,000 for insurance over a two-year period.
[8] This includes roof repairs, flood repairs and mitigation, storm drain maintenance, electrical repairs, fence repairs, dock and deck repairs, in water debris removal, demolition and construction, structural repairs, painting and pressure washing for graffiti and clean-up, vegetation removal, and cap repairs. (Cap repairs are repairs to any breaks in the asphalt cap or disturbances to the soil cap on the upland areas of the property designed to prevent rain filtration and contaminant migration as part of Harbor Island's superfund site remediation). An additional $700,000 is budgeted in 2026 for one-time repairs.
[9] Integra Realty Resources. Appraisal of Real Property, Former Fisher Mills Harbor Island Property. March 2026.
[10] Estimated costs of the actions described in the assumptions are listed in Table 3.
[11] A consent decree for a Superfund site is a legally binding settlement agreement between EPA and the parties responsible for polluting a site.
[12] Harbor Island Silos Demolition Project Environmental and Financial Impact Assessment Report
[13]From Arcadis Study, adjusted from 2019 for construction and labor inflation.
[14] DKS Associates. Harbor Island Traffic Impact Analysis. April 2026.

King County | **Office of the Executive**

Executive Girmay Zahilay
Chinook Building, CNK-EX-0800
401 Fifth Avenue, Suite 800
Seattle, WA 98104-2391

June 1, 2026

The Honorable Sarah Perry
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Perry:

This letter transmits an analysis of the costs and benefits of retaining or surplussing the Solid Waste Division property located on Harbor Island in response to Ordinance 20023, Section 110, Proviso P3, and a proposed Motion that would, if enacted, acknowledge receipt of the report. The content of the report pertains to uses of the site for solid-waste-related purposes.

With authorization from the Council, the Solid Waste Division (SWD, or the division) purchased the former Fisher Flour Mill property on Harbor Island in 2003 for $8.5 million to provide SWD with a potential solid waste intermodal/transfer facility once the Cedar Hills Regional Landfill reaches permitted capacity. With access at the site to both Burlington Northern Santa Fe and Union Pacific Railroad rail lines, SWD could contract with either rail company for waste-export services.

SWD has retained the property pending a final decision on a long-term disposal method, to be finalized with the adoption of the Comprehensive Solid Waste Management Plan in late 2029 or early 2030. The two options for long-term disposal are waste export by rail and waste-to-energy (WTE). The Harbor Island property is not large enough to house a WTE facility under current technology.

A 2020 study commissioned by SWD concluded that the site would be viable to develop a waste-export facility using either rail or barge transport. Barge export would present complex permitting and management requirements. While rail export would be feasible, there are also other locations that could be developed for such a facility.

Because the property is located within the Harbor Island Superfund site, which is under a consent decree with the U.S. Environmental Protection Agency, there would be special environmental permits and approvals needed to conduct any demolition or new construction.

If the long-term disposal decision is to implement waste export by rail, surplussing the property would require that SWD either contract with an existing privately owned intermodal facility or purchase a new property with rail access. Surplussing the property would benefit the division through revenue from the sale; the appraised value of the property in its current state is $22.5 million.

Thank you for your consideration of this report and proposed Motion. The information in the report helps decision-makers and King County residents understand the options regarding the costs and benefits of retaining or surplussing the Harbor Island property.

If your staff have any questions, please contact Rebecca Singer, Division Director of the Solid Waste Division, Department of Natural Resources and Parks, at 206-263-2244.

Sincerely,

for

Girmay Zahilay
King County Executive
Enclosure

cc: King County Councilmembers
ATTN: Stephanie Cirkovich, Chief of Staff, King County Council
Melani Hay, Clerk of the Council
Karan Gill, Deputy Executive, Office of the Executive
Jasmin Weaver, Chief of Staff, Office of the Executive
Hyeok Kim, Chief Operating Officer, Office of the Executive
Sierra Howlett Brown, Director of Government Relations, Office of the Executive
Garrett Holbrook, Council Relations Manager, Office of the Executive
Mo McBroom, Interim Director, Department of Natural Resources and Parks (DNRP)
Rebecca Singer, Division Director, Solid Waste Division, DNRP

Integra Realty Resources
Seattle

400 University Street
Suite 300
Seattle, WA 98101

T 206.903.6700
F 206.623.5731
www.irr.com

May 1, 2026

Brian Dennehy
King County Facilities Management, Real Estate Services
500 Fourth Avenue, Suite 830
Seattle, WA 98104

SUBJECT: Market Value Appraisal
Former Fisher Mills Harbor Island Property
3235 16th Avenue SW
Seattle, King County, Washington 98134
IRR - Seattle File No. 154-2025-0452

Dear Mr. Dennehy:

Integra Realty Resources – Seattle is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value as if clean and the market value as is, pertaining to the fee simple with leasehold interest in aquatic land interest in the property.

The client for the assignment is King County Facilities Management, Real Estate Services. The intended user of this report is the client. The intended use of the report is for internal decision making. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

The subject is an existing industrial property containing 89,625 square feet of rentable area. The improvements were constructed in 1929 and have been maintained and renovated in the interim. The subject also has multiple abandoned structures onsite including an office building, a multi-story warehouse and four grain silos. These structures are non-contributing and are considered hazards. The total site area is 705,312 square feet or 16.19 acres including tidelands. The usable area is estimated to be 529,674 square feet or 12.16 acres.

The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and applicable state appraisal regulations.

For use only as internal reference by King County

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis that were used to develop the opinion of value.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, the concluded opinions of value are as follows:

Value Conclusions			
Value Type & Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value As if Clean	Fee Simple With Leasehold Interest In Aquatic Land	February 9, 2026	$45,000,000
Market Value As Is	Fee Simple With Leasehold Interest In Aquatic Land	February 9, 2026	$22,500,000

Please see the Spearhead Valuation Inc. Demolition and Debris Removal Study included in the addenda for more details on the remaining demolition costs. The table below summarizes the conclusions from the report.

Demolition and Debris Removal Costs	
Structure	Cost
Office	$1,981,000
Multi-story warehouse	$9,818,000
Silo 1	$22,888,000
Silo 2	$7,739,000
Silo 3	$5,382,000
Silo 4	$2,192,000
Total	$50,000,000

The market value as-is reflects the interim highest and best use of the subject as-is based on the cost estimates provided. Given the current market conditions, it is not considered financially feasible to demolish the derelict structures. A potential buyer would likely expect to use the site as-is in the interim until market conditions improve.

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Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. The new rail yard access easement is agreed upon changing the easement area on APN 766670-3015 from 15,460 to 13,951 square feet.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. In the "As if Clean" value premise, it is assumed that the silos and other structures are removed and the land under the former structures is remediated and usable.
2. In the "As if Clean" value premise, it is assumed that the creosote pilings under the pier are remediated.
3. In both valuation premises, the site is presumed clean with no environmental contamination aside from the hazards associated with the condemned structures.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

Integra Realty Resources - Seattle

Lucy Jones
Washington Certified General Real Estate Appraiser #22026746
Telephone: (206) 436-1175
Email: ljones@irr.com

Lori Safer, MAI, AI-GRS
Washington Certified General Real Estate Appraiser #1100546
Telephone: (206) 436-1177
Email: lsafer@irr.com

For use only as internal reference by King County

Executive Summary

Property Name	Former Fisher Mills Harbor Island Property
Address	3235 16th Avenue SW Seattle, King County, Washington 98134
Property Type	Industrial
Owner of Record	King County
Tax ID	766670-3020, 766670-3015, 766670-3050, 766670-3016, 766670-3017, 766670-3025, 766670-3030, 766670-3035 and 766670-3040
Land Area (Gross)	16.19 acres; 705,312 SF
Land Area (Usable)	12.16 acres; 529,674 SF
Gross Building Area	89,625 SF
Rentable Area	89,625 SF
Year Built	1929
Zoning Designation	MML U/85, Maritime, Manufacturing, and Logistics
Highest and Best Use - As if Vacant	Industrial use
Highest and Best Use - As Improved	Continued industrial use
Exposure Time; Marketing Period	9 months; 9 months
Date of the Report	May 1, 2026

Value Conclusions

Value Type & Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value As if Clean	Fee Simple With Leasehold Interest In Aquatic Land	February 9, 2026	$45,000,000
Market Value As Is	Fee Simple With Leasehold Interest In Aquatic Land	February 9, 2026	$22,500,000

The values reported above are subject to the definitions, assumptions, and limiting conditions set forth in the accompanying report of which this summary is a part. No party other than King County Facilities Management, Real Estate Services may use or rely on the information, opinions, and conclusions contained in the report. It is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.

Please see the Spearhead Valuation Inc. Demolition and Debris Removal Study included in the addenda for more details on the remaining demolition costs. The table below summarizes the conclusions from the report.

Demolition and Debris Removal Costs

Structure	Cost
Office	$1,981,000
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The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. The new rail yard access easement is agreed upon changing the easement area on APN 766670-3015 from 15,460 to 13,951 square feet.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. In the "As if Clean" value premise, it is assumed that the silos and other structures are removed and the land under the former structures is remediated and usable.
2. In the "As if Clean" value premise, it is assumed that the creosote pilings under the pier are remediated.
3. In both valuation premises, the site is presumed clean with no environmental contamination aside from the hazards associated with the condemned structures.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

For use only as internal reference by King County

Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Lucy Jones has made a personal inspection of the property that is the subject of this report. Lori Safer, MAI, AI-GRS has personally inspected the subject.
12. No one provided significant real property appraisal assistance to the persons signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.

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14. As of the date of this report, Lori Safer, MAI, AI-GRS has completed the continuing education program for Designated Members of the Appraisal Institute.

15. As of the date of this report, Lucy Jones has completed the Standards and Ethics Education Requirements for Associate Members of the Appraisal Institute.

Lucy Jones
Washington Certified General Real Estate Appraiser #22026746

Lori Safer, MAI, AI-GRS
Washington Certified General Real Estate Appraiser #1100546

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Permits and Approvals Required for Development of Harbor Island Property

US Environmental Protection Agency (EPA)	EPA Superfund Work Plan
	EPA Cap Protection Plan
	EPA Source Control Plan
	EPA Environmental Monitoring Plan
US Army Corps of Engineers (USACE)	USACE Section 10 / Section 404, via Joint Aquatic Resources Permit Application (JARPA)
US Coast Guard	USCG Navigation Coordination
Washington Department of Ecology (Ecology)	Ecology 401 Water Quality Certification
	Ecology Stormwater Permit
	Ecology Model Toxics Control Act Cleanup Documentation
Washington Department of Natural Resources (DNR)	DNR Aquatic Use Authorization, via JARPA
Washington Department of Fish and Wildlife (WDFW)	WDFW Hydraulic Project Approval, via JARPA
Puget Sound Clean Air Agency (PSCAA)	PSCAA Asbestos/Demolition Notification
King County Solid Waste Division	King County Special Waste Approval
	King County construction and demolition material disposal requirements
Seattle Department of Construction & Inspections (SDCI)	SDCI Shoreline Substantial Development Permit
Seattle Public Utilities (SPU)	SPU Drainage/Stormwater Approval
Multi-agency	State Environmental Policy Act
	Stormwater Pollution Prevention Plan
	In-water/Over-water Work Plan
	Air Monitoring Plan
	Waste Management Plan
	Traffic Control Plan
	Institutional Controls Compliance Plan
	Environmental Monitoring Plan
	Health and Safety Plan
Muckleshoot Indian Tribe	Mitigation for in-water work that would impact the tribes' usual and customary fishing areas

RPUID	Assesor Parcel ID	Property Name	Property Interest	Not In Agency Inventory	Not in RES Inventory	Vacant or unused for 2+ yrs (Y/N)	Surplus to Agency Needs (Y/N)	Any Portion Leased to Another Party (Y/N)	If Leased: Lessee Name	Common Property Name	Notes/Comments
515	0122029043	VASHON LANDFILL SITE	Fee	N	N					Retired Landill	
755	0926069015	DUVALL LANDFILL SITE	Fee	N	N					Retired Landill	
464	1026069007	DUVALL LANDFILL SITE	Fee	N	N			N		Retired Landill	
463	1026069021	DUVALL LANDFILL SITE	Fee	N	N			N		Retired Landill	
429	1322069016	HOBART LANDFILL SITE	Fee	N	N	y	N	N		Retired Landill	
430	1759701890	HOUGHTON LANDFILL SITE	Fee	N	N	y	N	Y	KIRKLAND LL	Retired Landill	
1534	1759702135	HOUGHTON LANDFILL SITE	Fee	N	N	y	N	N		Retired Landill	
1473	1920079014	ENUMCLAW TRANSFER SITE	Fee	N	N	N	N	N		Retired Landill	
1472	1920079015	ENUMCLAW TRANSFER SITE	Fee	N	N	N	N	N		Transfer Staion	
1471	1920079016	ENUMCLAW TRANSFER SITE	Fee	N	N	N	N	N		Transfer Staion	
1547	1920079099	ENUMCLAW TRANSFER SITE	Fee	N	N	N	N	N		Transfer Staion	
6566	2023069062	Cedar Hill Landfill - Buffer	Fee	N	N	N	Y	N		Brighton	SELLING PRPERTY
818	2065600020	Shoreline Transfer Site	Fee	N	N	N	N	N		Transfer Staion	
2956	2065600030	Solid Waste Shoreline Rental Home	Fee	N	N	N		y	MORRISON	Rental House	
2952	2065600035	Shoreline Transfer Site	Fee	N	N	N	N	N		Transfer Staion	
1011	2123069001	CEDAR HILLS LEACHATE	Fee	N	N	N	N	N		Landfill	
1558	2123069016	CEDAR HILLS LANDFILL	Fee	N	N	N	N	N		Landfill	
970	2123069018	Cedar Hills Landfill	Fee	N	N	N	N	N		Landfill	
843	2191600870	Puyallup East Tacoma Landfill	Fee	N	N	Y	N	N		Retired Landill	
3840	2191601030	EAST TACOMA CENTRAL ADD	Fee	N	N	Y	N	N		Retired Landill	
3855	2191601045	EAST TACOMA CENTRAL ADD	Fee	N	N	Y	N	N		Retired Landill	
2181	2191601095	Puyallup East Tacoma Landfill	Fee	N	N	Y	N	N		Retired Landill	
5754	2191601760	EAST TACOMA CENTRAL ADD LOT 1-2 BLK	Fee	N	N	Y	N	N		Retired Landill	
2509	2191601790	EAST TACOMA CENTRAL ADD A	Fee	N	N	Y	N	N		Retired Landill	
5753	2191601825	EAST TACOMA CENTRAL ADD A LOT 14-15	Fee	N	N	Y	N	N		Retired Landill	
5752	2191601850	EAST TACOMA CENTRAL ADD A LOT 19-20	Fee	N	N	Y	N	N		Retired Landill	
1938	2191602050	Puyallup East Tacoma Landfill	Fee	N	N	Y	N	N		Retired Landill	
1937	2191602090	Puyallup East Tacoma Landfill	Fee	N	N	Y	N	N		Retired Landill	
1936	2191602135	Puyallup East Tacoma Landfill	Fee	N	N	Y	N	N		Retired Landill	
1935	2191602150	Retired Landfill	Fee	N	N	Y	N	N		Retired Landill	
5616	2223069027	Cedar Hills Landfill - Buffer	Fee	N	N	y	N	N		Buffer zone purchase	
5521	2223069105	Cedar Hills Landfill - Buffer	Fee	N	N	y	N	N		Buffer zone purchase	
5854	2223069125	Cedar Hills Landfill - Buffer	Fee	N	N	y	N	N		Buffer zone purchase	
5615	2223069126	Cedar Hills Landfill - Buffer	Fee	N	N	y	N	N		Buffer zone purchase	
5692	2223069135	Cedar Hills Landfill - Buffer	Fee	N	N	y	N	N		Buffer zone purchase	
6432	2223069145	Cedar Hill Landfill (Buffer)	Fee	N	N	y	N	N		Buffer zone purchase	
1178	2422069035	HOBART LANDFILL SITE	Fee	N	N	y	N	N		Retired Landill	
860	2526119063	SKYKOMISH TRANSFER SITE	Fee	N	N	y	N	N		Transfer Staion	
450	2623089010	CEDAR FALLS LANDFILL SITE	Fee	N	N	y	N	N		Retired Landill	
4420	2623089122	CEDAR FALLS ANNEX	Fee	N	N	y	N	N		Transfer Staion	
6329	2723069093	Cedar Hills Landfill - Buffer	Fee	N	N	y	N	N		Buffer zone purchase	
6472	2723069097	Cedar Hills Landfill - Buffer	Fee	N	N	y	N	N		Buffer zone purchase	
6388	2723069098	Cedar Hills Landfill Buffer	Fee	N	N	y	N	N		Buffer zone purchase	
6306	2723069099	Cedar Hills Landfill - Buffer	Fee	N	N	y	N	N		Buffer zone purchase	
6393	2723069129	Cedars Hills Landfill (Buffer)	Fee	N	N	y	N	N		Buffer zone purchase	
6344	2723069132	Cedar Hills Landfill - Buffer	Fee	N	N	y	N	N		Buffer zone purchase	
6295	2723069138	Cedar Hills Landfill - Buffer	Fee	N	N	Y	N	N		Buffer zone purchase	
6169	2723069140	Cedar Hills Landfill - Buffer	Fee	N	N	Y	N	N		Buffer zone purchase	
6273	2723069141	Cedar Hills Landfill - Buffer	Fee	N	N	Y	N	N		Buffer zone purchase	
442	2723089004	CEDAR FALLS LANDFILL SITE	Fee	N	N	Y	N	N		Retired Landill	
407	2821049007	PUYALLUP LANDFILL SITE	Fee	N	N	Y	N	N		Retired Landill	
1716	2823069018	CEDAR HILLS LANDFILL-C/M	Fee	N	N	N	N	N		Retired Landill	
848	2881700009	Shoreline Transfer Site - Roadway	Fee	N	N	N	N	N		Active Landfill	
488	3356407870	ALGONA TRANSFER SITE	Fee	N	N	N	N	N		Transfer Staion	
398	3523049037	BOW LAKE TRANSFER SITE	Fee	N	N	N	N	N		Transfer Staion	
465	3623029009	VASHON LANDFILL SITE	Fee	N	N	N	N	N		Transfer Staion	
2388	3623029042	VASHON TRANSFER SITE	Fee	N	N	N	N	N		Transfer Staion	
466	3623029077	VASHON LANDFILL SITE	Fee	N	N	Y	N	N		Retired Landill	
4104	3751601414	Algona Transfer Site - Future	Fee	N	N	N	N	N		Transfer Staion	
3387	5453300320	FACTORIA TRANSFER STATION	Fee	N	N	N	N	N		Transfer Staion	
458	5727500410	SHORELINE TRANSFER SITE	Fee	N	N	N	N	N		Transfer Staion	
3004	7666703015	Harbor Island Facility	Fee	N	N	N	N	Y	Raymont	Fisher Mill/HI	
3003	7666703016	Harbor Island Facility	Fee	N	N	N	N	Y	Raymont	Fisher Mill/HI	
3002	7666703017	Harbor Island Facility	Fee	N	N	N	N	Y	Raymont	Fisher Mill/HI	
3008	7666703020	Harbor Island Facility	Fee	N	N	N	N	Y	Creative Econom/Raym	Fisher Mill/HI	
3001	7666703025	Harbor Island Facility	Fee	N	N	N	N	Y	Raymont	Fisher Mill/HI	
3000	7666703030	Harbor Island Facility	Fee	N	N	N	N	Y	Raymont	Fisher Mill/HI	
2999	7666703035	Harbor Island Facility	Fee	N	N	N	N	Y	Raymont	Fisher Mill/HI	
2998	7666703040	Harbor Island Facility	Fee	N	N	N	N	Y	Raymont	Fisher Mill/HI	
2997	7666703050	Harbor Island Facility	Fee	N	N	N	N	Y	Raymont	Fisher Mill/HI	
7241	2723069127	Cedar Hills Landfill - Buffer	Fee	N	N	N	N	N		Buffer zone purchase	New in 2026

Docusign Envelope ID: 20B0B375-3CDC-8711-81BE-CE63C1CB81CC

King County
Facilities Management Division
Lisa K. Pearson, Director
401 Fifth Ave, Suite 900
Seattle, WA 98104
Phone: 206-477-9352
Fax: 206-205-5070

May 12, 2026

The Honorable Girmay Zahilay
King County Executive
King County Chinook Building
401 5th Avenue, Suite 800
Seattle, WA 98104

Dear Executive Zahilay:

This letter transmits the Department of Executive Services, Facilities Management Division's (FMD) recommendation regarding the Harbor Island property located at 16th Ave SW, Seattle, WA 98134 in response to Ordinance 20023, Section 110, Proviso P3.C.

It is the judgment of FMD that the Department of Natural Resources and Parks (DNRP) has not justified retention of this property, nor is there another County department that has a need for the property related to the provision of essential government services consistent with K.C.C. 4.56.070.C.1.

FMD reviewed DNRP's surplussing analysis and conducted an evaluation of the property's physical condition, operational utility, market context, required capital investment, and long-term strategic value. Key considerations identified through this assessment include:

- Environmental conditions associated with historic industrial contamination; and
- Significant anticipated costs related to demolition, environmental remediation, and necessary infrastructure improvements for any continued County use.

Based on this evaluation, and after consideration of the property's ongoing maintenance obligations, holding costs, and limited utility for County purposes, FMD has determined that continued ownership does not represent the highest and best use of the asset.

Accordingly, FMD recommends disposition of the property in its current "as-is" condition in accordance with applicable King County policies and procedures. Current appraised value in "as-is" condition is $22,500,000.

The proposed disposition is anticipated to provide several public benefits, including:

- Reduction of ongoing operating and maintenance liabilities.
- Opportunity to realize fair market value and reinvest proceeds into critical County priorities.
- Potential economic development and productive reuse of the site by others.
- Elimination of future capital investment obligations associated with the property.

Docusign Envelope ID: 20B0B375-3CDC-8711-81BE-CE63C1CB81CC

King County
Facilities Management Division

Lisa K. Pearson, Director
401 Fifth Ave, Suite 900
Seattle, WA 98104
Phone: 206-477-9352
Fax: 206-205-5070

If your staff have questions, please contact me at lpearson@kingcounty.gov or 206-263-9238.

Sincerely,

Signed by:
Lisa K. Pearson
C49A61EB98E1418...

Lisa K. Pearson, Director
Facilities Management Division
King County Department of Executive Services

cc: Karan Gill, Deputy Executive, Office of the Executive
Jasmin Weaver, Chief of Staff, Office of the Executive
Hyeok Kim, Chief Operating Officer, Office of the Executive
Sierra Howlett Browne, Director of Government Relations, Office of the Executive
Garrett Holbrook, Council Relations Manager, Office of the Executive
Lorraine Patterson-Harris, Director, Department of Executive Services (DES), County Administrative Officer (CAO)
John Taylor, Director, Department of Natural Resources and Parks

Metropolitan King County Council
Staff Report

Committee:	Budget and Fiscal Management Committee		
Agenda Item:	7	**Analyst(s):**	Terra Rose
Proposed No.:	2026-0160	**Meeting Date:**	July 22, 2026

OVERVIEW

TOPIC: Proposed Ordinance 2026-0160 would increase the disposal fees at County solid waste facilities for solid waste and other materials and modify how fees are reduced during unanticipated facility closures.

LEGISLATION SUMMARY

Proposed Ordinance 2026-0160 would, effective January 1, 2027, increase:

- Fees to accept solid waste, yard and clean wood waste, major appliances with refrigerants, mattresses, and special wastes by between 8% and 9% depending on the material;
- The amount of the Fixed-Annual Charge from approximately $26.8 million to $29.1 million, an increase of 8.5%; and
- The low-income discount from $20.00 to $22.00 per entry.

Additionally, the proposed ordinance would modify how fees are reduced for haulers during unanticipated facility closures.

The narrative accompanying the proposed ordinance indicates that the increases are necessary to support the rising costs of providing essential solid waste services and meeting legal and regulatory requirements, as well as providing for the Solid Waste Division's planned capital infrastructure projects. However, the fee narrative also notes that the Division has taken actions to control costs by limiting increases in existing operating expenses beyond inflation and deferring the Permanent Facility Relocation capital project to a later date.

KEY ISSUES FROM THE ANALYSIS

Council staff and legal analysis are ongoing. At this time, no issues have been identified.

BACKGROUND & TIMING CONSIDERATIONS

↑ BACK TO TOP

Regional Solid Waste System. The King County Solid Waste Division (SWD; Division) is responsible for providing solid waste planning, management, transfer, and disposal services through 2040 for the unincorporated areas and the 37 partner cities[1] that have signed interlocal agreements, a service area that includes approximately 1.5 million people. SWD operates eight transfer stations and two drop boxes distributed throughout the region, the Cedar Hills Regional Landfill located in unincorporated Maple Valley, as well as waste prevention and recycling programs.

The County receives solid waste at its transfer stations and drop boxes from haulers and self-haul customers. These waste loads are consolidated, transferred onto trailers, and transported by truck by the County to the Cedar Hills Regional Landfill, which is the only operating landfill in the county.

Long-Term System Planning. The County's solid waste system is currently in a period of transformation from one focused on disposal of materials to a system with greater emphasis on waste reduction, recovery, and recycling. In 2022, SWD released the Re+ Strategic Plan,[2] which describes the County's approach to meeting its adopted goal to achieve zero waste of resources[3] by 2030 through maximum feasible and cost-effective prevention, reuse, and reduction of solid waste being landfilled and going to other processing facilities.

Concurrently with its efforts toward zero waste (rebranded as "Re+"), SWD is in the middle of significant efforts related to current and future system planning, including:

- *Modernizing its transfer facilities*, some of which are from the 1960s;
- *Further developing the Cedar Hills landfill for additional capacity* in accordance with the adopted 2019 Comprehensive Solid Waste Management Plan;[4] and
- In conjunction with the partner cities *evaluating options for and determining the next disposal method to be used when the Cedar Hills landfill reaches capacity*, which has been projected between 2037 and 2046.[5] Options being considered include waste export by rail to an out-of-county landfill, construction of a waste-to-energy

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[1] All cities in King County except Seattle and Milton participate in the County's regional system.
[2] Re+ Strategic Plan: Reimagining a waste-free King County [Link]
[3] K.C.C. 10.14.020. Further, "zero waste of resources" is defined in Code as a planning principle and framework designated to eliminate the disposal of materials with economic value through reuse, recycling, or both."
[4] Ordinance 18893
[5] Cedar Hills Regional Landfill 2020 Site Development Plan and Facility Relocation Final Environmental Impact Statement [Link]

facility to manage the system's waste, and a hybrid approach where a portion of the waste is directed to a waste-to-energy facility and the remainder is exported by rail.[6] It is expected that the selected method will be included in an updated Comprehensive Solid Waste Management Plan, which Executive staff anticipate transmitting to the Council in 2029.

These elements of solid waste planning can influence future solid waste fees in a number of ways. Successful implementation of Re+ efforts could reduce the annual tons of waste that is landfilled, as well as the revenue associated with those tons, which could put an upward pressure on fees. Additionally, depending on what long-term disposal option is selected, the County and regional system may need to incur additional capital and operating costs related to the chosen method, which also could put upward pressure on future fees.

Solid Waste System Revenues. Executive staff indicate that about 90% of SWD's revenue comes from disposal fees and the Fixed-Annual Charge, both of which are further described below. Other sources of revenue supporting the solid waste system include the sale of landfill gas collected and processed at the Cedar Hills landfill; rental income from property owned by the Division; a surcharge on construction and demolition waste disposal at designated non-County facilities; the commodity value of recyclables collected at County solid waste facilities; as well as grants and interest earnings.

Disposal Fees. Disposal fees are approved by the Council and vary based on:

- The type of material -- such as solid waste, yard waste, appliances;
- The type of customer vehicle -- "fixed-rate vehicles," such as a hatchback or sedan, pay a flat fee independent of the amount disposed and other vehicles like a hauler's collection vehicle or an SUV pay a per-ton fee; and
- Whether the facility receiving the material has a scale.

When a per-ton-rate vehicle disposes of less than 320 pounds of solid waste or yard/wood waste, a minimum fee applies. This minimum fee has historically been equal to the flat fee charged to fixed-rate vehicles.

The current fees were approved in 2025 and went into effect on January 1, 2026.[7]

Revenue Restructure and the Fixed-Annual Charge. In 2022, the Council approved changes to how fees were collected from certain customers and these changes were proposed by the Executive to improve revenue stability and predictability in times of volatility, such as in

[6] July Metropolitan Solid Waste Management Advisory Committee meeting
[7] Ordinance 19970

the case of tonnage declines during a recession or with successful waste reduction and recycling efforts.[8]

Prior to the restructure, haulers paid the same per-ton fee for solid waste disposal as self-haulers. This meant that a significant portion of the Division's revenues were directly tied to the annual waste tons received by the County, which can fluctuate depending on population growth, economic activity, and waste prevention and recycling efforts, among other factors.

The revenue restructure made the following changes:

1. *Reduced the per-ton fee paid by "solid waste collection entities" to be less than the fee paid by self-haul customers*. Solid waste collection entities are predominantly haulers serving cities and the unincorporated areas under contract or certificate.
2. *Introduced the Fixed-Annual Charge (FAC)*, which is the fixed dollar amount that SWD will collect each year from the system's "billing entities" independent of tonnage received by the system. The billing entities -- either the haulers or the cities, whichever bills customers directly -- pay a proportionate share of the FAC based on the tonnage from the billing entity's service area compared to the systemwide tonnage. For example, if Republic Services is the billing entity for the Bellevue service area and Bellevue customers generated 10% of all commercially hauled tons countywide in the most recent calendar year for which data is available, Republic Services would be billed 10% of the FAC. Executive staff indicate that how a billing entity's share of the FAC is passed onto their customers is determined by the hauler and city through their collection contracts.

The FAC in 2026 is approximately $26.8 million.

One-Year Fee Proposal. SWD has historically proposed fee increases on a biennial cycle, typically with two one-year increases in a single ordinance. However, last year SWD, in consultation with the advisory committees, proposed a single year fee increase covering 2026 and noted this was to give the Division an opportunity to reprioritize and sequence capital investments and evaluate potential cost saving measures.

While Council-adopted fees do not expire and are in place until a new fee is adopted and effective, Executive staff expect to return to the biennial cycle next year.

Timing Considerations. For the proposed fees to go into effect on January 1, 2027, the Council would have to act prior to September 30 to allow for the 90-day notice to the state required by the Washington Utilities and Transportation Commission (WUTC). However, Executive staff are seeking Council action on the proposed ordinance in early September to

[8] Ordinance 19413

allow the Division to communicate the final fee amounts to haulers and cities so that they can incorporate the new amounts into their billing and other systems, as well as notify the WUTC.

ANALYSIS

↑ BACK TO TOP

Council staff and legal analysis are ongoing. At this time, no issues have been identified.

Proposed Ordinance 2026-0160 would, effective January 1, 2027, increase:

- Fees to accept solid waste, yard and clean wood waste, major appliances with refrigerants, mattresses, and special wastes by between 8% and 9% depending on the material and as summarized in Figures 1, 2, 3, and 4;
- The amount of the FAC from approximately $26.8 million to $29.1 million, an increase of 8.5%; and
- The low-income discount from $20.00 to $22.00 per entry.

Additionally, the proposed ordinance would modify how fees are reduced for haulers during unanticipated facility closures.

According to the fee narrative (Attachment A to the proposed ordinance), the increases are necessary to support the rising costs of providing essential solid waste services and meeting legal and regulatory requirements, as well as providing for the Division's planned capital infrastructure projects. Executive staff indicate that inflation and higher borrowing costs due to higher interest rates are impacting both the cost of operations and capital spending and also resulting in a lower tonnage forecast than previously projected.

However, the fee narrative also notes that the Division has taken actions to control costs by limiting increases in existing operating expenses beyond inflation and deferring the Permanent Facility Relocation project to a later date. This project would build a new permanent maintenance facility to replace structures at the landfill that will be demolished to expand landfill capacity. Additionally, the fee narrative notes that the revenues from the sale of processed landfill gas collected at the landfill is helping to offset fee increases.

Proposed Increases. Figures 1, 2, 3, and 4 summarize the current and proposed fees to dispose of solid waste and other materials.[9] According to the fiscal note, the proposed increases in fees and the FAC are projected to result in an additional $16.3 million in revenues relative to the current fees.

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[9] Shown pre-tax and without the moderate-risk waste surcharge that funds hazardous waste programs throughout the county.

Figure 1. Current and Proposed Fees at Facilities WITH SCALES

(not including the Cedar Hills Landfill)

Material Type	Customer Type	Current 2026 Fee	Proposed 2027 Fee	Fee Unit	% Change
Solid Waste	**Fixed-rate vehicles** *e.g., hatchback or sedan*	$36.69	$39.76	*per entry*	8.4%
	Solid waste collection entity per-ton-rate vehicles *e.g., contract haulers, certificated haulers*	$179.18	$194.00	*per ton*	8.3%
	Self-hauler per-ton-rate vehicles *e.g., SUVs, trucks*	$229.29	$249.00	*per ton*	8.6%
	Minimum fee (<320 lbs.)	$36.69	$39.76	*per vehicle*	8.4%
	Charitable organizations	$176.55	$192.04	*per ton*	8.8%
	Charitable organizations - minimum fee (<320 lbs.)	$28.25	$30.83	*per entry*	9.1%
Yard Waste / Clean Wood Waste	**Fixed-rate vehicles**	$20.70	$22.50	*per entry*	8.7%
	Per-ton-rate vehicles	$129.38	$140.50	*per ton*	8.6%
	Minimum	$20.70	$22.50	*per vehicle*	8.7%
Appliances w/ Refrigerants	**All customer types**	$30.00	$32.50	*per unit*	8.3%
Mattress Disposal[10]	**All customer types**	$30.00	$32.50	*per unit*	8.3%

[10] Applies to the Algona, Cedar Falls, Houghton, and Renton facilities. The Bow Lake, Enumclaw, Factoria, Shoreline, and Vashon facilities offer mattress recycling for $30.00 per item.

Figure 2. Current and Proposed Fees at Facilities WITHOUT SCALES

Material Type	Customer Type	Current 2026 Fee	Proposed 2027 Fee	Fee Unit	% Change
Solid Waste	**Fixed-rate vehicles**	$36.69	$39.76	*per entry*	8.4%
	Per-ton-rate vehicles (Compacted waste)	$66.49	$72.35	*per cubic yard*	8.8%
	Per-ton-rate vehicles (Uncompacted waste)	$38.98	$42.42	*per cubic yard*	8.8%
	Minimum fee	$36.69	$39.76	*per entry*	8.4%
Yard Waste / Clean Wood Waste	**Fixed-rate vehicles**	$20.70	$22.50	*per entry*	8.7%
	Per-ton-rate vehicles (Compacted waste)	$37.52	$40.75	*per cubic yard*	8.6%
	Per-ton-rate vehicles (Uncompacted waste)	$21.99	$24.00	*per cubic yard*	9.1%
	Minimum fee	$20.70	$22.50	*per vehicle*	8.7%

Figure 3. Current and Proposed Fees at the Cedar Hills Landfill

Material Type	Customer Type	Current 2026 Fee	Proposed 2027 Fee	Fee Unit	% Change
Solid Waste	**Regional direct[11]**	$194.89	$211.00	*per ton*	8.2%
	Solid waste collection entity per-ton-rate vehicles	$179.18	$194.00	*per ton*	8.3%
Per-Ton Mattress	**All customer types**	$1,090.00	$1,182.00	*per ton*	8.4%

Solid Waste. As noted in Figure 1, the proposed ordinance would increase the fee at facilities with scales, excluding the landfill, for solid waste collection entities at facilities with scales to $194.00 per ton, self-haul customers to $249.00 per ton, and the minimum fee to $39.76 per vehicle.

According to the fee narrative, the average monthly curbside impact for all residents in the County's service area, after haulers pass along the increased disposal fee, is forecasted to be approximately $0.73 per month for a customer with a 32-gallon can size. However,

[11] The regional direct fee is a discounted fee charged to haulers that haul solid waste to the Cedar Hills landfill from their own transfer stations and processing facilities, thus bypassing County transfer stations. In the past Executive staff have indicated that this tonnage is typically composed of nonrecyclable material removed from recyclables during processing.

because all cities have different starting rates and distribute the disposal costs across their customer bases differently, the forecasted impact will not match an actual customer impact in a given city, but it is expected to be accurate in the aggregate across the entire County service area.

Yard and Clean Wood Waste. The fee to accept yard and clean wood waste is proposed to increase to $140.50 per ton. Between 2011 and 2021, the fee for yard and clean wood waste remained unchanged at $75 per ton, at which point the Division proposed and the Council approved an increase to $100 per ton in 2022 and subsequent increases through 2026 to begin to bring the fee more in line with the costs to provide the service.

Special Waste. The proposed ordinance would increase the special waste fees for materials that require special handling, recordkeeping, or both, such as asbestos-containing materials and contaminated soil. The proposed increases are summarized in Figure 4.

Figure 4. Current and Proposed Special Waste Fees

Fee Type	Current 2026 Fee	Proposed 2027 Fee	Fee Unit	% Change
Special Waste	$275.14	$299.00	*per ton*	8.7%
Special Waste - Minimum	$44.02	$47.78	*per entry*	8.5%
Special Waste, Extra Handling	$321.01	$349.00	*per ton*	8.7%
Special Waste, Extra Handling - Minimum	$51.36	$55.98	*per entry*	9.0%

FAC. The proposed ordinance would increase the FAC from $26,838,510 to $29,119,783, an increase of 8.5%. For comparison, the increase between 2025 and 2026 was 12.5%. As noted previously, the FAC is the amount that SWD collects annually and cumulatively, independent of solid waste tonnage received into the system, from billing entities -- either commercial haulers or cities, depending on which entity bills curbside customers directly.

According to the fee narrative, the amount of the FAC is set to equal the haulers' portion of the non-disposal service costs, such as administrative expenses, regional planning, Re+ actions, and regulatory compliance. The fee narrative provides the following example: if the sum of all the Division's non-disposal costs totaled $100 million, and the hauler customer class usage was 30%, the FAC would be set at $30 million.

Executive staff indicate that how a billing entity's share of the FAC is passed onto their curbside customers is determined by the hauler and city through their collection contracts.

Proposed Low-Income Discount. The proposed ordinance would increase the low-income discount available to eligible self-haul customers at transfer stations, called Cleanup LIFT, from the current $20.00 to $22.00 per entry in 2027, which would be equivalent to roughly half of the minimum fee for solid waste transactions. The discount can be applied to disposal of solid waste, yard and clean wood waste, appliances, and mattresses. Qualified customers must live in households at or below 200% of the federal poverty level and qualify by presenting their ORCA LIFT card, Electronic Benefits Card (EBT card), or Medicaid card (ProviderOne) at the transfer station.

Modifications to Unanticipated Facility Closure Reduced Fee Program. In the solid waste fee ordinance approved last year, the Council added language in King County Code that authorized the Department of Natural Resources and Parks Director to reduce the fee to deliver waste directly to the Cedar Hills landfill in the event of the closure of two or more transfer stations with fewer than five days' notice provided to haulers.[12] The reduced fee is scaled based on the duration of the closure with a $125 per ton fee for a one-day disruption, $100 per ton fee for two days, and $75 per ton for three or more days.

The proposed ordinance would make the following modifications:

- Instead of a reduced fee only at the Cedar Hills landfill, the Director would be authorized to apply a credit for loads delivered at the County-owned facilities to which King County reroutes haulers during a disruption. The credit would be granted only upon receipt of scale ticket documentation submitted to the Division within five business days following resumption of normal operations.
- Instead of being applicable only in the event of a closure of two or more transfer stations, a credit of $20.00 per ton would apply during the closure of a single transfer station for twenty-four hours or longer.
- The following credits would be used for the closure of two or more transfer stations based on the duration of the closure:
    - One-day disruption: $70.00 per ton;
    - Two-day disruption: $94.00 per ton; and
    - Three or more days of disruption: $120.00 per ton.

The fee narrative indicates that the proposed changes are to address concerns raised during the 2027 rate development process where commercial hauler representatives on

[12] Ordinance 19970

the Solid Waste Advisory Committee expressed dissatisfaction that there was no fee reduction in the case of an unanticipated closure of one transfer station and that the reduction only applied to the landfill and not when they were redirected to another facility.

Council staff analysis related to these proposed changes is ongoing.

Future Outlook. SWD is forecasting annual fee increases of 8.5% per year for both haulers and self-haul customers through 2032.

The fee narrative indicates that the current fee proposal will allow the Division to maintain the 30-day operating reserve required by County policy but will not fully fund the Recession Reserve or the Rate Stabilization Reserve.

Advisory Committee Involvement. Both the Metropolitan Solid Waste Advisory Committee, composed of city representatives, and the Solid Waste Advisory Committee, which is made up of representatives for a range of interests including haulers and environmental organizations, provided advisory notes (Attachments 4 and 5).

INVITED

- Rebecca Singer, Director, Solid Waste Division
- David Pierce, Enterprise Service Section Manager, Solid Waste Division

ATTACHMENTS

1. Proposed Ordinance 2026-0160 (and its attachment)
2. Transmittal Letter
3. Fiscal Note
4. Metropolitan Solid Waste Advisory Committee Advisory Note
5. Solid Waste Advisory Committee Advisory Note

KING COUNTY

Signature Report

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Ordinance

Proposed No. 2026-0160.1 **Sponsors** Lewis

AN ORDINANCE relating to solid waste fees charged at recycling and transfer facilities, at the Cedar Hills regional landfill; amending Ordinance 12564, Section 2, as amended, and K.C.C.10.12.021 and establishing an effective date.

STATEMENT OF FACTS:

1. The solid waste division of the department of natural resources and parks provides essential public services that protect human health, the environment, and the quality of life in our region.

2. The solid waste division operates the Cedar Hills regional landfill, eight transfer stations, and two drop boxes. It also provides innovative programs to help customers prevent and recycle waste.

3. The department of natural resources and parks is proposing to change the rate solid waste collection entity per-ton-rate vehicles are charged for disposal of municipal solid waste from $179.18 to $194.00 per ton, effective January 1, 2027.

4. The department of natural resources and parks is proposing to increase the fixed-annual charge for disposal of municipal solid waste from $26,838,510 to $29,119,783, effective January 1, 2027.

5. The impact on the average single-family household with a 32-gallon weekly garbage collection service would be approximately seventy-three cents per month in 2027.

6. Solid waste collection entities rely on the availability of King County transfer stations to complete their collection routes. The department of natural resources and parks is proposing providing a credit to solid waste collection entities, if temporary, unplanned closures of King County transfer stations occur lasting longer than twenty-four hours.

7. Fee increases for 2027 enable the solid waste division of the department of natural resources and parks to maintain essential solid waste disposal and recycling services and generate the revenue needed to carry out programmatic responsibilities required under adopted policies.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 12564 Section 2, as amended, and K.C.C. 10.12.021 are hereby amended as follows:

Except as otherwise provided in K.C.C. 10.04.020 and 10.12.058, all persons using county-operated solid waste transfer stations, drop boxes and Cedar Hills regional landfill shall pay the service fees in the following schedules:

A. Fees for the use of solid waste facilities with scales, excluding Cedar Hills, shall be:

1. Solid waste disposal:

Fixed-rate vehicles	((~~$36.69~~)) $39.76 per entry
Solid waste collection entity per-ton-rate vehicles	((~~$179.18~~)) $194.00 per ton

Self-hauler per-ton-rate vehicles	((~~$229.29~~)) $249.00 per ton
Charitable organizations	((~~$176.55~~)) $192.04 per ton
Minimum	((~~$36.69~~)) $39.76 per vehicle
Charitable organizations, minimum charge	((~~$28.25~~)) $30.83 per entry

2. Deposit of source-separated yard waste, clean wood waste, or any combination thereof:

Fixed-rate vehicles	((~~$20.70~~)) $22.50 per entry
Per-ton-rate vehicles	((~~$129.38~~)) $140.50 per ton
Minimum charge	((~~$20.70~~)) $22.50 per vehicle

3. Deposit of major appliances:

Major appliances with refrigerants	((~~$30.00))~~ $32.50 per unit

4. Deposit of mattresses:

Mattresses	((~~$30.00))~~ $32.50 per unit

5. Qualified low-income customers shall receive fee discounts of ((~~$20.00~~)) $22.00 per entry for deposit of solid waste, yard waste, clean wood waste appliances and mattresses. Customers with mixed loads must separate and deposit materials with sequential visits to the scale house to receive a discount on the individual waste types.

B. Each billing entity in the solid waste system will pay a share of the fixed-annual charge. The share each billing entity pays, for each service area it serves, is directly proportional to the total tons of municipal solid waste, deposited by solid waste collection entities at county-operated solid waste facilities in the most recent calendar year for which data is available, as shown in the following formula:

1. W = X * (Y / Z), where:

a. W is the billing entity's share in dollars of the fixed-annual charge for a specific service area;

b. X is the total amount of the fixed-annual charge for the calendar year;

c. Y is the number of tons of municipal solid waste from a specific service area of the billing entity that is deposited at county-operated solid waste facilities in the most recent calendar year for which data is available; and

d. Z is the total number of tons of municipal solid waste from all service areas deposited at county-operated solid waste facilities by all solid waste collection entities in the most recent calendar year for which data is available, excluding regional direct tons.

2. Beginning January 1, ((~~2026~~)) 2027, the fixed-annual charge is ((~~$26,838,510~~)) $29,119,783.

C. Fees for the use of solid waste facilities without scales shall be based upon the cubic yard or fraction thereof as follows:

1. Solid waste disposal:

Fixed-rate vehicle	((~~$36.69~~)) $39.76 per entry
Per-ton-rate vehicles:	
Compacted wastes	((~~$66.49~~)) $72.35 per cubic yard
Uncompacted wastes	((~~$38.98~~)) $42.42 per cubic yard
Minimum charge	((~~$36.69~~)) $39.76 per vehicle

2. Deposit of source separated yard waste, clean wood waste or any combination thereof:

Fixed-rate vehicle	((~~$20.70~~)) $22.50 per entry
Per-ton-rate vehicles:	

Compacted wastes ((~~$37.52~~)) $40.75 per cubic yard

Uncompacted wastes ((~~$21.99~~)) $24.00 per cubic yard

Minimum charge ((~~$20.70~~)) $22.50 per vehicle

3. Qualified low-income customers shall receive fee discounts of ((~~$20.00~~)) $22.00 per entry for deposit of solid waste, yard waste, clean wood waste appliances and mattresses. Customers with mixed loads must separate and deposit materials with sequential visits to the scale house to receive a discount on the individual waste types.

D. Fees at the Cedar Hills regional landfill shall be:

Cedar Hills Regional Direct ((~~$194.89~~)) $211.00 per ton

Solid waste collections entity per-ton-rate vehicles ((~~$179.18~~)) $194.00 per ton

Per-ton mattress ((~~$1,090.00~~)) $1,182.00 per ton

Disposal by other vehicles is at the discretion of the division director.

((~~In the event of a temporary closure of two or more King County transfer stations, excluding drop box facilities, when the solid waste division has provided fewer than five days' notice to certificated haulers, the department of natural resources and parks director, or designee, is authorized to modify the Cedar Hills Regional Direct fee at the Cedar Hills regional landfill for the duration of the temporary closure. A closure resulting from causes beyond the control of the solid waste division, such as severe weather, acts of God, natural disasters, strikes or hauler service disruptions, shall not trigger a reduced Cedar Hills Regional Direct fee at the Cedar Hills regional landfill.~~

~~The following fees shall be used, based on the duration of the closure:~~

~~One-day disruption — $125 per ton~~

~~Two-day disruption $100 per ton~~

~~Three or more days of disruption $75 per ton~~))

E.1. In the event of a temporary closure of one or more King County transfer stations to solid waste collection entities, excluding drop box facilities, when the solid waste division has provided fewer than five days' notice to solid waste collection entities, the division director is authorized to apply a credit to the solid waste collection entity per-ton-vehicle rate for the duration of a unplanned temporary closure of twenty-four hours or longer. A closure resulting from causes beyond the control of the solid waste division, such as severe weather, acts of God, natural disasters, strikes or hauler service disruptions, shall not trigger a credit.

2. The credit that shall be used for the closure of one transfer station is $20.00 per ton for one or more day of disruption.

3. The following credits shall be used for the closure of two or more transfer stations, based on the duration of the closure:

a. One-day disruption: $70.00 per ton;

b. Two-day disruption: $94.00 per ton; and

c. Three or more days of disruption: $120.00 per ton.

4. The credits under subsection E.2. and 3. of this section apply to loads delivered at the county owned facilities to which King County reroutes solid waste collection entities during a disruption and will be granted only upon receipt of scale ticket documentation submitted to the solid waste division from the solid waste collection entities within five business days following the resumption of normal operations.

F. A moderate-risk waste surcharge shall be added to all solid waste disposed by nonsolid waste collection entities using county operated solid waste facilities. The fee schedule is as follows:

1. For facilities with scales:

Per-ton-rate vehicles	$5.84 per ton
Minimum charge	$2.23 per entry
Fixed-rate vehicle	$2.23 per entry

2. For facilities without scales:

Compacted	$1.28 per cubic yard
Uncompacted	$0.73 per cubic yard
Minimum charge	$2.23 per entry
Fixed-rate vehicles	$2.23 per entry

((~~F.~~)) G. As determined by the division director, a special waste fee shall be charged for special waste including asbestos-containing waste material and other wastes requiring clearances in accordance with King County Board of Health Code Title 10 or rules adopted by the department. The fee schedule is as follows:

Special waste fee	((~~$275.14~~)) $299.00 per ton
Special waste fee minimum charge	((~~$44.02~~)) $47.78 per entry
Special waste fee, extra handling	((~~$321.01~~)) $349.00 per ton
Special waste fee, extra handling Minimum charge	((~~$51.36~~)) $55.98 per entry

((~~G.~~)) H. In the absence of exact weights or measurements, the estimate by the division director is binding upon the user.

((~~H.~~)) I. The division director may establish fees for handling and processing of recyclable materials for which no other fee has been established by ordinance. The fees need not recover the full cost of handling and processing.

SECTION 2. This ordinance takes effect January 1, 2027.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

____

Sarah Perry, Chair

ATTEST:

____

Melani Hay, Clerk of the Council

APPROVED this _____ day of _______________, ______.

____

Girmay Zahilay, Chair

Attachments: A. Proposed Solid Waste Disposal Fees for 2027

Attachment A

Proposed Solid Waste Disposal Fees for 2027

June 2026

King County

Summary

The Department of Natural Resources and Parks (DNRP) is proposing an 8.5 percent across-the-board tipping fee increase for 2027. Currently, the division forecasts the same 8.5 percent annual rate increase each year from 2028 to 2032. Table 1 shows the proposed 2027 rate, as well as the 2028 to 2032 forecasted rates, for commercial and self-haul customers.

Table 1: Current, proposed, and forecasted rates, 2026-2032

Fee/Rate	2026 Current	2027 Proposed	2028 Forecast	2029 Forecast	2030 Forecast	2031 Forecast	2032 Forecast
Self-Haul Tipping Fee (per ton)	$229.29	$249	$270	$293	$318	$345	$374
Commercial Tipping Fee (per ton)	$179.18	$194	$210	$228	$247	$268	$291
Commercial Fixed Annual Charge	$26.8M	$29.1M	$31.6M	$34.3M	$37.2	$40.3M	$43.8M

The rate increases are necessary to support the rising costs of providing essential solid waste services, including recycling and waste disposal services at transfer stations, continued operations at the Cedar Hills Regional Landfill (CHRLF), and waste-prevention programs. The rates also support the maintenance, purchase, and construction of the vital capital infrastructure required for the division's operations and to meet legal and regulatory requirements.

The impact of King County rate increases for a typical residential customer with a 32-gallon can, after commercial haulers pass along these costs, is forecasted to be $0.73 per month in 2027.

Major drivers of the 2027 proposed rate include:

- Completion of South County Recycling and Transfer Station
- Major landfill development projects, including development of Areas 5/6 and Area 9 to increase capacity of CHRLF
- Projects to ensure safety and compliance with regulatory requirements

Cost mitigation measures reflected in the 2027 proposed rate include:

- Leveraging revenue from the Cedar Hills Renewable Gas to Energy (CHRGE) facility
- Limiting operational adds (one new staff hire in 2027)
- Reprioritizing capital projects

I. Background

The Solid Waste Division of the King County Department of Natural Resources and Parks (DNRP) is guided by its vision to achieve zero waste of resources and enhance the environment through collaboration and innovation.[1] The Solid Waste Division (SWD, or the division) operates eight transfer stations, two rural drop boxes, and the Cedar Hills Regional Landfill (CHRLF), which is the only operational landfill in the county. SWD serves residents and business owners in unincorporated King County and 37 cities throughout the county, with a combined 1.5 million people relying on the division's disposal services.

The bulk of SWD's services are supported with revenues generated by tipping fees. Annual increases in the tipping fee are required to cover the rising costs of providing essential waste services, including recycling and waste disposal services at transfer stations, continued operations at the CHRLF, and waste-prevention programs.

Typically, SWD tipping fee rate proposals have set biennial tipping fees in alignment with the County's biennial budget process. However, during 2026-2027 rate deliberations, SWD and DNRP, in consultation with the solid waste advisory committees, chose to pursue a single-year rate proposal covering 2026. The rationale to pursue a one-year rate in 2026 was to give the division an opportunity to reprioritize and sequence capital investments and evaluate cost-saving measures. This current 2027 rate proposal reflects months of internal work within the division and extensive partner engagement.

The proposal seeks to fund capital and operating expenditures, meet the division's commitments to regional partners, successfully implement actions in the Comprehensive Solid Waste Management Plan (Comp Plan) and Strategic Climate Action Plan (SCAP), and fulfill the mandate to maintain essential services, while also keeping rate increases as low as possible.[2,3]

II. 2027 Proposed Disposal Fees

DNRP is proposing an 8.5 percent across-the-board tipping fee increase for 2027. At this time, the division is forecasting annual rate increases at the same level of 8.5 percent in each year from 2028 to 2032.

Table 1 shows the proposed 2027 rate as well as the 2028 to 2032 forecasted rate increases of 8.5 percent per year for commercial and self-haul customers.[4] The impact of King County rate increases for a typical residential customer with a 32-gallon can, after commercial haulers pass along these costs, is forecasted to be $0.73 per month in 2027. Details on the curbside impact calculation are provided in Appendix A.

When there are unanticipated closures at transfer stations, SWD offers a service disruption credit to commercial haulers, discussed in Appendix E.

Table 1. Current, proposed, and forecasted rates, 2026-2032

Tipping Fee	2026 Current	2027 Proposed	2028 Forecast	2029 Forecast	2030 Forecast	2031 Forecast	2032 Forecast
Commercial (per ton)	$179	$194	$210	$228	$247	$268	$291
Self-haul (per ton)	$229	$249	$270	$293	$318	$345	$374
Regional Direct (per ton)	$195	$211	$229	$248	$269	$292	$317
Yard Waste (per ton)	$129	$140	$152	$165	$179	$194	$210
Special Waste (per ton)	$275	$299	$324	$352	$381	$414	$449
Self-haul (minimum)	$36.62	$39.76	$43.38	$47.24	$51.58	$56.17	$61.24
Appliances (per transaction)	$30	$33	$36	$39	$42	$46	$50
Mattresses (per transaction)	$30	$33	$36	$39	$42	$46	$50
Cleanup Lift (per transaction)	$20	$22	$24	$26	$28	$30	$33
Commercial Fixed Annual Charge (calculated)	$26.8M	$29.1M	$31.6M	$34.3M	$37.2M	$40.4M	$43.8M

III. Benefits and Drawbacks of the Rate Proposal

Key benefits of this rate proposal include the following:

(1) **Funds key capital investments.** The rate proposal will allow for full funding of projects that are critical for operations, including:
- Projects associated with landfill development and closure
- Projects associated with regulatory compliance and safety
- Projects related to the Comp Plan, Re+, and landfill gas collection efficiencies.[5]

(2) **Allows for opening of the South County Recycling and Transfer Station (SCRTS).** The facility is slated to open in 2026.

(3) **Funds landfill reserves to reach estimated liability at closure.** Regulations require the division to have funds available to support ongoing maintenance of the CHRLF for 50 years after closure. The current proposal allows SWD to build the fund balance to meet SWD's projected liability when the landfill closes.
(4) **Provides stable rate path**. The 8.5 percent annual rate increase for six years will provide rate stability for customers.

A key drawback of the rate proposal is:

Limited growth in operating reserves. County policy requires that SWD maintain a 30-day operating reserve, a Recession Reserve, and Rate Stabilization reserves. The current rate proposal will allow the division to maintain a 30-day operating reserve, but will not fully fund the Recession Reserve or build fund balance for rate stabilization.[6]

A full cash flow analysis associated with this proposal can be found in Appendix B.

IV. Cost-Control Measures

The division has taken a number of actions to control costs that are reflected in this rate proposal and are discussed below.

Deferring capital projects. As rate pressure from the growth in capital spending has increased, the division has been exploring ways to mitigate the impact to rate payers. One approach is to defer appropriate projects into the future to distribute spending more evenly over several years rather than have a spike in spending, with the associated high debt service. One such project is the Permanent Facilities Relocation project, which would build a new permanent maintenance facility to replace structures that will be demolished during the development of Area 9 at the CHRLF. The project has been delayed in order to control rate growth.

Limiting additional operating costs. The division is planning limited increases in existing operating expenses beyond inflation. Any emergent needs will be funded out of existing outlays. Minimal growth in operating expenses will help mitigate the upward pressure from capital growth. The overarching goal of the fiscal planning work for this 2027 rate proposal has been to maximize value for customers while mitigating financial impacts on rate payers.

Leveraging new revenues. DNRP reached a settlement in March 2025 with the former owner of the renewable natural gas processing facility located at the CHRLF and acquired the plant in August of that year. Acquisition of the Cedar Hills Renewable Gas to Energy (CHRGE) facility has enabled the County to put the landfill gas it collects to beneficial use, displacing virgin fossil fuel extraction, and generating additional revenue that can help offset rate increases.

V. Rate Model Methodology

A detailed view of the rate methodology is provided in Appendix C. Revenue generated by the rates charged supports all the services provided by SWD, including:

- The municipal solid waste (MSW) transfer system
- Disposal of MSW and Special Waste at the CHRLF
- Recycling and yard waste collection at most transfer stations
- Hazardous and moderate-risk waste collection
- Waste-reduction programs
- Education and outreach

The vast majority of revenues to the Solid Waste Fund are comprised of disposal fees and the fixed annual charge (FAC). Three primary variables drive the revenue received from disposal fees: 1) the FAC, 2) tonnage, and 3) the tipping fees charged for tonnage. When tonnage decreases, revenue is reduced. Appendix D provides tonnage forecasts through 2031.

Revenue generated by the rates must align with costs to ensure services are available for customers and jurisdictions. The cost to provide services (also referred to as the revenue target, revenue requirements, or expenditures) is determined by analyzing SWD's spending patterns; updating assumptions about inflation and interest rates; factoring in changes in central rates; reviewing proposals for budget additions and reductions; determining the level of reserve cash to maintain each year; and examining a host of other factors that influence the cost of solid waste services.

Next, the amount of the FAC must be determined through a cost-of-service analysis at the customer class level. A customer class is "a grouping of solid waste customers with similar usage characteristics who are served at similar costs."[7] The cost-of-service analysis looks at the cost to provide services to each customer class, including both disposal and non disposal-related costs.

For example, to provide disposal service to commercial haulers, the County employs scale house and transfer station operators, drivers, mechanics, and landfill crews; it also builds, operates, and maintains transfer stations and the landfill. A portion of each of these costs is allocated to each of the customer classes based on their usage of that resource, usually determined by the number of tons or transactions a class generates.

Non-disposal costs include expenses, such as administration, regional planning, Re+ actions, and regulatory compliance. The FAC is based on the commercial haulers' portion of the non-disposal services costs. For example, if the sum of all non-disposal costs totaled

$100 million, and the commercial customer class share were 30 percent, the FAC would be set at $30 million.

Nearly all other Solid Waste Fund revenues other than the FAC come from tonnage received at transfer stations. The remaining revenues include rents on County-owned property, interest income, grant funding, and landfill gas revenues. Once the FAC and other revenues are subtracted from the overall cost of service, or revenue requirement, the remaining cost must be divided by the projected tonnage to set the per-ton rates.

At a high level, the relationship between the cost to provide services (expenditures), revenue, tonnage, and rates can be characterized as shown in the equation below:

$$\textbf{Expenditures} + \textbf{Reserves} = \frac{\textbf{Revenues Required} - (\textbf{FAC} + \textbf{Other Revenues})}{\textbf{Tonnage}} = \textbf{Per Ton Rate}$$

VI. Conclusion

This proposed rate increase would support DNRP making an investment in critical infrastructure projects between now and 2032. Investments in infrastructure, such as SCRTS, extending the life of the landfill, and improving the efficiency of landfill gas capture, will yield long-term financial benefits for rate payers, boost the local economy, and reduce the impact of waste on the environment.

Spending has been prioritized to focus on maintaining delivery of essential services and delivering on the commitments made in the Comp Plan and the SCAP.

The focus on the revenue side has been one of mitigating the impact of increased capital spending. The economic turbulence caused by inflation and higher borrowing costs is impacting the cost of operations and capital spending, resulting in a lower tonnage forecast than previously projected. During this rate-setting process, the department has been sensitive to the needs of its customers and other partners and worked to reduce the need for rate increases. Despite increased cost pressure in King County's capital program and reduced tonnage due largely to high interest rates, DNRP has been able to maintain a rate increase proposal consistent with projections from the last two rate cycles—all while preserving essential services and providing investments needed to reach the County's strategic goals and commitments.

[1] DNRP has rebranded these zero waste of resources efforts as Re+.
[2] King County Comprehensive Solid Waste Management Plan
[3] Strategic Climate Action Plan
[4] The commercial rate applies to certified and contracted haulers.
[5] Re+ is an innovative and multifaceted program aimed at reducing the amount of garbage that needs to be managed by keeping materials in use longer and recovering economically valuable resources that now get buried in a landfill.
[6] The Solid Waste Fund has three reserves. The Rainy-Day (30-day operating) Reserve, Recession Reserve, and Rate Stabilization Reserve. Each reserve account has rules regarding the amount of cash to be held in reserve and when those monies can be spent. More information about reserves is provided in Section IV of this report and in Appendix C.
[7] Section V.B. Solid Waste Classes of Service, Solid Waste Cost of Service and Rate Restructure Study, FCS Group. October 2021.

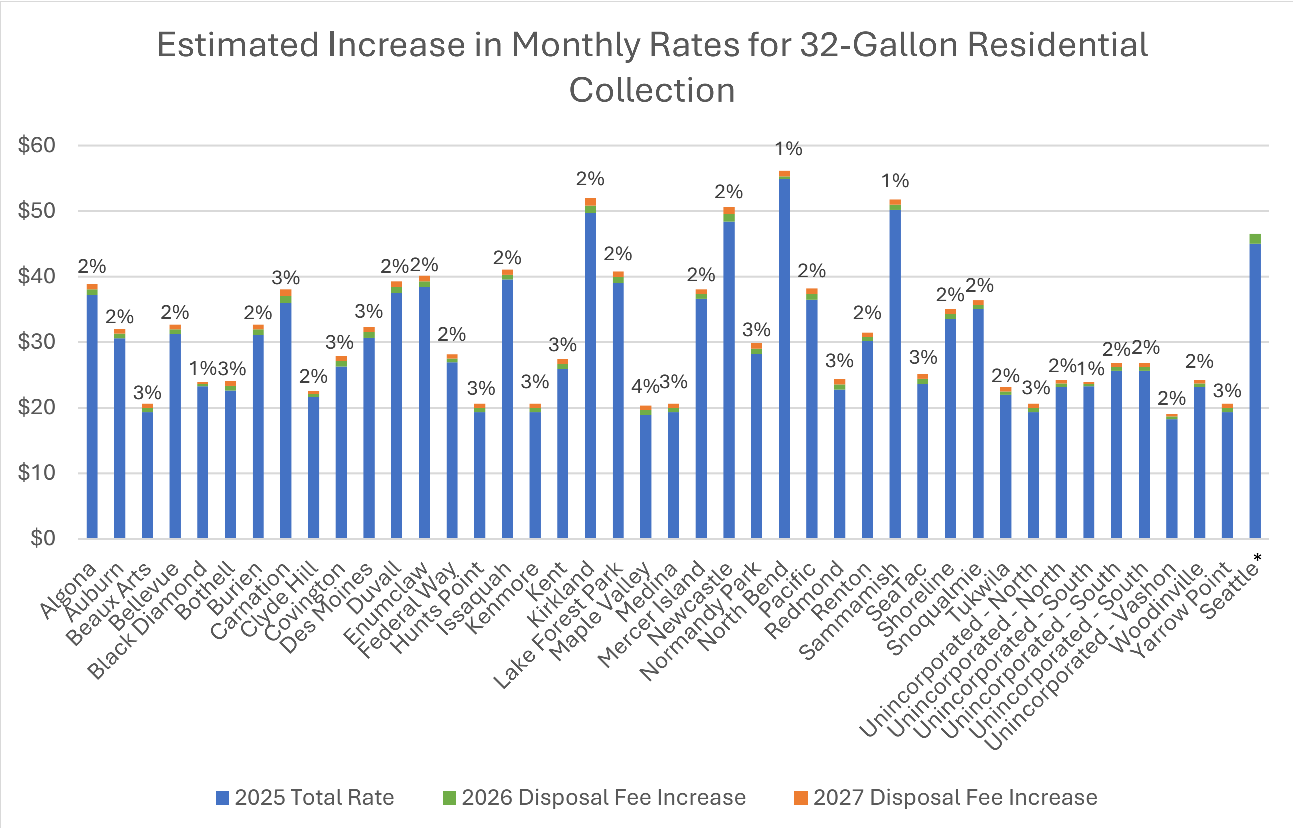
Curbside Impact Calculation

Solid waste customers and jurisdictions have historically asked for and come to expect a measurement of the impact a rate increase proposal would have on residents' waste collection bills, referred to as "curbside impact." To fill this need, DNRP created a curbside impact measure that generates an average monthly curbside impact for all residents in the County's service area, based on amount of garbage generated by a typical household. It will not match the actual curbside impact in any given city because all cities have different starting rates and distribute the disposal costs across their customer bases differently. However, it should be accurate in the aggregate across the entire Solid Waste Division (SWD, or the division) service area. In addition, the division has gathered rate data and modeled the impact in different jurisdictions for the most common can size: the 32/35-gallon cart. This provides more context for the potential variability of impacts across the service areas.

The curbside impact to customers varies considerably between cart sizes and collection contract/ Washington Utilities and Transportation Commission (UTC)-service areas. To model the potential impact, the division gathered rate data across the service area for the most common residential can size: the 32/35-gallon cart. The amount attributable to the disposal portion of the monthly service cost was not available for all contracts and the UTC areas. The division compiled the most recent available contract data and found that, on average, 26 percent of the cost was attributable to the disposal fee. This factor was then used across the monthly service cost to estimate the monthly increase. **On average, a 32/35-gallon cart customer would be expected to see a $0.73 increase per month due to the proposed 2027 rate increase.**

Figure 1 below shows a breakdown of the curbside impact by jurisdiction.
Figures 2 and 3 provide more information on our estimation methodology.

Figure 1. Impact of the Proposed Rate Increase on Monthly Solid Waste Service Fees



*Seattle 2026 increase includes both service and disposal fee components.

Figure 2. Key to City Disposal Rate Estimation Methods

Estimation Method	
City disposal percentage is based on the current year rate sheet.	1
City disposal percentage is based on the most recent past-year rate sheet disposal component out of total rate. This percentage is then applied to published current-year rates to calculate the current disposal component.	2
City disposal percentage is based on the average disposal percentage across all current-year and recent past year, for available City and UTC rate sheets. This percentage is then applied to published current-year rates to calculate the current disposal component.	3

City disposal percentage is based on most recent past-year rate model. This percentage is then applied to published current-year rates to calculate the current disposal component.	4
Unincorporated King County (UKC) disposal percentage is estimated as the hauler cost of disposal out of total hauler costs, as outlined in Rate Case Sheets. Defaults to average disposal percentage when recent estimated costs are unavailable. This percentage is then applied to published current-year rates to calculate the current disposal component.	5
Provided for comparison.	6

Figure 3. 32/35 Gallon Service Rates and Disposal Component Estimation Method

See Figure 3 for key to estimation method

City	2025 Estimated Monthly Cost	2025 Estimated Disposal Component	Estimation Method Used
Algona	$37.17	$9.03	3
Auburn	$30.59	$7.43	3
Beaux Arts	$19.31	$7.03	5
Bellevue	$31.25	$7.58	1
Black Diamond	$23.28	$3.17	5
Bothell	$22.64	$5.92	2
Burien	$31.14	$6.52	2
Carnation	$35.97	$8.74	3
Clyde Hill	$21.59	$5.24	3
Covington	$26.27	$8.69	4
Des Moines	$30.66	$6.98	2
Duvall	$37.53	$9.12	3
Enumclaw	$38.40	$9.33	3
Federal Way	$26.90	$6.53	3
Hunts Point	$19.31	$7.03	5
Issaquah	$39.55	$7.33	2
Kenmore	$19.31	$7.03	5
Kent	$25.94	$8.02	2
Kirkland	$49.70	$12.07	3
Lake Forest Park	$39.02	$9.48	3
Maple Valley	$18.86	$5.77	2
Medina	$19.31	$7.03	5
Mercer Island	$36.64	$6.16	2

Newcastle	$48.41	$11.76	3
Normandy Park	$28.18	$8.83	2
North Bend	$54.89	$8.50	2
Pacific	$36.50	$8.87	3
Redmond	$22.76	$8.47	4
Renton	$30.19	$6.72	4
Sammamish	$50.21	$8.26	1
SeaTac	$23.63	$5.74	3
Shoreline	$33.52	$6.27	2
Snoqualmie	$35.07	$6.98	2
Tukwila	$21.97	$6.34	2
UKC - North (Republic of Bellevue)	$19.31	$7.03	5
UKC - North (WM - Northwest)	$23.18	$5.63	5
UKC - South (Republic of Kent)	$23.28	$3.17	5
UKC - South (WM - Seattle)	$25.64	$6.23	5
UKC - South (WM - South Sound)	$25.64	$6.23	5
UKC - Vashon	$18.24	$4.43	5
Woodinville	$23.18	$5.63	5
Yarrow Point	$19.31	$7.03	5
Seattle	$45.05	-	6

Cash Flow through 2032

	Budget	Proposed	Forecast				
Revenues	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**
Beginning Fund Balance (4040)	$19,000,000	$19,168,921	$25,985,211	$29,846,238	$34,587,380	$33,283,468	$30,415,724
Disposal Revenue	$161,627,280	$179,177,046	$191,818,182	$205,549,033	$215,849,788	$229,882,968	$245,055,991
FAC	$26,838,510	$29,119,783	$31,594,965	$34,280,537	$37,194,383	$40,355,905	$43,786,157
CHRGE Revenue	$28,537,339	$25,268,247	$26,185,383	$26,529,889	$23,941,123	$22,452,370	$21,554,757
All Other Revenue	$13,114,691	$13,211,438	$13,363,018	$13,519,996	$13,682,567	$13,850,933	$14,025,303
Total Revenues	**$230,117,820**	**$246,776,514**	**$262,961,548**	**$279,879,455**	**$290,667,861**	**$306,542,176**	**$324,422,208**
Expenditures							
SWD Operating Expenditures	$163,389,569	$166,629,593	$174,217,417	$180,913,143	$187,866,306	$195,086,806	$202,584,924
Debt Service	$40,220,707	$45,716,110	$52,229,681	$59,277,007	$66,552,452	$74,034,156	$78,595,659
Fund 3901 Construction Transfer	$5,328,037	$5,328,037	$7,000,000	$7,245,000	$7,498,575	$7,761,025	$8,032,661
Fund 3910 Landfill Reserve Transfer	$15,010,586	$16,286,485	$17,988,423	$19,868,213	$21,944,441	$24,237,635	$26,770,468
Fund 3810 Capital Equipment Recovery Transfer	$5,500,000	$5,500,000	$5,665,000	$5,834,950	$6,009,999	$6,190,298	$6,376,007
Fund 1040 Landfill Post-Closure Maintenance Transfer	$500,000	$500,000	$2,000,000	$2,000,000	$2,100,000	$2,100,000	$2,163,000
Total Expenditures	**$229,948,899**	**$239,960,225**	**$259,100,520**	**$275,138,313**	**$291,971,773**	**$309,409,921**	**$324,522,719**
Ending Fund Balance	**$19,168,921**	**$25,985,211**	**$29,846,238**	**$34,587,380**	**$33,283,468**	**$30,415,724**	**$30,315,212**
30 Day Operating Reserve	$19,162,408	$19,996,685	$21,591,710	$22,928,193	$24,330,981	$25,784,160	$27,043,560
Recession Reserve	$6,513	$5,988,525	$8,254,528	$11,659,187	$8,952,487	$4,631,564	$3,271,652

Rate Methodology

The solid waste rate model seeks to balance expenditures and reserve requirements with anticipated revenues. The ending fund balance can be carried over from prior years to smooth out demands on revenues from one biennium to the next.[1] Descriptions of each of the major components of the rate model are provided below.

Expenditures

Expenditures – funds the Solid Waste Division (SWD) spends to provide public services – are divided into three major categories: operating expenditure, capital expenditures, and fund transfers.

Operating Expenses

Projected spending levels for existing operations are calculated by reviewing the current adopted biennial budget and actual spending levels for the biennium. As part of the rate development process, SWD identifies the need for new or additional services across each section of the division. Once new programs or bodies of work to meet County goals are identified, they are evaluated and prioritized based on whether they meet a regulatory mandate, their cost, and environmental and social justice impacts.

Capital Expenditures

Solid waste capital projects and post-closure obligations at the landfill are funded through direct cash transfers to capital funds or by using bond funding to raise revenue. The Department of Natural Resources and Parks (DNRP) has three capital funds: the solid waste capital improvement fund (CIP), the solid waste capital equipment replacement program fund (CERP), and the landfill reserve fund (LRF).

Construction Fund Transfer

Funding is transferred from the operating fund to the construction fund to pay for small capital projects when bond financing is not the appropriate funding instrument. The transfer amount is evaluated by DNRP during each rate-setting process.

CERP Fund Transfer

DNRP develops an annual spending plan, the CERP, to address solid waste equipment replacement needs over the rate-setting period and the two subsequent biennia. The transfer rate is calculated to provide the necessary funding for the planned spending above the required reserve amount.

LRF Transfer

The LRF transfer amount is calculated on a per-ton basis. Key variables include the tonnage forecast, the estimated date that Cedar Hills Regional Landfill (CHRLF) reaches capacity, and the projected cost for post-closure activities. Traditionally, new landfill development and closure projects were cash-funded from the LRF. Given the desire to keep rates low and the projected cost of planned development of Area 9, it became apparent that debt-financing these projects (instead of cash financing them) would provide significant relief to rate payers.[2] King County Code 4A.200.390, which governs the LRF, was updated in 2020 to explicitly allow bond proceeds to fund these projects.

Debt Service

DNRP annually reviews its CIP to update planned spending on existing projects and decide what other projects are needed. The cash flows are then multiplied by an accomplishment rate, and these amounts are used to project the needed bond issuances to estimate the cost of debt service over the next six years.[3] The projected amount of new debt service is added to the scheduled debt service to arrive at an estimated expenditure in the rate model.

Reserve Requirements

DNRP has three financial reserves: the Rainy Day Reserve, the Recession Reserve, and the Rate Stabilization Reserve.

Rainy Day Reserve

King County Comprehensive Financial Management Policies require that operating funds include a Rainy Day Reserve sufficient to cover operating expenditures for up to 60 days but no less than 30 days.[4] The department has set this reserve amount equal to 30 days of operating expenditures.

Recession Reserve

In case of a recession, this reserve provides a buffer for the rate to protect the rate payers from the financial impacts of falling tonnage so that customers are not faced with major rate increases during a recession. It is set at five percent of annual disposal revenue. In years with a recession, this fund is intended to be drawn down by no more than 50 percent per year. After the recession has ended, the fund is gradually refilled over a five-year period.[5]

Rate Stabilization Reserve

The Rate Stabilization Reserve allows for ending fund balances to be carried over between budget periods, which, when utilized, can help smooth revenue demands over time. This creates a more predictable path for rate payers. For example, when a department spends less than it collects in a given year, it can carry that savings over into future years through the Rate Stabilization Reserve. This reserve can be used to cover costs in future years and reduce the impact of cost increases in future years, helping to keep rates from spiking from one year to the next.

Revenues

Typically, about 90 percent of the solid waste program's revenue has come from a combination of disposal fees and the fixed annual charge (FAC). Other sources of revenue include the sale of gas collected at the CHRLF; rental income from real property owned by the department; a fee from construction and demolition waste collected at third-party recycling facilities; and the commodity value of recyclables collected at the stations. DNRP also receives reimbursement income from the Hazardous Waste Management Program in exchange for providing household hazardous waste collection services. Miscellaneous sources of revenue include various grants, interest earnings, and other small-dollar sources.

Disposal and Recycling Fees

Disposal and recycling fees are collected on a per-ton and per-item basis, depending on the material. The projected revenues for these sources are calculated using the tonnage forecast. The rate model is used to determine the revenue requirement and fee schedule needed to balance the expenditure and reserve requirements once all other revenue sources are incorporated into the model.

Per-Ton Fees

- **Commercial Fee.** The per-ton fee charged to customers disposing of municipal solid waste (MSW) at transfer facilities and to curbside collection vehicles at the CHRLF. Until 2024, the basic fee was charged to both commercial and self-haul customers. However, since the 2024 implementation of the rate restructure and its FAC, the basic fee was split into the commercial tipping fee and the self-haul fee.
- **Fixed Annual Charge (FAC).** Beginning in 2024, the fee charged to each of the primary curbside collection haulers based on the share of total tons brought in from each of their service areas. The FAC is based on the share of the cost of non-disposal activities allocated to the commercial solid waste hauler customer class.
- **Self-Haul Fee.** The per-ton fee charged to customers disposing of MSW at transfer facilities. The minimum fee that a customer would pay is equivalent to 320 pounds. Until 2024, the basic fee was charged to both commercial and self-haul customers. However, in 2024, upon the implementation of the rate restructure and its FAC, the basic fee was split into the commercial tipping fee and the self-haul fee. Since the FAC is not collected from self-haul customers, the self-haul tipping fee is higher than the commercial tipping fee.
- **Regional Direct Fee.** A discounted fee charged to commercial collection companies that haul solid waste to CHRLF in transfer trailers from their own transfer stations and processing facilities, thus bypassing County transfer stations. This fee is set at 85 percent of the self-haul rate.[6]
- **Special Waste Fee.** The fee charged for certain materials that require special handling, record keeping, or both, such as asbestos-containing materials and contaminated soil. This fee is set at 120 percent of the self-haul rate.
- **Yard Waste and Clean Wood Waste.** A fee for separated yard waste and clean wood delivered to facilities that have separate collection areas for these materials.

Per-Item Fees

- **CFC Appliances.** Appliances with CFCs, such as refrigerators, are charged on a per-item basis.
- **Mattresses.** Mattresses, box springs, and other mattress-like items are charged on a per-item basis.
- **Unsecured Loads.** Customers that arrive at the division's stations with unsecured loads are charged a fee.

Cleanup LIFT
For self-haul customers, the County offers a discount for low-income individuals on their transactions if they can provide an ORCA LIFT, Electronic Benefits Transfer card (often referred to as an EBT card), or Medicaid card.

Other Revenue

Sale of Landfill Natural Gas
Methane, which is a natural byproduct of the decomposition of waste, is captured at CHRLF and converted to pipeline-quality natural gas at the Cedar Hills Renewable Gas to Energy (CHRGE) facility located at the landfill. The processed gas has value as both a commodity that can displace the use of conventional fossil fuels and an environmental attribute, which monetizes the environmental benefits of the gas.

Rental Income
DNRP receives revenue from a variety of rental properties. The rent from the schedule for each lease is modelled and properties that are near the end of their lease terms are re-evaluated for income potential.

Construction and Demolition (C&D) Fee
DNRP collects a small fee from each ton of construction and demolition (C&D) waste collected at third-party sorting and reclamation facilities. This revenue funds the cost of administering the C&D recycling program.

Moderate-Risk Waste Reimbursement Expense
DNRP receives reimbursement income from the Hazardous Waste Management Program in exchange for providing household hazardous waste collection services.

Recyclable Materials Proceeds
Recycling materials collected at the transfer stations are sent to materials processing facilities, and DNRP pays for hauling costs and processing. The department then receives the commodity value of the processed material as revenue. After China implemented a policy that effectively banned the importation of recyclable materials, values for many common materials fell precipitously. Thus, the proceeds from the sale of recyclable material are projected to be a declining revenue source for the department.

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[1] A fund is a financial accounting unit used to control and monitor the planned use of resources, usually with a specific scope and often in compliance with legal and administrative requirements. Ending fund balance, or fund balance, refers to the amount of money left in a fund at the end of an operating period. In this document, it refers to a calendar year or biennium.
[2] While cash funding projects is less expensive overall due to no interest cost, debt financing spreads those costs over time, so the rate does not have to increase sharply for a few years to cash-fund expensive projects like transfer stations or new landfill cells. By employing bond financing in place of cash financing (where permitted), rates are kept lower in the near term.
[3] The capital accomplishment rate is how much of the forecasted project cost was spent in a given year. For example, if one forecasts spending $100 million in a year but only spends $85 million, the accomplishment rate for that project for that year is 85 percent. Assuming an accomplishment rate below 100 percent means the rate

model will forecast that less debt will need to be issued (in this example, 15 percent less), the resulting debt service payments—and, by extension, the rate—will be lower.

[4] Financial Management Polices

[5] Per King County Comprehensive Management Policies

[6] The new rate restructure for commercial revenues creates a challenge when comparing pre-restructure rates to the new format. To do so, the restructured commercial fee and the FAC can be combined to create a rate value called the composite commercial rate (CCR), which can then be compared directly with the pre-restructure basic fee. The CCR is used solely to facilitate equal comparisons between pre-restructure rates with rates under the new structure; it is not for billing customers.

Tonnage Forecast Through 2031

The rate proposal was developed using a forecast of the amount of waste that will be disposed of at SWD facilities during the rate period. The forecast relies on established statistical relationships between waste being disposed of and some economic and demographic variables that affect it—namely population, employment, and consumption.[i] Additional adjustments are made based on policy action expected impact on tonnage, primarily related to recovery programs (Re+), and statewide legislation.

Year	Type	Transfer Station Tons	Other Waste	Regional Direct	Special Waste	Yard Waste
2017	Actual	895,672	19,898	12,161	3,446	21,966
2018	Actual	849,506	18,336	17,039	3,632	19,150
2019	Actual	840,878	17,422	7,542	2,690	22,739
2020	Actual	813,703	21,390	32,553	1,504	23,583
2021	Actual	827,211	22,792	24,736	2,130	24,838
2022	Actual	821,860	25,578	15,730	1,988	23,588
2023	Actual	798,765	30,521	3,741	2,206	17,780
2024	Actual	797,128	29,718	10,81	1,950	19,016
2025	Actual	779,059	43,954	7,529	3,146	19,491
2026	Forecast	784,582	36,100	11,100	3,400	19,300
2027	Forecast	773,162	36,100	11,100	3,400	19,300
2028	Forecast	761,413	36,100	11,100	3,400	19,300
2029	Forecast	750,616	36,100	11,100	3,400	19,300
2030	Forecast	721,861	36,100	11,100	3,400	19,300
2031	Forecast	705,775	36,100	11,100	3,400	19,300

[i] Consumption measured in dollars spent for retail sales, excluding automobiles.

2027 Service Disruption Credit

In 2026, the Solid Waste Division (SWD) implemented a reduced fee schedule for commercial haulers that comes into effect when there are unanticipated closures of two or more transfer stations. This reduced fee schedule was developed in collaboration with hauler partners.

During the 2027 rate development process, commercial hauler representatives on the Solid Waste Advisory Committee provided feedback on the current reduced fee structure, expressing dissatisfaction that there was no fee reduction in the case of an unanticipated closure of one transfer station. They also expressed concern that fee reductions only applied if SWD redirected haulers to the Cedar Hills Regional Landfill, and not when they were redirected to another transfer station.

To address these concerns, SWD is proposing an alternative structure to provide fee relief in the event of the unanticipated closure of one transfer station in 2027, while maintaining fee relief for unanticipated closures of two or more transfer stations in alignment with the 2026 status quo. To receive the credits outlined in the 2027 rate proposal, commercial haulers must submit scale ticket documentation to SWD within five business days following the resumption of normal transfer station operations. See Table 1 for the 2026 (status quo) and 2027 service disruption rate proposal.

Table 1. Service Disruption Credits

	2026 (Status Quo)	2027 Proposed
When one transfer station experiences an unexpected closure longer than 24 hours	• No reduced rate	• $20 dollars per ton credit **Applies when haulers are redirected to either another transfer station or Cedar Hills Regional Landfill*
When two or more transfer stations experience an unexpected closure longer than 24 hours	1-day: $125/ton 2-day: $100/ton 3+-day: $75/ton **Applies only when haulers are redirected to Cedar Hills Regional Landfill*	1-day: $70 per ton credit 2-day: $94 per ton credit 3+-day: $120 per ton credit **Applies when haulers are redirected to either another transfer station or Cedar Hills Regional Landfill*

King County | Office of the Executive

Executive Girmay Zahilay
Chinook Building, CNK-EX-0800
401 Fifth Avenue, Suite 800
Seattle, WA 98104-2391

June 15, 2026

The Honorable Sarah Perry
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Perry:

This letter transmits a proposed Ordinance that, if enacted, would increase King County's disposal fees charged at transfer stations or the Cedar Hills Regional Landfill (CHRLF) for disposal of municipal solid waste. The revenue provided by these fees would enable King County to maintain essential solid waste disposal services, expand access to recycling, meet obligations in the 2019 Comprehensive Solid Waste Management Plan (Comp Plan), and make progress toward County environmental goals.

The Department of Natural Resources and Parks (DNRP) is proposing an 8.5 percent across-the-board increase in tipping fees for 2027. At this time, the Solid Waste Division (division) is forecasting annual rate increases at the same level of 8.5 percent in each year from 2028 to 2032. The impact of King County rate increases for a typical residential customer with a 32-gallon can, after commercial haulers pass along these costs, is forecasted to be $0.73 per month in 2027.

The proposed legislation would provide for continued implementation of actions outlined in the Comp Plan, including completion of the South County Recycling and Transfer Station and development to maximize the capacity of CHRLF. To balance projected increases in capital spending, and maintain more affordable rates, the division is reprioritizing projects to spread costs over a longer time horizon.

The proposed legislation supports the goals in the Strategic Climate Action Plan related to energy and preparation for climate change impacts; advancing toward the goal of zero waste of resources through actions to increase recycling of food waste, organics, and recyclables; and further improving landfill gas collection at the CHRLF.

Thank you for your consideration of this proposed Ordinance. This important legislation would enable King County to continue to provide essential, safe, reliable, efficient, and environmentally sustainable solid waste transfer, recycling, and disposal services to our community, and help the County continue to move toward zero waste of resources.

If your staff have questions, please contact Rebecca Singer, Division Director of the Solid Waste Division, Department of Natural Resources and Parks, at 206-263-2244.

Sincerely,

for

Girmay Zahilay
King County Executive

Enclosure

cc: King County Councilmembers
ATTN: Stephanie Cirkovich, Chief of Staff, King County Council
Melani Hay, Clerk of the Council
Karan Gill, Deputy Executive, Office of the Executive
Jasmin Weaver, Chief of Staff, Office of the Executive
Hyeok Kim, Chief Operating Officer, Office of the Executive
Sierra Howlett Browne, Director of Government Relations, Office of the Executive
Garrett Holbrook, Council Relations Manager, Office of the Executive
John Taylor, Director, Department of Natural Resources and Parks (DNRP)
Rebecca Singer, Division Director, Solid Waste Division, DNRP

2026-2027 FISCAL NOTE

Ordinance/Motion:	2026-XXXX
Title:	2027 Solid Waste Rate Proposal
Affected Agency and/or Agencies:	Solid Waste Division, Department of Natural Resources and Parks (DNRP)
Note Prepared By:	David Pierce, Enterprise Svcs. Section Manager, Alex Chew, Budget and Rates Unit Supervisor
Date Prepared:	4/28/2026
Note Reviewed By:	
Date Reviewed:	

Description of request:

This proposal would allow the Solid Waste Division to increase disposal fees in 2027. The last rate increase went into effect on January 1, 2026. These proposed rate increases would be implemented on January 1, 2027, if adopted.

Revenue to:

Agency	Fund Code	Revenue Source	2027	2028-2029	2030-2031
Solid Waste Division	4040	Tipping Fees	14,036,912	73,500,244	137,098,484
Solid Waste Division	4040	Fixed Annual Charge	2,281,273	12,198,482	23,873,268
TOTAL			**16,318,185**	**85,698,726**	**160,971,752**

Expenditures from:

Agency	Fund Code	Department	2026-2027	2028-2029	2030-2031
TOTAL			**0**	**0**	**0**

Expenditures by Categories

	2026-2027	2028-2029	2030-2031
TOTAL	**0**	**0**	**0**

Does this legislation require a budget supplemental? Yes/No

Notes and Assumptions:

Increment is based on comparing revenues to the forecasted tonnage revenue based on the current rates.

Revenues: Under the proposal, all tipping fees would increase by 8.5% annually beginning in 2027

Effective January 1, 2027

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ATTACHMENT 4

MSWAC | Metropolitan Solid Waste Advisory Committee

King Street Center | 201 South Jackson Street, Suite 6400 | Seattle, WA 98104-3855

June 10, 2026

To: King County Executive Girmay Zahilay
King County Councilmember Rod Dembowski
King County Councilmember Rhonda Lewis
King County Councilmember Sarah Perry
King County Councilmember Jorge L. Barón
King County Councilmember Steffanie Fain
King County Councilmember Claudia Balducci
King County Councilmember Pete von Reichbauer
King County Councilmember Teresa Mosqueda
King County Councilmember Reagan Dunn

CC: Mo McBroom, Department of Natural Resources and Parks Interim Director
Rebecca Singer, Solid Waste Division Director

RE: Advisory note in support of the 2027 solid waste rate proposal

Dear Executive Zahilay, Council President Perry, and Councilmembers,

The Metropolitan Solid Waste Advisory Committee (MSWAC) recognizes the need for an adequate revenue stream to support the regional solid waste system, make progress on environmental goals, and meet commitments made in the 2019 Comprehensive Solid Waste Management Plan (the Plan). Toward this objective, the proposed 2027 solid waste rate includes a uniform 8.5% increase across all fee categories.

MSWAC would like to commend SWD Director, Rebecca Singer, on her leadership in re-examining the solid waste rate to help mitigate the impacts of rate increases on ratepayers. MSWAC supported one-year rates for 2026 and 2027 to allow this analysis to take place. MSWAC concurs with the division's plan to return to the typical approach of two-year rates for the next biennium.

MSWAC also appreciates former Department of Natural Resources and Parks Director, John Taylor, and former King County Executive Shannon Braddock for bringing together elected officials, regulators, and subject matter experts at the Regional Utilities Rate Affordability Summit in 2025. MSWAC members believe this dialogue on rate affordability is valuable and should continue, especially as investments for long-term disposal anticipated in the next solid waste comprehensive plan are projected to be significant.

The current proposal forecasts a stable rate path with an annual 8.5% rate increase for the next six years, providing stability and predictability for customers. Rate stability was achieved through the implementation of cost savings measures, some of which are listed below:

- Funding critical capital investments while deferring appropriate projects into the future to more evenly distribute spending over several years
- Limiting additional operating costs beyond inflation
- Leveraging new revenues, such as the revenue generated by the newly acquired Cedar Hills Renewable Gas to Energy (CHRGE) facility

MSWAC supports the division's cost control efforts that have helped drive down the proposed 2027 rate increase from the previous projection of over ten percent.

MSWAC is committed to programs and services that protect the environment and enhance the quality of life in our communities. The proposed 2027 solid waste rate will fund our key priorities adopted in the Plan, including:

- Decreasing the tonnage of materials being landfilled by adopting waste-prevention and resource-recovery programs, such as Re+, that are beneficial to the environment and local economy.
- Providing access to recycling and waste disposal services seven days a week at eight transfer stations and six days a week at two rural drop boxes.
- Implementing planned transfer station capital improvements that expand recycling access to communities that are currently underserved, including the new South County Recycling and Transfer Station slated to open later this year.
- Continuing planning and engagement on the long-term disposal method to be used after Cedar Hills Regional Landfill reaches capacity.

The King County solid waste fee generally makes up about 20% to 33% of the overall solid waste retail rate, so the proposed 8.5% King County solid waste rate increase would increase the overall rate for single-family, multi-family, and commercial customers by approximately 1.5% to 3%. An example of the proposed rate increase for a residential customer with a 32-gallon garbage can (a common service level that usually represents about a third to a half of single-family residential customers in jurisdictions) is forecasted to be $0.73 per month on average in 2027.

This proposal was discussed in this year's February, March, April, and May MSWAC meetings. We value this dialogue with County staff and look forward to continuing to work together to maintain a responsible rate path for the County's crucial solid waste infrastructure and planning needs.
We thank the Executive and King County Council for considering our advisory input on the proposed 2027 solid waste rates.

Signed on behalf of MSWAC,

Signed by: Jon Gire 76913B6142FE433... Jon Gire Chair, MSWAC Solid Waste Program Manager, City of Bellevue	Signed by: Joan Nelson CC127E17156C4B8... Joan Nelson Vice Chair, MSWAC Utility Billing Services Manager, City of Auburn

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SWAC | Solid Waste Advisory Committee

King Street Center | 201 South Jackson Street, Suite 6400 | Seattle, WA 98104-3855

June 12, 2026

To: King County Executive Girmay Zahilay
King County Councilmember Rod Dembowski
King County Councilmember Rhonda Lewis
King County Councilmember Sarah Perry
King County Councilmember Jorge L. Barón
King County Councilmember Steffanie Fain
King County Councilmember Claudia Balducci
King County Councilmember Pete von Reichbauer
King County Councilmember Teresa Mosqueda
King County Councilmember Reagan Dunn

RE: Advisory note in support of the 2027 solid waste rate proposal

Dear Executive Zahilay, Council President Perry, and Councilmembers,

Despite significant regional affordability challenges for King County residents and business owners, including higher than usual projected rate increases for all critical regional utility systems, the King County Solid Waste Advisory Committee (SWAC) recognizes the need for an adequate revenue stream to support the County's regional solid waste system, environmental conservation policy goals, and the 2019 Comprehensive Solid Waste Management Plan.

To achieve these operational and programmatic requirements, the proposed 2027 King County solid waste rate schedule contains a uniform 8.5% annual increase across all customer segments and fee schedules. This 2027 solid waste rate proposal also reflects a forecasted stable rate path going forward with a projected annual 8.5% rate increase for the next six years. This rate plan provides stability and predictability for the County and our disposal system customers now and in the years ahead.

SWAC members appreciate the Solid Waste Division's cost-control efforts for the 2027 rate setting process. Members support the continuation of these efforts, as they could identify efficiencies and cost-saving opportunities that could lower future projected rate increases. SWAC members also value the ongoing dialogue with County staff regarding future solid waste rates. These efforts include:

- Funding critical capital investments while deferring appropriate projects into the future to more evenly distribute spending over several years
- Reviewing programmatic and operational opportunities for efficiency and effectiveness that balance the priorities of fiscal and environmental responsibility.
- Leveraging new revenues, such as the revenue generated by the newly acquired Cedar Hills Renewable Gas to Energy (CHRGE) facility

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SWAC members also support the Solid Waste Division's incorporation of providing reduced rates to commercial haulers in the event of temporary, unplanned closures of King County transfer stations. These reduced fees reflect the cost savings to the County and enable haulers to recoup a portion of their unexpected labor, fuel, operating costs and route inefficiencies if closed transfer stations require them to divert their drivers to another transfer station or directly to the Cedar Hills Regional Landfill.

Finally, SWAC members request that the County convene another Regional Utilities Rate Affordability Summit in the fall of 2026. Our region's residents and business owners are facing significant economic headwinds that include unsustainable forecasted rate increases in all their utility bills over the next several years. It is recommended the County take a leadership role in addressing this affordability challenge and coordinate efforts to review and address ways to mitigate utility rate increases in the systems the County operates on behalf of King County residents and business owners.

Thank you for your consideration of the SWAC input on the proposed 2027 solid waste rates.

Signed on behalf of SWAC,

Signed by:
Wendy Weiker
B78CD657E16844F...

Wendy Weiker
Chair, Solid Waste Advisory Committee
Sustainability and Community Outreach Manager, Republic Services

DocuSigned by:
Bill Louie
B5E0F60A85AD450...

William Louie
Vice Chair, Solid Waste Advisory Committee
Interested Resident

Metropolitan King County Council
Staff Report

Committee:	Budget and Fiscal Management		
Agenda Item:	8	**Analyst(s):**	Sam Porter
Proposed No.:	2026-0161	**Meeting Date:**	July 22, 2026

OVERVIEW

TOPIC: An ordinance to authorize the execution of a lease in Auburn for continued use by King County Medic One.

LEGISLATION SUMMARY

Proposed Ordinance 2026-0161 would authorize the Executive to execute a lease agreement with Valley Regional Fire Authority (VRFA) for space at 1101 D Street NE, Auburn, WA to support King County Medic One operations. The agreement includes a five-year term and three five-year options to extend. Medic One has occupied this space since 2017. The VRFA is building a new fire house at this location, known as Station 31, that should be completed by the end of 2028. Until that time, the lease provides for similar premises at Station 36.

KEY ISSUES FROM THE ANALYSIS

A. Key Issue A. **Recitals Error.** The transmitted lease states in the recitals that there are two five-year options to renew but the lease provides three five-year options to renew. This issue would be resolved by adoption of Amendment 1.

AMENDMENTS

- **Amendment 1** would replace the original lease with an updated lease that corrects a scrivener's error in the recitals.

BACKGROUND & TIMING CONSIDERATIONS

↑ BACK TO TOP

Medic One. King County's Medic One/Emergency Medical Services (EMS) system provides residents of Seattle and King County with life-saving prehospital medical care through an internationally recognized, tiered regional response system. This system relies upon coordinated partnerships with fire departments, paramedic agencies, dispatch centers, and hospitals. For more than 30 years, this system has comprised high service standards for response times and quality training of dispatchers, paramedics, and other responders. Medic One has occupied this space in Auburn since 2017.

The property summary indicates that the Medic One unit operating out of this space in Auburn has responded to 2,461 incidents per year on average over the eight-year period from 2017-2024. This is the equivalent of almost seven incident responses per day. Due to proximity to arterial roads from this location, response times to the surrounding community are within the targeted length of time needed to respond to emergency calls. In 2024, the median response times were eight and a half minutes.

Timing considerations. The current lease is set to expire on December 31, 2026. Executive staff have requested that the proposed ordinance be adopted by November 30, 2026, so that the lease is approved prior to the expiration of the current lease.

ANALYSIS

↑ BACK TO TOP

Premises. The lease agreement provides for use of space in two locations (Station 31 and Station 36) dependent upon the new firehouse being constructed at the site of the permanent space, Station 31. Station 31 will begin construction later this year and is anticipated to be complete at the end of 2028. Station 31 will provide for exclusive use of approximately 2,019 square feet of exclusive-use space consisting of a medic storage room, two sleeping rooms, an ADA bathroom, plus 1,596 square feet of ambulance bay that can accommodate two ambulances, 27 square feet of outdoor storage for oxygen tanks and shared use of approximately 3,020 square feet including a laundry room, clean room, decontamination room, kitchen and dining space, day room, fitness room, hotel office room, and two parking spaces in the parking lot.

Until the new location is finished the landlord will provide commensurate space at the temporary premises at Station 36. According to the property summary, Station 36 contains substantially the same spaces and square footage. The proposed lease agreement will allow Medic One to continue to operate out of VRFA Station 31 on a long-term basis and out of VRFA Station 36 on a temporary basis.

Lease Terms and Fiscal Impacts. Table 1 summarizes the lease terms and Table 2 estimates the financial impact of the proposed lease for the current and future biennia. As indicated in the fiscal note, the cost of the proposed lease was included in the current budget, so no corresponding appropriation request was transmitted with this proposed ordinance. EMS Levy proceeds would be used to pay for the lease.

Table 1. Summary of the Lease Terms of Proposed Ordinance 2026-0161

Category	Terms
Square Footage	2,019 square feet exclusive space
Cost per Square Foot	$0.785 per month for the exclusive space ($1,586 base

(base rent)	rent), adjusted annually by the Seattle Consumer Price Index and capped at three percent
Operating Costs	King County is not responsible for operating costs
Term	Five years with three five-year options to renew
Other Considerations	None
Lease Effective Date	January 1, 2027

Table 2. Fiscal Impact of Proposed Ordinance 2026-0161

	2026-2027	2028-2029	2030-2031
2026-0161	$19,032[1]	$39,794	$42,217

Key Issue A. Recitals Error. Staff identified a discrepancy in the recitals of the transmitted lease that states there are two five-year options to renew. The lease provides three five-year options to renew. This issue would be resolved by Amendment 1 described in the next section.

Council's legal counsel reviewed the proposed ordinance.

AMENDMENTS

There is one amendment to the Proposed Ordinance as described in the table below.

Amendment	Sponsor	Effect Statement
1 Attachment A	Dembowski	Amendment 1 would replace the original lease in Attachment A with an updated lease with a revised date of June 29, 2026, that corrects a scrivener's error in the recitals so that it correctly states that there are three five-year options to renew, not two.

INVITED

- Andrea Coulson, Chief, King County Medic One
- Gabe Webster, Division Chief, King County Medic One
- Steve Rizika, Real Estate Services Supervisor, Facilities Management Division

[1] The lease commences January 1, 2027, so this amount is for 2027 only.

ATTACHMENTS

1. Proposed Ordinance 2026-0161 (and its attachment)
2. Amendment 1 to Proposed Ordinance 2026-0161 (with attachment)
3. Transmittal Letter
4. Fiscal Note

KING COUNTY

Signature Report

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Ordinance

Proposed No. 2026-0161.1 **Sponsors** Dembowski

AN ORDINANCE authorizing the execution of a new lease to support the operation of department of public health.

STATEMENT OF FACTS:

For the lease from Valley Regional Fire Authority, located at 1101 D Street NE, Auburn, within council district seven, the facilities management division determined that there was not an appropriate county-owned option and successfully negotiated to lease space.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. The executive is authorized to execute a lease for the property located at 1101 D Street NE, Auburn, with Valley Regional Fire Authority, substantially in the form of Attachment A to this ordinance, and to take all actions necessary to implement the terms of the lease.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

____

Sarah Perry, Chair

ATTEST:

____

Melani Hay, Clerk of the Council

APPROVED this _____ day of _______________, ______.

____

Girmay Zahilay, Chair

Attachments: A. Lease Agreement

ATTACHMENT A:

LEASE AGREEMENT

INTER-AGENCY LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease" and "Lease Agreement") is made and entered into between Valley Regional Fire Authority (VRFA), a government agency ("Landlord"), and KING COUNTY, a home rule charter county and political subdivision of the State of Washington ("Tenant"). Landlord and Tenant are sometimes referred to herein individually as a "Party" and together as the "Parties."

RECITALS

A. The Parties to this Lease Agreement previously entered into that certain prior lease for premises located at 1101 D Street NE, Auburn, Washington, commonly known as Station 31 (the "Property"), which commenced on November 1, 2011 and expired on December 31, 2013, ("Prior Lease"). Since the Prior Lease expired, it has automatically renewed on a year-to-year basis subject to termination at the end of each calendar year by either Party. The current expiration date of the Prior Lease is December 31, 2026.

B. The Landlord is building a new fire station facility on the Property. The construction project to build a new fire station facility on the Property (the "New Facility") is estimated to commence in 2026 and be completed by the end of 2028. The Landlord has allocated a similar space in the New Facility for Tenant's continued use ("New Premises") upon completion of the New Facility.

C. During the construction period, the Landlord will provide temporary space in another, similar facility that Landlord owns in the vicinity, located at 810 30th Street NE, Auburn, WA, commonly known as Station 36 ("Temporary Premises").

D. The Parties desire to enter into this new Lease Agreement for the Temporary Premises and the New Premises with a five-year term and two five-year options to extend the term. For the portion of the initial five-year term in which Tenant shall occupy space in the Temporary Premises, such occupation shall be on the same terms and conditions as the New Premises, and both areas shall be referred to as the "Premises", below, for the purposes of this Lease Agreement.

NOW, THEREFORE, Landlord and Tenant agree as follows:

1. Basic Lease Information

1.1 Lease Date: February 1, 2026 (for reference purposes only)

1.2 Landlord: VRFA, a government agency in Washington state

1.3 Tenant: King County, a political subdivision of the State of Washington

1.4 Facility: Located at: 1101 D Street NE, Auburn, Washington, commonly known as Station 31, that certain real property that is legally described on the attached **Exhibit A** (“Real Property”).

1.5 Premises: The area depicted on the attached **Exhibit B**, containing approximately 2,019 square feet of exclusive-use space consisting of: 423 square feet for a Medic Storage Room, two (2) Sleeping Rooms with Wardrobes and Alcoves, and one (1) ADA Bathroom, plus 1,596 square feet of Ambulance Bay with 30 AMP shore power; and approximately 3,020 square feet of shared space consisting of Laundry Room, Clean Room, PPE Storage Room, Decontamination Room, Kitchen/Dining Room, Day Room, Fitness Room, Hotel Office Room; plus an outdoor area approximately 27 square feet for medical oxygen tank storage, and two parking spaces in the parking lot. The Temporary Premises are depicted on the attached **Exhibit C**.

Tenant's Pro Rata Share: Not Applicable

1.6 Permitted Use: First responder office and storage, and/or any other related, legally permitted use.

1.7 Term: Five (5) years

1.8 Extended Term(s): Option to extend for three five (5) year terms.

1.9 Lease Commencement Date ("LCD"): See Section 3.1

1.10 Rent Commencement Date: Same as LCD

1.11 Expiration Date: See Section 3.2

1.12 Base Rent: $1,586.00 with annual increases as described in Section 5

1.13 Security Deposit: None

1.14 Landlord's Address for Notices:

Valley Regional Fire Authority
VRFA Station 31
1101 D Street NE
Auburn, WA 98002
Email: info@vrfa.org

1.15 Tenant's Address for Notices:

King County Real Estate Services
401 5th Avenue, Floor 9
Seattle, WA 98104

Email: RES-LeaseAdmin@kingcounty.gov

1.16 Notices may be sent by either United States mail or by electronic mail. Notwithstanding anything in this Lease to the contrary, a Party may provide email notice only at the email address(es) set forth above or other electronic means with delivery confirmation or read receipt (or both) but the Party providing electronic notice shall bear the burden to prove the date that notice was delivered. Notices shall be effective upon the date of first attempted delivery.

2. Premises.

Landlord hereby leases the Premises to Tenant for the Term set forth above. Tenant, at its sole option, may elect to remeasure the Premises pursuant to the most recent, applicable measurement methodology published by the Building Owners and Managers Association (BOMA), and if the rentable square footage of the Premises varies from that set forth in Section 1.5 above, the Parties hereto shall promptly amend this Lease to modify any variables that are dependent upon the same.

Landlord warrants that the Premises shall be delivered (i) in good operating condition, including, but not limited to, all mechanical, electrical, plumbing, and other systems serving the Premises; (ii) in compliance with all applicable laws, codes, ordinances, and regulations; and (iii) free of any Hazardous Material. To the extent that the Premises fails to comply with the prior sentence as of the Commencement Date (without limiting any other rights or remedies that Tenant may have under this Lease and/or at law), Landlord shall promptly correct the same at its sole cost and expense.

Landlord also grants Tenant a nonexclusive license to use those portions of the Building made available from time to time by Landlord for the common use and enjoyment of Tenant, Landlord, and other tenants of the Building and their guests and invitees (the "Common Areas"). The Common Areas shall include, but not be limited to bathroom and shower facilities; office space for two computer stations; the kitchen and dining areas; exercise room; day room; study; bunker gear storage; decontamination room; and the laundry room. Landlord shall have the right to do and perform all such acts in and to the Common Areas as Landlord shall determine in its reasonable discretion, including, without limitation, reconfiguring and temporarily closing the same from time to time, so long as Landlord does not adversely affect Tenant's use and enjoyment of the Premises. Tenant shall also be entitled to two parking spaces in the employee parking lot.

3. Term.

3.1 Commencement Date. This Lease Agreement shall commence on the first day of the month following execution by both Parties ("Lease Commencement Date"), which shall be confirmed in a Confirmation of Lease

Commencement Date Letter substantially in the form as that contained in **Exhibit D**.

3.2 Expiration Date. This Lease Agreement shall expire on the last day of the calendar month that is five (5) years after the Commencement Date ("Expiration Date").

3.3 Extension Option. Provided Tenant is not in default under this Lease on the date an option is exercised and as of the last day of the Term, Tenant shall have the option to extend the initial Term for three (3) successive periods of 60 months (the "First Extended Term" and "Second Extended Term" and "Third Extended Term"). An option to extend may be exercised by Tenant by giving Landlord written notice no more than twelve (12) months and no less than six (6) months prior to the last day of the then current Term. Tenant's extension options shall apply to all of the Premises then leased by Tenant under this Lease. From and after the commencement of either the First Extended Term or the Second Extended Term or the Third Extended Term, all of the terms, covenants, and conditions of this Lease shall continue in full force and effect as written, except that Base Rent for the Extended Term shall be subject to annual Consumer Price Index adjustments based on the Revised Consumer Price Index for all Urban Consumers, CPI-U (Base Years 1982-1984 = 100) for the Seattle area, published by the United States Department of Labor, Bureau of Labor Statistics ("Annual CPI Adjustments"). The monthly Base Rent shall be adjusted on February 1 of each subsequent year based on the percentage increase in the CPI from the preceding June 1. The Base Rent increase will not exceed 3% annually.

4. Permitted Use. The Premises may be used by Tenant for the uses set forth in Section 1.6 above. Landlord represents and warrants to Tenant that the Premises may lawfully be used for the uses set forth in Section 1.6 above.

5. Rent. Tenant covenants and agrees to pay Landlord, at Landlord's Notice Address set forth in Section 1.14 above, without deduction or offset except as otherwise set forth in this Lease Agreement, monthly rent in the amounts set forth in Section 1.12, payable in advance, without prior notice or demand, on or before the first day of each month of the Term (the "Rent"). Rent for any fractional calendar month at the beginning or end of the Term shall be prorated. Monthly Rent shall be adjusted annually based upon the increase in the Consumer Price Index for Seattle and shall become effective the first day of January for each subsequent year of this Lease Agreement but shall not exceed an annual increase of 3.0%.

6. Security Deposit. None.

7. Utilities and Services. Landlord shall, at all times, furnish the Premises with: (i) water at those points of supply provided for general use of tenants of the Building; (ii) heated and refrigerated air conditioning as appropriate, at such temperatures and in such amounts as are required by governmental authority or as are reasonably appropriate for the Building; (iii) recycling and trash removal on weekdays, other than national holidays, and such carpet cleaning and window washing as may from time to time be reasonably required; (iv) replacement of Building-standard light bulbs and fluorescent tubes in the Premises; (v) electrical current reasonably sufficient for Tenant's use and an emergency standby power supply; (vi) internet and cable television service; (vii) medical waste disposal; and (viii) sewer service. Tenant shall furnish its own telephone service to the Premises. No interruption or failure of any utilities or services from any cause whatsoever shall be deemed an eviction of Tenant, provided that Landlord shall use commercially reasonable efforts to repair, replace or restore the same as quickly as possible. To the extent any interruption of services occurs due to Landlord's negligence, intentional misconduct, or breach of the Lease Agreement, then Rent shall be abated for the period of interruption in the proportion of the square footage rendered unusable in addition to, and without limiting, Tenant's other rights and remedies available at law and/or under this Lease Agreement.

8. Operating Costs. Tenant shall pay no operating costs as part of this Lease Agreement. This agreement is a full-service lease, meaning that the cost of all services, utilities, maintenance, repairs provided by Landlord, and Landlord's other operating costs are included in the monthly Rent.

9. Maintenance and Repairs. Tenant shall not be responsible for the maintenance and non-structural repairs to the interior of the Premises, which shall be maintained and repaired by Landlord in a commercially reasonable manner. Landlord shall maintain, repair and replace, if necessary, the Building; all Building systems, including but not limited to interior lighting (including replacement of ballasts and starters as required, with the exception of light bulb replacement which shall be the responsibility of the Tenant); plumbing, heating, ventilating and air-conditioning systems (including replacement of filters as recommended in equipment service manual); floor coverings; window coverings; elevators (including communications systems); inside and outside walls (including windows and entrance and exit doors); all structural portions of the Building (including the roof and the watertight integrity of same); porches, stairways; sidewalks; exterior lighting; parking lot (including snow removal, cleaning and restriping as required); wheel bumpers; drainage; landscaping and continuous satisfaction of all governmental requirements (example: fire, building energy codes, indoor air quality and requirements to provide architecturally barrier-free premises for persons with disabilities, etc.)

10. Sublease and Assignment. Tenant may assign this Lease Agreement in whole or in part, or sublet all or any portion of the Premises, with the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed.

11. Alterations and Improvements. Tenant shall be entitled to perform alterations and/or improvements to the Premises (including, without limitation, the installation of fixtures and signs) subject to Landlord's consent, which shall not be unreasonably withheld, conditioned, or delayed. Upon Tenant's request, Landlord agrees to perform such alterations or improvements on Tenant's behalf, subject to reimbursement from Tenant for Landlord's actual and reasonable costs. Tenant may from time to time remove any fixtures, alterations or improvements installed by Tenant in or to the Premises; provided that Tenant agrees to repair any damage caused by such removal.

Notwithstanding the foregoing, Tenant may perform alterations and/or improvements to the Premises without obtaining Landlord's prior consent so long as such alterations and/or improvements: (i) do not exceed $2,500 per project, (ii) are not visible from the exterior of the Premises, (iii) do not adversely affect any Building system or the structural strength of the Building, (iv) do not require penetrations into the roof of the Building, (v) comply with all applicable laws, codes, ordinances, and regulations, including obtaining any necessary permits or approvals, and (vi) do not unreasonably interfere with the operation or access to the Building.

12. Damage and Destruction. In the event the Premises or Building are destroyed or damaged by fire, earthquake, or other casualty, so as to render the Premises or Building, in Tenant's sole judgment, unfit for occupancy or Tenant's intended purpose, and the Landlord neglects or refuses to restore the Premises to its former condition within one hundred twenty
(120) days of such damage or destruction, Tenant may terminate this Lease Agreement upon thirty (30) days' written notice to Landlord. In the event of such termination, Landlord and Tenant shall have no further obligations hereunder, except those obligations that expressly survive the expiration or earlier termination of the Lease. In the event the Premises are damaged by any of the aforesaid events, the Rent shall be abated in proportion to the percentage of untenantable space in the Premises as relates to the total square footage of the Premises, until such time that Landlord restores the Premises to its pre-casualty condition. If, in the sole discretion of Tenant, the untenantable portion of the Premises or the Building renders the Premises unusable for the Permitted Use, Tenant may unilaterally terminate this Lease upon thirty (30) days written notice to Landlord.

13. Condemnation. If any portion of the Premises, Building or real property upon which the same are situated (including, without limitation, any parking areas associated with the Premises and/or Building) which is necessary, in Tenant's sole judgment, for Tenant's occupancy or intended use of the Premises, or fifty percent (50%) or more of the rentable area of the Building, is made untenantable by eminent domain or conveyed under a threat of condemnation, this Lease shall terminate at the option of either Landlord or Tenant as of the earlier of the date title vests in the condemning authority or the condemning authority first has possession of the Premises or the portion of the underlying real property taken by the condemning authority. All Rents and other payments shall be paid to that date. If the condemning authority takes a portion of the Premises or of the Building or the underlying real property necessary for Tenant's occupancy or intended use that does not render them, in Tenant's sole judgment, untenantable, then this Lease Agreement shall continue in full force and effect and the Rent shall be proportionately reduced based on the percentage by which the floor area of the Premises is reduced. The reduction in Rent shall be effective on the earlier of the date the condemning authority first has possession of such portion or title vests in the condemning authority. If the Tenant, in its sole judgment, determines that the condemnation has rendered the Premises unsuitable for the Permitted Use, Tenant shall be entitled to terminate this Lease Agreement upon thirty (30) days advance written notice to Landlord. Landlord shall be entitled to the entire award from the condemning authority attributable to the value of the Premises or the Building and Tenant shall make no claim for the value of its leasehold. Tenant shall be permitted to make a separate claim against the condemning authority for moving expenses if Tenant terminates the Lease under this section, provided that in no event shall Tenant's claim reduce Landlord's reward.

14. Indemnity and Hold Harmless. Each Party shall defend, indemnify, and hold the other harmless from and against any claims, suits, causes of action, judgments, damage, loss, or liability for injuries to persons or property (collectively, "Claims") to the extent caused by the negligent acts or omissions of their respective agents, officers, contractors, and employees acting in the scope of their employment. Where such Claims result from the concurrent negligence of the Parties, the indemnity provisions provided herein shall be valid and enforceable only to the extent of each Party's negligence. Each of the Parties agrees that its obligations under this Section 14 extend to any claim, demand, cause of action and judgment brought by, or on behalf of, any of its employees or agents. For this purpose, each of the Parties, by mutual negotiation, hereby waives, with respect to the other Party only, any immunity that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW. In the event that any of the Parties incurs any judgment, award, and/or cost arising therefrom, including attorney fees, expenses, and costs, the same shall be recoverable from the responsible party to the extent of that Party's negligence.

15. Insurance.

15.1 Landlord acknowledges that Tenant, a Charter County Government under the Constitution of the State of Washington, maintains a fully funded self-insurance program for the protection and handling of the Tenant's liabilities, including injuries to persons and damage to property. Tenant shall, at its own expense, maintain, through its self-funded program, coverage sufficient for all of its liability exposures for this Lease Agreement. Tenant shall provide Landlord with at least thirty (30) days prior written notice of any material change in Tenant's self-funded program and shall provide Landlord with a certificate of self-insurance as proof of coverage. Landlord further acknowledges that Tenant does not maintain a commercial General Liability Insurance policy and is a self-insured government entity; therefore, Tenant does not have the ability to add Landlord as an additional insured to such policy. Should Tenant cease self-insuring its liability exposure and purchase a Commercial General Liability Insurance Policy, Tenant shall add Landlord as an additional insured to such policy. Tenant shall, at all times, maintain its self-funded program or a Commercial General Liability Insurance Policy, each in an amount sufficient to cover its liability exposure under this Lease Agreement.

15.2 Landlord shall maintain, throughout the Term, commercially reasonable policies of property insurance covering loss of or damage to the Building (including tenant improvements and subsequent alterations) in the full amount of its replacement cost with endorsement to cover code changes. Landlord hereby waives and releases any right of recovery (including by way of subrogation) against Tenant, its officers, employees and agents, for any loss or damage sustained by Landlord with respect to the Building, or Premises or any portion thereof or the contents of the same or any operation therein, to the extent such loss or damage is actually insured against or is required hereunder to be insured against.

16. Mediation. Landlord and Tenant agree that should any dispute arise concerning this Lease Agreement, both Parties may jointly elect to submit the dispute to mediation. Notwithstanding the foregoing, nothing herein shall be construed as a condition precedent for either party to seek legal or equitable relief by initiating a legal action. Landlord and Tenant shall each bear their respective costs of mediation.

17. Liens. Landlord and Tenant shall keep the Premises and the Building free from any liens arising out of any work performed, materials furnished, or obligations incurred by Tenant or Landlord, and each shall indemnify and hold harmless the other from and against all liabilities, losses, damages, and costs (including reasonable attorney fees and costs) incurred in connection with any such lien. Landlord or Tenant may contest the validity or amount of any such lien or encumbrance in good faith provided that, within forty-five (45) days after the filing of such lien or encumbrance, Landlord or Tenant discharges the same by providing and recording a bond which complies with the requirements of RCW 60.04.161 eliminating said lien and/or encumbrance.

18. Quiet Possession. Landlord covenants that as of the Commencement Date, Landlord will have good right to lease the Premises for the purpose and uses stated herein and Tenant shall have and quietly enjoy the Premises for the Lease Term.

19. Holding Over. If Tenant remains in possession of the Premises after the expiration or termination of this Lease Agreement, Tenant's continued possession shall be on the basis of a tenancy at the sufferance of Landlord. In such event, Tenant shall continue to comply with or perform all the terms and obligations of Tenant under this Lease Agreement, and the monthly Rent during Tenant's holding over shall be one hundred percent (100%) of the Rent payable in the last full month prior to the termination hereof. Acceptance by Landlord of rent after such termination shall not constitute a renewal or extension of this Lease Agreement; and nothing contained in this provision shall be deemed to waive Landlord's right of re-entry or any other right hereunder or at law.

20. Non-Discrimination. The Parties, their successors, and assigns as a part of the consideration hereof, do hereby covenant and agree to comply with all civil rights and anti-discrimination requirements of federal, state, and local laws, ordinances, executive orders, and regulations applicable to the Premises, including, without limitation, King County Charter Section 840, King County Code Chapter 12.16, Chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of 1964. The Parties shall not discriminate on the basis of sex, race, color, national origin, ethnicity, religious affiliation, disability, sexual orientation, gender identity or expression, age (except by minimum age and retirement provisions), status as a family caregiver, parental status, marital status, military status or status as a veteran who was honorably discharged or who was discharged solely as a result of the person's sexual orientation or gender identity or expression, citizenship or immigration status, unless based upon a bona fide occupational qualification in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Chapter 12.16, as now codified and as hereafter amended. Any violation of this provision shall be considered a default of this Lease Agreement and shall be grounds for cancellation, termination, or suspension, in whole or in part, of this Lease Agreement and may result in ineligibility for further agreements between the Parties.

21. Default.

21.1 The following occurrences shall each constitute a default by Tenant (an "Event of Default" or "Default"):

A. Failure to Pay. Failure by Tenant to pay any sum, including Rent, due under this Lease Agreement following ten (10) business days' notice from Landlord of the failure to pay.

B. Other Non-Monetary Defaults. The breach by Tenant of any agreement, term, or covenant of this Lease Agreement other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease Agreement, which breach continues for a period of thirty (30) days after written notice by Landlord to Tenant of the breach (provided, if the nature of Tenant's failure is such that more time is reasonably required in order to cure, Tenant shall not be in Default if Tenant commences to cure promptly and thereafter diligently prosecutes such cure to completion).

21.2 **Landlord Default; Remedies.** Landlord shall be in default if Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after notice by Tenant to Landlord. If Landlord fails to cure any such default within the allotted time, Tenant may, at in its sole discretion and without limiting Tenant's other rights or remedies under this Lease Agreement and/or at law, terminate this Lease Agreement upon thirty (30) days advance written notice to Landlord. Tenant shall have all remedies available at law or in equity. Nothing herein contained shall relieve Landlord from its duty to perform of any of its obligations to the standards prescribed in this Lease Agreement.

22. Remedies. Landlord shall have the following remedies upon an Event of Default. Landlord's rights and remedies under this Lease Agreement shall be cumulative, and none shall exclude any other right or remedy allowed by law.

22.1 Termination of Lease. Landlord may terminate Tenant's interest under the Lease Agreement. The Lease Agreement shall terminate on the date specified in the notice of termination. Upon termination of this Lease Agreement, Tenant will remain liable to Landlord for damages in an amount equal to the Rent and other sums that would have been owing by Tenant under this Lease Agreement for the balance of the Lease Agreement term, less (i) the net proceeds, if any, of any reletting of the Premises by Landlord subsequent to the termination, after deducting all of Landlord's reasonable, actual reletting expenses or (ii) such amounts as Tenant proves may reasonably be avoided.

22.2 Re-Entry and Reletting. Landlord may continue this Lease Agreement in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Tenant from the Premises and anyone claiming through or under the Tenant, and remove the personal property of either. Landlord may relet the Premises, or any part of them, in Landlord's name, for such period of time and at such other terms and conditions as Landlord, in its discretion, may determine. Landlord may collect and receive the rents for the Premises. To the fullest extent permitted by law, the proceeds of any reletting shall be applied: first, to pay Landlord its reasonable, actual reletting expenses; second, to pay any indebtedness of Tenant to Landlord other than Rent; third, to the Rent due and unpaid hereunder; and fourth, the residue, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant shall not be entitled to receive any portion of such revenue. Re-entry or taking possession of the Premises by Landlord under this Section shall not be construed as an election on Landlord's part to terminate this Lease Agreement, unless a notice of termination is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease Agreement. Tenant will pay Landlord the Rent and other sums which would be payable under this Lease if repossession had not occurred, less the net proceeds, if any, after reletting the Premises, including without limitation, all repossession costs, brokerage commissions and costs for securing new tenants, attorneys' fees, remodeling and repair costs, costs for removing persons or property, costs for storing Tenant's property and equipment, and costs of tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.

23. Costs and Attorney's Fees. If Tenant or Landlord engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease Agreement, including any suit by Landlord for the recovery of Rent or other payments, or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such action, whether in mediation or arbitration, at trial, on appeal, or in any bankruptcy proceeding. The hourly rates for any award of attorneys' fees will be calculated based on the rate that would be charged for the services provided by an attorney who is in private practice, of the same expertise and experience as the prevailing party's attorney(s).

24. Hazardous Material.

24.1 For purposes of this Lease Agreement, the term "Environmental Law" shall mean: any federal, state, or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction or common law pertaining in any way to the protection of human health, safety, or the environment, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9602 et. seq. ("CERCLA"); the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq. ("RCRA"); the Washington State Model Toxics Control Act, RCW ch. 70A.305 ("MTCA"); the Washington Hazardous Waste Management Act, RCW ch. 70A.300; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Washington Water Pollution Control Act, RCW ch. 90.48, and any laws concerning above ground or underground storage tanks. For the purposes of this Lease Agreement, the term "Hazardous Material" shall mean: any waste, pollutant, contaminant, or other material that now or in the future becomes regulated or defined under any Environmental Law.

24.2 Landlord represents and warrants to Tenant that, to the best of its knowledge and belief, there is no Hazardous Material on, in, or under the Premises or the Real Property as of the Commencement Date of the Prior Lease. If there is any Hazardous Material on, in, or under the Premises or the Real Property which has been or thereafter becomes released through no fault of Tenant, then Landlord (i) shall be solely responsible, at its sole cost, for promptly remediating the same to the extent required by Environmental Law and (ii) shall indemnify, defend, and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees, and expert fees, incurred or suffered by Tenant either during or after the Lease Agreement term as the result of such release.

24.3 Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises or the Real Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except in strict compliance with all applicable federal, state, and local laws, regulations, codes, and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then Tenant shall indemnify, defend, and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred or suffered by Landlord either during or after the Lease term ("Claims") to the extent that said Claims are a result of said breach. Tenant shall promptly notify Landlord of any inquiry, investigation, or notice that Tenant may receive from any third party regarding the actual or suspected presence of Hazardous Material on the Premises or the Real Property.

24.4 Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises or the Real Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any release of any Hazardous Material on the Premises or the Real Property, Tenant shall be solely responsible, at its sole cost, for promptly remediating the same to the extent required by Environmental Law. Landlord's approval of such remediation shall first be obtained, which approval shall not be unreasonably withheld, conditioned, or delayed, provided, however, that Tenant shall be entitled to respond immediately to an emergency without prior approval from Landlord, including, but not limited to, taking actions necessary to prevent the release from migrating, leaching, or otherwise spreading, and actions necessary to respond to any immediate obligations imposed on Tenant by Environmental Law. To the extent such Hazardous Material becomes comingled with Hazardous Material released by Landlord or other parties, nothing in this Lease Agreement shall prevent Tenant from seeking to recover costs, expenses, or any other damages incurred as a result of the presence of such Hazardous Material that was released by Landlord or other parties.

24.5 The provisions of this Article 24 shall survive expiration or earlier termination of this Lease Agreement.

25. General.

25.1 Heirs and Assigns. This Lease Agreement shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors, and assigns.

25.2 Brokers' Fees. Tenant represents and warrants to Landlord that it has not engaged any broker, finder, or other person who would be entitled to any commission or fees for the negotiation, execution, or delivery of this Lease Agreement, and shall indemnify and hold harmless Landlord against any loss, cost, liability, or expense incurred by Landlord as a result of any claim asserted by any such broker, finder, or other person, on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant. Landlord represents and warrants to Tenant that it has not engaged any broker, finder, or other person who would be entitled to any commission or fees for the negotiation, execution, or delivery of this Lease Agreement, and shall indemnify and hold harmless Tenant against any loss, cost, liability, or expense incurred by Tenant as a result of any claim asserted by any such broker, finder, or other person, on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Landlord.

25.3 Entire Agreement. This Lease Agreement contains all of the covenants and agreements between Landlord and Tenant relating to the Premises and supersedes all prior discussions and understandings between them. No prior or contemporaneous agreements or understandings pertaining to the Lease Agreement shall be valid or of any force or effect and the covenants and agreements of this Lease Agreement shall not be altered, modified, or amended except in writing, signed by Landlord and Tenant.

25.4 Severability. Any provision of this Lease Agreement which shall prove to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision of this Lease Agreement.

25.6 Force Majeure. Time periods for either Party's performance under any provisions of this Lease Agreement shall be extended for periods of time during which the Party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war, or other strife.

25.7 Governing Law. This Lease Agreement shall be governed by and construed in accordance with the laws of the State of Washington, without giving effect to its conflicts of law rules or choice of law provisions.

25.8 Addenda/Exhibits. The following Exhibits are made a part of this Lease Agreement:

Exhibit A: Legal Description
Exhibit B: Diagram of the Premises
Exhibit C: Diagram of Temporary Premises
Exhibit D: Confirmation of Lease Commencement Date Letter

25.9 Counterparts. This Lease Agreement may be executed in counterparts, each of which shall constitute an original and all of which constitute but one original.

25.10 Agency. Neither party shall be deemed to be an agent of the other party, for purposes of this Lease Agreement.

26. Reserved.

27. Signage. Tenant shall obtain Landlord's written consent, which shall not be unreasonably withheld, conditioned, or delayed, as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Premises. Tenant shall install any approved signage at Tenant's sole cost and expense and in compliance with all applicable laws.

28. Self Help. Notwithstanding anything to the contrary, if Landlord fails to make and complete any maintenance or repair obligation of Landlord within twenty-four (24) hours of notice from Tenant with respect to any item of maintenance or repair that is deemed necessary by Tenant for its use of the Premises, or within thirty (30) days of notice from Tenant with respect to any other Landlord maintenance or repair obligation, then Tenant shall be entitled to take such actions and make such repairs to the Premises, Building or property associated with the same, as Tenant may deem necessary to correct such interruption, and Landlord shall reimburse Tenant for the cost of the same within thirty (30) days of invoice.

29. Subordination, Non-disturbance, and Attornment. This Lease Agreement shall be subordinate to all existing and future mortgages and/or deeds of trust on the Premises, or the Building, and Tenant agrees to subordinate this Lease Agreement to any future mortgage or deed of trust and to attorn to Landlord's successor following any foreclosure, sale, or transfer in lieu thereof, provided that the mortgagee, transferee, purchaser, Landlord, or beneficiary ("Landlord's Successor") agrees in a written instrument in form and substance satisfactory to Tenant that Tenant's use or possession of the Premises shall not be disturbed, nor shall its obligations be enlarged or its rights be abridged hereunder by reason of any such transaction. Notwithstanding any foreclosure or sale under any mortgage or deed of trust (or transfer by deed in lieu thereof), this Lease Agreement shall remain in full force and effect.

30. Rules and Regulations. Tenant shall be bound by and shall comply with any reasonable rules and regulations hereafter adopted by Landlord for all tenants of the Building, upon notice to Tenant thereof (collectively, the "Building Rules") to the extent those rules and regulations are not in conflict with the terms of this Lease Agreement.

[*Signature pages follow*]

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the date and year set forth below.

LANDLORD: Valley Regional Fire Authority,
a government agency

Dated: ______________________________

By: ______________________________
Name: ______________________________
Its: Fire Chief

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this day personally appeared before me ____________________, to me known to be the Fire Chief of the government agency that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and of Valley Regional Fire Authority for the uses and purposes therein mentioned and that he was authorized to execute the said instrument.

GIVEN under my hand and official seal this ______, day of ____________, __________.

____

____
NOTARY PUBLIC in and for the State of Washington residing at ___________.
My appointment expires ____________.

TENANT: King County, a political subdivision
of the State of Washington

Dated: ______________________________

By: ______________________________
Lisa K. Pearon, Director
Facilities Management Division

APPROVED AS TO FORM ONLY:

By: ________________________________
Senior Deputy Prosecuting Attorney

Date: _________________________

APPROVED BY CUSTODIAL AGENCY:

By: _________________________________

Date: ________________________________

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

I certify that Lisa K. Pearson signed this instrument, on oath stated that she was authorized to execute this instrument, and acknowledged it as the Director of the Facilities Management Division of King County, Washington, to be the free and voluntary act of said County for the uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this ______, day of ____________, __________.

____

____
NOTARY PUBLIC in and for the State of
Washington residing at ____________.
My appointment expires ____________.

Exhibit A
LEGAL DESCRIPTION

LOT 1, RPM-AUBURN, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 126 OF PLATS AT PAGES 84 AND 85, RECORDS OF KING COUNTY WASHINGTON.

EXCEPT THE EASTERLY 5.50 FEET THEREOF CONVEYED TO THE CITY OF AUBURN FOR RIGHT OF WAY PURPOSES BY DEED RECORDED UNDER KING COUNTY RECORDING NUMBER ___20211228000600________

SUBJECT TO: MATTERS OF PUBLIC RECORD

Exhibit B
DIAGRAM OF PREMISES

Station 31, 1101 D Street NE, Auburn

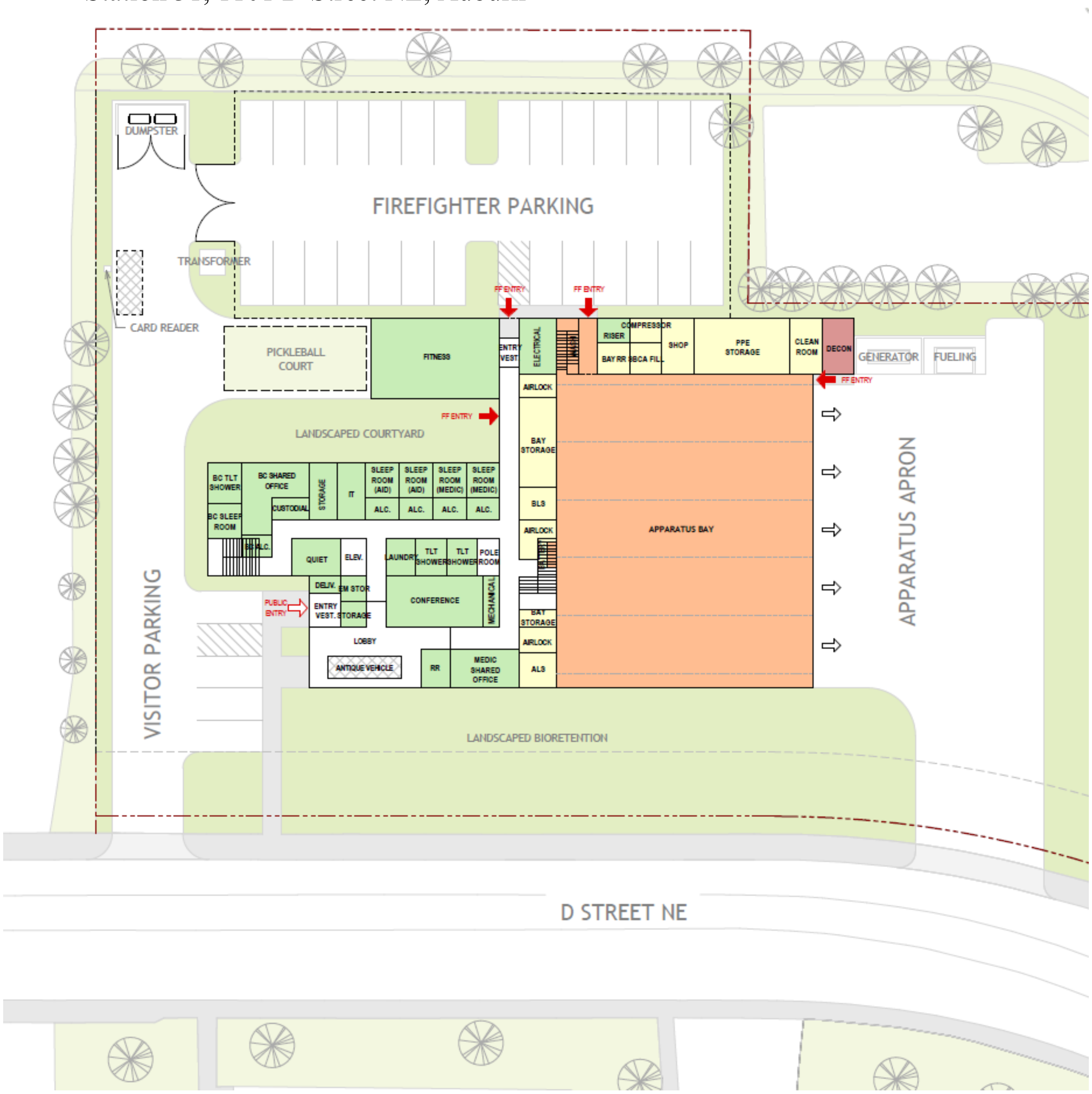


Exhibit C
DIAGRAM OF TEMPORARY PREMISES

Station 36, 810 30th Street NE, Auburn

Exhibit D
CONFIRMATION OF LEASE COMMENCEMENT DATE LETTER

King County Facilities Management Division
401 Fifth Avenue, Floor 9
Seattle, WA 98104
Phone: (206) 477-9352

CONFIRMATION OF LEASE COMMENCEMENT DATE LETTER

LANDLORD: ________________________
TENANT: KING COUNTY
LOCATION: ________________________
DATE: ________________________

This Confirmation of Lease Commencement Date Letter is in connection with the Lease Agreement dated ( ) between ( ), ("Landlord") and King County, a home rule charter county and political subdivision of the State of Washington, ("Tenant").

In accordance with the terms of the Lease, the Parties wish to confirm the following:

Lease Commencement Date: ( )
Lease Expiration Date: ( )
Lease Term: ( )

Base Rent:

Lease Months	Dates	Monthly Rent

ACKNOWLEDGEMENTS:

LANDLORD

By:________________________________

Name:______________________________

Date: ____________________________

TENANT

By:______________________________________

Name:____________________________________

Date:_____________________________________

1

June 29, 2026
Replace Attachment A

[S. Porter]

Sponsor: Dembowski

Proposed No.: 2026-0161

AMENDMENT TO PROPOSED ORDINANCE 2026-0161, VERSION 1

Strike Attachment A, Inter-Agency Lease Agreement, and insert Attachment A, Inter-Agency Lease Agreement, Revised Date June 29, 2026

EFFECT prepared by *S. Porter*: *Replace transmitted Attachment A with a new Attachment A that corrects a scrivener's error in the recitals so that it correctly states that there are three five-year options to renew in the proposed lease, not two.*

INTER-AGENCY LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease" and "Lease Agreement") is made and entered into between Valley Regional Fire Authority (VRFA), a government agency ("Landlord"), and KING COUNTY, a home rule charter county and political subdivision of the State of Washington ("Tenant"). Landlord and Tenant are sometimes referred to herein individually as a "Party" and together as the "Parties."

RECITALS

A. The Parties to this Lease Agreement previously entered into that certain prior lease for premises located at 1101 D Street NE, Auburn, Washington, commonly known as Station 31 (the "Property"), which commenced on November 1, 2011 and expired on December 31, 2013, ("Prior Lease"). Since the Prior Lease expired, it has automatically renewed on a year-to-year basis subject to termination at the end of each calendar year by either Party. The current expiration date of the Prior Lease is December 31, 2026.

B. The Landlord is building a new fire station facility on the Property. The construction project to build a new fire station facility on the Property (the "New Facility") is estimated to commence in 2026 and be completed by the end of 2028. The Landlord has allocated a similar space in the New Facility for Tenant's continued use ("New Premises") upon completion of the New Facility.

C. During the construction period, the Landlord will provide temporary space in another, similar facility that Landlord owns in the vicinity, located at 810 30th Street NE, Auburn, WA, commonly known as Station 36 ("Temporary Premises").

D. The Parties desire to enter into this new Lease Agreement for the Temporary Premises and the New Premises with a five-year term and three five-year options to extend the term. For the portion of the initial five-year term in which Tenant shall occupy space in the Temporary Premises, such occupation shall be on the same terms and conditions as the New Premises, and both areas shall be referred to as the "Premises", below, for the purposes of this Lease Agreement.

NOW, THEREFORE, Landlord and Tenant agree as follows:

1. Basic Lease Information

1.1 Lease Date: February 1, 2026 (for reference purposes only)

1.2 Landlord: VRFA, a government agency in Washington state

1.3 Tenant: King County, a political subdivision of the State of Washington

1.4 Facility: Located at: 1101 D Street NE, Auburn, Washington, commonly known as Station 31, that certain real property that is legally described on the attached **Exhibit A** (“Real Property”).

1.5 Premises: The area depicted on the attached **Exhibit B**, containing approximately 2,019 square feet of exclusive-use space consisting of: 423 square feet for a Medic Storage Room, two (2) Sleeping Rooms with Wardrobes and Alcoves, and one (1) ADA Bathroom, plus 1,596 square feet of Ambulance Bay with 30 AMP shore power; and approximately 3,020 square feet of shared space consisting of Laundry Room, Clean Room, PPE Storage Room, Decontamination Room, Kitchen/Dining Room, Day Room, Fitness Room, Hotel Office Room; plus an outdoor area approximately 27 square feet for medical oxygen tank storage, and two parking spaces in the parking lot. The Temporary Premises are depicted on the attached **Exhibit C**.

Tenant's Pro Rata Share: Not Applicable

1.6 Permitted Use: First responder office and storage, and/or any other related, legally permitted use.

1.7 Term: Five (5) years

1.8 Extended Term(s): Option to extend for three five (5) year terms.

1.9 Lease Commencement Date ("LCD"): See Section 3.1

1.10 Rent Commencement Date: Same as LCD

1.11 Expiration Date: See Section 3.2

1.12 Base Rent: $1,586.00 with annual increases as described in Section 5

1.13 Security Deposit: None

1.14 Landlord's Address for Notices:

Valley Regional Fire Authority
VRFA Station 31
1101 D Street NE
Auburn, WA 98002
Email: info@vrfa.org

1.15 Tenant's Address for Notices:

King County Real Estate Services
401 5th Avenue, Floor 9
Seattle, WA 98104

Email: RES-LeaseAdmin@kingcounty.gov

1.16 Notices may be sent by either United States mail or by electronic mail. Notwithstanding anything in this Lease to the contrary, a Party may provide email notice only at the email address(es) set forth above or other electronic means with delivery confirmation or read receipt (or both) but the Party providing electronic notice shall bear the burden to prove the date that notice was delivered. Notices shall be effective upon the date of first attempted delivery.

2. Premises.

Landlord hereby leases the Premises to Tenant for the Term set forth above. Tenant, at its sole option, may elect to remeasure the Premises pursuant to the most recent, applicable measurement methodology published by the Building Owners and Managers Association (BOMA), and if the rentable square footage of the Premises varies from that set forth in Section 1.5 above, the Parties hereto shall promptly amend this Lease to modify any variables that are dependent upon the same.

Landlord warrants that the Premises shall be delivered (i) in good operating condition, including, but not limited to, all mechanical, electrical, plumbing, and other systems serving the Premises; (ii) in compliance with all applicable laws, codes, ordinances, and regulations; and (iii) free of any Hazardous Material. To the extent that the Premises fails to comply with the prior sentence as of the Commencement Date (without limiting any other rights or remedies that Tenant may have under this Lease and/or at law), Landlord shall promptly correct the same at its sole cost and expense.

Landlord also grants Tenant a nonexclusive license to use those portions of the Building made available from time to time by Landlord for the common use and enjoyment of Tenant, Landlord, and other tenants of the Building and their guests and invitees (the "Common Areas"). The Common Areas shall include, but not be limited to bathroom and shower facilities; office space for two computer stations; the kitchen and dining areas; exercise room; day room; study; bunker gear storage; decontamination room; and the laundry room. Landlord shall have the right to do and perform all such acts in and to the Common Areas as Landlord shall determine in its reasonable discretion, including, without limitation, reconfiguring and temporarily closing the same from time to time, so long as Landlord does not adversely affect Tenant's use and enjoyment of the Premises. Tenant shall also be entitled to two parking spaces in the employee parking lot.

3. Term.

3.1 Commencement Date. This Lease Agreement shall commence on the first day of the month following execution by both Parties ("Lease Commencement Date"), which shall be confirmed in a Confirmation of Lease

Commencement Date Letter substantially in the form as that contained in **Exhibit D**.

3.2 Expiration Date. This Lease Agreement shall expire on the last day of the calendar month that is five (5) years after the Commencement Date ("Expiration Date").

3.3 Extension Option. Provided Tenant is not in default under this Lease on the date an option is exercised and as of the last day of the Term, Tenant shall have the option to extend the initial Term for three (3) successive periods of 60 months (the “First Extended Term” and “Second Extended Term” and “Third Extended Term”). An option to extend may be exercised by Tenant by giving Landlord written notice no more than twelve (12) months and no less than six (6) months prior to the last day of the then current Term. Tenant’s extension options shall apply to all of the Premises then leased by Tenant under this Lease. From and after the commencement of either the First Extended Term or the Second Extended Term or the Third Extended Term, all of the terms, covenants, and conditions of this Lease shall continue in full force and effect as written, except that Base Rent for the Extended Term shall be subject to annual Consumer Price Index adjustments based on the Revised Consumer Price Index for all Urban Consumers, CPI-U (Base Years 1982-1984 = 100) for the Seattle area, published by the United States Department of Labor, Bureau of Labor Statistics (“Annual CPI Adjustments”). The monthly Base Rent shall be adjusted on February 1 of each subsequent year based on the percentage increase in the CPI from the preceding June 1. The Base Rent increase will not exceed 3% annually.

4. Permitted Use. The Premises may be used by Tenant for the uses set forth in Section 1.6 above. Landlord represents and warrants to Tenant that the Premises may lawfully be used for the uses set forth in Section 1.6 above.

5. Rent. Tenant covenants and agrees to pay Landlord, at Landlord's Notice Address set forth in Section 1.14 above, without deduction or offset except as otherwise set forth in this Lease Agreement, monthly rent in the amounts set forth in Section 1.12, payable in advance, without prior notice or demand, on or before the first day of each month of the Term (the "Rent"). Rent for any fractional calendar month at the beginning or end of the Term shall be prorated. Monthly Rent shall be adjusted annually based upon the increase in the Consumer Price Index for Seattle and shall become effective the first day of January for each subsequent year of this Lease Agreement but shall not exceed an annual increase of 3.0%.

6. Security Deposit. None.

7. Utilities and Services. Landlord shall, at all times, furnish the Premises with: (i) water at those points of supply provided for general use of tenants of the Building; (ii) heated and refrigerated air conditioning as appropriate, at such temperatures and in such amounts as are required by governmental authority or as are reasonably appropriate for the Building; (iii) recycling and trash removal on weekdays, other than national holidays, and such carpet cleaning and window washing as may from time to time be reasonably required; (iv) replacement of Building-standard light bulbs and fluorescent tubes in the Premises; (v) electrical current reasonably sufficient for Tenant's use and an emergency standby power supply; (vi) internet and cable television service; (vii) medical waste disposal; and (viii) sewer service. Tenant shall furnish its own telephone service to the Premises. No interruption or failure of any utilities or services from any cause whatsoever shall be deemed an eviction of Tenant, provided that Landlord shall use commercially reasonable efforts to repair, replace or restore the same as quickly as possible. To the extent any interruption of services occurs due to Landlord's negligence, intentional misconduct, or breach of the Lease Agreement, then Rent shall be abated for the period of interruption in the proportion of the square footage rendered unusable in addition to, and without limiting, Tenant's other rights and remedies available at law and/or under this Lease Agreement.

8. Operating Costs. Tenant shall pay no operating costs as part of this Lease Agreement. This agreement is a full-service lease, meaning that the cost of all services, utilities, maintenance, repairs provided by Landlord, and Landlord's other operating costs are included in the monthly Rent.

9. Maintenance and Repairs. Tenant shall not be responsible for the maintenance and non-structural repairs to the interior of the Premises, which shall be maintained and repaired by Landlord in a commercially reasonable manner. Landlord shall maintain, repair and replace, if necessary, the Building; all Building systems, including but not limited to interior lighting (including replacement of ballasts and starters as required, with the exception of light bulb replacement which shall be the responsibility of the Tenant); plumbing, heating, ventilating and air-conditioning systems (including replacement of filters as recommended in equipment service manual); floor coverings; window coverings; elevators (including communications systems); inside and outside walls (including windows and entrance and exit doors); all structural portions of the Building (including the roof and the watertight integrity of same); porches, stairways; sidewalks; exterior lighting; parking lot (including snow removal, cleaning and restriping as required); wheel bumpers; drainage; landscaping and continuous satisfaction of all governmental requirements (example: fire, building energy codes, indoor air quality and requirements to provide architecturally barrier-free premises for persons with disabilities, etc.)

10. Sublease and Assignment. Tenant may assign this Lease Agreement in whole or in part, or sublet all or any portion of the Premises, with the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed.

11. Alterations and Improvements. Tenant shall be entitled to perform alterations and/or improvements to the Premises (including, without limitation, the installation of fixtures and signs) subject to Landlord's consent, which shall not be unreasonably withheld, conditioned, or delayed. Upon Tenant's request, Landlord agrees to perform such alterations or improvements on Tenant's behalf, subject to reimbursement from Tenant for Landlord's actual and reasonable costs. Tenant may from time to time remove any fixtures, alterations or improvements installed by Tenant in or to the Premises; provided that Tenant agrees to repair any damage caused by such removal.

Notwithstanding the foregoing, Tenant may perform alterations and/or improvements to the Premises without obtaining Landlord's prior consent so long as such alterations and/or improvements: (i) do not exceed $2,500 per project, (ii) are not visible from the exterior of the Premises, (iii) do not adversely affect any Building system or the structural strength of the Building, (iv) do not require penetrations into the roof of the Building, (v) comply with all applicable laws, codes, ordinances, and regulations, including obtaining any necessary permits or approvals, and (vi) do not unreasonably interfere with the operation or access to the Building.

12. Damage and Destruction. In the event the Premises or Building are destroyed or damaged by fire, earthquake, or other casualty, so as to render the Premises or Building, in Tenant's sole judgment, unfit for occupancy or Tenant's intended purpose, and the Landlord neglects or refuses to restore the Premises to its former condition within one hundred twenty (120) days of such damage or destruction, Tenant may terminate this Lease Agreement upon thirty (30) days' written notice to Landlord. In the event of such termination, Landlord and Tenant shall have no further obligations hereunder, except those obligations that expressly survive the expiration or earlier termination of the Lease. In the event the Premises are damaged by any of the aforesaid events, the Rent shall be abated in proportion to the percentage of untenantable space in the Premises as relates to the total square footage of the Premises, until such time that Landlord restores the Premises to its pre-casualty condition. If, in the sole discretion of Tenant, the untenantable portion of the Premises or the Building renders the Premises unusable for the Permitted Use, Tenant may unilaterally terminate this Lease upon thirty (30) days written notice to Landlord.

13. Condemnation. If any portion of the Premises, Building or real property upon which the same are situated (including, without limitation, any parking areas associated with the Premises and/or Building) which is necessary, in Tenant's sole judgment, for Tenant's occupancy or intended use of the Premises, or fifty percent (50%) or more of the rentable area of the Building, is made untenantable by eminent domain or conveyed under a threat of condemnation, this Lease shall terminate at the option of either Landlord or Tenant as of the earlier of the date title vests in the condemning authority or the condemning authority first has possession of the Premises or the portion of the underlying real property taken by the condemning authority. All Rents and other payments shall be paid to that date. If the condemning authority takes a portion of the Premises or of the Building or the underlying real property necessary for Tenant's occupancy or intended use that does not render them, in Tenant's sole judgment, untenantable, then this Lease Agreement shall continue in full force and effect and the Rent shall be proportionately reduced based on the percentage by which the floor area of the Premises is reduced. The reduction in Rent shall be effective on the earlier of the date the condemning authority first has possession of such portion or title vests in the condemning authority. If the Tenant, in its sole judgment, determines that the condemnation has rendered the Premises unsuitable for the Permitted Use, Tenant shall be entitled to terminate this Lease Agreement upon thirty (30) days advance written notice to Landlord. Landlord shall be entitled to the entire award from the condemning authority attributable to the value of the Premises or the Building and Tenant shall make no claim for the value of its leasehold. Tenant shall be permitted to make a separate claim against the condemning authority for moving expenses if Tenant terminates the Lease under this section, provided that in no event shall Tenant's claim reduce Landlord's reward.

14. Indemnity and Hold Harmless. Each Party shall defend, indemnify, and hold the other harmless from and against any claims, suits, causes of action, judgments, damage, loss, or liability for injuries to persons or property (collectively, "Claims") to the extent caused by the negligent acts or omissions of their respective agents, officers, contractors, and employees acting in the scope of their employment. Where such Claims result from the concurrent negligence of the Parties, the indemnity provisions provided herein shall be valid and enforceable only to the extent of each Party's negligence. Each of the Parties agrees that its obligations under this Section 14 extend to any claim, demand, cause of action and judgment brought by, or on behalf of, any of its employees or agents. For this purpose, each of the Parties, by mutual negotiation, hereby waives, with respect to the other Party only, any immunity that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW. In the event that any of the Parties incurs any judgment, award, and/or cost arising therefrom, including attorney fees, expenses, and costs, the same shall be recoverable from the responsible party to the extent of that Party's negligence.

15. Insurance.

15.1 Landlord acknowledges that Tenant, a Charter County Government under the Constitution of the State of Washington, maintains a fully funded self-insurance program for the protection and handling of the Tenant's liabilities, including injuries to persons and damage to property. Tenant shall, at its own expense, maintain, through its self-funded program, coverage sufficient for all of its liability exposures for this Lease Agreement. Tenant shall provide Landlord with at least thirty (30) days prior written notice of any material change in Tenant's self-funded program and shall provide Landlord with a certificate of self-insurance as proof of coverage. Landlord further acknowledges that Tenant does not maintain a commercial General Liability Insurance policy and is a self-insured government entity; therefore, Tenant does not have the ability to add Landlord as an additional insured to such policy. Should Tenant cease self-insuring its liability exposure and purchase a Commercial General Liability Insurance Policy, Tenant shall add Landlord as an additional insured to such policy. Tenant shall, at all times, maintain its self-funded program or a Commercial General Liability Insurance Policy, each in an amount sufficient to cover its liability exposure under this Lease Agreement.

15.2 Landlord shall maintain, throughout the Term, commercially reasonable policies of property insurance covering loss of or damage to the Building (including tenant improvements and subsequent alterations) in the full amount of its replacement cost with endorsement to cover code changes. Landlord hereby waives and releases any right of recovery (including by way of subrogation) against Tenant, its officers, employees and agents, for any loss or damage sustained by Landlord with respect to the Building, or Premises or any portion thereof or the contents of the same or any operation therein, to the extent such loss or damage is actually insured against or is required hereunder to be insured against.

16. Mediation. Landlord and Tenant agree that should any dispute arise concerning this Lease Agreement, both Parties may jointly elect to submit the dispute to mediation. Notwithstanding the foregoing, nothing herein shall be construed as a condition precedent for either party to seek legal or equitable relief by initiating a legal action. Landlord and Tenant shall each bear their respective costs of mediation.

17. Liens. Landlord and Tenant shall keep the Premises and the Building free from any liens arising out of any work performed, materials furnished, or obligations incurred by Tenant or Landlord, and each shall indemnify and hold harmless the other from and against all liabilities, losses, damages, and costs (including reasonable attorney fees and costs) incurred in connection with any such lien. Landlord or Tenant may contest the validity or amount of any such lien or encumbrance in good faith provided that, within forty-five (45) days after the filing of such lien or encumbrance, Landlord or Tenant discharges the same by providing and recording a bond which complies with the requirements of RCW 60.04.161 eliminating said lien and/or encumbrance.

18. Quiet Possession. Landlord covenants that as of the Commencement Date, Landlord will have good right to lease the Premises for the purpose and uses stated herein and Tenant shall have and quietly enjoy the Premises for the Lease Term.

19. Holding Over. If Tenant remains in possession of the Premises after the expiration or termination of this Lease Agreement, Tenant's continued possession shall be on the basis of a tenancy at the sufferance of Landlord. In such event, Tenant shall continue to comply with or perform all the terms and obligations of Tenant under this Lease Agreement, and the monthly Rent during Tenant's holding over shall be one hundred percent (100%) of the Rent payable in the last full month prior to the termination hereof. Acceptance by Landlord of rent after such termination shall not constitute a renewal or extension of this Lease Agreement; and nothing contained in this provision shall be deemed to waive Landlord's right of re-entry or any other right hereunder or at law.

20. Non-Discrimination. The Parties, their successors, and assigns as a part of the consideration hereof, do hereby covenant and agree to comply with all civil rights and anti-discrimination requirements of federal, state, and local laws, ordinances, executive orders, and regulations applicable to the Premises, including, without limitation, King County Charter Section 840, King County Code Chapter 12.16, Chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of 1964. The Parties shall not discriminate on the basis of sex, race, color, national origin, ethnicity, religious affiliation, disability, sexual orientation, gender identity or expression, age (except by minimum age and retirement provisions), status as a family caregiver, parental status, marital status, military status or status as a veteran who was honorably discharged or who was discharged solely as a result of the person's sexual orientation or gender identity or expression, citizenship or immigration status, unless based upon a bona fide occupational qualification in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Chapter 12.16, as now codified and as hereafter amended. Any violation of this provision shall be considered a default of this Lease Agreement and shall be grounds for cancellation, termination, or suspension, in whole or in part, of this Lease Agreement and may result in ineligibility for further agreements between the Parties.

21. Default.

21.1 The following occurrences shall each constitute a default by Tenant (an "Event of Default" or "Default"):

A. Failure to Pay. Failure by Tenant to pay any sum, including Rent, due under this Lease Agreement following ten (10) business days' notice from Landlord of the failure to pay.

B. Other Non-Monetary Defaults. The breach by Tenant of any agreement, term, or covenant of this Lease Agreement other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease Agreement, which breach continues for a period of thirty (30) days after written notice by Landlord to Tenant of the breach (provided, if the nature of Tenant's failure is such that more time is reasonably required in order to cure, Tenant shall not be in Default if Tenant commences to cure promptly and thereafter diligently prosecutes such cure to completion).

21.2 **Landlord Default; Remedies.** Landlord shall be in default if Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after notice by Tenant to Landlord. If Landlord fails to cure any such default within the allotted time, Tenant may, at in its sole discretion and without limiting Tenant's other rights or remedies under this Lease Agreement and/or at law, terminate this Lease Agreement upon thirty (30) days advance written notice to Landlord. Tenant shall have all remedies available at law or in equity. Nothing herein contained shall relieve Landlord from its duty to perform of any of its obligations to the standards prescribed in this Lease Agreement.

22. Remedies. Landlord shall have the following remedies upon an Event of Default. Landlord's rights and remedies under this Lease Agreement shall be cumulative, and none shall exclude any other right or remedy allowed by law.

22.1 Termination of Lease. Landlord may terminate Tenant's interest under the Lease Agreement. The Lease Agreement shall terminate on the date specified in the notice of termination. Upon termination of this Lease Agreement, Tenant will remain liable to Landlord for damages in an amount equal to the Rent and other sums that would have been owing by Tenant under this Lease Agreement for the balance of the Lease Agreement term, less (i) the net proceeds, if any, of any reletting of the Premises by Landlord subsequent to the termination, after deducting all of Landlord's reasonable, actual reletting expenses or (ii) such amounts as Tenant proves may reasonably be avoided.

22.2 Re-Entry and Reletting. Landlord may continue this Lease Agreement in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Tenant from the Premises and anyone claiming through or under the Tenant, and remove the personal property of either. Landlord may relet the Premises, or any part of them, in Landlord's name, for such period of time and at such other terms and conditions as Landlord, in its discretion, may determine. Landlord may collect and receive the rents for the Premises. To the fullest extent permitted by law, the proceeds of any reletting shall be applied: first, to pay Landlord its reasonable, actual reletting expenses; second, to pay any indebtedness of Tenant to Landlord other than Rent; third, to the Rent due and unpaid hereunder; and fourth, the residue, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant shall not be entitled to receive any portion of such revenue. Re-entry or taking possession of the Premises by Landlord under this Section shall not be construed as an election on Landlord's part to terminate this Lease Agreement, unless a notice of termination is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease Agreement. Tenant will pay Landlord the Rent and other sums which would be payable under this Lease if repossession had not occurred, less the net proceeds, if any, after reletting the Premises, including without limitation, all repossession costs, brokerage commissions and costs for securing new tenants, attorneys' fees, remodeling and repair costs, costs for removing persons or property, costs for storing Tenant's property and equipment, and costs of tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.

23. Costs and Attorney's Fees. If Tenant or Landlord engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease Agreement, including any suit by Landlord for the recovery of Rent or other payments, or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such action, whether in mediation or arbitration, at trial, on appeal, or in any bankruptcy proceeding. The hourly rates for any award of attorneys' fees will be calculated based on the rate that would be charged for the services provided by an attorney who is in private practice, of the same expertise and experience as the prevailing party's attorney(s).

24. Hazardous Material.

24.1 For purposes of this Lease Agreement, the term "Environmental Law" shall mean: any federal, state, or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction or common law pertaining in any way to the protection of human health, safety, or the environment, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9602 et. seq. ("CERCLA"); the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq. ("RCRA"); the Washington State Model Toxics Control Act, RCW ch. 70A.305 ("MTCA"); the Washington Hazardous Waste Management Act, RCW ch. 70A.300; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Washington Water Pollution Control Act, RCW ch. 90.48, and any laws concerning above ground or underground storage tanks. For the purposes of this Lease Agreement, the term "Hazardous Material" shall mean: any waste, pollutant, contaminant, or other material that now or in the future becomes regulated or defined under any Environmental Law.

24.2 Landlord represents and warrants to Tenant that, to the best of its knowledge and belief, there is no Hazardous Material on, in, or under the Premises or the Real Property as of the Commencement Date of the Prior Lease. If there is any Hazardous Material on, in, or under the Premises or the Real Property which has been or thereafter becomes released through no fault of Tenant, then Landlord (i) shall be solely responsible, at its sole cost, for promptly remediating the same to the extent required by Environmental Law and (ii) shall indemnify, defend, and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees, and expert fees, incurred or suffered by Tenant either during or after the Lease Agreement term as the result of such release.

24.3 Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises or the Real Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except in strict compliance with all applicable federal, state, and local laws, regulations, codes, and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then Tenant shall indemnify, defend, and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred or suffered by Landlord either during or after the Lease term ("Claims") to the extent that said Claims are a result of said breach. Tenant shall promptly notify Landlord of any inquiry, investigation, or notice that Tenant may receive from any third party regarding the actual or suspected presence of Hazardous Material on the Premises or the Real Property.

24.4 Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises or the Real Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any release of any Hazardous Material on the Premises or the Real Property, Tenant shall be solely responsible, at its sole cost, for promptly remediating the same to the extent required by Environmental Law. Landlord's approval of such remediation shall first be obtained, which approval shall not be unreasonably withheld, conditioned, or delayed, provided, however, that Tenant shall be entitled to respond immediately to an emergency without prior approval from Landlord, including, but not limited to, taking actions necessary to prevent the release from migrating, leaching, or otherwise spreading, and actions necessary to respond to any immediate obligations imposed on Tenant by Environmental Law. To the extent such Hazardous Material becomes comingled with Hazardous Material released by Landlord or other parties, nothing in this Lease Agreement shall prevent Tenant from seeking to recover costs, expenses, or any other damages incurred as a result of the presence of such Hazardous Material that was released by Landlord or other parties.

24.5 The provisions of this Article 24 shall survive expiration or earlier termination of this Lease Agreement.

25. General.

25.1 Heirs and Assigns. This Lease Agreement shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors, and assigns.

25.2 Brokers' Fees. Tenant represents and warrants to Landlord that it has not engaged any broker, finder, or other person who would be entitled to any commission or fees for the negotiation, execution, or delivery of this Lease Agreement, and shall indemnify and hold harmless Landlord against any loss, cost, liability, or expense incurred by Landlord as a result of any claim asserted by any such broker, finder, or other person, on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant. Landlord represents and warrants to Tenant that it has not engaged any broker, finder, or other person who would be entitled to any commission or fees for the negotiation, execution, or delivery of this Lease Agreement, and shall indemnify and hold harmless Tenant against any loss, cost, liability, or expense incurred by Tenant as a result of any claim asserted by any such broker, finder, or other person, on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Landlord.

25.3 Entire Agreement. This Lease Agreement contains all of the covenants and agreements between Landlord and Tenant relating to the Premises and supersedes all prior discussions and understandings between them. No prior or contemporaneous agreements or understandings pertaining to the Lease Agreement shall be valid or of any force or effect and the covenants and agreements of this Lease Agreement shall not be altered, modified, or amended except in writing, signed by Landlord and Tenant.

25.4 Severability. Any provision of this Lease Agreement which shall prove to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision of this Lease Agreement.

25.6 Force Majeure. Time periods for either Party's performance under any provisions of this Lease Agreement shall be extended for periods of time during which the Party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war, or other strife.

25.7 Governing Law. This Lease Agreement shall be governed by and construed in accordance with the laws of the State of Washington, without giving effect to its conflicts of law rules or choice of law provisions.

25.8 Addenda/Exhibits. The following Exhibits are made a part of this Lease Agreement:

Exhibit A: Legal Description
Exhibit B: Diagram of the Premises
Exhibit C: Diagram of Temporary Premises
Exhibit D: Confirmation of Lease Commencement Date Letter

25.9 Counterparts. This Lease Agreement may be executed in counterparts, each of which shall constitute an original and all of which constitute but one original.

25.10 Agency. Neither party shall be deemed to be an agent of the other party, for purposes of this Lease Agreement.

26. Reserved.

27. Signage. Tenant shall obtain Landlord's written consent, which shall not be unreasonably withheld, conditioned, or delayed, as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Premises. Tenant shall install any approved signage at Tenant's sole cost and expense and in compliance with all applicable laws.

28. Self Help. Notwithstanding anything to the contrary, if Landlord fails to make and complete any maintenance or repair obligation of Landlord within twenty-four (24) hours of notice from Tenant with respect to any item of maintenance or repair that is deemed necessary by Tenant for its use of the Premises, or within thirty (30) days of notice from Tenant with respect to any other Landlord maintenance or repair obligation, then Tenant shall be entitled to take such actions and make such repairs to the Premises, Building or property associated with the same, as Tenant may deem necessary to correct such interruption, and Landlord shall reimburse Tenant for the cost of the same within thirty (30) days of invoice.

29. Subordination, Non-disturbance, and Attornment. This Lease Agreement shall be subordinate to all existing and future mortgages and/or deeds of trust on the Premises, or the Building, and Tenant agrees to subordinate this Lease Agreement to any future mortgage or deed of trust and to attorn to Landlord's successor following any foreclosure, sale, or transfer in lieu thereof, provided that the mortgagee, transferee, purchaser, Landlord, or beneficiary ("Landlord's Successor") agrees in a written instrument in form and substance satisfactory to Tenant that Tenant's use or possession of the Premises shall not be disturbed, nor shall its obligations be enlarged or its rights be abridged hereunder by reason of any such transaction. Notwithstanding any foreclosure or sale under any mortgage or deed of trust (or transfer by deed in lieu thereof), this Lease Agreement shall remain in full force and effect.

30. Rules and Regulations. Tenant shall be bound by and shall comply with any reasonable rules and regulations hereafter adopted by Landlord for all tenants of the Building, upon notice to Tenant thereof (collectively, the "Building Rules") to the extent those rules and regulations are not in conflict with the terms of this Lease Agreement.

[*Signature pages follow*]

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the date and year set forth below.

LANDLORD: Valley Regional Fire Authority,
a government agency

Dated: ______________________________

By: ______________________________
Name: ______________________________
Its: Fire Chief

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this day personally appeared before me ____________________, to me known to be the Fire Chief of the government agency that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and of Valley Regional Fire Authority for the uses and purposes therein mentioned and that he was authorized to execute the said instrument.

GIVEN under my hand and official seal this ______, day of ____________, __________.

____

____
NOTARY PUBLIC in and for the State of Washington residing at ___________.
My appointment expires ____________.

TENANT: King County, a political subdivision
of the State of Washington

Dated: ______________________________

By: ______________________________
Lisa K. Pearon, Director
Facilities Management Division

APPROVED AS TO FORM ONLY:

By: ________________________________
Senior Deputy Prosecuting Attorney

Date: _________________________

APPROVED BY CUSTODIAL AGENCY:

By: _________________________________

Date: ________________________________

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

I certify that <u>Lisa K. Pearson</u> signed this instrument, on oath stated that she was authorized to execute this instrument, and acknowledged it as the <u>Director of the Facilities Management Division</u> of King County, Washington, to be the free and voluntary act of said County for the uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this ______, day of ____________, __________.

____

____
NOTARY PUBLIC in and for the State of
Washington residing at ____________.
My appointment expires ____________.

Exhibit A
LEGAL DESCRIPTION

LOT 1, RPM-AUBURN, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 126 OF PLATS AT PAGES 84 AND 85, RECORDS OF KING COUNTY WASHINGTON.

EXCEPT THE EASTERLY 5.50 FEET THEREOF CONVEYED TO THE CITY OF AUBURN FOR RIGHT OF WAY PURPOSES BY DEED RECORDED UNDER KING COUNTY RECORDING NUMBER ___20211228000600________

SUBJECT TO: MATTERS OF PUBLIC RECORD

Exhibit B
DIAGRAM OF PREMISES

Station 31, 1101 D Street NE, Auburn

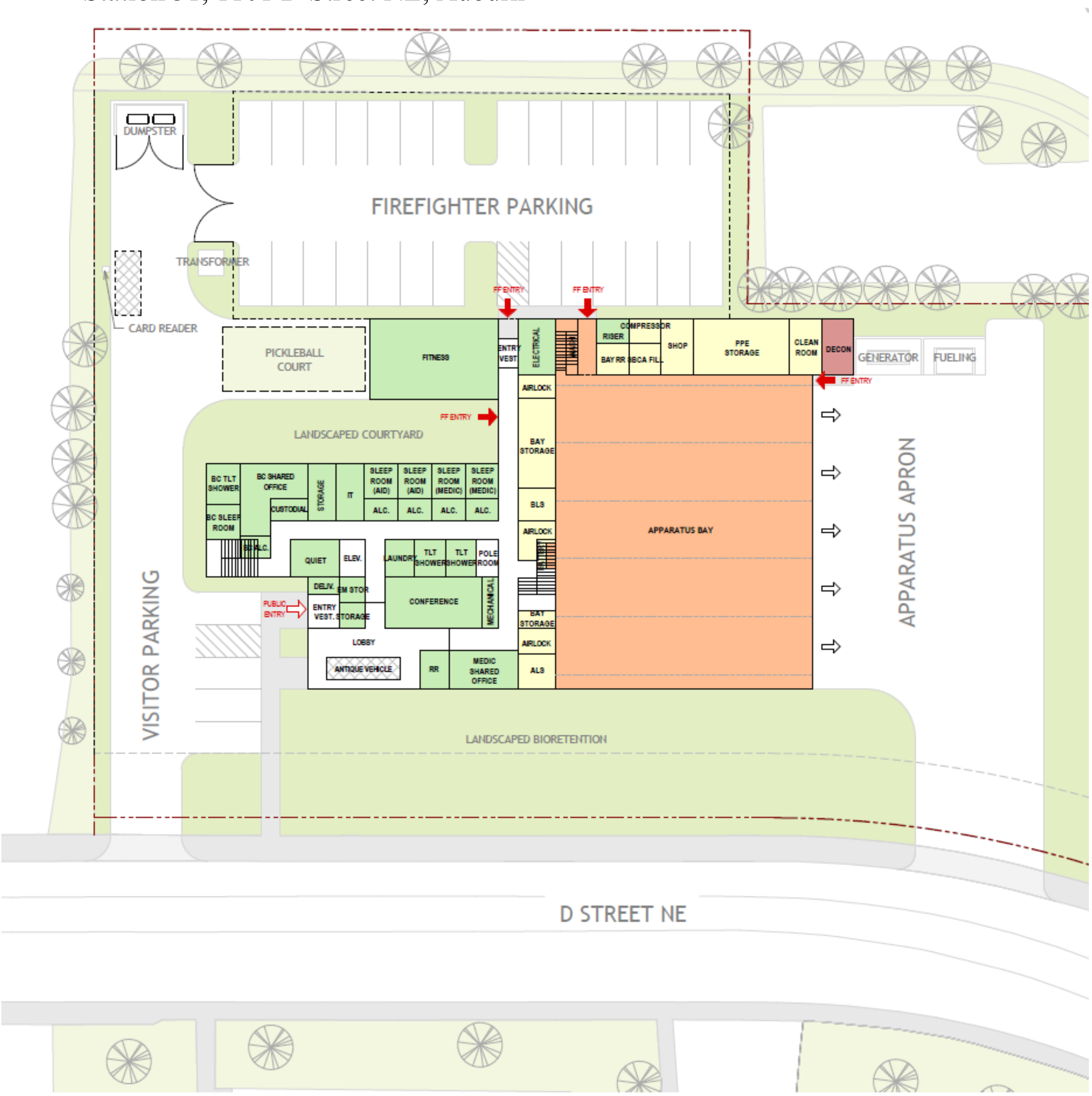


Exhibit C
DIAGRAM OF TEMPORARY PREMISES

Station 36, 810 30th Street NE, Auburn

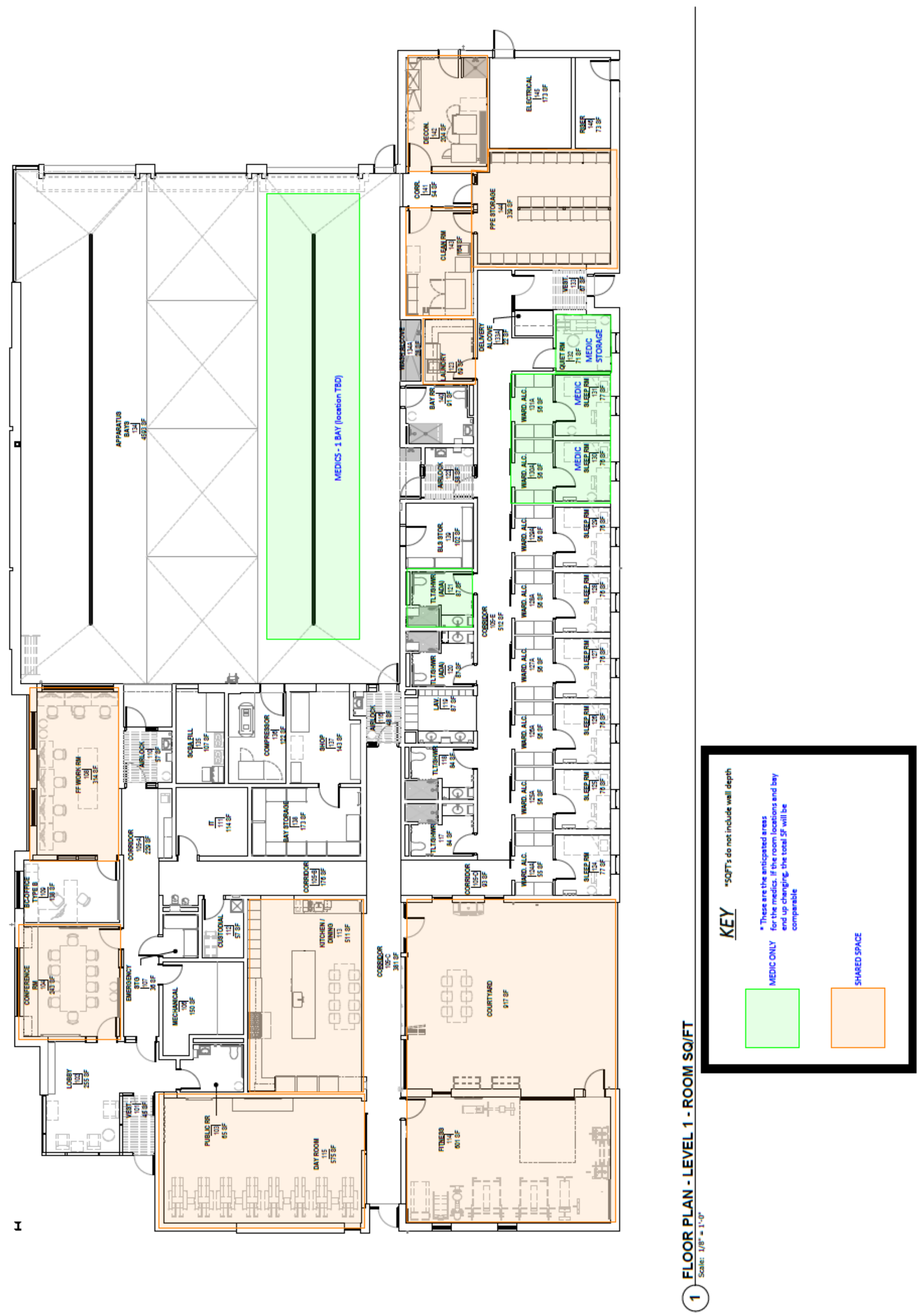


Exhibit D
CONFIRMATION OF LEASE COMMENCEMENT DATE LETTER

King County Facilities Management Division
401 Fifth Avenue, Floor 9
Seattle, WA 98104
Phone: (206) 477-9352

<u>CONFIRMATION OF LEASE COMMENCEMENT DATE LETTER</u>

LANDLORD: ________________________
TENANT: KING COUNTY
LOCATION: ________________________
DATE: ________________________

This Confirmation of Lease Commencement Date Letter is in connection with the Lease Agreement dated ( ) between ( ), ("Landlord") and King County, a home rule charter county and political subdivision of the State of Washington, ("Tenant").

In accordance with the terms of the Lease, the Parties wish to confirm the following:

Lease Commencement Date: ( )
Lease Expiration Date: ( )
Lease Term: ( )

Base Rent:

Lease Months	Dates	Monthly Rent

ACKNOWLEDGEMENTS:

LANDLORD	TENANT
By:______________________________	By:______________________________
Name:____________________________	Name:____________________________
Date: ____________________________	Date:_____________________________

King County | Office of the Executive

Executive Girmay Zahilay
Chinook Building, CNK-EX-0800
401 Fifth Avenue, Suite 800
Seattle, WA 98104-2391

June 17, 2026

The Honorable Sarah Perry
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Perry:

This letter transmits a proposed Ordinance that, if enacted, will enable King County to enter into a lease for the Department of Public Health Seattle-King County, with Valley Regional Fire Authority for space located at 1101 D Street NE, Auburn, Washington.

This facility houses the Medic One Program whose primary mission is to provide emergency medical services to the southeast King County area. Approval of this lease supports the provision of King County operations and services.

This transaction is recommended per the rationale and considerations provided in the attached property summary. Per the terms of the lease agreement, this proposed Ordinance is to be in effect by November 30, 2026.

Thank you for your consideration of this proposed Ordinance.

If your staff have questions, please contact Lisa Pearson, Director, Facilities Management Division at 206-263-9238.

Sincerely,

for

Girmay Zahilay
King County Executive

Enclosure

cc: King County Councilmembers
ATTN: Stephanie Cirkovich, Chief of Staff, King County Council
Melani Hay, Clerk of the Council
Karan Gill, Deputy Executive, Office of the Executive
Jasmin Weaver, Chief of Staff, Office of the Executive
Hyeok Kim, Chief Operating Officer, Office of the Executive
Sierra Howlett Browne, Director of Government Relations, Office of the Executive
Garrett Holbrook, Council Relations Manager, Office of the Executive
Lorraine Patterson-Harris, County Administrative Officer, Department of Executive Services (DES)
Lisa Pearson, Director, Facilities Management Division (FMD), DES
Julie Ockerman, Manager, Real Estate Services, FMD, DES

Simple Form Data Entry

- In the highlighted cells, enter the information requested In this form.
- A fiscal note for the property sale/lease will be generated based on this information (see Fiscal Note tab).

Simple data entry field
Dropdown menu data entry

1. General Transaction Information

Financial Plan Element	Description/Guidance on Requested Information	Data Entry Field
Description of Request:		Valley Regional Fire Authority - King County Medic One Auburn
Title:	*Include property name and related agency/service/function.*	Valley Regional Fire Authority - Auburn
Affected Agency and/or Agencies:	*Applicable division and department names.*	Public Health - Seattle King County
Legal Transaction Type:	*Sale, lease renewal, new lease for new service, relocation, other.*	Lease Renewal
Fiscal Transaction Type:	*1st/2nd/3rd omnibus, biennial review, stand alone ordinance, other.*	Stand Alone
Note Prepared By:	*FMD finance manager and property agent.*	Sandy Ou / Steven Tease
Date Prepared:	*Date in XX/XX/XX text format (i.e., 'XX/XX/XX)*	2/3/2026
Transaction Duration:	*The term of the lease/agreement or capital investment. Property sale = NA.*	Five Years
Fair Market Value:	*If not a sale = NA.*	N/A
Current Year:	*First year of current biennium (in XXXX format, should be odd number).*	2026

Financial Plan Element	Description/Guidance on Requested Information	Appropriation Unit Name	Appr. Unit Number	Department	Fund Number
Appropriation Units Impacted:	*All impacted appropriation unit names and numbers and department initials.*				

Projects Impacted: *Project numbers impacted by this transaction (enter as 7 digit number with', i.e., 'XXXXXXX).*

2. Financial Impacts - Net Present Value

*An NPV analysis **should be performed for** transactions that:*
- Result in long term financial impacts, especially including instances where a transaction represents an upfront cost to be recouped in later years
- Where the transaction represents a change in policy or opertions, and
- Where there are viable alternatives with different, benefits and costs that should be considered.
Examples include vacating a owned space for a leased space, selling a currently operating facility, entering into a long term agreement to lease out a property, relocating from one leased space to another.

An explanation of the NPV analysis, including major assumptions and supporting information, should be provided in the "Notes" section. If no NPV was performed, the rationale for not providing this information should be provided below.

Financial Plan Element	Description/Guidance on Requested Information	Data Entry Field
Was an Net Present Value calculation performed?	*Indicate whether a NPV analysis has been performed. If no NPV, then indicate why below.*	N
Net Present Value to King County:	*The NPV of the transaction to King County as a whole. NA = not performed.*	
Net Present Value to Impacted Agency:	*The NPV of the transaction to the primary customer of the transaction. NA = not performed.*	
If an NPV analysis was not performed for either the County or the Agency or both, state rationale here:	An NPV analysis was not performed because ...	

3. Financial Impacts - Revenue and Expenditure Impacts

- Provide the estimated revenue and expenditure impacts to each KC appropriation unit and project combination.

- Impacts should represent the complete revenue/expenditure impacts of the transaction, whether or not there is a corresponding need for supplemental appropriation. Not all the costs included in the NPV will be represented below. For instance, ongoing maintenance costs in a KC building vacated by a KC agency may be included in the KC NPV, but would not be included below because the transaction does not impact these costs.

- For transactions with mid-year impacts, the fiscal note should represent the best estimate of the effective date of the transaction as of the date prepared.

- The sum of outyear impacts for revenue and expenditures includes all revenues/expenditures for the duration of the lease/other agreement or life of the capital investment.

- Values represented below should be net values (combined impact of cost savings and additional costs, revenue loss and new revenues). Overall, positive values indicate an increase in revenues/expenditures while negative values indicate a reduction in expenditures/revenues. De minimus cost savings, such as minor reductions in maintenance costs, do not need to be included.

- A detailed explanation of revenue and expenditure impacts analysis, including workload impacts, major assumptions, and other supporting data, should be provided in the property summary.

3.1. Revenue Impacts:

Is the cost of the transaction partially or entirely covered by **fund balance**? N — If yes, indicate fund balance amount: (enter as text, including $ and ,)

Is the activity partially or entirely covered by **reallocation of grants**? N — If yes, indicate grant amount: (enter as text, including $ and ,)

*Indicate new revenue provided to KC appropriation units as a result of this transaction. Fund balance and reallocated grant revenue **ARE NOT** new revenue.*

Appropriation Unit Name	Project	Revenue Account Code and Source/Description	2026	2027	2028	2029	2030	2031	Sum of Outyear Impacts	Sum of Revenues Prior to 2026

3.2. Expenditures Impacts:

Indicate expenditure impacts in the categories indicated and defined below that result from this transaction.

Descriptions of Expenditure Categories:

Real Estate Services Labor Costs	*Labor costs that RES has incurred associated with this transaction.*
King County Project Management	*Project management to be incurred in association with this transaction.*
Lease Payments/Associated O&M	*Lease payments as well as associated O&M for the life of the agreement.*
Service Costs (Appraisal, Title, Move)	*Moving/relocation costs, appraisal costs, title fees, and other services provided in support of the transaction.*
Tenant and Other Improvements	*Tenant improvements, other capital costs, furnishings, equipment, etc.*
10% Art for General Fund Transactions	
Other Transaction Costs	*Items that do not fit in the above categories. Contact the PSB budget analyst for this transaction if other costs exceed 20% of total expenditures.*

Appropriation Unit/Project Combination #1
Appropriation Unit — Project Number

Expenditure Category	Expenditure Notes	2026	2027	2028	2029	2030	2031	Sum of Outyear Impacts	Sum of Expenditures Prior to 2026
Real Estate Services Labor Costs									
King County Project Management									
Lease Payments/Associated O&M	Assumptions: 1) Rent payment with annual increase by three percent; 2) Exercise the option to extend the initial term for three additional five year periods		$ 19,032	$ 19,603	$ 20,191	$ 20,797	$ 21,421	$ 410,353	
Service Costs (Appraisal, Title, Move)									
Tenant and Other Improvements									
10% Art for General Fund Transactions									
Other Transaction Costs									

Appropriation Unit/Project Combination #2
Appropriation Unit — Project Number

Expenditure Category	Expenditure Notes	2026	2027	2028	2029	2030	2031	Sum of Outyear Impacts	Sum of Expenditures Prior to 2026
Real Estate Services Labor Costs									
King County Project Management									
Lease Payments/Associated O&M									
Service Costs (Appraisal, Title, Move)									
Tenant and Other Improvements									
10% Art for General Fund Transactions									
Other Transaction Costs									

4. Appropriation Impacts

- Indicate if either one of the following statements applies to this transaction.
- If neither of these statements apply, provide the estimated appropriation impacts (i.e., change to adopted appropriation budget) to each KC appropriation unit and project combination.
- A positive value indicates an increase in expenditure authority. A negative value indicates a dissappropriation.
- If the transaction has potential capital appropriation impacts within the 6-year CIP but outside of the current biennium, indicate the estimated planning-level costs in the appropriate cells.

The transaction was anticipated in the adopted budget(s) so no appropriation impact is anticipated. N
The transaction results in expenditures, but impacts can be absorbed within the current budget appropriation(s). N

Appropriation Unit	Project	Appropriation Notes	2026 Allocation Change	NA		Total 6-Year CIP Outyear Planning-Level Costs

5. Notes

Is the transaction a sale that primarily generates revenue?	N
Is the transaction backed by new revenue? (if above is Y, mark this as N)	N
Does the new revenue include grant revenue?	N
If the project has been grant backed, has the grant been awarded?	N
If the transaction is backed by new revenue, has the revenue been received?	N
If revenue has not been received, when and how will it be received?	The new revenue will be received by ...

- Below, add information as necessary to describe major assumptions, workload impacts, and supporting information for the net present value, revenue/expenditure, and appropriation impacts.
- The major assumptions discussion should include:
- the discount rate used and rationale for that rate
- the term of the lease used in the NPV
- the anticipated effective dates of a lease or other activities impacting costs
- whether a sale of a vacated space is anticipated in the NPV and fiscal note
- whether parking agreements are included
- and any other pertinent information on related transactions or dependencies

- The lease has commencement date of 1/1/2027 and will expire on the last day of the calendar month that is five years after the commencement date.
- The assumption is that the tenant exercises all of the options to extend the initial term for three additional five year periods.
- The Tenant shall pay no operating costs and not be responsible for the maintenance and non-structural repairs to the interior of the premises.
- The monthly rent starting $1,586 with annual increase in the Consumer Price Index for Seattle and shall become effective the first day of January for each subsequent year of the lease agreement but shall not exceed an annual increase of three percent.

Enter additional notes as necessary directly in fiscal note form.

The transaction involves the sale of a property and the expenditures associated with this sale are limited to transaction costs. No long-term expenditures requiring resource backing are associated with this transaction.
The transaction is not backed by new revenue.

Some deminimus costs, such as minor reductions in maintenance costs, may not be included in this fiscal note.

- Y
- N
-
-
-
-

NA

300
NA

Metropolitan King County Council
Staff Report

Committee:	Budget and Fiscal Management		
Agenda Item:	9	**Analyst:**	Sam Porter
Proposed No.:	2026-0165	**Meeting Date:**	July 22, 2026

OVERVIEW

TOPIC: A proposed ordinance to adopt the 2027 Capital Improvement Program (CIP) for Harborview Medical Center (HMC) for the fiscal year ending June 30, 2027.

LEGISLATION SUMMARY

Proposed Ordinance 2026-0165 would adopt the 2027 HMC CIP for the fiscal year ending June 30, 2027, and appropriate approximately $8.5 million of University of Washington-Harborview operating revenue to the Harborview Repair and Replacement Fund (3961) for projects described in this staff report. No County moneys are associated with this request.

KEY ISSUES FROM THE ANALYSIS

No issues have been identified.

BACKGROUND & TIMING CONSIDERATIONS

↑ BACK TO TOP

Background. Under the Hospital Services Agreement between King County, HMC, and the University of Washington (UW), which was extended in 2016, King County approves the CIP annually on the UW's fiscal year which runs from July to June. Harborview is a 413-bed hospital and trauma center that serves Washington, Alaska, Montana, and Idaho. It is the only Level 1 trauma center serving these states. The hospital is owned by King County, governed by a 13-member county-appointed Board of Trustees, and operated by the UW. The UW assumed responsibility for operating HMC in the late 1960s. The UW, as an entity of the State of Washington, operates on the state's fiscal year from July 1 – June 30. Under the Hospital Services Agreement (HSA), the parties have agreed to work together to try to get the CIP approved as close to July 1 as possible. The 2026 HMC CIP was transmitted to Council on June 18, 2026, and referred to committee on July 7, 2026.

In 2016, the County authorized an extension of the HSA until 2045 if both parties execute the allowable extensions. Under the HSA, the CIP is approved by the Council each year and the County will manage projects that exceed $7,470,000. Table 1 below provides appropriation amounts for past HMC CIP budgets.

Table 1. Prior Year HMC CIP Appropriations

Fiscal Year	Ordinance	Appropriation
2026	19961	$31,232,486
2025	19803	$29,217,684
2024	19658	$3,545,938
2023	19526	$4,777,955
2022	19323	$79,420,714
2021	19163	$21,268,000
2020	18964	$14,400,000
2019	18794	$12,400,000
2018	18582	$23,100,000
2017	18397	$10,100,000

ANALYSIS

↑ BACK TO TOP

Proposed Ordinance 2026-0165 would approve a net appropriation of $8.5 million of HMC operating funds to the Harborview Building Repair and Replacement Fund. Of the $8.5 million proposed budget, there is $16.3 million of additional project work being carried over from last year, and $11.3 million for new capital projects. The total amount for projects being disappropriated is $19.1 million.

The proposed budget was approved by the Harborview Capital Projects Oversight Committee on February 13, 2026, and by the Board of Trustees on February 26, 2026. All projects are revenue-backed by HMC operating funds; no County moneys are associated with the request. Table 2 provides a list of all projects included in the budget request along with a description of each project or reason for the disappropriation. The current threshold for County management of projects is $7.47 million. No new projects in the 2027 HMC CIP exceed this threshold.

Table 2. Appropriations and Disappropriations Proposed for HMC CIP FY 2027

Project Name	Tech Adjust	Appropriation/ Disappropriation	Project Narrative Provided by Executive Staff
FMD Facility Maintenance Project	No	$6,000,000	Executive staff state that this is allocated for small projects and emergency needs, with estimated spending occurring in FY27. Previous uses of this account include emergency replacement of the daycare center HVAC unit, installation of a cooling system for the morgue, and repairs to a fire pump and exterior water line at Center Tower, which required excavation and line replacement. Potential future needs may include rebuilding clinical areas after unexpected damage (e.g., ED), elevator modernization packages due to failures, and repairs to failing lab air systems.
Inpatient Unit Refresh and Renovation, East Hospital Level 3	No	$4,097,000	Renovation to refresh the 3rd Floor East Hospital (EH) inpatient unit and add technology to support modern clinical care. The 3EH unit is an existing 34-bed inpatient unit that has not been updated in more than 20 years. This project will replace flooring, ceilings, nurse stations, and lighting, and will implement smart technologies in patient rooms.
Inpatient Unit Refresh and Renovation, East Hospital Level 4	No	$3,996,000	Renovation to refresh the aging 4th Floor East Hospital (EH) inpatient unit and add technology to support modern clinical care. The 4EH unit is a 35-bed inpatient unit that has not been updated in more than 20 years. This project will replace flooring, ceilings, nurse stations, and lighting, and will implement smart technologies in patient rooms.
Angio-3 Biplane	No	$3,950,000	This project represents two Angio Suite replacements in Center Tower, as both suites are at end of life and require replacement. Renovation scope includes required code-related utility upgrades and system modifications. The Angio-4 Biplane project is being combined with this project so the Angio-4 Biplane project can be closed out.

Project Name	Tech Adjust	Appropriation/ Disappropriation	Project Narrative Provided by Executive Staff
Roche Analyzer Implementation	No	$3,950,000	This project is for renovation and replacement of existing end-of-life Beckman chemistry equipment. Project scope includes facility renovations and utility upgrades to support new specimen processing, blood gas, urinalysis, and chemistry equipment.
Vascular Hybrid OR17	No	$1,450,000	Renovation and infrastructure for replacing existing aging equipment in Operating Room (OR) 17 with end of service date of Q3 2028. The renovation scope includes required code-related upgrades, expected structural modifications, and associated operating room and control room modifications.
Entry Way and Lobby Renovations	No	$1,200,000	Renovation and expansion of the Ninth and Jefferson Building (NJB) lobby to improve patient and visitor flow and address environmental concerns. NJB has two primary elevator banks—garage and building—with one opening into the vestibule and the other into the lobby. This project will relocate and expand the vestibule to the east, enlarging the lobby to incorporate both elevator banks. The redesign will allow for improved security placement and more efficient patient flow.
Ground Center Tower Renovation	No	$680,000	The original scope included light cosmetic renovations for the clinical portion of the suite ($400,000 in FY 2026). The additional requested funding in FY27 will cover the conversion of non-clinical spaces into supporting clinical functions. The location is in the Center Tower. Renovation of the former Gamma Knife suite in Ground Center Tower to accommodate a new C-Arm X-ray machine and ultrasound system, supporting a portion of the interventional radiology workload. Scope includes plumbing for new sinks, electrical and HVAC upgrades, and interior renovations.

Project Name	Tech Adjust	Appropriation/ Disappropriation	Project Narrative Provided by Executive Staff
Nurse Call Replacement	No	$500,000	This project received $1 million in FY 2026 and $1 million in FY 2025. This project continues the replacement of end-of-life nurse call equipment and devices on two nursing units in the East Hospital. Several inpatient units currently operate nurse call systems that are more than 25 years old. These systems require replacement to improve reliability and to support the implementation of smart technology within inpatient rooms.
East Hospital Unit Security	No	$487,968	Modifications to enhance the security of several existing East Hospital inpatient units including the 5th floor. The project includes installation of required doors, hardware, and security control systems to enable each unit to have controlled, secure entry when requested. The system will be designed to activate or deactivate as needed.
X Ray Room Replacements - Fluoroscopy	No	$300,000	Renovation of West Hospital first floor X-Ray/Fluoroscopy Room 1W223 for equipment replacement. The existing equipment is over 13 years old. Project costs cover any required structural, electrical, or room modifications needed to accommodate the new X-Ray Fluoroscopy equipment.
X Ray Room Replacements #1 – Ninth and Jefferson Building	No	$250,000	Renovation to support replacement of X-Ray equipment, the first of two rooms in the Ninth and Jefferson Building. The existing equipment is over 17 years old. Project costs cover any required electrical or room modifications needed to accommodate the new X-Ray equipment.
X Ray Room Replacements #2 – Ninth and Jefferson Building	No	$250,000	Renovation to support replacement of X-Ray equipment, the second of two rooms in the Ninth and Jefferson Building. The existing equipment is over 17 years old. Project costs cover any required electrical or room modifications needed to accommodate the new X-Ray equipment.

Project Name	Tech Adjust	Appropriation/ Disappropriation	Project Narrative Provided by Executive Staff
X-ray Room Replacements - ED 1W410	No	$250,000	Renovation of ED X Ray Room 1W410 for X-Ray Room replacement. The existing equipment is over 15 years old. Project costs cover any required electrical or room modifications needed to accommodate the new X-Ray equipment.
X-ray Room Replacements - 1W-24	No	$250,000	Renovation of West Hospital first floor X-Ray Room 1W24 for X-Ray Room replacement. The existing equipment is over 15 years old. Project costs cover any required electrical or room modifications needed to accommodate the new X-Ray equipment.
Supply and Exhaust Fan 55	Yes	($16,167)	Completed project.
East Hospital Water Conservation and Cross Connect to Maleng	Yes	($17,149)	Completed project.
HMC Data Closet Upgrade	Yes	($46,698)	Completed project.
City of Seattle required building tune ups	Yes	($295,029)	Completed project.
HMC Infusion Expansion – Planning Feasibility	Yes	($377,455)	A feasibility study was performed for planned infusion expansion. That study was completed and the remaining budget can be closed.
West Hospital Radiology System	Yes	($473,524)	Completed project.
Emergency Department Clinical Core	Yes	($572,505)	Completed project.
New Siemens 3T MRI at Third and Jefferson Building	Yes	($840,051)	Project is being combined with HMC 3NJB 3T-MRI (KC 1150166) so this project can be closed out.
Cafeteria Improvements	Yes	($866,250)	The cafeteria improvements did not occur and the project can be closed.
Study Emergency Department Entry and Renovations	Yes	($978,096)	Completed project.

Project Name	Tech Adjust	Appropriation/ Disappropriation	Project Narrative Provided by Executive Staff
Angio-4 Biplane	Yes	($1,750,000)	Project is being combined with HMC Angio 3 Bi-Plane (KC 1150160) so this project can be closed out.
Operating Room Support Space	Yes	($1,852,202)	Completed project.
Miscellaneous projects under $90,000	Yes	($2,457,007)	Completed project.
Diagnostic Equipment Installation	Yes	($2,558,069)	Work was completed and remaining budget can be closed.
FY26 FMD Facility Maintenance Project	Yes	($6,000,000)	No activity as costs intended for this account are using a similar previous project.
Grand Total Proposed		**$8,510,766**	

Council legal counsel has reviewed the proposed ordinance.

INVITED

- Darren Redick, Associate Administrator, Harborview Facilities and Capital Development Division, UW Medicine

ATTACHMENTS

1. Proposed Ordinance 2026-0165 (and its attachment)
2. Transmittal Letter
3. Fiscal Note

ATTACHMENT 1

KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

Ordinance

Proposed No. 2026-0165.1 **Sponsors** Dembowski

AN ORDINANCE that adopts the Harborview Medical Center 2027 Capital Improvement Program Annual Budget for the year ending June 30, 2027, and makes appropriations for the capital improvements for the Harborview Medical Center.

STATEMENT OF FACTS:

1. The Hospital Services Agreement between the Harborview Medical Center, the University of Washington, and King County dated November 25, 2025, establishes a process for the development of the annual capital improvement budget for the medical center.

2. Consistent with that agreement, the Harborview building repair and replacement budget for the year ending June 30, 2026, is proposed for King County council adoption following the recommendations of the capital project oversight committee in February 2026 and the approval of the 2027 budget by the Harborview Board of Trustees in May 2026.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. The 2027 Annual Budget for the year ending June 30, 2027, for the Harborview Medical Center capital improvement budget is proposed and, subject to the provisions hereinafter set forth and the several amounts hereinafter specified or so much thereof as shall be sufficient to accomplish the purposes designated, appropriations are hereby authorized to be distributed for salaries, wages, and other expenses of the Harborview Medical Center building repair and replacement fund, for capital improvements, and for other specified purposes.

SECTION 2. CAPITAL IMPROVEMENT PROGRAM - The capital budget and program for 2027 through 2032 is incorporated as Attachment A to this ordinance. The executive is hereby authorized to execute any utility easements, bill of sale or related documents necessary for the provision of utility services to the capital projects described in Attachment A to this ordinance, but only if the documents are reviewed and approved by the real estate services section of the facilities management division and the prosecuting attorney's office. Consistent with the Growth Management Act, Attachment A to this ordinance was reviewed and evaluated according to the King County Comprehensive Plan.

From the Harborview building repair and replacement fund there are hereby appropriated and authorized to be disbursed the following amounts for the specific projects identified in Attachment A to this ordinance.

Fund	**Fund Name**	**2027**
3961	HARBORVIEW BUILDING REPAIR & REPLACEMENT FUND	$8,510,766

SECTION 3. If any provision of this ordinance or its application to any person or

circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances is not affected.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

____

Sarah Perry, Chair

ATTEST:

____

Melani Hay, Clerk of the Council

APPROVED this _____ day of _______________, ______.

____

Girmay Zahilay, Chair

Attachments: A. HMC FY-27 Annual Budget Ordinance – Executive Proposed

Ordinance Attachment by Fund

Budget: HMC FY-27 Annual Budget, Scenario: Executive Proposed, Agency: All, Fund: All, Cap Status: All, Is IT Proj? Both Yes and No

HMC FY-27 Annual Budget - Executive Proposed

3961 HARBORVIEW MEDICAL CENTER REPAIR AND REPLACEMENT

Project Number	Project Name Class Code	Tech Adj	IT Proj	FY27	FY28	FY29	FY30	FY31	FY32	Total 6-Year Budget
1040989	**DES FMD HMC MISC UNDER $90,000** STANDALONE	✓		($2,457,007)	$0	$0	$0	$0	$0	($2,457,006)
1046241	**DES FMD HMC DATA CLOSET UPGRAD** STANDALONE	✓		($46,698)	$0	$0	$0	$0	$0	($46,698)
1117819	**DES FMD HMC DIAGNOSTIC EQUIPMENT INSTALLATION** STANDALONE	✓		($2,558,069)	$0	$0	$0	$0	$0	($2,558,070)
1122166	**DES FMD HMC STUDY EMERGENCY DEPARTMENT ENTRY & RENOVATIONS** STANDALONE	✓		($978,096)	$0	$0	$0	$0	$0	($978,096)
1130220	**DES FMD HMC OR SUPPORT SPACE** STANDALONE	✓		($1,852,201)	$0	$0	$0	$0	$0	($1,852,201)
1131661	**DES FMD HMC EAST HOSPITAL. WATER CONSERVATION & CROSSCONNECT TO MALENG** STANDALONE	✓		($17,149)	$0	$0	$0	$0	$0	($17,149)
1131786	**DES FMD HMC ED CLINICAL CORE** DES FMD HMC MGMT RESERVE	✓		($572,505)	$0	$0	$0	$0	$0	($572,505)
1133482	**DES FMD HMC BUILDING TUNE UPS- CITY OF SEATTLE REQUIREMENT AS OF 2018** STANDALONE	✓		($295,029)	$0	$0	$0	$0	$0	($295,029)
1136598	**DES FMD HMC SUPPLY & EXHAUST FAN 55** STANDALONE	✓		($16,167)	$0	$0	$0	$0	$0	($16,167)
1139201	**DES FMD HMC WH RADIOLOGY SYS** STANDALONE	✓		($473,524)	$0	$0	$0	$0	$0	($473,524)
1141334	**DES FMD HMC CAFETERIA IMPR** STANDALONE	✓		($866,250)	$0	$0	$0	$0	$0	($866,250)
1147615	**DES FMD HMC NURSE CALL REPLACEMENT** STANDALONE			$500,000	$0	$0	$0	$0	$0	$500,000
1147617	**DES FMD HMC MRI:NEW SIEMENTS 3T AT 3NJB (PLANNING FEASIBILITY)** STANDALONE	✓		($840,051)	$0	$0	$0	$0	$0	($840,051)

HMC FY-27 Annual Budget - Executive Proposed

1147618	**DES FMD HMC INFUSION ESPANSION (PLANNING FEASIBILITY)** STANDALONE	✓		($377,455)	$0	$0	$0	$0	$0	($377,455)
1147621	**DES FMD HMC FACILITY MAINTENANCE PROJECT** STANDALONE			$6,000,000	$0	$0	$0	$0	$0	$6,000,000
1150160	**DES FMD HMC ANGIO-3 BI PLANE** STANDALONE			$3,950,000	$0	$0	$0	$0	$0	$3,950,000
1150161	**DES FMD HMC ANGIO-4 BI PLANE** STANDALONE	✓		($1,750,000)	$0	$0	$0	$0	$0	($1,750,000)
1150168	**DES FMD HMC ROCHE ANALYZER IMPLEMENTATION** STANDALONE			$3,950,000	$0	$0	$0	$0	$0	$3,950,000
1150173	**DES FMD HMC GCT RENOVATION** STANDALONE			$680,000	$0	$0	$0	$0	$0	$680,000
1150175	**DES FMD HMC ENTRY WAY/LOBBY RENOVATIONS** STANDALONE			$1,200,000	$0	$0	$0	$0	$0	$1,200,000
1150176	**DES FMD FACILITY MAINTENANCE PROJECTS FY26** STANDALONE	✓		($6,000,000)	$0	$0	$0	$0	$0	($6,000,000)
1152784	**IP UNIT REFRESH/RENOVATION EH LEVEL 4** DES FMD HMC 9TH & JEFF BUILDG			$3,996,000	$0	$0	$0	$0	$0	$3,996,000
1152787	**DES HCID IP UNT REF/RNV EHLEV3** DES FMD HMC DIAG EQPT INSTL			$4,097,000	$0	$0	$0	$0	$0	$4,097,000
1152788	**DES HCID XRAY RM REPLCMT #1NJB** DES FMD HMC DIAG EQPT INSTL			$250,000	$0	$0	$0	$0	$0	$250,000
1152789	**DES HCID XRAY RM REPLCMT #2NJB** DES FMD HMC DIAG EQPT INSTL			$250,000	$0	$0	$0	$0	$0	$250,000
1152790	**DES HCID XRAY RM RPLMT ED1W410** DES FMD HMC DIAG EQPT INSTL			$250,000	$0	$0	$0	$0	$0	$250,000
1152791	**DES HCID XRAY RM RPLCMNT 1W-24** DES FMD HMC DIAG EQPT INSTL			$250,000	$0	$0	$0	$0	$0	$250,000

Ordinance Attachment by Fund

Budget: HMC FY-27 Annual Budget, Scenario: Executive Proposed, Agency: All, Fund: All, Cap Status: All, Is IT Proj? Both Yes and No

HMC FY-27 Annual Budget - Executive Proposed

1152792	**DES HCID XRAY RM RPLCMNT FLURO** DES FMD HMC DIAG EQPT INSTL			$300,000	$0	$0	$0	$0	$0	$300,000
1152793	**DES HCID VASCLR HYBRD ANG OR17** DES FMD HMC DIAG EQPT INSTL			$1,450,000	$0	$0	$0	$0	$0	$1,450,000
1152794	**DES HCID UNIT SEC 5EH 9TH JEFF** DES FMD HMC 9TH & JEFF BUILDG			$487,968	$0	$0	$0	$0	$0	$487,968
3961 - HARBORVIEW MEDICAL CENTER		**Total**		**$8,510,766**	**$0**	**$0**	**$0**	**$0**	**$0**	**$8,510,766**
Grand Total				**$8,510,766**	**$0**	**$0**	**$0**	**$0**	**$0**	**$8,510,766**

King County | Office of the Executive

Executive Girmay Zahilay
Chinook Building, CNK-EX-0800
401 Fifth Avenue, Suite 800
Seattle, WA 98104-2391

June 18, 2026

The Honorable Sarah Perry
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Perry:

This letter transmits a proposed Ordinance that, if enacted, would approve the fiscal year 2027 Harborview Medical Center (HMC) capital program annual budget. The proposed $8.5 million of projects to improve service delivery and maintain facility infrastructure are supported using transfers from the HMC Operations Fund, rather than voter approved bond financing.

Each year, the Harborview Board of Trustees recommends an annual budget which is submitted to the King County Executive for review prior to transmittal to the King County Council.

Thank you for your consideration of this proposed Ordinance.

If your staff have questions, please contact Anthony Wright, Director, Harborview Construction and Infrastructure Division, at 206-477-9352.

Sincerely,

for

Girmay Zahilay
King County Executive

Enclosure

cc: King County Councilmembers
ATTN: Stephanie Cirkovich, Chief of Staff, King County Council
Melani Hay, Clerk of the Council
Karan Gill, Deputy Executive, Office of the Executive
Jasmin Weaver, Chief of Staff, Office of the Executive
Hyeok Kim, Chief Operating Officer, Office of the Executive
Sierra Howlett Browne, Director of Government Relations, Office of the Executive
Garrett Holbrook, Council Relations Manager, Office of the Executive
Lorraine Patterson-Harris, County Administrative Officer, Department of Executive Services (DES)

2026 FISCAL NOTE

Ordinance/Motion: 2026-XXXX
Title: FY-2027 Harborview Medical Center Annual Budget
Affected Agency and/or Agencies: Harborview Medical Center and DES-Harborview Construction and Infrastructure Division
Note Prepared By: David Turley (DES-HCID)
Date Prepared: 6/1/2026
Note Reviewed By: Marina Sebright (Exec. Office - Budget)
Date Reviewed: 6/5/2026

Description of request:

This proposed Ordinance proposes the King County budget for the Harborview Medical Center capital project budget scope for FY-2027. Of the $8.5 million proposed budget, there is $16.3 million of additional project work carrying over from FY-26 and $11.3 million for new capital projects. The total of projects being disappropriated is $19.1 million.

Revenue to:

Agency	Fund Code	Revenue Source	FY-2027	FY-2028	FY-2029
Harborview Medical Center Building Repair and Replacement Fund	3961	HMC Operating Fund Transfer	8,510,766		
TOTAL			**8,510,766**	**0**	**0**

Expenditures from:

Agency	Fund Code	Department	FY-2027	FY-2028	FY-2029
DES-HCID	3961	DES-HCID	7,785,766	725,000	
TOTAL			**7,785,766**	**725,000**	**0**

Expenditures by Categories

	FY-2027	FY-2028	FY-2029
Proposed additional capital project work	16,280,000		
Proposed new capital project budget	10,605,968	725,000	
Proposed capital project technical adjustments (Project Completed)	(19,100,202)		
TOTAL	**7,785,766**	**725,000**	**0**

Does this legislation require a budget supplemental? Yes

Notes and Assumptions:

These proposed project budgets have project scope separate from the project scopes outlined in the 2020 Harborview Medical Center voter approved bond.

Metropolitan King County Council
Staff Report

Committee:	Budget and Fiscal Management Committee		
Agenda Item:	10	**Analyst:**	Nick Bowman
Proposed No.:	2026-0097	**Meeting Date:**	July 22, 2026

OVERVIEW

TOPIC: An ordinance authorizing the sale of surplus County property located near South 328th Street and Military Road South in the City of Federal Way.

LEGISLATION SUMMARY

Proposed Ordinance 2026-0097 would approve the sale of 149,410 square feet of surplus County property located in the City of Federal Way, in Council District 7, for $675,000 to a private individual. The property has no formal physical address due to its vacant and undeveloped status. According to the Executive, the property was purchased by the Road Services Division in 1919 as a borrow pit for gravel but has not been used for many years and is no longer needed to support current or future County operations.

The Facilities Management Division (FMD) declared the parcel surplus to County needs on October 24, 2025. Selling the property to a private individual would provide one-time revenue to Roads.

KEY ISSUES FROM THE ANALYSIS

A. **Consistency with County Code.** All occupancy, vacancy, and leasing decisions regarding County-owned real property are under the purview of either FMD or departmental custodians. Under County Code, in the case where a custodian has indicated it no longer needs a property, FMD must conduct an analysis of whether that property can be declared surplus before it can be sold. The declaration of surplus and proposed sale of the property appears to be consistent with County Code requirements.

AMENDMENTS

- **Amendment 1** would delete the transmitted Attachment A, the Purchase and Sale Agreement, and replace it with a new Attachment A, that includes a signed 1st amendment extending the Council approval period to September 15, 2026.

BACKGROUND & TIMING CONSIDERATIONS

↑ BACK TO TOP

Property History. The 149,410 square foot parcel (Parcel #1521049016) commonly referred to as the Hatfield Pit, was purchased by the Road Services Division of the Department of Local Services (Roads) in 1919 as a borrow pit for gravel but has not been used for many years. According to the Executive, the property is no longer needed to support current or future County operations.

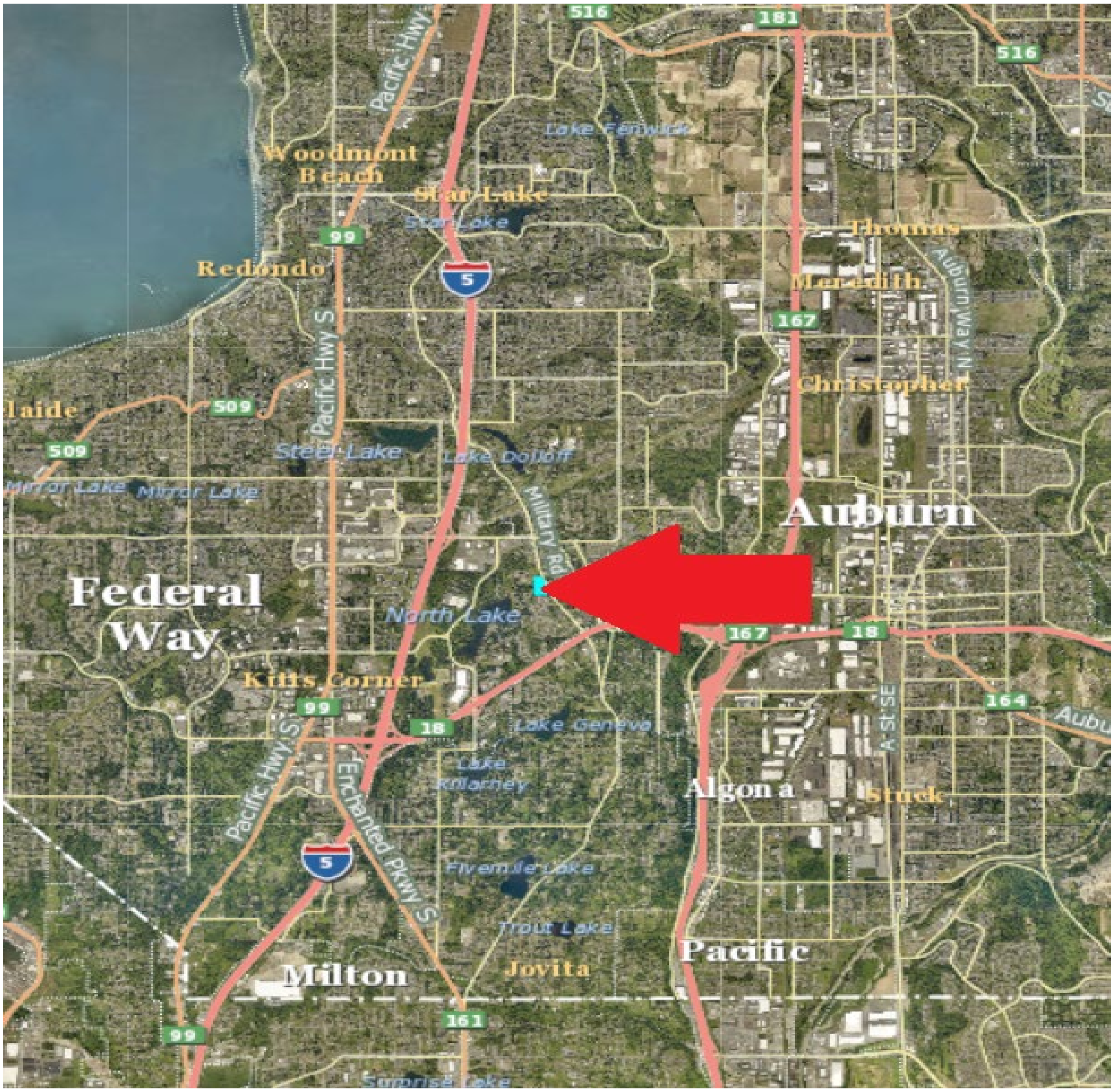
The vacant, undeveloped property is located near South 328th Street and Military Road South in the City of Federal Way. There is no formal physical address to the property.

The property is zoned RS-9.6 meaning one dwelling unit per 9,600 square feet. Any future development on the property by the buyer, a private individual, who also owns the adjoining property, would be subject to review and approval by the City of Federal Way.

Maps of the property are provided below.

Figure 1. Map of Parcel with Satellite Imagery

Figure 2. Vicinity View Map



Timing Considerations. According to the Purchase and Sale Agreement, the proposed ordinance was to be in effect by June 17, 2026, however King County negotiated with the buyer to extend the Council approval period to September 15, 2026.

ANALYSIS

↑ BACK TO TOP

Key Issue A. Consistency with King County Code. According to King County Code Section 4.56.080, any surplus property sales greater than $100,000 require Council approval. Section 4.56.060 authorizes FMD to conduct sales of all County surplus properties. All surplus property sales need to abide by the requirements outlined in K.C.C. chapter 4.56.

Table 1 provides the requirements, the King County Code reference, and the outcome or status for each requirement. The requirements are listed chronologically, since each depends on the outcome of another (i.e., the custodial agency surplus declaration must occur before FMD offers a parcel to other County agencies).

Table 1. Surplus Property Sale Requirements

No.	Requirement	K.C.C. Reference	Outcome/Status
1.	**Roads Surplus Declaration**	4.56.070	The Road Services Division declared the property surplus to its needs on March 3, 2025.
2.	**FMD Offer of Property to other County Agencies**	4.56.070	FMD stated that it offered the property to other county agencies on May 2, 2025, and received no interest.
3.	**Property Evaluated for Affordable Housing**	4.56.070.C.1	DCHS determined that the surplus property was not suitable for affordable housing on October 1, 2025. DCHS based its determination on potential environmental concerns with the property which was previously used as a gravel pit. According to DCHS, "a Phase I environmental assessment is needed to better determine development suitability. DCHS does not have resources available to conduct environmental assessments to further investigate and perform due diligence." Additional concerns cited by DCHS include the site not being in a walkable area to amenities, no existing sidewalk infrastructure along Military Rd S, and no connection to public transit. The site also has steep slopes and no existing sewer infrastructure.
4.	**Final Surplus Declaration**	4.56.070	FMD declared that the property was surplus to County needs on October 24, 2025.
5.	**FMD Appraisal**	N/A	According to the Property Summary,

No.	Requirement	K.C.C. Reference	Outcome/Status
			the property was appraised on April 12, 2025, by Integra Realty Resources using a sales comparison approach. Seven comparable land sales were utilized to determine an estimated Fair Market Value of $600,000.
6.	**Bid Process**	4.56.100	According to the Executive, the sale of this parcel was listed with a Multiple Listing Service (MLS), marketed on the County's website, and with onsite signage.
7.	**Purchase and Sale Agreement**	N/A	The Purchase and Sale Agreement (PSA) was executed on December 19, 2025.
8.	**Council Approval**	4.56.080	As the value of the surplus property being conveyed exceeds $100,000, Council approval of the sale is required. Under the terms of the PSA, the sale is contingent on the Council approving the PSA by April 18, 2026, with an optional 60-day extension to June 17, 2026.
9.	**Disposition of Sale Proceeds**	4.56.130	If approved by the Council, the sale proceeds would be disbursed first to the Department of Executive Services – FMD Real Estate Services (RES) for work associated with the sale of the surplus property. Remaining proceeds would be deposited into the Roads Operating Fund.

Rationale for Sale. The Property Summary states that the rationale for the proposed sale is that "the property is surplus to the current and future needs of Roads and the County. The sale will provide one-time revenues to Roads."

AMENDMENTS

↑ BACK TO TOP

The following amendments are publicly available as of the date of packet distribution and attached to this staff report. Additional amendments may be released prior to the committee meeting.

Amendment	Sponsor	Effect Statement
1 New Attachment A	Dembowski	Amendment 1 would delete the transmitted Attachment A, the Purchase and Sale Agreement, and replace it with a new Attachment A, a Purchase and Sale Agreement dated June 18, 2026, that includes a signed 1st amendment to the Purchase and Sale Agreement extending the Council contingency period to September 15, 2026.

INVITED

- Amanda Tran, Real Property Agent, Facilities Management Division.

ATTACHMENTS

1. Proposed Ordinance 2026-0097 (and its attachment)
2. Amendment 1 (and its attachment)
3. Transmittal Letter
4. Fiscal Note

ATTACHMENT 1

KING COUNTY

Signature Report

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Ordinance

Proposed No. 2026-0097.1 **Sponsors** von Reichbauer

AN ORDINANCE relating to the sale of the surplus property parcel 152104-9016, located near South 328th Street and Military Road South, Federal Way, Washington, in council district seven.

STATEMENT OF FACTS:

For the surplus property parcel 152104-9016, located near South 328th Street and Military Road South, Federal Way, Washington, located within council district seven, the facilities management division completed the surplus property, affordable housing and public notice requirements.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. The executive is authorized to convey the surplus property parcel 152104-9016, located near South 328th Street and Military Road South, Federal Way, Washington, to Tajinder Bal consistent with a purchase and sale agreement substantially in the form of Attachment A to this ordinance and to take all actions necessary to implement the terms of the purchase and sale agreement.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

____

Sarah Perry, Chair

ATTEST:

____

Melani Hay, Clerk of the Council

APPROVED this _____ day of _______________, ______.

____

Girmay Zahilay, Chair

Attachments: A. Purchase and Sale Agreement

ATTACHMENT A:

PURCHASE AND SALE AGREEMENT

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is entered between **KING COUNTY**, a home rule charter county and political subdivision of the State of Washington (the "Seller") and **TAJINDER BAL** (the "Buyer"). Seller and Buyer are also referred to individually as a "Party" or collectively as "Parties." This Agreement is effective the date both parties execute ("Effective Date") the Agreement.

RECITALS

A. Seller is the owner of that certain real property commonly known as King County tax assessor's parcel no. 152104-9016 on XXX Military Rd S, Federal Way, King County, State of Washington, the legal descriptions of which are attached hereto as **EXHIBIT A** (the "Real Property").

B. Seller desires to sell the Real Property and Buyer desires to purchase the Real Property.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto covenant and agree as follows:

ARTICLE 1.
PURCHASE AND TRANSFER OF ASSETS

1.1. PROPERTY TO BE SOLD. Seller shall sell and convey to Buyer on the Closing Date (as hereinafter defined) and Buyer shall buy and accept from Seller on the Closing Date the following assets and properties:

1.1.1. all the Seller's right, title, and interest in the Real Property as legally described in **EXHIBIT A**;

1.1.2. all of Seller's right, title, and interest in improvements and structures located on the Real Property, if any;

1.1.3. all of Seller's right, title, and interest in and to tangible personal property, if any, owned by the Seller and attached, appurtenant to, or used in connection with the Real Property ("Personal Property");

1.1.4. all of Seller's easements and other rights that are appurtenant to the Real Property including but not limited to, Seller's right, title, and interest in and to streets, alleys, or other public ways adjacent to the Real Property, sewers and service drainage easements, rights of connection to the sewers, rights of ingress and egress, leases, licenses, government approvals, and permits affecting the Real Property.

Hereinafter, the items listed in Section 1.1 are collectively referred to as the "Property."

ARTICLE 2.
PURCHASE PRICE

2.1. PURCHASE PRICE AND PAYMENT. In consideration of the conveyance of the Property, Buyer shall, in full payment therefor, pay to Seller on the Closing Date a total purchase price of **Six Hundred Seventy-Five Thousand Dollars** (**$675,000.00**) (the "Purchase Price").

2.2. ALLOCATION OF PURCHASE PRICE. Seller and Buyer agree that the entire Purchase Price is allocable to the Real Property and that the value of the Personal Property, if any, is ***de minimis*.**

2.3. DEPOSIT. Within three (3) business days after the Effective Date, Buyer shall deliver to Chicago Title Company (the "Escrow Agent"), in its capacity as the Parties' closing agent, immediately available cash funds in the amount of **Five Thousand Dollars ($5,000.00)** (the "Deposit"). The Deposit shall be invested by the Escrow Agent in a money market account, a federally insured investment or such other investment as may be approved by Seller and Buyer in writing. Accrued interest will be added to and become part of the Deposit. Upon deposit with Escrow Agent, the Deposit shall be non-refundable except as otherwise provided in this Agreement. The Deposit shall be applied as a credit against the Purchase Price at the Closing.

ARTICLE 3.
REPRESENTATIONS AND WARRANTIES OF THE PARTIES AND CONDITION OF PROPERTY

3.1. WARRANTIES AND REPRESENTATIONS OF SELLER. As of the date hereof and as of the Closing Date, Seller represents and warrants as follows:

3.1.1. ORGANIZATION. The Seller is a home rule charter county and political subdivision of the State of Washington duly organized, validly existing, and in good standing under the laws of the State of Washington.

3.1.2. EXECUTION, DELIVERY, AND PERFORMANCE OF AGREEMENT; AUTHORITY. The execution, delivery, and performance of this Agreement by Seller (i) is within the powers of Seller as a political subdivision of the State of Washington, and (ii) subject to the contingency in Section 5.2 of this Agreement, has been or will be on or before the Closing Date, duly authorized by all necessary action of the Seller's legislative authority. This Agreement constitutes the legal, valid and binding obligation of Seller enforceable against Seller in accordance with the terms herein.

3.1.3. NO BROKER. No broker, finder, agent or similar intermediary has acted for or on behalf of Seller in connection with this Agreement or the transactions contemplated hereby other than Cheri Westphal of CW Realty Group, and no other broker, finder, agent, or similar intermediary is entitled to any broker's, finder's, or similar fee or commission in connection with this Agreement based on an agreement, arrangement, or understanding with Seller or any action taken by Seller.

3.1.4. FUTURE AGREEMENTS. From and after the Effective Date unless this Agreement is terminated in accordance with its terms, Seller shall not without the prior written consent of Buyer:

(a) enter into any agreement, contract, commitment, lease, or other transaction that affects the Property in any way; or

(b) sell, dispose of, or encumber any portion of the Property.

3.1.5. FOREIGN PERSON. Seller is not a foreign person and is a "United States Person" as such term is defined in Section 7701(a)(30) of the Internal Revenue Code of 1986 ("Code"), as amended and shall deliver to Buyer prior to the Closing an affidavit, as set forth in **EXHIBIT D,** evidencing such fact, and such other documents as may be required under the Code.

3.2. REPRESENTATIONS AND WARRANTIES OF BUYER. As of the date hereof and as of the Closing Date, Buyer represents and warrants that Buyer, and any person signing on behalf of Buyer, has full power and authority to execute this Agreement and to perform Buyer's obligations hereunder. Further, this Agreement constitutes the legal, valid, and binding obligation of Buyer enforceable against Buyer in accordance with the terms hereof.

3.2.1. NO BROKER. No broker, finder, agent or similar intermediary has acted for or on behalf of Buyer in connection with this Agreement or the transactions contemplated hereby other than Tajinder Bal of John L. Scott, Inc., and no other broker, finder, agent, or similar intermediary is entitled to any broker's, finder's, or similar fee or commission in connection with this Agreement based on an agreement, arrangement, or understanding with the Buyer or any action taken by the Buyer.

3.3. CONDITION OF PROPERTY.

3.3.1. SELLER DISCLOSURE STATEMENT. To the maximum extent permitted by Chapter 64.06 RCW, Buyer expressly waives its right to receive from Seller a seller disclosure statement ("Seller Disclosure Statement") and to rescind this Agreement, both as provided for in Chapter 64.06 RCW. Seller and Buyer acknowledge and agree that Buyer cannot waive its right to receive the section of the Seller Disclosure Statement entitled "Environmental" if the answer to any of the questions in that section would be "yes." Nothing in any Seller Disclosure Statement delivered by Seller creates a representation or warranty by the Seller, nor does it create any rights or obligations in the Parties except as set forth in Chapter 64.06 RCW. Buyer acknowledges that Seller may not have knowledge of defects that careful inspection might reveal. Buyer specifically acknowledges and agrees that any Seller Disclosure Statement delivered by Seller is not part of this Agreement, and Seller has no duties to Buyer other than those set forth in this Agreement.

3.3.2. SELLER DISCLAIMER OF CONDITION OF THE PROPERTY. Except to the extent of Seller's representations and warranties in Section 3.1. of this Agreement, Seller has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, contracts or guarantees of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning, or with respect to the value, nature, quality, or condition of the Property (collectively "Condition of the Property"), including, without limitation:

(a) The water, soil, and geology;

(b) The income to be derived from the Property;

(c) The suitability of the Property for any and all activities and uses that Buyer or anyone else may conduct thereon;

(d) The compliance or noncompliance of or by the Property or its operation with any laws, rules, ordinances, regulations, or decrees of any applicable governmental authority or body or the zoning or land use designation for the Property;

(e) The habitability, merchantability, marketability, profitability, or fitness for a particular purpose of the Property;

(f) The manner or quality of the construction or materials, if any, incorporated into the Property and the existence, nonexistence, or condition of utilities serving the Property;

(g) The actual, threatened or alleged existence, release, use, storage, generation, manufacture, transport, deposit, leak, seepage, spill, migration, escape, disposal, or other handling of any Hazardous Substances in, on, under, or emanating from or into the Property, and the compliance or noncompliance of or by the Property or its operation with applicable federal, state, county, and local laws and regulations, including, without limitation, Environmental Laws and regulations and seismic/building codes, laws, and regulations. For purposes of this Agreement, the term "Environmental Law" shall mean: any federal, state, or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction, or common law pertaining in any way to the protection of human health, safety, or the environment, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9602 et. seq. ("CERCLA"); the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq. ("RCRA"); the Washington State Model Toxics Control Act, Chapter 70A.305 RCW ("MTCA"); the Washington Hazardous Waste Management Act, RCW ch. 70.105; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Washington Water Pollution Control Act, Chapter 90.48 RCW, and any laws concerning above ground or underground storage tanks. For the purposes of this Agreement, the term "Hazardous Substance" shall mean: any waste, pollutant, contaminant, or other material that now or in the future becomes regulated or defined under any Environmental Law; or

(h) Any other matter with respect to the Property.

3.3.3. BUYER ACCEPTANCE OF CONDITION OF PROPERTY.

(a) Buyer acknowledges and accepts Seller's disclaimer of the Condition of the Property in Section 3.3.2 of this Agreement.

(b) Buyer will have conducted a physical inspection and made all investigations that Buyer deems necessary in connection with its purchase of the Property. Buyer further acknowledges and agrees that, having been given the opportunity to inspect the Property, Buyer is relying solely on its own investigation of the Property and is not relying on any information provided or to be provided by Seller. Buyer further acknowledges and agrees that any information provided or to be provided with respect to the Property was obtained from a variety of sources and that Seller has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information and no employee or agent of Seller is authorized otherwise. Buyer further acknowledges and agrees that Seller is not liable or bound in any manner by any verbal or written statements, representations, or information pertaining to the Property, or the operation thereof, furnished by any agent, employee, or contractor of Seller, any real estate broker, or any other person.

(c) Buyer acknowledges and agrees that it approves and accepts the Condition of the Property and accordingly agree to purchase the Property and accept the Condition of the Property "AS IS, WHERE IS" with all faults and patent or latent defects, including, without limitation, the actual, threatened or alleged existence, release, use, storage, generation, manufacture, transport, deposit, leak, seepage, spill, migration, escape, disposal or other handling of any Hazardous Substances in, on, under or emanating from or into the Property, and the compliance or noncompliance of or by the Property or its operation with applicable federal, state, county and local laws and regulations including, without limitation, Environmental Laws and regulations and seismic/building codes, laws and regulations. Buyer acknowledges and agrees that, except to the extent of Seller's representations and warranties in Section 3.1. of this Agreement, Buyer, and any person or entity claiming by or through Buyer, shall have no recourse against the Seller for, and waives, releases and discharges forever the Seller from, any and all past, present or future claims or demands, and any and all past, present or future damages, losses, injuries, liabilities, causes of actions (including, without limitation, causes of action in tort) costs and expenses (including, without limitation fines, penalties and judgments, and attorneys' fees) of any and every kind or character, known or unknown (collectively, "Losses"), which the Buyer might have asserted or alleged against the Seller arising from or in any way related to the Condition of the Property, including, without limitation, the actual, threatened or alleged existence, release, use, storage, generation, manufacture, transport, deposit, leak, seepage, spill, migration, escape, disposal or other handling of any Hazardous Substances in, on, under or emanating from or into the Property. Losses shall include without limitation (a) the cost of any investigation, removal, remedial or other response action that is required by any Environmental Law, that is required by judicial order or decree or by order of or agreement with any governmental authority, or that is conducted voluntarily, (b) losses for injury or death of any person, and (c) losses arising under any Environmental Law, whether or not enacted after transfer of the Property.

3.3.4. INDEMNIFICATION. From and after the Closing Date, Buyer shall indemnify, defend, and hold Seller, its officers, agents, and employees harmless from and against any and all Losses, liability, claim, agency order, or requirement, damage, and expense relating to or arising out of, directly or indirectly, the Property, including without limitation those relating to the actual or threatened release, disposal, deposit, seepage, migration, or escape of Hazardous Substances at, from, into, or underneath the Property, and the compliance or noncompliance of the Property with applicable federal, state, county, and local laws and regulations including, without limitation, Environmental Laws and regulations.

3.4. RISK OF LOSS. Until the Closing Date, the risk of loss relating to the Property shall rest with the Seller. Risk of Loss shall be deemed to include any property damage occurring because of an "Act of God," including, but not limited to, earthquakes, tremors, wind, rain or other natural occurrence.

ARTICLE 4.
TITLE MATTERS

4.1. CONVEYANCE. Seller shall convey to Buyer the title to the Property by bargain and sale deed in substantially the form attached hereto as **EXHIBIT B**, subject only to the Permitted Exceptions (as defined below), the lien of current real property taxes, fees and/or charges not yet due and payable, rights reserved in federal patents or state deeds, building or use restrictions general to the governing jurisdiction, and the matters excluded from coverage by the printed exceptions and exclusions contained in the form of title insurance policy required by Section 4.4 of this Agreement.

4.2. TITLE COMMITMENT. Buyer shall within ten (10) days after the Effective Date obtain a preliminary commitment for an owner's standard coverage policy of title insurance (the "Title Commitment") issued by Chicago Title (the "Title Company"), describing the Property, listing Buyer as the prospective named insured and showing as the policy amount the total Purchase Price for the Property. When the Title Company causes the Title Commitment to be furnished to Buyer, the Title Company shall further cause to be furnished to Buyer legible copies of all instruments referred to in the Title Commitment as restrictions or exceptions to title to the Property.

4.3. REVIEW OF TITLE COMMITMENT. Buyer shall have until fifteen (15) days after the Effective Date (the "Review Period") in which to notify Seller in writing of any objections Buyer has to any matters shown or referred to in the Title Commitment ("Buyer's Objections"). Any exceptions or other items that are set forth in the Title Commitment and to which Buyer does not object within the Review Period shall be deemed to be permitted exceptions ("Permitted Exceptions"). With regard to items to which Buyer does object within the Review Period, Seller shall notify Buyer within five (5) days after Seller receives Buyer's Objections of any exceptions to title which Seller will not remove or otherwise resolve ("Seller's Response"), and Buyer may, at Buyer's option, either proceed to Closing and thereby waive the Buyer's Objections not cured, in which case such exceptions to title shall be Permitted Exceptions, or Buyer may terminate this Agreement by notice to Seller within three (3) days after receipt of Seller's Response. If the

Title Company issues a supplement to the Title Commitment that identifies new exceptions, the procedure set forth in this Section 4.3 shall apply to such supplement, except that Buyer will have five (5) days to make Buyer's Objections to any new exception, Seller shall have five (5) days to provide Seller's Response, and the Closing Date will be extended for the period necessary to allow the procedures set forth herein to be completed with regard to a timely objection.

4.4. OWNER'S TITLE INSURANCE POLICY. At the Closing, Buyer shall cause an owner's policy of title insurance to be issued by the Title Company in the full amount of the Purchase Price, effective as of the Closing Date, insuring Buyer that the fee simple title to the Property is vested in Buyer, subject only to the Permitted Exceptions, the lien of current real property taxes, fees and/or charges not yet due and payable, rights reserved in federal patents or state deeds, building or use restrictions general to the governing jurisdiction, and the matters excluded from coverage by the printed exceptions and exclusions contained in the form of title insurance policy required by the Title Company. The obligation of Buyer to provide the title policy called for herein shall be satisfied if, at the Closing, the Title Company has given a binding commitment, in a form reasonably satisfactory to Buyer, to issue the policies in the form required by this Section. If requested in writing by Seller, Buyer shall provide a copy of such binding commitment to Seller to verify satisfaction of this obligation as a condition to Seller being obligated to close. Buyer shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company.

ARTICLE 5.
CONTINGENCIES

5.1. INSPECTIONS. Buyer waives its rights to (a) perform any and all tests, inspections, studies, surveys or appraisals of the Property except those set forth in Section 5.2(subject to the limitations set forth below and Section 5.2 Right of Entry); (b) obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all tests, inspections and studies deemed necessary therewith; (c) examine all due diligence materials related to the Property that Buyer may reasonably request from Seller that are in Seller's possession and about which Seller has knowledge, and that are not protected as attorney work product, by the attorney-client privilege, or by other similar confidentiality protections; (d) determine to its satisfaction whether approvals, permits and variances can be obtained under applicable land use and zoning codes for Buyer's proposed development of the property; and (e) determine whether Buyer's proposed development of the property is economically feasible.

5.2. RIGHT OF ENTRY. Buyer and Buyer's designated representatives or agents shall have the right and Seller hereby grants to Buyer and Buyer's designated representatives the right to enter the Property and conduct a boundary and topography survey and soil testing for septic design and drainage upon three (3) days advance written notice; provided that such right of entry will be limited to those times and dates that will not disrupt Seller's use of, or Seller's operations and activities on the Property. Apart from soil testing for septic design and drainage, invasive tests of the Property, such as drilling or excavation, are subject to Seller's prior written approval. If invasive tests are performed by Buyer, Seller may elect to obtain split samples of any sampling that is obtained and reimburse the Buyer for the costs thereof. The Buyer will not be permitted to undertake activities that damage the Property. In connection with any such inspections and tests, Buyer agrees to hold harmless, indemnify, and defend Seller, its officers, agents, and employees, from and against all claims, losses, or liability for injuries to persons, sickness, or death of persons, including employees of Buyer ("Claims") caused by or arising out of any act, error, or omission of Buyer, its officers, agents, contractors, subcontractors, or employees in entering the Property for the above purposes, except to the extent the Claims are caused by or arise out of any act, error or omission of Seller, its officers, agents, or employees.

5.3. RIGHT OF ENTRY INSURANCE. Prior to the entry of Buyer or its contractors for invasive testing of the Property such as drilling or excavation, the entering party(ies) shall submit evidence of (1) Commercial General Liability coverage in the amount of $1,000,000 per occurrence and $2,000,000 in the aggregate; (2) Automobile liability insurance in the amount of $1,000,000; (3) Contractor's Pollution insurance in the amount of $1,000,000 per claim and in the aggregate; and (4) Stop Gap/Employers Liability coverage in the amount of $1,000,000. King County, its officers, officials, agents and employees shall be named as additional insureds.

5.4. METROPOLITAN KING COUNTY COUNCIL APPROVAL CONTINGENCY. Seller's performance under this Agreement is contingent on approval by ordinance of the conveyance of the Property by the Metropolitan King County Council ("Council Approval Contingency"). The Council Approval Contingency will be satisfied if an ordinance passed by the Metropolitan King County Council approving the conveyance of the Property becomes effective within one hundred twenty (120) days of the Effective Date ("Council Approval Period"). Seller may extend the Council Approval Period for an additional sixty (60) days. If the Council Approval Contingency is not satisfied within the Council Approval Period, this Agreement shall terminate, the Deposit shall be returned to Buyer and the Parties shall have no further obligations hereunder. If the Council Approval Contingency is satisfied within the Council Approval Period, Seller shall be obligated hereunder without further contingency except in the event of a default hereunder by Buyer.

ARTICLE 6.
COVENANTS OF SELLER PENDING CLOSING

6.1. CONDUCT, NOTICE OF CHANGE. Seller covenants that between the Effective Date and the Closing Seller shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing (except such representations, warranties, and matters which relate solely to an earlier date), and all covenants of Seller set forth in this Agreement which are required to be performed by it at or prior to the Closing shall have been performed at or prior to the Closing as provided for in this Agreement. Seller shall give Buyer prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing.

ARTICLE 7.
COVENANTS OF BUYER PENDING CLOSING

7.1. Conduct, Notice of Change. Buyer covenants that between the Effective Date and the Closing Buyer shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing (except such representations, warranties and matters which relate solely to an earlier date), and that all covenants of Buyer set forth in this Agreement which are required to be performed by it at or prior to the Closing shall have been performed at or prior to the Closing as provided in this Agreement. Buyer shall give Seller prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing.

ARTICLE 8.
CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS

All obligations of Buyer to close on the Closing Date are subject to the fulfillment of each of the following conditions at or prior to the Closing, and Seller shall exert its best efforts to cause each such condition to be fulfilled:

8.1. Delivery of Documents. Seller shall have delivered to Buyer at or prior to the Closing all documents required by the terms of this Agreement to be delivered to Buyer.

8.2. Obligations. All obligations required by the terms of this Agreement to be performed by Seller at or before the Closing shall have been properly performed in all material respects.

8.3. Title. Seller shall have cured any exceptions to title to which Buyer objected within the Review Period in Section 4.3 and to which Seller agreed to remove or resolve under Section 4.3, unless Seller's obligation to remove or resolve has been waived by Buyer.

8.4. Condemnation. No portion of the Property shall have been taken or damaged by any public or quasi-public body, and Seller shall not have transferred any portion of the Property to any such body in lieu of condemnation.

ARTICLE 9.
CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

All obligations of Seller to close on the Closing Date are subject to the fulfillment of each of the following conditions at or prior to the Closing, and Buyer shall exert its best efforts to cause each such condition to be so fulfilled:

9.1. Delivery of Documents. Buyer shall have delivered to Seller at or prior to Closing all documents required by the terms of this Agreement to be delivered to Seller.

9.2. Obligations. All obligations required by the terms of this Agreement to be performed by Buyer at or before the Closing shall have been properly performed in all material respects.

9.3. Title. The Title Company shall be irrevocably committed to issue an owner's policy of title insurance for the full amount of the Purchase Price, effective as of the Closing Date, containing no exceptions other than the Permitted Exceptions and the other exceptions allowed for under Section 4.4 of this Agreement**.**

ARTICLE 10.
CLOSING

10.1. Closing/Closing Date. The Closing shall take place within fifteen (15) days following the removal of all the contingencies in Article 5 of this Agreement or such other date as may be mutually agreed upon by the Parties ("Closing Date"). On or before the Effective Date, the Parties shall set up an escrow account with the Escrow Agent. The Escrow Agent shall serve as closing agent for the transaction contemplated herein and Closing shall occur in the offices of the Escrow Agent in Bellevue, Washington.

10.2. Prorations. Real property taxes and assessments shall be prorated as of the Closing Date. Seller shall pay the cost of one-half (½) of the escrow fee charged by the Escrow Agent, any real estate excise or other transfer tax due, and its own attorneys' fees. Buyer shall pay one-half (½) of the escrow fee charged by the Escrow Agent, the premium for the title insurance and any costs of the preliminary and binding title commitments, the recording fees for the deed and its own attorneys' fees. Except as otherwise provided in this Section 10.2, all other expenses hereunder shall be paid by the Party incurring such expenses.

10.3. Seller's Delivery of Documents at Closing. At the Closing, Seller will deliver to Buyer via escrow with the Escrow Agent the following properly executed documents:

10.3.1. A bargain and sale deed conveying the Property substantially in the form of **Exhibit B** attached hereto;

10.3.2. A bill of sale and assignment duly executed by the Seller in substantially the form of **Exhibit C**, attached hereto for the Personal Property, if any;

10.3.3. A seller's certificate of non-foreign status substantially in the form of **Exhibit D**, attached hereto.

10.4. Buyer's Delivery of Purchase Price at Closing. At the Closing, Buyer will deliver to Seller via escrow with the Escrow Agent cash or immediately available funds in the amount of the Purchase Price, less the Deposit made under Section 2.3. of this Agreement.

ARTICLE 11.
MISCELLANEOUS PROVISIONS

11.1. Non-Merger. Each statement, representation, warranty, indemnity, covenant, agreement, and provision in this Agreement shall not merge in, but shall survive the Closing of the transaction contemplated by this Agreement unless a different period is expressly provided for in this Agreement.

11.2. DEFAULT AND ATTORNEYS' FEES.

11.2.1. DEFAULT BY BUYER. In the event Closing does not occur due to default by Buyer, Seller's sole and exclusive remedy shall be to terminate this Agreement and retain the Deposit as liquidated damages. Buyer expressly agrees that the retention of the Deposit by Seller represents a reasonable estimation of the damages in the event of Buyer's default, that actual damages may be difficult to ascertain and that this provision does not constitute a penalty. Buyer and Seller acknowledge and agree that these damages have been specifically negotiated and are to compensate Seller for taking the Property off the market and for its costs and expenses associated with this Agreement.

11.2.2. DEFAULT BY SELLER. In the event Closing does not occur due to default of Seller, Buyer's sole and exclusive remedy shall be to terminate this Agreement and receive a refund of the Deposit.

11.2.3. ATTORNEY'S FEES. In any action to enforce this Agreement, each Party shall bear its own attorney's fees and costs.

11.3. TIME.

11.3.1. TIME IS OF THE ESSENCE. Time is of the essence in the performance of this Agreement.

11.3.2. COMPUTATION OF TIME. Any reference to "day" in this Agreement shall refer to a calendar day, which is every day of the year. Any reference to business day in this Agreement shall mean any calendar day that is not a "Legal Holiday." A Legal Holiday under this Agreement is a Saturday, Sunday, or legal holiday as defined in RCW 1.16.050. Any period of time in this Agreement shall mean Pacific Time and shall begin the calendar day or business day, as the case may be, after the event starting the period and shall expire at 5:00 PM of the last calendar day or business day, as the case may be, of the specified period of time, unless with regard to calendar days the last day is a Legal Holiday, in which case the specified period of time shall expire on the next day that is not a Legal Holiday.

11.4. NOTICES. Any and all notices or other communications required or permitted to be given under any of the provisions of this Agreement shall be in writing and shall be deemed to have been duly given upon receipt when personally delivered or sent by overnight courier or two days after deposit in the United States mail if by first class, certified or registered mail, return receipt requested. All notices shall be addressed to the Parties at the addresses set forth below or at such other addresses as a Party may specify by notice to the other Party and given as provided herein. Notwithstanding the foregoing, a Party may provide notice electronically via the email addresses listed below with delivery confirmation or read receipt (or both). A Party providing electronic notice shall bear the burden to prove the date that notice was delivered.

If to Buyer: TAJINDER BAL
32734 39th Ave S
Federal Way, WA 98001
tjbal@johnlscott.com

If to Seller: King County
King County Facility Management Division
Real Estate Services Section
401 Fifth Avenue, Suite 930
Seattle, WA 98104
Attn: Amanda Tran
atran@kingcounty.gov

With a copy to: King County Prosecuting Attorney's Office
Civil Division
1191 2nd Ave., Suite 1700
Seattle, WA 98101
Attn: John Briggs
John.Briggs@kingcounty.gov

11.5. ENTIRE AGREEMENT AND AMENDMENT. This writing (including the Exhibits attached hereto) constitutes the entire agreement of the Parties with respect to the subject matter hereof and may not be modified or amended except by a written agreement specifically referring to this Agreement and signed by all Parties.

11.6. SEVERABILITY. In the event any portion of this Agreement shall be found to be invalid by any court of competent jurisdiction, then such holding shall not impact or affect the remaining provisions of this Agreement unless that court of competent jurisdiction rules that the principal purpose and intent of this contract should and/or must be defeated, invalidated or voided.

11.7. WAIVER. No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the Party giving such waiver and no such waiver shall be deemed a waiver of any prior or subsequent breach or default.

11.8. BINDING EFFECT. Subject to Section 11.14 below, this Agreement shall be binding upon and inure to the benefit of each Party, its successors and assigns.

11.9. LEGAL RELATIONSHIP. The Parties to this Agreement execute and implement this Agreement solely as Seller and Buyer. No partnership, joint venture, or joint undertaking shall be construed from this Agreement.

11.10. CAPTIONS. The captions of any articles, paragraphs, or sections contained herein are for purposes of convenience only and are not intended to define or limit the contents of said articles, paragraphs, or sections.

11.11. COOPERATION. Prior to and after Closing the Parties shall cooperate, shall take such further action and shall execute and deliver further documents as may be reasonably requested by the other Party in order to carry out the provisions and purposes of this Agreement.

11.12. Governing Law and Venue. This Agreement and all amendments hereto shall be governed by and construed in accordance with the laws of the State of Washington applicable to contracts made and to be performed therein, without giving effect to its conflicts of law rules or choice of law provisions. If either Party brings a lawsuit related to or arising out of this Agreement, the Superior Court of King County, Washington shall have exclusive jurisdiction and venue.

11.13. No Third-Party Beneficiaries. This Agreement is made only to and for the benefit of the Parties and shall not create any rights in any other person or entity.

11.14. Assignment. Buyer shall not assign this Agreement or any rights hereunder without Seller's prior written consent.

11.15. Negotiation and Construction. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the Parties and shall not be construed as if it has been prepared by one of the Parties, but rather as if both Parties had jointly prepared it. The language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either Party. The Parties acknowledge and represent, as an express term of this Agreement, that they have had the opportunity to obtain and utilize legal review of the terms and conditions outlined in this Agreement. Each Party shall be and is separately responsible for payment of any legal services rendered on their behalf regarding legal review of this Agreement.

11.16. Seller's Knowledge. Any and all representations or warranties or other provisions in this Agreement that are conditioned on terms such as " to Seller's knowledge" or "about which Seller has knowledge" are made to and limited by the present, actual knowledge of Amanda Tran, who is an employee of King County, and is a Real Property Agent of the Real Estate Services Section of the Facilities Management Division of the Department of Executive Services. Amanda Tran has made no inquiries or investigations with respect to Seller's representations or warranties or other provisions prior to the making thereof and has no duty to undertake the same.

11.17. Indemnification Title 51 Waiver. The indemnification provisions in Sections 3.3.4 and 5.1.2 of this Agreement are specifically and expressly intended to constitute a waiver of the Buyer's immunity under Washington's Industrial Insurance Act, RCW Title 51, as respects the Seller only, and only to the extent necessary to provide the Seller with a full and complete indemnity of claims made by the Buyer's employees. The Parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

11.18. Counterparts. To facilitate execution, this Agreement may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each Party, or that the signature of all persons required to bind any Party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each Party hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter may be attached to another counterpart identical thereto except having attached to it additional signature pages.

11.19. EXHIBITS. The following exhibits described herein and attached hereto are fully incorporated into this Agreement by this reference:

EXHIBIT A	Legal Description
EXHIBIT B	Bargain and Sale Deed
EXHIBIT C	Bill of Sale and Assignment
EXHIBIT D	Certificate of Non-Foreign Status

[SIGNATURES ON THE NEXT PAGE]

EXECUTED on the dates set forth below.

SELLER: KING COUNTY

Signed by:

By: Lisa K. Pearson

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Name: Lisa K Pearson

Title: Director,
Facilities Management Division

Date: 12/19/2025

BUYER: TAJINDER BAL

AuthentiSIGN

By: Tajinder Bal

Name: Tajinder Bal

Date: 12/11/2025

APPROVED AS TO FORM:

Signed by:

By: John Briggs

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Senior Deputy Prosecuting Attorney

EXHIBIT A.

LEGAL DESCRIPTION

Beginning at the north quarter corner of Section 15, Township 21 North, Range 4 East, W.M., in King County, Washington;

Thence South 0°07'05" East along the north and south center line of said Section 15, 1970.11 feet to the true point of
beginning;
Thence South 89°52'55" West 233 feet;
Thence South 2°27'55" West 670.86 feet;
Thence North 89°52'55" East 263.01 feet;
Thence North 0°07'05" West 670.18 feet to the true point of beginning;
Except that portion lying northeasterly of Military Road South; and
Except roads; and
Except that portion conveyed to King County by deed recorded under Recording Number 19990930002381.

TAX PARCEL NUMBER: 152104-9016

EXHIBIT B.

BARGAIN AND SALE DEED

AFTER RECORDING RETURN TO:
TAJINDER BAL
32734 39th Ave S
Federal Way, WA 98001

BARGAIN AND SALE DEED

Grantor - - King County, Washington
Grantee - - TAJINDER BAL
Legal - - - - PTN NW ¼ 15-21-04
Tax Acct. – 152104-9016

The Grantor, KING COUNTY, a home rule charter county and political subdivision of the State of Washington, for $10.00 and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, pursuant to King County Ordinance No. _______, does hereby bargain, sell, and convey unto the Grantee, TAJINDER BAL, the following real property situated in King County, Washington and described in EXHIBIT A, attached hereto and incorporated herein by this reference, subject to the permitted exceptions set forth in EXHIBIT A.

GRANTOR
KING COUNTY

BY: ______________________________

TITLE: Director, Facilities Management Division

DATE: ___________________________

GRANTEE
TAJINDER BAL

BY: ________________________________

DATE: ____________________________

Approved as to Form:

By _______________________________
Senior Deputy Prosecuting Attorney

NOTARY BLOCKS APPEAR ON NEXT PAGE

NOTARY BLOCK FOR KING COUNTY

STATE OF WASHINGTON)
) SS
COUNTY OF KING)

On this ___________ day of __________________________, 2025, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared LISA K PEARSON, to me known to be the Director of the Facilities Management Division of the King County Department of Executive Services, and who executed the foregoing instrument and acknowledged to me that SHE was authorized to execute said instrument on behalf of KING COUNTY for the uses and purposes therein mentioned.

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

____
Notary Public in and for the
State of Washington, residing

____
Printed Name

at _______________________________
City and State
My appointment expires _______

NOTARY BLOCK FOR TAJINDER BAL

STATE OF WASHINGTON)
) SS
COUNTY OF KING)

On this ___________ day of __________________________, 2025, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared ________________________________, to me known to be the _______________________________, who executed the foregoing instrument and acknowledged to me that SHE or HE was authorized to execute said instrument on behalf of the ________________ for the uses and purposes therein mentioned.

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

____
Notary Public in and for the
State of Washington, residing

____
Printed Name

at ______________________________
City and State
My appointment expires _______

EXHIBIT A
TO BARGAIN AND SALE DEED

LEGAL DESCRIPTION

Beginning at the north quarter corner of Section 15, Township 21 North, Range 4 East, W.M., in King County, Washington;

Thence South 0°07'05" East along the north and south center line of said Section 15, 1970.11 feet to the true point of
beginning;
Thence South 89°52'55" West 233 feet;
Thence South 2°27'55" West 670.86 feet;
Thence North 89°52'55" East 263.01 feet;
Thence North 0°07'05" West 670.18 feet to the true point of beginning;
Except that portion lying northeasterly of Military Road South; and
Except roads; and
Except that portion conveyed to King County by deed recorded under Recording Number 19990930002381.

TAX PARCEL NUMBER: 152104-9016

EXCEPTIONS TO TITLE

SUBJECT TO: [permitted exceptions will be determined in accordance with the process identified in Article 4 of the Agreement and inserted in the final deed].

EXHIBIT C.

BILL OF SALE AND ASSIGNMENT

THIS BILL OF SALE is made as of this _____ day of ___________, 2025, by KING COUNTY, a political subdivision of the State of Washington ("**Seller**"), in favor of TAJINDER BAL ("**Buyer**").

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Seller does hereby absolutely and unconditionally give, grant, bargain, sell, transfer, set over, assign, convey, release, confirm and deliver to Buyer all of Seller's right, title and interest in and to any and all equipment, furniture, furnishings, fixtures and other tangible personal property owned by Seller that is attached, appurtenant to or used in connection with the real property legally described on the attached Exhibit A.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale as of the date first above written.

SELLER:

By: ________________________
Name: Lisa K Pearson
Title: Director, Facilities Management Division

EXHIBIT A
TO BILL OF SALE

LEGAL DESCRIPTION

Beginning at the north quarter corner of Section 15, Township 21 North, Range 4 East, W.M., in King County, Washington;

Thence South 0°07'05" East along the north and south center line of said Section 15, 1970.11 feet to the true point of
beginning;
Thence South 89°52'55" West 233 feet;
Thence South 2°27'55" West 670.86 feet;
Thence North 89°52'55" East 263.01 feet;
Thence North 0°07'05" West 670.18 feet to the true point of beginning;
Except that portion lying northeasterly of Military Road South; and
Except roads; and
Except that portion conveyed to King County by deed recorded under Recording Number 19990930002381.

TAX PARCEL NUMBER: 152104-9016

EXHIBIT D.

Seller's Certification of Non-Foreign Status under
Foreign Investment in Real Property Tax Act (26 U.S.C. 1445)

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform the transferee that withholding of tax is not required upon the disposition of a U.S. real property interest by King County ("Transferor"), the undersigned hereby certifies the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);

2. Transferor is not a disregarded entity as defined in Section 1.1445-2(b)(2)(iii);

3. Transferor's U.S. employer identification number is 91-6001327;

4. Transferor's office address is King County Facilities Management Division, Real Estate Services Section, Suite 930 King County Chinook Building, 401 Fifth Avenue, Seattle, WA 98104.

Transferor understands that this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct, and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

Dated this ___ day of ______________, 2025.

King County, Transferor:

By: ________________________________
Name: Lisa K Pearson
Title: Director, Facilities Management Division

1

June 18, 2026
Revised ATT A

[N. Bowman]

Sponsor: Dembowski

Proposed No.: 2026-0097

<u>AMENDMENT TO PROPOSED ORDINANCE 2026-0097, VERSION 1</u>

Strike Attachment A, Purchase and Sale Agreement, and insert Attachment A, Purchase and Sale Agreement version date June 18, 2026.

EFFECT prepared by *Nick Bowman*: *Deletes the transmitted Attachment A, a Purchase and Sale Agreement and replaces it with a new Attachment A dated June 18, 2026, a complete Purchase and Sale Agreement that includes a signed 1st amendment extending the Council contingency period in Section 5.4 to September 15, 2026.*

ATTACHMENT A:

PURCHASE AND SALE AGREEMENT

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is entered between **KING COUNTY**, a home rule charter county and political subdivision of the State of Washington (the "Seller") and **TAJINDER BAL** (the "Buyer"). Seller and Buyer are also referred to individually as a "Party" or collectively as "Parties." This Agreement is effective the date both parties execute ("Effective Date") the Agreement.

RECITALS

A. Seller is the owner of that certain real property commonly known as King County tax assessor's parcel no. 152104-9016 on XXX Military Rd S, Federal Way, King County, State of Washington, the legal descriptions of which are attached hereto as **EXHIBIT A** (the "Real Property").

B. Seller desires to sell the Real Property and Buyer desires to purchase the Real Property.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto covenant and agree as follows:

ARTICLE 1.
PURCHASE AND TRANSFER OF ASSETS

1.1. PROPERTY TO BE SOLD. Seller shall sell and convey to Buyer on the Closing Date (as hereinafter defined) and Buyer shall buy and accept from Seller on the Closing Date the following assets and properties:

1.1.1. all the Seller's right, title, and interest in the Real Property as legally described in **EXHIBIT A**;

1.1.2. all of Seller's right, title, and interest in improvements and structures located on the Real Property, if any;

1.1.3. all of Seller's right, title, and interest in and to tangible personal property, if any, owned by the Seller and attached, appurtenant to, or used in connection with the Real Property ("Personal Property");

1.1.4. all of Seller's easements and other rights that are appurtenant to the Real Property including but not limited to, Seller's right, title, and interest in and to streets, alleys, or other public ways adjacent to the Real Property, sewers and service drainage easements, rights of connection to the sewers, rights of ingress and egress, leases, licenses, government approvals, and permits affecting the Real Property.

Hereinafter, the items listed in Section 1.1 are collectively referred to as the "Property."

ARTICLE 2.
PURCHASE PRICE

2.1. PURCHASE PRICE AND PAYMENT. In consideration of the conveyance of the Property, Buyer shall, in full payment therefor, pay to Seller on the Closing Date a total purchase price of **Six Hundred Seventy-Five Thousand Dollars** (**$675,000.00**) (the "Purchase Price").

2.2. ALLOCATION OF PURCHASE PRICE. Seller and Buyer agree that the entire Purchase Price is allocable to the Real Property and that the value of the Personal Property, if any, is ***de minimis*****.**

2.3. DEPOSIT. Within three (3) business days after the Effective Date, Buyer shall deliver to Chicago Title Company (the "Escrow Agent"), in its capacity as the Parties' closing agent, immediately available cash funds in the amount of **Five Thousand Dollars** (**$5,000.00**) (the "Deposit"). The Deposit shall be invested by the Escrow Agent in a money market account, a federally insured investment or such other investment as may be approved by Seller and Buyer in writing. Accrued interest will be added to and become part of the Deposit. Upon deposit with Escrow Agent, the Deposit shall be non-refundable except as otherwise provided in this Agreement. The Deposit shall be applied as a credit against the Purchase Price at the Closing.

ARTICLE 3.
REPRESENTATIONS AND WARRANTIES OF THE PARTIES AND CONDITION OF PROPERTY

3.1. WARRANTIES AND REPRESENTATIONS OF SELLER. As of the date hereof and as of the Closing Date, Seller represents and warrants as follows:

3.1.1. ORGANIZATION. The Seller is a home rule charter county and political subdivision of the State of Washington duly organized, validly existing, and in good standing under the laws of the State of Washington.

3.1.2. EXECUTION, DELIVERY, AND PERFORMANCE OF AGREEMENT; AUTHORITY. The execution, delivery, and performance of this Agreement by Seller (i) is within the powers of Seller as a political subdivision of the State of Washington, and (ii) subject to the contingency in Section 5.2 of this Agreement, has been or will be on or before the Closing Date, duly authorized by all necessary action of the Seller's legislative authority. This Agreement constitutes the legal, valid and binding obligation of Seller enforceable against Seller in accordance with the terms herein.

3.1.3. NO BROKER. No broker, finder, agent or similar intermediary has acted for or on behalf of Seller in connection with this Agreement or the transactions contemplated hereby other than Cheri Westphal of CW Realty Group, and no other broker, finder, agent, or similar intermediary is entitled to any broker's, finder's, or similar fee or commission in connection with this Agreement based on an agreement, arrangement, or understanding with Seller or any action taken by Seller.

3.1.4. FUTURE AGREEMENTS. From and after the Effective Date unless this Agreement is terminated in accordance with its terms, Seller shall not without the prior written consent of Buyer:

(a) enter into any agreement, contract, commitment, lease, or other transaction that affects the Property in any way; or

(b) sell, dispose of, or encumber any portion of the Property.

3.1.5. FOREIGN PERSON. Seller is not a foreign person and is a "United States Person" as such term is defined in Section 7701(a)(30) of the Internal Revenue Code of 1986 ("Code"), as amended and shall deliver to Buyer prior to the Closing an affidavit, as set forth in **EXHIBIT D,** evidencing such fact, and such other documents as may be required under the Code.

3.2. REPRESENTATIONS AND WARRANTIES OF BUYER. As of the date hereof and as of the Closing Date, Buyer represents and warrants that Buyer, and any person signing on behalf of Buyer, has full power and authority to execute this Agreement and to perform Buyer's obligations hereunder. Further, this Agreement constitutes the legal, valid, and binding obligation of Buyer enforceable against Buyer in accordance with the terms hereof.

3.2.1. NO BROKER. No broker, finder, agent or similar intermediary has acted for or on behalf of Buyer in connection with this Agreement or the transactions contemplated hereby other than Tajinder Bal of John L. Scott, Inc., and no other broker, finder, agent, or similar intermediary is entitled to any broker's, finder's, or similar fee or commission in connection with this Agreement based on an agreement, arrangement, or understanding with the Buyer or any action taken by the Buyer.

3.3. CONDITION OF PROPERTY.

3.3.1. SELLER DISCLOSURE STATEMENT. To the maximum extent permitted by Chapter 64.06 RCW, Buyer expressly waives its right to receive from Seller a seller disclosure statement ("Seller Disclosure Statement") and to rescind this Agreement, both as provided for in Chapter 64.06 RCW. Seller and Buyer acknowledge and agree that Buyer cannot waive its right to receive the section of the Seller Disclosure Statement entitled "Environmental" if the answer to any of the questions in that section would be "yes." Nothing in any Seller Disclosure Statement delivered by Seller creates a representation or warranty by the Seller, nor does it create any rights or obligations in the Parties except as set forth in Chapter 64.06 RCW. Buyer acknowledges that Seller may not have knowledge of defects that careful inspection might reveal. Buyer specifically acknowledges and agrees that any Seller Disclosure Statement delivered by Seller is not part of this Agreement, and Seller has no duties to Buyer other than those set forth in this Agreement.

3.3.2. SELLER DISCLAIMER OF CONDITION OF THE PROPERTY. Except to the extent of Seller's representations and warranties in Section 3.1. of this Agreement, Seller has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, contracts or guarantees of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning, or with respect to the value, nature, quality, or condition of the Property (collectively "Condition of the Property"), including, without limitation:

(a) The water, soil, and geology;

(b) The income to be derived from the Property;

(c) The suitability of the Property for any and all activities and uses that Buyer or anyone else may conduct thereon;

(d) The compliance or noncompliance of or by the Property or its operation with any laws, rules, ordinances, regulations, or decrees of any applicable governmental authority or body or the zoning or land use designation for the Property;

(e) The habitability, merchantability, marketability, profitability, or fitness for a particular purpose of the Property;

(f) The manner or quality of the construction or materials, if any, incorporated into the Property and the existence, nonexistence, or condition of utilities serving the Property;

(g) The actual, threatened or alleged existence, release, use, storage, generation, manufacture, transport, deposit, leak, seepage, spill, migration, escape, disposal, or other handling of any Hazardous Substances in, on, under, or emanating from or into the Property, and the compliance or noncompliance of or by the Property or its operation with applicable federal, state, county, and local laws and regulations, including, without limitation, Environmental Laws and regulations and seismic/building codes, laws, and regulations. For purposes of this Agreement, the term "Environmental Law" shall mean: any federal, state, or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction, or common law pertaining in any way to the protection of human health, safety, or the environment, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9602 et. seq. ("CERCLA"); the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq. ("RCRA"); the Washington State Model Toxics Control Act, Chapter 70A.305 RCW ("MTCA"); the Washington Hazardous Waste Management Act, RCW ch. 70.105; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Washington Water Pollution Control Act, Chapter 90.48 RCW, and any laws concerning above ground or underground storage tanks. For the purposes of this Agreement, the term "Hazardous Substance" shall mean: any waste, pollutant, contaminant, or other material that now or in the future becomes regulated or defined under any Environmental Law; or

(h) Any other matter with respect to the Property.

3.3.3. BUYER ACCEPTANCE OF CONDITION OF PROPERTY.

(a) Buyer acknowledges and accepts Seller's disclaimer of the Condition of the Property in Section 3.3.2 of this Agreement.

(b) Buyer will have conducted a physical inspection and made all investigations that Buyer deems necessary in connection with its purchase of the Property. Buyer further acknowledges and agrees that, having been given the opportunity to inspect the Property, Buyer is relying solely on its own investigation of the Property and is not relying on any information provided or to be provided by Seller. Buyer further acknowledges and agrees that any information provided or to be provided with respect to the Property was obtained from a variety of sources and that Seller has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information and no employee or agent of Seller is authorized otherwise. Buyer further acknowledges and agrees that Seller is not liable or bound in any manner by any verbal or written statements, representations, or information pertaining to the Property, or the operation thereof, furnished by any agent, employee, or contractor of Seller, any real estate broker, or any other person.

(c) Buyer acknowledges and agrees that it approves and accepts the Condition of the Property and accordingly agree to purchase the Property and accept the Condition of the Property "AS IS, WHERE IS" with all faults and patent or latent defects, including, without limitation, the actual, threatened or alleged existence, release, use, storage, generation, manufacture, transport, deposit, leak, seepage, spill, migration, escape, disposal or other handling of any Hazardous Substances in, on, under or emanating from or into the Property, and the compliance or noncompliance of or by the Property or its operation with applicable federal, state, county and local laws and regulations including, without limitation, Environmental Laws and regulations and seismic/building codes, laws and regulations. Buyer acknowledges and agrees that, except to the extent of Seller's representations and warranties in Section 3.1. of this Agreement, Buyer, and any person or entity claiming by or through Buyer, shall have no recourse against the Seller for, and waives, releases and discharges forever the Seller from, any and all past, present or future claims or demands, and any and all past, present or future damages, losses, injuries, liabilities, causes of actions (including, without limitation, causes of action in tort) costs and expenses (including, without limitation fines, penalties and judgments, and attorneys' fees) of any and every kind or character, known or unknown (collectively, "Losses"), which the Buyer might have asserted or alleged against the Seller arising from or in any way related to the Condition of the Property, including, without limitation, the actual, threatened or alleged existence, release, use, storage, generation, manufacture, transport, deposit, leak, seepage, spill, migration, escape, disposal or other handling of any Hazardous Substances in, on, under or emanating from or into the Property. Losses shall include without limitation (a) the cost of any investigation, removal, remedial or other response action that is required by any Environmental Law, that is required by judicial order or decree or by order of or agreement with any governmental authority, or that is conducted voluntarily, (b) losses for injury or death of any person, and (c) losses arising under any Environmental Law, whether or not enacted after transfer of the Property.

3.3.4. INDEMNIFICATION. From and after the Closing Date, Buyer shall indemnify, defend, and hold Seller, its officers, agents, and employees harmless from and against any and all Losses, liability, claim, agency order, or requirement, damage, and expense relating to or arising out of, directly or indirectly, the Property, including without limitation those relating to the actual or threatened release, disposal, deposit, seepage, migration, or escape of Hazardous Substances at, from, into, or underneath the Property, and the compliance or noncompliance of the Property with applicable federal, state, county, and local laws and regulations including, without limitation, Environmental Laws and regulations.

3.4. RISK OF LOSS. Until the Closing Date, the risk of loss relating to the Property shall rest with the Seller. Risk of Loss shall be deemed to include any property damage occurring because of an "Act of God," including, but not limited to, earthquakes, tremors, wind, rain or other natural occurrence.

ARTICLE 4.
TITLE MATTERS

4.1. CONVEYANCE. Seller shall convey to Buyer the title to the Property by bargain and sale deed in substantially the form attached hereto as **EXHIBIT B**, subject only to the Permitted Exceptions (as defined below), the lien of current real property taxes, fees and/or charges not yet due and payable, rights reserved in federal patents or state deeds, building or use restrictions general to the governing jurisdiction, and the matters excluded from coverage by the printed exceptions and exclusions contained in the form of title insurance policy required by Section 4.4 of this Agreement.

4.2. TITLE COMMITMENT. Buyer shall within ten (10) days after the Effective Date obtain a preliminary commitment for an owner's standard coverage policy of title insurance (the "Title Commitment") issued by Chicago Title (the "Title Company"), describing the Property, listing Buyer as the prospective named insured and showing as the policy amount the total Purchase Price for the Property. When the Title Company causes the Title Commitment to be furnished to Buyer, the Title Company shall further cause to be furnished to Buyer legible copies of all instruments referred to in the Title Commitment as restrictions or exceptions to title to the Property.

4.3. REVIEW OF TITLE COMMITMENT. Buyer shall have until fifteen (15) days after the Effective Date (the "Review Period") in which to notify Seller in writing of any objections Buyer has to any matters shown or referred to in the Title Commitment ("Buyer's Objections"). Any exceptions or other items that are set forth in the Title Commitment and to which Buyer does not object within the Review Period shall be deemed to be permitted exceptions ("Permitted Exceptions"). With regard to items to which Buyer does object within the Review Period, Seller shall notify Buyer within five (5) days after Seller receives Buyer's Objections of any exceptions to title which Seller will not remove or otherwise resolve ("Seller's Response"), and Buyer may, at Buyer's option, either proceed to Closing and thereby waive the Buyer's Objections not cured, in which case such exceptions to title shall be Permitted Exceptions, or Buyer may terminate this Agreement by notice to Seller within three (3) days after receipt of Seller's Response. If the

Title Company issues a supplement to the Title Commitment that identifies new exceptions, the procedure set forth in this Section 4.3 shall apply to such supplement, except that Buyer will have five (5) days to make Buyer's Objections to any new exception, Seller shall have five (5) days to provide Seller's Response, and the Closing Date will be extended for the period necessary to allow the procedures set forth herein to be completed with regard to a timely objection.

4.4. OWNER'S TITLE INSURANCE POLICY. At the Closing, Buyer shall cause an owner's policy of title insurance to be issued by the Title Company in the full amount of the Purchase Price, effective as of the Closing Date, insuring Buyer that the fee simple title to the Property is vested in Buyer, subject only to the Permitted Exceptions, the lien of current real property taxes, fees and/or charges not yet due and payable, rights reserved in federal patents or state deeds, building or use restrictions general to the governing jurisdiction, and the matters excluded from coverage by the printed exceptions and exclusions contained in the form of title insurance policy required by the Title Company. The obligation of Buyer to provide the title policy called for herein shall be satisfied if, at the Closing, the Title Company has given a binding commitment, in a form reasonably satisfactory to Buyer, to issue the policies in the form required by this Section. If requested in writing by Seller, Buyer shall provide a copy of such binding commitment to Seller to verify satisfaction of this obligation as a condition to Seller being obligated to close. Buyer shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company.

ARTICLE 5.
CONTINGENCIES

5.1. INSPECTIONS. Buyer waives its rights to (a) perform any and all tests, inspections, studies, surveys or appraisals of the Property except those set forth in Section 5.2(subject to the limitations set forth below and Section 5.2 Right of Entry); (b) obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all tests, inspections and studies deemed necessary therewith; (c) examine all due diligence materials related to the Property that Buyer may reasonably request from Seller that are in Seller's possession and about which Seller has knowledge, and that are not protected as attorney work product, by the attorney-client privilege, or by other similar confidentiality protections; (d) determine to its satisfaction whether approvals, permits and variances can be obtained under applicable land use and zoning codes for Buyer's proposed development of the property; and (e) determine whether Buyer's proposed development of the property is economically feasible.

5.2. RIGHT OF ENTRY. Buyer and Buyer's designated representatives or agents shall have the right and Seller hereby grants to Buyer and Buyer's designated representatives the right to enter the Property and conduct a boundary and topography survey and soil testing for septic design and drainage upon three (3) days advance written notice; provided that such right of entry will be limited to those times and dates that will not disrupt Seller's use of, or Seller's operations and activities on the Property. Apart from soil testing for septic design and drainage, invasive tests of the Property, such as drilling or excavation, are subject to Seller's prior written approval. If invasive tests are performed by Buyer, Seller may elect to obtain split samples of any sampling that is obtained and reimburse the Buyer for the costs thereof. The Buyer will not be permitted to undertake activities that damage the Property. In connection with any such inspections and tests, Buyer agrees to hold harmless, indemnify, and defend Seller, its officers, agents, and employees, from and against all claims, losses, or liability for injuries to persons, sickness, or death of persons, including employees of Buyer ("Claims") caused by or arising out of any act, error, or omission of Buyer, its officers, agents, contractors, subcontractors, or employees in entering the Property for the above purposes, except to the extent the Claims are caused by or arise out of any act, error or omission of Seller, its officers, agents, or employees.

5.3. RIGHT OF ENTRY INSURANCE. Prior to the entry of Buyer or its contractors for invasive testing of the Property such as drilling or excavation, the entering party(ies) shall submit evidence of (1) Commercial General Liability coverage in the amount of $1,000,000 per occurrence and $2,000,000 in the aggregate; (2) Automobile liability insurance in the amount of $1,000,000; (3) Contractor's Pollution insurance in the amount of $1,000,000 per claim and in the aggregate; and (4) Stop Gap/Employers Liability coverage in the amount of $1,000,000. King County, its officers, officials, agents and employees shall be named as additional insureds.

5.4. METROPOLITAN KING COUNTY COUNCIL APPROVAL CONTINGENCY. Seller's performance under this Agreement is contingent on approval by ordinance of the conveyance of the Property by the Metropolitan King County Council ("Council Approval Contingency"). The Council Approval Contingency will be satisfied if an ordinance passed by the Metropolitan King County Council approving the conveyance of the Property becomes effective within one hundred twenty (120) days of the Effective Date ("Council Approval Period"). Seller may extend the Council Approval Period for an additional sixty (60) days. If the Council Approval Contingency is not satisfied within the Council Approval Period, this Agreement shall terminate, the Deposit shall be returned to Buyer and the Parties shall have no further obligations hereunder. If the Council Approval Contingency is satisfied within the Council Approval Period, Seller shall be obligated hereunder without further contingency except in the event of a default hereunder by Buyer.

ARTICLE 6.
COVENANTS OF SELLER PENDING CLOSING

6.1. CONDUCT, NOTICE OF CHANGE. Seller covenants that between the Effective Date and the Closing Seller shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing (except such representations, warranties, and matters which relate solely to an earlier date), and all covenants of Seller set forth in this Agreement which are required to be performed by it at or prior to the Closing shall have been performed at or prior to the Closing as provided for in this Agreement. Seller shall give Buyer prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing.

ARTICLE 7.
COVENANTS OF BUYER PENDING CLOSING

7.1. CONDUCT, NOTICE OF CHANGE. Buyer covenants that between the Effective Date and the Closing Buyer shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing (except such representations, warranties and matters which relate solely to an earlier date), and that all covenants of Buyer set forth in this Agreement which are required to be performed by it at or prior to the Closing shall have been performed at or prior to the Closing as provided in this Agreement. Buyer shall give Seller prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing.

ARTICLE 8.
CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS

All obligations of Buyer to close on the Closing Date are subject to the fulfillment of each of the following conditions at or prior to the Closing, and Seller shall exert its best efforts to cause each such condition to be fulfilled:

8.1. DELIVERY OF DOCUMENTS. Seller shall have delivered to Buyer at or prior to the Closing all documents required by the terms of this Agreement to be delivered to Buyer.

8.2. OBLIGATIONS. All obligations required by the terms of this Agreement to be performed by Seller at or before the Closing shall have been properly performed in all material respects.

8.3. TITLE. Seller shall have cured any exceptions to title to which Buyer objected within the Review Period in Section 4.3 and to which Seller agreed to remove or resolve under Section 4.3, unless Seller's obligation to remove or resolve has been waived by Buyer.

8.4. CONDEMNATION. No portion of the Property shall have been taken or damaged by any public or quasi-public body, and Seller shall not have transferred any portion of the Property to any such body in lieu of condemnation.

ARTICLE 9.
CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

All obligations of Seller to close on the Closing Date are subject to the fulfillment of each of the following conditions at or prior to the Closing, and Buyer shall exert its best efforts to cause each such condition to be so fulfilled:

9.1. DELIVERY OF DOCUMENTS. Buyer shall have delivered to Seller at or prior to Closing all documents required by the terms of this Agreement to be delivered to Seller.

9.2. OBLIGATIONS. All obligations required by the terms of this Agreement to be performed by Buyer at or before the Closing shall have been properly performed in all material respects.

9.3. TITLE. The Title Company shall be irrevocably committed to issue an owner's policy of title insurance for the full amount of the Purchase Price, effective as of the Closing Date, containing no exceptions other than the Permitted Exceptions and the other exceptions allowed for under Section 4.4 of this Agreement**.**

ARTICLE 10.
CLOSING

10.1. CLOSING/CLOSING DATE. The Closing shall take place within fifteen (15) days following the removal of all the contingencies in Article 5 of this Agreement or such other date as may be mutually agreed upon by the Parties ("Closing Date"). On or before the Effective Date, the Parties shall set up an escrow account with the Escrow Agent. The Escrow Agent shall serve as closing agent for the transaction contemplated herein and Closing shall occur in the offices of the Escrow Agent in Bellevue, Washington.

10.2. PRORATIONS. Real property taxes and assessments shall be prorated as of the Closing Date. Seller shall pay the cost of one-half (½) of the escrow fee charged by the Escrow Agent, any real estate excise or other transfer tax due, and its own attorneys' fees. Buyer shall pay one-half (½) of the escrow fee charged by the Escrow Agent, the premium for the title insurance and any costs of the preliminary and binding title commitments, the recording fees for the deed and its own attorneys' fees. Except as otherwise provided in this Section 10.2, all other expenses hereunder shall be paid by the Party incurring such expenses.

10.3. SELLER'S DELIVERY OF DOCUMENTS AT CLOSING. At the Closing, Seller will deliver to Buyer via escrow with the Escrow Agent the following properly executed documents:

10.3.1. A bargain and sale deed conveying the Property substantially in the form of **EXHIBIT B** attached hereto;

10.3.2. A bill of sale and assignment duly executed by the Seller in substantially the form of **EXHIBIT C**, attached hereto for the Personal Property, if any;

10.3.3. A seller's certificate of non-foreign status substantially in the form of **EXHIBIT D**, attached hereto.

10.4. BUYER'S DELIVERY OF PURCHASE PRICE AT CLOSING. At the Closing, Buyer will deliver to Seller via escrow with the Escrow Agent cash or immediately available funds in the amount of the Purchase Price, less the Deposit made under Section 2.3. of this Agreement.

ARTICLE 11.
MISCELLANEOUS PROVISIONS

11.1. NON-MERGER. Each statement, representation, warranty, indemnity, covenant, agreement, and provision in this Agreement shall not merge in, but shall survive the Closing of the transaction contemplated by this Agreement unless a different period is expressly provided for in this Agreement.

11.2. DEFAULT AND ATTORNEYS' FEES.

11.2.1. DEFAULT BY BUYER. In the event Closing does not occur due to default by Buyer, Seller's sole and exclusive remedy shall be to terminate this Agreement and retain the Deposit as liquidated damages. Buyer expressly agrees that the retention of the Deposit by Seller represents a reasonable estimation of the damages in the event of Buyer's default, that actual damages may be difficult to ascertain and that this provision does not constitute a penalty. Buyer and Seller acknowledge and agree that these damages have been specifically negotiated and are to compensate Seller for taking the Property off the market and for its costs and expenses associated with this Agreement.

11.2.2. DEFAULT BY SELLER. In the event Closing does not occur due to default of Seller, Buyer's sole and exclusive remedy shall be to terminate this Agreement and receive a refund of the Deposit.

11.2.3. ATTORNEY'S FEES. In any action to enforce this Agreement, each Party shall bear its own attorney's fees and costs.

11.3. TIME.

11.3.1. TIME IS OF THE ESSENCE. Time is of the essence in the performance of this Agreement.

11.3.2. COMPUTATION OF TIME. Any reference to "day" in this Agreement shall refer to a calendar day, which is every day of the year. Any reference to business day in this Agreement shall mean any calendar day that is not a "Legal Holiday." A Legal Holiday under this Agreement is a Saturday, Sunday, or legal holiday as defined in RCW 1.16.050. Any period of time in this Agreement shall mean Pacific Time and shall begin the calendar day or business day, as the case may be, after the event starting the period and shall expire at 5:00 PM of the last calendar day or business day, as the case may be, of the specified period of time, unless with regard to calendar days the last day is a Legal Holiday, in which case the specified period of time shall expire on the next day that is not a Legal Holiday.

11.4. NOTICES. Any and all notices or other communications required or permitted to be given under any of the provisions of this Agreement shall be in writing and shall be deemed to have been duly given upon receipt when personally delivered or sent by overnight courier or two days after deposit in the United States mail if by first class, certified or registered mail, return receipt requested. All notices shall be addressed to the Parties at the addresses set forth below or at such other addresses as a Party may specify by notice to the other Party and given as provided herein. Notwithstanding the foregoing, a Party may provide notice electronically via the email addresses listed below with delivery confirmation or read receipt (or both). A Party providing electronic notice shall bear the burden to prove the date that notice was delivered.

If to Buyer: TAJINDER BAL
32734 39th Ave S
Federal Way, WA 98001
tjbal@johnlscott.com

If to Seller:	King County King County Facility Management Division Real Estate Services Section 401 Fifth Avenue, Suite 930 Seattle, WA 98104 Attn: Amanda Tran atran@kingcounty.gov
With a copy to:	King County Prosecuting Attorney's Office Civil Division 1191 2nd Ave., Suite 1700 Seattle, WA 98101 Attn: John Briggs John.Briggs@kingcounty.gov

11.5. ENTIRE AGREEMENT AND AMENDMENT. This writing (including the Exhibits attached hereto) constitutes the entire agreement of the Parties with respect to the subject matter hereof and may not be modified or amended except by a written agreement specifically referring to this Agreement and signed by all Parties.

11.6. SEVERABILITY. In the event any portion of this Agreement shall be found to be invalid by any court of competent jurisdiction, then such holding shall not impact or affect the remaining provisions of this Agreement unless that court of competent jurisdiction rules that the principal purpose and intent of this contract should and/or must be defeated, invalidated or voided.

11.7. WAIVER. No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the Party giving such waiver and no such waiver shall be deemed a waiver of any prior or subsequent breach or default.

11.8. BINDING EFFECT. Subject to Section 11.14 below, this Agreement shall be binding upon and inure to the benefit of each Party, its successors and assigns.

11.9. LEGAL RELATIONSHIP. The Parties to this Agreement execute and implement this Agreement solely as Seller and Buyer. No partnership, joint venture, or joint undertaking shall be construed from this Agreement.

11.10. CAPTIONS. The captions of any articles, paragraphs, or sections contained herein are for purposes of convenience only and are not intended to define or limit the contents of said articles, paragraphs, or sections.

11.11. COOPERATION. Prior to and after Closing the Parties shall cooperate, shall take such further action and shall execute and deliver further documents as may be reasonably requested by the other Party in order to carry out the provisions and purposes of this Agreement.

11.12. Governing Law and Venue. This Agreement and all amendments hereto shall be governed by and construed in accordance with the laws of the State of Washington applicable to contracts made and to be performed therein, without giving effect to its conflicts of law rules or choice of law provisions. If either Party brings a lawsuit related to or arising out of this Agreement, the Superior Court of King County, Washington shall have exclusive jurisdiction and venue.

11.13. No Third-Party Beneficiaries. This Agreement is made only to and for the benefit of the Parties and shall not create any rights in any other person or entity.

11.14. Assignment. Buyer shall not assign this Agreement or any rights hereunder without Seller's prior written consent.

11.15. Negotiation and Construction. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the Parties and shall not be construed as if it has been prepared by one of the Parties, but rather as if both Parties had jointly prepared it. The language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either Party. The Parties acknowledge and represent, as an express term of this Agreement, that they have had the opportunity to obtain and utilize legal review of the terms and conditions outlined in this Agreement. Each Party shall be and is separately responsible for payment of any legal services rendered on their behalf regarding legal review of this Agreement.

11.16. Seller's Knowledge. Any and all representations or warranties or other provisions in this Agreement that are conditioned on terms such as " to Seller's knowledge" or "about which Seller has knowledge" are made to and limited by the present, actual knowledge of Amanda Tran, who is an employee of King County, and is a Real Property Agent of the Real Estate Services Section of the Facilities Management Division of the Department of Executive Services. Amanda Tran has made no inquiries or investigations with respect to Seller's representations or warranties or other provisions prior to the making thereof and has no duty to undertake the same.

11.17. Indemnification Title 51 Waiver. The indemnification provisions in Sections 3.3.4 and 5.1.2 of this Agreement are specifically and expressly intended to constitute a waiver of the Buyer's immunity under Washington's Industrial Insurance Act, RCW Title 51, as respects the Seller only, and only to the extent necessary to provide the Seller with a full and complete indemnity of claims made by the Buyer's employees. The Parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

11.18. Counterparts. To facilitate execution, this Agreement may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each Party, or that the signature of all persons required to bind any Party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each Party hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter may be attached to another counterpart identical thereto except having attached to it additional signature pages.

11.19. EXHIBITS. The following exhibits described herein and attached hereto are fully incorporated into this Agreement by this reference:

EXHIBIT A	Legal Description
EXHIBIT B	Bargain and Sale Deed
EXHIBIT C	Bill of Sale and Assignment
EXHIBIT D	Certificate of Non-Foreign Status

[SIGNATURES ON THE NEXT PAGE]

EXECUTED on the dates set forth below.

SELLER: KING COUNTY

Signed by:

By: ______________________

C49A61EB98E1418...

Name: Lisa K Pearson

Title: Director,
Facilities Management Division

Date: 12/19/2025

BUYER: TAJINDER BAL

AuthentiSIGN

By: Tajinder Bal

Name: Tajinder Bal

Date: 12/11/2025

APPROVED AS TO FORM:

Signed by:

By: John Briggs

1A925C3FA6284A5...

Senior Deputy Prosecuting Attorney

EXHIBIT A.

LEGAL DESCRIPTION

Beginning at the north quarter corner of Section 15, Township 21 North, Range 4 East, W.M., in King County, Washington;

Thence South 0°07'05" East along the north and south center line of said Section 15, 1970.11 feet to the true point of
beginning;
Thence South 89°52'55" West 233 feet;
Thence South 2°27'55" West 670.86 feet;
Thence North 89°52'55" East 263.01 feet;
Thence North 0°07'05" West 670.18 feet to the true point of beginning;
Except that portion lying northeasterly of Military Road South; and
Except roads; and
Except that portion conveyed to King County by deed recorded under Recording Number 19990930002381.

TAX PARCEL NUMBER: 152104-9016

EXHIBIT B.

BARGAIN AND SALE DEED

AFTER RECORDING RETURN TO:
TAJINDER BAL
32734 39th Ave S
Federal Way, WA 98001

BARGAIN AND SALE DEED

Grantor - - King County, Washington
Grantee - - TAJINDER BAL
Legal - - - - PTN NW ¼ 15-21-04
Tax Acct. – 152104-9016

The Grantor, KING COUNTY, a home rule charter county and political subdivision of the State of Washington, for $10.00 and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, pursuant to King County Ordinance No. _______, does hereby bargain, sell, and convey unto the Grantee, TAJINDER BAL, the following real property situated in King County, Washington and described in EXHIBIT A, attached hereto and incorporated herein by this reference, subject to the permitted exceptions set forth in EXHIBIT A.

GRANTOR **KING COUNTY**	**GRANTEE** **TAJINDER BAL**
BY: ______________________________	BY: ______________________________
TITLE: Director, Facilities Management Division	DATE: ____________________________
DATE: ___________________________	

Approved as to Form:

By ________________________________
Senior Deputy Prosecuting Attorney

NOTARY BLOCKS APPEAR ON NEXT PAGE

NOTARY BLOCK FOR KING COUNTY

STATE OF WASHINGTON)
) SS
COUNTY OF KING)

On this ___________ day of __________________________, 2025, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared LISA K PEARSON, to me known to be the Director of the Facilities Management Division of the King County Department of Executive Services, and who executed the foregoing instrument and acknowledged to me that SHE was authorized to execute said instrument on behalf of KING COUNTY for the uses and purposes therein mentioned.

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

____
Notary Public in and for the
State of Washington, residing

____
Printed Name

at _______________________________
City and State
My appointment expires _______

NOTARY BLOCK FOR TAJINDER BAL

STATE OF WASHINGTON)
) SS
COUNTY OF KING)

On this ___________ day of __________________________, 2025, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared ________________________________, to me known to be the _______________________________, who executed the foregoing instrument and acknowledged to me that SHE or HE was authorized to execute said instrument on behalf of the ________________ for the uses and purposes therein mentioned.

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

____
Notary Public in and for the
State of Washington, residing

____
Printed Name

at _______________________________
City and State
My appointment expires _______

Docusign Envelope ID: 9F343D9D-B521-468C-BC41-4C538391AFA4

EXHIBIT A
TO BARGAIN AND SALE DEED

LEGAL DESCRIPTION

Beginning at the north quarter corner of Section 15, Township 21 North, Range 4 East, W.M., in King County, Washington;

Thence South 0°07'05" East along the north and south center line of said Section 15, 1970.11 feet to the true point of
beginning;
Thence South 89°52'55" West 233 feet;
Thence South 2°27'55" West 670.86 feet;
Thence North 89°52'55" East 263.01 feet;
Thence North 0°07'05" West 670.18 feet to the true point of beginning;
Except that portion lying northeasterly of Military Road South; and
Except roads; and
Except that portion conveyed to King County by deed recorded under Recording Number 19990930002381.

TAX PARCEL NUMBER: 152104-9016

EXCEPTIONS TO TITLE

SUBJECT TO: [permitted exceptions will be determined in accordance with the process identified in Article 4 of the Agreement and inserted in the final deed].

EXHIBIT C.

BILL OF SALE AND ASSIGNMENT

THIS BILL OF SALE is made as of this _____ day of ___________, 2025, by KING COUNTY, a political subdivision of the State of Washington ("**Seller**"), in favor of TAJINDER BAL ("**Buyer**").

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Seller does hereby absolutely and unconditionally give, grant, bargain, sell, transfer, set over, assign, convey, release, confirm and deliver to Buyer all of Seller's right, title and interest in and to any and all equipment, furniture, furnishings, fixtures and other tangible personal property owned by Seller that is attached, appurtenant to or used in connection with the real property legally described on the attached Exhibit A.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale as of the date first above written.

SELLER:

By: _________________________
Name: Lisa K Pearson
Title: Director, Facilities Management Division

EXHIBIT A
TO BILL OF SALE

LEGAL DESCRIPTION

Beginning at the north quarter corner of Section 15, Township 21 North, Range 4 East, W.M., in King County, Washington;

Thence South 0°07'05" East along the north and south center line of said Section 15, 1970.11 feet to the true point of
beginning;
Thence South 89°52'55" West 233 feet;
Thence South 2°27'55" West 670.86 feet;
Thence North 89°52'55" East 263.01 feet;
Thence North 0°07'05" West 670.18 feet to the true point of beginning;
Except that portion lying northeasterly of Military Road South; and
Except roads; and
Except that portion conveyed to King County by deed recorded under Recording Number 19990930002381.

TAX PARCEL NUMBER: 152104-9016

EXHIBIT D.

**Seller's Certification of Non-Foreign Status under
Foreign Investment in Real Property Tax Act (26 U.S.C. 1445)**

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform the transferee that withholding of tax is not required upon the disposition of a U.S. real property interest by King County ("Transferor"), the undersigned hereby certifies the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);

2. Transferor is not a disregarded entity as defined in Section 1.1445-2(b)(2)(iii);

3. Transferor's U.S. employer identification number is 91-6001327;

4. Transferor's office address is King County Facilities Management Division, Real Estate Services Section, Suite 930 King County Chinook Building, 401 Fifth Avenue, Seattle, WA 98104.

Transferor understands that this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct, and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

Dated this ___ day of ______________, 2025.

King County, Transferor:

By: ______________________________
Name: Lisa K Pearson
Title: Director, Facilities Management Division

King County | Office of the Executive

Executive Girmay Zahilay
Chinook Building, CNK-EX-0800
401 Fifth Avenue, Suite 800
Seattle, WA 98104-2391

April 20, 2026

The Honorable Sarah Perry
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Perry:

This letter transmits a proposed Ordinance that, if enacted, will enable King County to sell the surplus property parcel 152104-9016, located near South 328th Street and Military Road South, Federal Way, Washington, to Tajinder Bal in support of the provision of King County operations and services. This property does not yet have a formal physical address due to its categorization as a vacant, undeveloped parcel. Upon completion of this sale, should the new owner choose to develop this property, the new owner would be required to apply for permitting from the City of Federal Way to develop the land.

This transaction is recommended per the rationale and considerations provided in the attached property summary.

Thank you for your consideration of this proposed Ordinance.

If your staff have any questions, contact Lisa Pearson, Director, Facilities Management Division at 206-263-9238.

Sincerely,

for

Girmay Zahilay
King County Executive

cc: King County Councilmembers
ATTN: Stephanie Cirkovich, Chief of Staff, King County Council
Melani Hay, Clerk of the Council
Karan Gill, Deputy County Executive, Office of the Executive
Jasmin Weaver, Chief of Staff, Office of the Executive
Hyeok Kim, Chief Operating Officer, Office of the Executive
Sierra Howlett Browne, Director of Government Relations, Office of the Executive
Garrett Holbrook, Council Relations Manager, Office of the Executive
Lorraine Patterson-Harris, County Administrative Officer, Department of Executive Services (DES)
Lisa Pearson, Director, Facilities Management Division (FMD), DES
Julie Ockerman, Manager, Real Estate Services, FMD, DES

ATTACHMENT 4

KING COUNTY FISCAL NOTE - *Property Leases and Sales*

GENERAL TRANSACTION INFORMATION

Ordinance/Motion:					
Title:	**Hatfield Pit Surplus Sale - Parcel Number: 152104-9016**			Transaction Duration:	NA
Affected Agency/Agencies:	King County			Fair Market Value:	$ 675,000
Note Prepared By:	Sandy Ou / Amanda Tran	Date Prepared:	1/20/2026	Legal Transaction Type:	Sale
Note Reviewed By:		Date Reviewed:		Fiscal Transaction Type:	Stand Alone
Description of Request:	Hatfield Pit Surplus Sale				

FINANCIAL IMPACTS

Part 1 - Net Present Value Analysis Results

Net Present Value to King County (all impacts): ***	NA	**Net Present Value to Primary Impacted Agency (customer of transaction): *****	NA

Part 2 - Revenue and Expenditure Impacts

As of the preparation date of this fiscal note, the impact of the above legislation on the **financial affairs** of King County is *estimated* to be as indicated below:

Revenue to: [2,3,5]

Appropriation Unit	Appr. Number	Department	Fund Number	Project Number	Revenue Account Code and Source/Description	Sum of Revenues Prior to 2026	2026 / 2027	2028 / 2029	2030 / 2031	Sum of Outyear Impacts [2]
King County/FMD/RES	A440000	FMD	10		34187 - Sale of Real Property	$ -	$ 675,000	$ -	$ -	$ -
						$ -	$ -	$ -	$ -	$ -
						$ -	$ -	$ -	$ -	$ -
TOTAL						**$ -**	**$ 675,000**	**$ -**	**$ -**	**$ -**

Expenditures from: [2,3,4,5]

Appropriation Unit/Expenditure Type	Appr. Number	Department	Fund Number	Project Number	Expenditure Notes	Sum of Expenditures Prior to 2026	2026 / 2027	2028 / 2029	2030 / 2031	Sum of Outyear Impacts [2]
Real Estate Services Labor Costs					RES Labor Cost	$ -	$ 20,236	$ -	$ -	$ -
King County Project Management						$ -	$ -	$ -	$ -	$ -
Lease Payments/Associated O&M						$ -	$ -	$ -	$ -	$ -
Service Costs (Appraisal, Title, Move)					Appraisal cost	$ -	$ 4,500	$ -	$ -	$ -
Tenant and Other Improvements						$ -	$ -	$ -	$ -	$ -
10% Art for General Fund Transactions						$ -	$ -	$ -	$ -	$ -
Other Transaction Costs						$ -	$ -	$ -	$ -	$ -
SUBTOTAL						**$ -**	**$ 24,736**	**$ -**	**$ -**	**$ -**
Real Estate Services Labor Costs						$ -	$ -	$ -	$ -	$ -
King County Project Management						$ -	$ -	$ -	$ -	$ -
Lease Payments/Associated O&M						$ -	$ -	$ -	$ -	$ -
Service Costs (Appraisal, Title, Move)						$ -	$ -	$ -	$ -	$ -
Tenant and Other Improvements						$ -	$ -	$ -	$ -	$ -
10% Art for General Fund Transactions						$ -	$ -	$ -	$ -	$ -
Other Transaction Costs						$ -	$ -	$ -	$ -	$ -
SUBTOTAL						**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL						**$ -**	**$ 24,736**	**$ -**	**$ -**	**$ -**

APPROPRIATION IMPACTS

As of the preparation date of this fiscal note, the impact of the above legislation on the **budget appropriation** of King County is *estimated* to be as indicated below: [1]

Appropriation Unit	Appr. Number	Department	Fund Number	Project Number	Appropriation Notes		2026 / 2027 Appropriation Change	Total 6-Year CIP Outyear Planning Level Costs
					0		$ -	$ -
							$ -	$ -
							$ -	$ -
TOTAL							**$ -**	**$ -**

Assumption and Additional Notes:

*** An NPV analysis was not performed because this property is surplus to King County's needs.

1. If the expenditure impact equals or exceeds five percent of the fund expenditures, a copy of the most recent applicable appropriation unit financial plan is attached to this transmittal.
2. The sum of outyear impacts is provided for capital projects and agreements. This sum for revenue and expenditures includes all revenues/expenditures for the duration of the lease/other agreement or life of the capital investment.
3. This transaction does not require the use of fund balance or reallocated grant funding.
4. The transaction is backed by new revenue. The new revenue does not include grant revenue. The new revenue has not been received. The new revenue will be received by …
5. A detailed explanation of how the revenue/expenditure impacts were developed is provided below, including major assumptions made in developing the values presented in the fiscal note and other supporting data:

- The sales price for this property will be $675,000.00.
-
-