



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

PO Box 47600 • Olympia, Washington 98504-7600 • 360-407-6300

December 18, 2024

Shad Bernhoft
Wells Property Management
5210 Russell Ave NW # 100
Seattle, WA 98107-3921
shad@wellspropertymanagement.com

Re: Transmittal of Signed Environmental Covenant

Site name: Chinook Ballard
Site address: 1446 NW 53rd St, Seattle, King County, WA 98107
Facility/Site ID: 100002976
Cleanup Site ID: 17111
VCP Project ID: NW3324

Dear Shad Bernhoft:

The Washington State Department of Ecology (Ecology) has signed an environmental covenant (EC) on December 17, 2024, affecting King County tax parcel number 2768300505. This letter transmits the hard copy of the signed EC, Exhibits, and supporting plan (EC package in **Enclosure A**).

Next, record the EC package in **Enclosure A** with King County. **Do not include this letter as part of the recorded document.** Please keep a high-quality copy of the recorded EC for your records, and submit the original (wet signature) recorded hard copy of the EC to Ecology at:

Treasure Mitchell
VCP Coordinator
HQ Cleanup Section
Department of Ecology
Toxics Cleanup Program
PO Box 47600
Olympia, WA 98504-7600

Contact Information

If you have any questions about this transmittal, please contact Chris Maurer at 360-407-7223 or christopher.maurer@ecy.wa.gov.

Sincerely,



Treasure A. Mitchell
VCP Coordinator
HQ Cleanup Section
Toxics Cleanup Program

Enclosure: Environmental Covenant to Record

By certified mail: 9489 0090 0027 6380 9796 80

cc by email: Scott Rose, AEG, srose@aegwa.com
Chris Maurer, christopher.maurer@ecy.wa.gov
Erik G. Snyder, Ecology, erik.snyder@ecy.wa.gov
Ecology Site File

Enclosure A

Environmental Covenant Package to Record

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After Recording Return
Original Signed Covenant to:

Chris Maurer

Toxics Cleanup Program/HQ
Department of Ecology
300 Desmond Drive
Lacey, WA 98504

Environmental Covenant

Grantor: Chinook Ballard, LLC

Grantee: State of Washington, Department of Ecology (hereafter "Ecology")

Brief Legal Description: See Exhibit A

Tax Parcel Nos.: 2768300505

Cross Reference: CSID: 17111

RECITALS

- a. This document is an environmental (restrictive) covenant (hereafter "Covenant") executed pursuant to the Model Toxics Control Act ("MTCA"), chapter 70.105D RCW, and Uniform Environmental Covenants Act ("UECA"), chapter 64.70 RCW.

The Property that is the subject of this Covenant is part of a site commonly known as the Hollywood Video Property (FSID: 14234). The Property is legally described in Exhibit A, and illustrated in Exhibit B, both of which are attached (hereafter "Property"). If there are differences between these two Exhibits, the legal description in Exhibit A shall prevail.

- b. The Property is the subject of remedial action conducted under MTCA. This Covenant is required because residual contamination remains on the Property after completion of remedial actions. Specifically, the following principal contaminants remain on the Property:

Medium	Principal Contaminants Present
Soil	Tetrachloroethylene (PCE)
Groundwater	Diesel- and Oil-Range Petroleum Hydrocarbons, and PCE and daughter products.
Sub-Slab Vapor	Petroleum Hydrocarbons and related constituents

- c. It is the purpose of this Covenant to restrict certain activities and uses of the Property to protect human health and the environment and the integrity of remedial actions conducted at the site. Records describing the extent of residual contamination and remedial actions conducted are available through Ecology.
- d. This Covenant grants Ecology certain rights under UECA and as specified in this Covenant. As a Holder of this Covenant under UECA, Ecology has an interest in real property, however, this is not an ownership interest which equates to liability under MTCA or the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 *et seq.* The rights of Ecology as an “agency” under UECA, other than its’ right as a holder, are not an interest in real property.

COVENANT

Chinook Ballard, LLC as Grantor and Fee Simple owner of the Property hereby grants to the Washington State Department of Ecology, and its successors and assignees, the following covenants. Furthermore, it is the intent of the Grantor that such covenants shall supersede any prior interests the GRANTOR has in the property and run with the land and be binding on all current and future owners of any portion of, or interest in, the Property.

Section 1. General Restrictions And Requirements.

The following general restrictions and requirements shall apply to the Property:

- a. **Interference with Remedial Action.** The Grantor shall not engage in any activity on the Property that may impact or interfere with the remedial action and any operation, maintenance, inspection or monitoring of that remedial action without prior written approval from Ecology.
- b. **Protection of Human Health and the Environment.** The Grantor shall not engage in any activity on the Property that may threaten continued protection of human health or the environment without prior written approval from Ecology. This includes, but is not limited

to, any activity that results in the release of residual contamination that was contained as a part of the remedial action or that exacerbates or creates a new exposure to residual contamination remaining on the Property.

- c. Continued Compliance Required. Grantor shall not convey any interest in any portion of the Property without providing for the continued adequate and complete operation, maintenance and monitoring of remedial actions and continued compliance with this Covenant.
- d. Leases. Grantor shall restrict any lease for any portion of the Property to uses and activities consistent with this Covenant and notify all lessees of the restrictions on the use of the Property.
- e. Preservation of Reference Monuments. Grantor shall make a good faith effort to preserve any reference monuments and boundary markers used to define the areal extent of coverage of this Covenant. Should a monument or marker be damaged or destroyed, Grantor shall have it replaced by a licensed professional surveyor within 30 days of discovery of the damage or destruction.

Section 2. Specific Prohibitions and Requirements.

In addition to the general restrictions in Section 1 of this Covenant, the following additional specific restrictions and requirements shall apply to the Property.

a. Containment of Soil/Waste Materials.

The remedial action for the Property is based on containing contaminated soil and groundwater under a cap consisting of the newly constructed building with a vapor barrier and located as illustrated in Exhibit B. The primary purpose of this cap is to eliminate any potential exposure pathways at the site. As such, the following restrictions shall apply within the area illustrated in Exhibit B:

The Grantor shall not alter or remove the existing structures on the Property in any manner that would expose contaminated soil, result in a release to the environment of contaminants, or create a new exposure pathway, without prior written approval of Ecology. Should the Grantor propose to remove all or a portion of the existing structures illustrated in Exhibit B so that access to the underlying contamination is feasible, Ecology may require treatment or removal of the underlying contaminated soil.

b. Groundwater Use.

The groundwater beneath the Property remains contaminated and shall not be extracted for any purpose other than temporary construction dewatering, investigation, monitoring, or remediation.

Drilling of a well for any water supply purpose is strictly prohibited. Groundwater extracted from the Property for any purpose shall be considered potentially contaminated and any discharge of this water shall be done in accordance with state and federal law.

c. Monitoring.

A sub-slab depressurization (SSD) system is located on the Property with sampling ports in the Bike Room and Room 108 on the first floor of the building to mitigate the potential for vapor intrusion. The Grantor shall maintain clear access to these systems and protect them from damage. The Grantor shall report to Ecology within forty-eight (48) hours of the discovery of any damage to any monitoring device. Unless Ecology approves of an alternative plan in writing, the Grantor shall promptly repair the damage within 14 days and submit a report documenting this work to Ecology within thirty (30) days of completing the repairs.

Section 3. Access.

- a.** The Grantor shall maintain clear access to all remedial action components necessary to construct, operate, inspect, monitor, and maintain the remedial action.
- b.** The Grantor freely and voluntarily grants Ecology and its authorized representatives, upon reasonable notice, the right to enter the Property at reasonable times to evaluate the effectiveness of this Covenant and associated remedial actions, and enforce compliance with this Covenant and those actions, including the right to take samples, inspect any remedial actions conducted on the Property, and to inspect related records.
- c.** No right of access or use by a third party to any portion of the Property is conveyed by this instrument.

Section 4. Notice Requirements.

- a. Conveyance of Any Interest.** The Grantor, when conveying any interest in any part of the property, including but not limited to title, easement, leases, and security or other interests, must:
 - i.** Provide written notice to Ecology of the intended conveyance at least thirty (30) days in advance of the conveyance.
 - ii.** Include in the conveying document a notice in substantially the following form, as well as a complete copy of this Covenant:

NOTICE: THIS PROPERTY IS SUBJECT TO AN ENVIRONMENTAL COVENANT GRANTED TO THE WASHINGTON STATE DEPARTMENT OF ECOLOGY ON _____ AND RECORDED WITH THE KING COUNTY

**AUDITOR UNDER RECORDING NUMBER _____ .USES
AND ACTIVITIES ON THIS PROPERTY MUST COMPLY WITH THAT
COVENANT, A COMPLETE COPY OF WHICH IS ATTACHED TO THIS
DOCUMENT.**

iii. Unless otherwise agreed to in writing by Ecology, provide Ecology with a complete copy of the executed document within thirty (30) days of the date of execution of such document.

b. **Reporting Violations.** Should the Grantor become aware of any violation of this Covenant, Grantor shall promptly report such violation in writing to Ecology.

c. **Emergencies.** For any emergency or significant change in site conditions due to Acts of Nature (for example, flood or fire) resulting in a violation of this Covenant, the Grantor is authorized to respond to such an event in accordance with state and federal law. The Grantor must notify Ecology in writing of the event and response actions planned or taken as soon as practical but no later than within 24 hours of the discovery of the event.

d. **Notification procedure.** Any required written notice, approval, reporting or other communication shall be personally delivered or sent by first class mail to the following persons. Any change in this contact information shall be submitted in writing to all parties to this Covenant. Upon mutual agreement of the parties to this Covenant, an alternative to personal delivery or first-class mail, such as e-mail or other electronic means, may be used for these communications.

Mr. Shad Bernhoft
Walls Property Group
5210 Russell Avenue NW #100
Seattle, Washington 98107
shad@wallspropertymanagement.com
(206) 784-9780

Environmental Covenants Coordinator
Washington State Department of Ecology
Toxics Cleanup Program
P.O. Box 47600
Olympia, WA 98504 – 7600
(360) 407-6000
ToxicsCleanupProgramHQ@ecy.wa.gov

Section 5. Modification or Termination.

a. Grantor must provide written notice and obtain approval from Ecology at least sixty (60) days in advance of any proposed activity or use of the Property in a manner that is inconsistent with this Covenant. For any proposal that is inconsistent with this Covenant and permanently modifies an activity or use restriction at the site:

- i. Ecology must issue a public notice and provide an opportunity for the public to comment on the proposal; and
- ii. If Ecology approves of the proposal, the Covenant must be amended to reflect the change before the activity or use can proceed.

b. If the conditions at the site requiring a Covenant have changed or no longer exist, then the Grantor may submit a request to Ecology that this Covenant be amended or terminated. Any amendment or termination of this Covenant must follow the procedures in MTCA and UECA and any rules promulgated under these chapters.

Section 6. Enforcement and Construction.

a. This Covenant is being freely and voluntarily granted by the Grantor.

b. Within ten (10) days of execution of this Covenant, Grantor shall provide Ecology with an original signed Covenant and proof of recording and a copy of the Covenant and proof of recording to others required by RCW 64.70.070.

c. Ecology shall be entitled to enforce the terms of this Covenant by resort to specific performance or legal process. All remedies available in this Covenant shall be in addition to any and all remedies at law or in equity, including MTCA and UECA. Enforcement of the terms of this Covenant shall be at the discretion of Ecology, and any forbearance, delay, or omission to exercise its rights under this Covenant in the event of a breach of any term of this Covenant is not a waiver by Ecology of that term or of any subsequent breach of that term, or any other term in this Covenant, or of any rights of Ecology under this Covenant.

d. The Grantor shall be responsible for all costs associated with implementation of this Covenant. Furthermore, the Grantor, upon request by Ecology, shall be obligated to pay for Ecology's costs to process a request for any modification or termination of this Covenant and any approval required by this Covenant.

e. This Covenant shall be liberally construed to meet the intent of MTCA and UECA.

f. The provisions of this Covenant shall be severable. If any provision in this Covenant or its application to any person or circumstance is held invalid, the remainder of this Covenant or its application to any person or circumstance is not affected and shall continue in full force and effect as though such void provision had not been contained herein.

g. A heading used at the beginning of any section or paragraph or exhibit of this Covenant may be used to aid in the interpretation of that section or paragraph or exhibit but does not override the specific requirements in that section or paragraph.

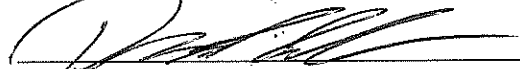
The undersigned Grantor warrants he/she holds the title to the Property and has authority to execute this Covenant.

EXECUTED this 12th day of December, 2024.

Chinook Ballard, LLC

c/o Walls Property Group

~~Shad Bernhoff~~ Preston Walls

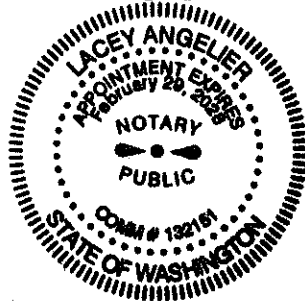


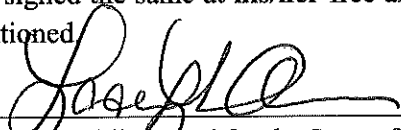
Director of Construction & Facility Management

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington
COUNTY OF King

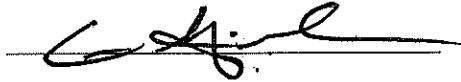
On this 12 day of December, 2024, I certify that Preston Walls personally appeared before me, acknowledged that he/she is the individual described herein and who executed the within and foregoing instrument and signed the same at his/her free and voluntary act and deed for the uses and purposes therein mentioned.




Notary Public in and for the State of Washington
Residing at Des Moines
My appointment expires 2/29/28

The Department of Ecology hereby accepts the status as GRANTEE and HOLDER of the above Environmental Covenant.

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

A handwritten signature in black ink, appearing to read 'E. Snyder', is written over a horizontal line.

By: Erik Snyder
Section Manager
Toxics Cleanup Program
Headquarters

Dated: 12-17-24

Exhibit A

LEGAL DESCRIPTION

GILMAN PARK ADD
PLAT BLOCK: 135
Plat Lot: 21