

When Recorded, Return To:

Kelly Cole Office of Regional Counsel U.S. EPA, Region 10 1200 Sixth Ave. ORC-158 Seattle, WA 98101

Document Title:

Restrictive Covenant

Grantor:

Foss Waterway Development Authority

Grantee:

WA DEPARTMENT OF ECOLOGY

Legal Description:

Additional Legal Description:

SEE ATTACHMENT 1 FOR FULL LEGAL DESCRIPTION

Assessor's Tax Parcel Number: 8950001761

RESTRICTIVE COVENANT

This Restrictive Covenant is made this <u>30</u> day of April, 2007, pursuant to RCW 43.21A.440 and RCW 70.105D.030(1)(f), (g) and (j), by Foss Waterway Development Authority and its successors and assigns ("Grantor"), and the State of Washington, Department of Ecology, and its successors and assigns ("Grantee" but hereafter "Ecology") for the benefit of the United States Environmental Protection Agency, its successors and assigns, ("EPA"). The restrictions imposed by this covenant are consistent with those required by WAC 340-440(8) and (9) under the Model Toxics Control Act ("MTCA").

A portion of the property referenced above is subject to this Restrictive Covenant because Remedial Action and habitat mitigation work has been undertaken on the property pursuant to the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601, et. seq., under a Consent Decree entered on May 9, 2003, titled *United States v. Atlantic Richfield Company, et al.*, in the United States District Court for the Western District of Washington, Civil Action No. C03-5117 RJB, ("Consent Decree"). The objective of the Remedial Action undertaken on the property is to protect human health and the environment.

The Consent Decree is part of an integrated settlement that includes two other consent decrees. One is between EPA and Puget Sound Energy, Advance Ross Sub Company and PacifiCorp ("Utilities"), and was entered by the federal District Court on May 9, 2003. The other consent decree is between EPA and the State of Washington, Department of Natural Resources, which was entered by the federal District Court on December 17, 2003.

291/560656.01 042607 1615/44901.00091 Grantor is the fee owner of real property (hereafter "Property") that is subject to this Restrictive Covenant, which is legally described in Attachment 1. The Property subject to this Restrictive Covenant is the portion of Tax Parcel 8950001761 that is located at 1616 East "D" Street, Tacoma, in Pierce County, Washington, which is generally depicted by the cross-hatched area on the map attached as Attachment 2. Grantor, as holder of legal title, does hereby declare that is has authority to enter into this Restrictive Covenant.

This Restrictive Covenant is required because Remedial Action capped and/or left residual contamination in place. The purpose of this Restrictive Covenant is to reduce potential exposure of marine organisms to contaminated sediments confined by capping, and to reduce potential exposure of marine organisms to contaminated sediments left in place in the Thea Foss and Wheeler-Osgood Waterways. The purpose of this Restrictive Covenant is also to protect habitat mitigation work undertaken on the Property.

Grantor makes the following declarations as to limitations, restrictions, and uses on the Property. Furthermore, it is the intent of Grantor that such declarations shall constitute covenants that run with the land, as provided by law, and be binding on all parties and all persons claiming under them, including all current and future owners of any portion of or interest in the Property.

- Section 1. The Remedial Action undertaken on the Property includes a cap (i.e., placement of capping material over contaminated sediment.)
- Section 2. Grantor shall not conduct, or allow to be conducted any activity on the Property that may result in the release or exposure to the environment of the hazardous substances contained by the Remedial Action, or that may create a new exposure pathway, unless the proponent of the activity obtains the prior written authorization from EPA and secures all necessary local, state, and federal permits and approvals for the activity in question. Activities prohibited unless otherwise approved include, but are not limited to:
 - 2.1 Any activity that alters, modifies, or removes the Remedial Action undertaken on the Property.
 - 2.2 Piling removal and installation.
 - 2.3 Dredging and excavation.
 - 2.4 Harvest of shellfish embedded in aquatic lands.
 - 2.5 Anchoring
- Section 3. Any other activity on the Property that may interfere with the Remedial Action, Operation and Maintenance, monitoring, or other measures to assure the integrity of the cleanup action and continued protection of human health and the environment is prohibited without prior notice to and approval by EPA.

- Section 4. Grantor shall not conduct, or be allowed to conduct any activity on the Property including, but not limited to those activities referenced in Subsections 2.2 through 2.5 above, that may interfere with the Habitat Mitigation Areas or operation, maintenance, and monitoring of such areas on the Property unless the proponent of the activity obtains the prior written authorization from EPA and obtains all necessary local, state, and federal permits and approvals for the activity in question. The Habitat Mitigation Areas on the Property are generally depicted in the map attached as Attachment 3.
- Section 5. Grantor shall give thirty (30) days advance written notice to EPA and Ecology of Grantor's intent to convey any interest in the Property. No conveyance of title, easement, lease or other interest in the Property shall be consummated by the Grantor without adequate and complete provision for the continued compliance with all required institutional controls, including this Restrictive Covenant.
- Section 6. Grantor shall notify EPA and Ecology and obtain approval from EPA before any use of the Property that is inconsistent with the terms of the Restrictive Covenant, or the Consent Decree.
- Section 7. Grantor shall allow authorized representatives of EPA, Ecology, the City of Tacoma, and the Utilities the right to enter the Property at reasonable times for the purpose of evaluating compliance with the Consent Decree and other required plans, including the right to undertake Operation and Maintenance activities required under the Consent Decree, which includes gathering samples on the Property, and to confirm compliance with this Restrictive Covenant.
- Section 8. Grantor shall restrict leases of the Property to uses and activities consistent with this Restrictive Covenant and shall notify all lessees of the restrictions on the use of the Property. Grantor shall include a copy of this Restrictive Covenant in any instrument conveying any interest in any portion of the Property, including conveyance of title, a lease, a license, an easement or other use authorizations.
- Section 9. Within ten (10) days of the date this Restrictive Covenant is fully executed, Grantor shall record this Restrictive Covenant with the Auditor's Office, Pierce County, State of Washington. Conformed copies of such recordings shall be forwarded to EPA, Region 10, Office of Regional Counsel at 1200 Sixth Avenue, ORC-158, Seattle, Washington 98101, and Department of Ecology, Toxics Cleanup Program, Southwest Regional Office, PO Box 47600, Olympia, WA 98504-7600. Grantor shall include a copy of this Restrictive Covenant in any instrument conveying any interest in any portion of the Property.
- Section 10. If requested by EPA and/or the City of Tacoma, Grantor shall allow, at no cost, the placement and maintenance of signs on the Property regarding prohibited activities, vessel size and speed, and Waterway navigational buoys, markers and visual aids, to the extent such activities do not unreasonably interfere with the public's use and enjoyment of the Property.

Section 11. Grantor reserves the right to record an instrument that provides that this Restrictive Covenant shall no longer limit the use of the Property or be of any further force or effect. However, such an instrument may be recorded only if EPA concurs.

<u>Section 12</u>. Grantor hereby confirms that this Restrictive Covenant is enforceable at law by EPA and Ecology.

Section 13. The parties that must be notified by the terms of this Restrictive Covenant are:

Environmental Protection Agency Office of Environmental Cleanup 1200 Sixth Avenue, ECL-111 Seattle, WA 98101

State of Washington Department of Ecology Toxics Cleanup Program Southwest Regional Office PO Box 47600 Olympia, WA 98504-7600

City of Tacoma Office of City Attorney Civil Division 747 Market Street, Room 1120 Tacoma, WA 98402-3767

Puget Sound Energy – Thea Foss Waterway Cleanup c/o Loren Dunn Riddell Williams 1001 Fourth Avenue Suite 4500 Seattle, WA 98154-1192

PacifiCorp – Thea Foss Waterway Cleanup c/o Richard Gleason Stoel Rives 900 SW Fifth Avenue Suite 2600 Portland, OR 97204 If a proposed activity is within state-owned aquatic lands, then notice shall also be provided to:

State of Washington Department of Natural Resources Aquatic Resources Program 1111 Washington St. SE PO Box 47027 Olympia, WA 98504-7027

This Restrictive Covenant is executed by:

Foss Waterway Development Authority

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Don Meyer

Its:

Executive Director

STATE OF

COUNTY OF Tierce

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

DIANNE K. TURNER

STATE OF WASHINGTON

NOTARY - - - PUBLIC

MY COMMISSION EXPIRES 10-25-09

Notary Public in and for the State of

Washington, residing at

My appointment expires 0-25-09

ATTACHMENT 1

[Legal Description]

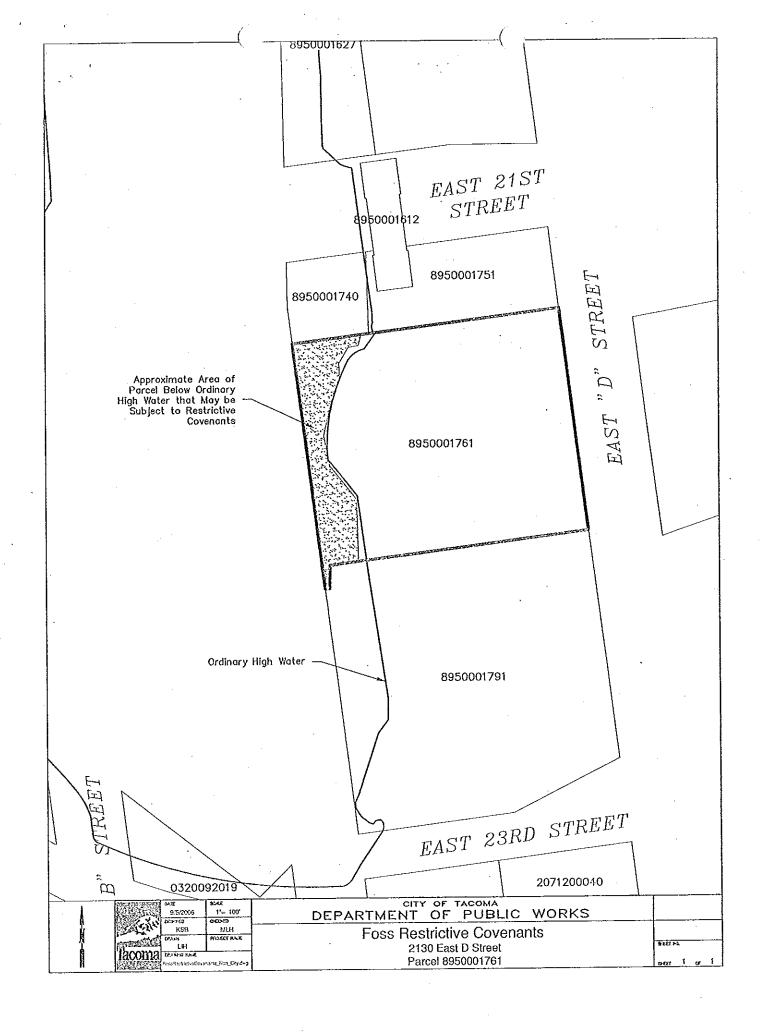
Auditor's notation to facilitate scanning process

SECTION 04 TOWNSHIP 20 RANGE 03 QUARTER 34 TACOMA TIDELANDS: TACOMA TIDELANDS SOUTHEAST 04 AND NORTHEAST 09 20-03E LOT 3 THRU 12 BLOCK 55 EXCLUDING THAT PORTION CONVEYED TO CITY OF TACOMA FOR RIGHT OF WAY ETN 4074656 OUT OF 176-0, 177-0 & 178-0 SEG I0656CL 04/16/97 DC05/26/06LW

ATTACHMENT 2

(Map Depicting Area of Property Affected by Restrictive Covenant)

Auditor's notation to facilitate scanning process



ATTACHMENT 3

(Map Showing Habitat Mitigation Area)

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