

Exhibit 7

PROJECT AGREEMENT

THIS CONTRACT agreed upon by and between City of Seattle
(herein called the "Contractor")
and the Washington State Interagency Committee for Outdoor Recreation (herein called
the "State" or the "IAC"), WITNESSETH THAT:

WHEREAS, the State, pursuant to Chapter 12, Laws of 1963, Ex. Sess. (Referendum Bill No. 11, adopted and ratified by vote of the people at the State General Election, November 3, 1964), and the Marine Recreation Land Act of 1964, Chapter 5, Laws of 1965 (Initiative Measure No. 215, passed by vote of the people at the State General Election, November 3, 1964), has undertaken a program assisting in the development and improvement of outdoor recreation lands, which is expected to be partially financed under the Federal Open Space Land Program administered by the Department of Housing and Urban Development.

WHEREAS, the Contractor desires financial assistance in connection with an outdoor recreation project (Project No. 68-088A); which project has been approved by the State and found to be eligible for allocation of funds. (Wallingford)

WHEREAS, the parties hereto recognize that the undertakings of the federal and state government and of the recipient with regard to this new program constitute, in many respects, pioneer efforts in intergovernmental relations and that changes and adjustments in this agreement are to be expected.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. Definitions

- a. The term "HUD" as used herein means the United States Department of Housing and Urban Development.
- b. The term "IAC" as used herein means the State Interagency Committee for Outdoor Recreation.
- c. The term "Secretary" as used herein means the Secretary of the United States Department of Housing and Urban Development, or any representative lawfully delegated the authority to act for such Secretary.
- d. The term "Chairman" as used herein means the Chairman of the Interagency Committee for Outdoor Recreation.
- e. The term "Administrator" as used herein means the Administrator of the Interagency Committee for Outdoor Recreation.

Exhibit 6

- f. The term "Project" as used herein means that project or project segment which is the subject of this agreement.
- g. The term "State" as used herein means the State of Washington acting through the Interagency Committee for Outdoor Recreation.
- h. The term "Committee" as used herein means the President's Committee on Equal Employment Opportunity, except where there is an obvious reference to the Interagency Committee for Outdoor Recreation.

2. Contingency

All obligations undertaken by the parties to this agreement are contingent upon project approval and matching fund participation by the HUD to the extent recommended by the State, and allotment of federal and state matching funds by appropriate federal and state authorities. The obligations of the state hereunder are also contingent upon payment by the Contractor of the amount indicated in item 4 (f) of this agreement.

3. Statement of Policy

One of the basic objectives of both the federal and state outdoor recreation programs involved herein is to enhance and increase the Nation's outdoor recreation resources. It is intended that recipients of assistance will use moneys granted for outdoor recreation purposes in such a manner that assistance results in a net increase in outdoor recreation expenditures. It is therefore agreed by both parties hereto that assistance hereby granted will be added to, rather than replace or be substituted for, other outdoor recreation funds.

4. Project Description

- a. The Contractor shall, consistent with the "Project Proposal - Assurances" previously executed (a copy of which is herewith attached and by this reference incorporated herein); in accordance with representations made in the project application as finally presented; and in compliance with plans and proposals submitted, carry out the following:

This project proposal is for the acquisition of 1.06 acres of land in the Wallingford area of Seattle as an addition to the existing playground.
LEGAL DESCRIPTION: Lots 1 through 12, inclusive, EXCEPT portion of Lots 2 through 12 deeded to the City of Seattle for alley purposes under Ordinance No. 40115; ALL IN Block 14, Lake Union Addition to the City of Seattle, according to plat thereof recorded in Volume 1 of Plats, page 238, records of King County, Washington;

- b. The period covered by this agreement shall be December 8, 19 67 to December 31, 19 69. If future stages are contemplated by the Contractor, the total project period is estimated to be N.A., 19 _____ to _____, 19 _____.
- c. The total cost of the project covered by this agreement is \$ 308,000. If future stages are contemplated by the Contractor, the total project cost, including all stages, is estimated to be \$ N.A..
- d. The Contractor agrees to contribute any combination of land, cash or services, material and equipment as defined by the HUD to the project in a value of \$ 77,000, which is 25 % of the total cost of the project covered by this agreement.
- e. The State through the I. A. C. agrees to contribute cash to the project from State funds available in an amount not exceeding \$ 77,000, which is 25 % of the total project cost covered by this agreement. The State further agrees to recommend to the HUD that federal funds totaling \$ 154,000, which is 50 % of the total project cost covered by this agreement, be granted, and to contribute certain administrative and other services to the project relative to processing and securing federal assistance.
- f. The Contractor agrees to contribute in cash \$ 3,080, which is 1 % of the total cost of the project covered by this agreement, to the I. A. C. to offset a portion of the State's administrative expense incident to the project, which shall be payable immediately upon notification in writing by the Chairman or Administrator that the project has been approved for funding by the IAC and HUD.

5. Project Execution

- a. The Contractor shall execute and complete the approved project in accordance with the time schedule set forth in the project application. Failure to render satisfactory progress or to complete this or any other project which is the subject of Federal or State assistance under this program to the satisfaction of the Secretary, the Chairman, or the Administrator, may be cause for the suspension of all obligations of the United States or the State, or both, under this agreement. Unless otherwise agreed, in no event shall the Contractor's performance commence later than sixty days after notification in writing by the Chairman or Administrator that the project has been approved for funding by the IAC and the HUD. Unless otherwise agreed, the Contractor's performance shall be completed at the end of the period covered by this agreement.

- b. Where the project includes land acquisition, funding assistance for acquisition provided by this agreement will be remitted to the Contractor only after acquisition has been accomplished and appropriate billings for reimbursement have been submitted. Where approved by the HUD, funding assistance may be remitted upon submission of proof of Contractor's contractual right to acquire the land at a specific price.
- c. Where the project includes eligible development costs, funding assistance provided by this agreement for development will be remitted to the Contractor in installments after receipt of billings and upon satisfactory proof of completion of each stage of construction or development.

Determination of appropriate stages for installment payments shall be made by the Chairman or Administrator, after consultation with the Contractor and with the approval of HUD. Installment payments shall in no event be made more frequently than monthly. An amount equal to 10% of the funding assistance provided the Contractor by this agreement for eligible development costs will be withheld until final inspection and certification of project completion is made by the IAC and approved by the HUD.

- d. Where the project includes land acquisition, the Contractor shall be responsible for supplying, at Contractor's own expense, prior to receipt of funds provided by this agreement, evidence establishing to the satisfaction of the IAC that the land acquisition cost represents a fair and reasonable price for the land in question.

Unless otherwise agreed, such evidence shall include in every case the appraisal of the land in question by a competent appraiser whose selection shall be approved by the Chairman or the Administrator.

The reports of any other appraisers relative to the land in question obtained by or available to the Contractor, shall be identified and shall be made available for inspection by the Secretary, the Chairman, or the Administrator upon request.

- e. Where the project includes land acquisition, the Contractor shall be responsible for providing satisfactory evidence of title or ability to acquire title for each parcel prior to receipt of funds provided by this agreement. Such evidence may include title insurance policies, Torrens certificates, or abstracts, and attorneys' opinions establishing that the land is free from any impediment, lien, or claim which would impair the uses contemplated by this Agreement.
- f. Construction contracted for by the Contractor shall meet the following requirements:

- (i) Contracts for construction in excess of \$2,500 shall be awarded through a process of competitive bidding. No contracts shall be awarded unless approval of the Chairman or Administrator is first obtained. Where all bids are substantially in excess of project estimates, the Chairman or Administrator may by notice in writing suspend the project and refer the matter to the IAC for determination of appropriate action, which may include termination of assistance for development for the project. Copies of all bids and a copy of the contract awarded shall be retained for inspection by the Secretary, Chairman, or Administrator upon request.
- (ii) The Contractor shall inform all bidders on contracts for construction in excess of \$2,500 that Federal funds are being used to assist in construction.
- (iii) Written change orders to contracts for construction in excess of \$2,500 shall be issued for all necessary changes in the facility. Such orders shall be made a part of the project file and shall be kept available for audit upon request.
- (iv) The Contractor shall comply with the regulations of the United States Secretary of Labor contained in 29 CFR 3 (1964), made pursuant to 40 U. S. C. 276 (c) (1958), which require from each contractor or subcontractor a weekly wage payment statement. Such regulations are hereby incorporated into this agreement by reference.
- (v) The Contractor shall incorporate, or cause to be incorporated, into all construction contracts the following provisions:

"During the performance of this contract, the Contractor agrees as follows:

- "(1) The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this non-discrimination clause.

- "(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.
- "(3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the said labor union or workers' representative of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- "(4) The Contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, as amended, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity (hereinafter referred to as the Committee) created thereby.
- "(5) The Contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, as amended, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- "(6) In the event of the Contractor's non-compliance with the non-discrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, as amended, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.
- "(7) The Contractor will include the provisions of the foregoing paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity, issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, as amended, so that such provisions will

be binding upon each said subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States."

- (vi) The Contractor agrees that in addition to the above nondiscrimination provisions, the Contractor will comply with all provisions of the State laws against discrimination (Chapter 49.60 RCW, as it now exists or may be amended) and the rules, regulations, and relevant orders of the Washington State Board Against Discrimination.
 - (vii) The Contractor shall (1) comply with the above provisions in construction work carried out by itself, and (2) assist and cooperate actively with the above-mentioned Committee in obtaining the compliance of contractors and subcontractors with the above contract provisions and with the rules, regulations, and relevant orders of the Committee, (3) obtain and furnish to the HUD and to the Committee such information as they may require for the supervision of such compliance, (4) enforce the obligation of contractors and subcontractors under such provisions, rules, regulations and orders, (5) carry out sanctions and penalties for violation of such obligations imposed upon contractors and subcontractors by the Committee pursuant to Part III, Subpart D, of Executive Order No. 10925.
- g. The Contractor shall secure completion of the work in accordance with the approved construction plans and specifications, and shall secure compliance with all applicable Federal, State, and local laws and regulations. Copies of all pertinent contracts, where required by the HUD or the IAC, shall be provided by the Contractor.
 - h. The Contractor shall permit periodic site visits by the Secretary, his designee, and the Chairman or his designee, to insure work progress in accordance with the approved project, including a final inspection upon project completion.
 - i. In the event funds should not be available for future stages of the project, the Contractor shall bring the project to a point of usefulness agreed upon by the Contractor, the IAC and the Secretary.
 - j. All significant deviations from the project application and proposal shall be submitted to the Secretary and the Chairman for prior approval.

- k. Development plans and specifications necessary for completion of the project shall be available for review by the Secretary, the Chairman, or the Administrator, upon request.

6. Project Costs

Project costs eligible for assistance shall be determined upon the basis of the criteria announced by HUD.

7. Project Administration

- a. The Contractor shall promptly submit such reports as the Secretary, Chairman, or the Administrator may request.
- b. Property and facilities acquired or developed pursuant to this agreement shall be available for inspection by the Secretary, Chairman, or the Administrator, upon request.
- c. Interest earned on funds granted pursuant to this agreement shall not be available for expenditure by the Contractor but shall be disposed of according to instructions issued by the Secretary, Chairman, or the Administrator.
- d. Any unexpended balance of funds provided by this agreement or interest accrued on hand upon expiration or termination of this agreement as a result of failure for any reason for the project covered by this agreement to be completed shall be returned to the IAC.
- e. A final report must be submitted when the project is completed, prematurely terminated, or project assistance is terminated. This report will include a final accounting of all expenditures and a description of the work accomplished. If the project is not completed, the work summary should estimate the percentage of completion, indicate the degree of usefulness of the incomplete project, and give the reasons for the premature termination of the project, if not previously explained. The final accounting should summarize all expenditures not previously reported and should include an overall summary for the entire project.
- f. Upon receipt of the final project report and final project billings, a determination will be made as to the total sum of (1) any amount not otherwise accounted for, (2) any credits allowable, and (3) any payments or funds to be refunded to the State. Such total sum will be balanced against any amount due the Contractor. In the event the total sum exceeds the amount owed to the Contractor, the excess will constitute a debt owed by the Contractor to the IAC, and shall be recovered from the Contractor in a manner which the IAC shall prescribe. If the amount owed to the Contractor is greater than the total sum, the balance will be paid to the Contractor.

8. Project Termination

- a. The Contractor may unilaterally rescind this agreement at any time prior to the commencement of the project upon notice to the IAC, the Chairman or the Administrator. After project commencement, this agreement may be rescinded, modified, or amended only by mutual agreement. A project shall not be deemed commenced until the Contractor receives notification in writing from the Chairman or Administrator that the project has been approved by the IAC and the HUD.
- b. Failure by the Contractor to comply with the terms of this agreement or any similar agreement may be cause for the suspension of all obligations hereunder of the United States or of the State.
- c. Inability on the part of the Contractor to complete the project, or any portion thereof, within the scheduled cost estimates shall be grounds for termination of project assistance and suspension of all obligations of the State hereunder.
- d. Failure by the Contractor to comply with the terms of this agreement shall not be cause for the suspension of all obligations of the State hereunder if, in the judgement of the Chairman, such failure was due to no fault of the Contractor. In such case, any amount required to settle at minimum costs any irrevocable obligations properly incurred shall be eligible for assistance under this agreement, where matching assistance from the HUD is obtained.
- e. The making of any misrepresentation by the Contractor in its application or in the furnishing of any information to the IAC or the HUD shall be grounds for project termination and suspension of all obligations of the State hereunder.

9. Remedies

Because the benefit to be derived from the full compliance with the terms of this agreement is the preservation, protection, and the net increase in the quantity and quality of public outdoor recreation facilities and resources which are available to the people of the State and of the United States, and because such benefit exceeds to an immeasurable and unascertainable extent the amount of money furnished by the United States and the State of Washington by way of assistance under the terms of this agreement, the Contractor agrees that repayment of an amount equal to the amount of assistance extended under this agreement by the United States and the State of Washington would be inadequate compensation for any failure to comply with the terms of this agreement. The Contractor further agrees, therefore, that the only appropriate remedy in the event of a breach by the Contractor of this agreement shall be the specific performance of this agreement.

10. Conflict of Interests

- a. No official or employee of the Contractor who is authorized in his official capacity to negotiate, make, accept, or approve, or to take part in such decisions regarding a contract or subcontract in connection with this project shall have any financial or other personal interest in any such contract or subcontract.
- b. No person performing services for the Contractor in connection with this project shall have a financial or other personal interest other than his employment or retention by the Contractor, in any contract or subcontract in connection with this project. No officer or employee of such person retained by the Contractor shall have any financial or other personal interest in any real property acquired for this project unless such interest is openly disclosed upon the public records of the Contractor, and such officer, employee or person has not participated in the acquisition for or on behalf of the Contractor.
- c. No member of or delegate to Congress or the State Legislature shall be admitted to any share or part of this agreement, or to any benefit to arise hereupon, unless such benefit shall be in the form of an agreement made with a corporation for its general benefit.
- d. The Contractor shall be responsible for enforcing the above conflict of interest provisions.

11. Hatch Act

No officer or employee of the Contractor whose principal employment is in connection with any activity which is financed in whole or in part pursuant to this agreement shall take part in any of the political activity proscribed in the Hatch Political Activity Act, 5 U. S. C. 118k (1958), with the exceptions therein enumerated.

12. Financial Records

- a. The Contractor shall maintain financial accounts, documents, and records satisfactory to and approved by the Chairman or Administrator and shall make them available to the IAC, HUD, and to the federal general Accounting Office of the Federal Comptroller General and to the Washington State Auditor's Office for auditing at reasonable times. Such accounts, documents, and records shall be retained by the Contractor.

for for at least three years following project termination, and longer where required by state law.

- b. The Contractor may use any accounting system generally accepted by the Washington State Auditor's Office, provided such system meets the minimum requirements set forth by the HUD.

13. Use of Facilities

- a. The Contractor shall not at any time convert any property or facility acquired or developed pursuant to this agreement to other than a public outdoor recreation use without the prior approval of the Secretary and the Chairman.
- b. The Contractor shall operate and maintain, or cause to be operated and maintained, the property or facilities acquired or developed pursuant to this agreement as follows:
 - 1. The property or facilities shall be maintained so as to appear attractive and inviting to the public.
 - 2. Sanitation and sanitary facilities shall be maintained in accordance with applicable State and local public health standards.
 - 3. Properties shall be kept reasonably safe for public use. Fire prevention, life guard, similar activities shall be maintained at levels reasonable to prevent loss of the lives of users.
 - 4. Buildings, roads, trails, and other structures and improvements shall be kept in reasonable repair throughout their estimated lifetime, so as to prevent undue deterioration and not to discourage public use.
 - 5. The facility shall be kept open for public use at reasonable hours and times of the year, according to the type of area or facility.
 - 6. All other standards set forth by the HUD shall be complied with.
- c. The Contractor shall not discriminate against any person on the basis of race, color, or national origin in the use of any property or facility acquired or developed pursuant to this agreement, and shall comply with the terms and intent of Title VI of the Civil Rights Act of 1964, P. L. 88-354 (1964), and of the regulations promulgated pursuant to such Act by the Secretary of the Interior and contained in 43 CFR 17.
- d. The Contractor shall not discriminate against any person on the basis of

residence, except to the extent that reasonable differences in admission or other fees may be maintained on the basis of residence.

14. Compliance

The Contractor shall be responsible for compliance with the terms of this agreement by any subdivision or public agency which undertakes responsibilities imposed by this agreement. Failure by such subdivision or public agency to so comply shall be deemed a failure by the Contractor with the terms of this agreement.

15. Verbal Agreements

It is mutually agreed and understood that no alteration or variation of the terms of this contract shall be valid unless made in writing and signed by the parties hereto and that no oral understandings or agreements not incorporated herein or no alterations or variations of the terms hereof, unless made in writing between the parties hereto, shall be binding.

16. Disputes

Any dispute between the Contractor and the State concerning a question of fact under this agreement which is not disposed of by amicable settlement shall be decided by the Chairman of the Interagency Committee for Outdoor Recreation, after a hearing at which the Contractor shall be afforded an opportunity to be heard and represented by counsel and to offer evidence in support of its position. The Chairman shall render his decision in writing and mail or otherwise furnish a copy to the Contractor. The decision of the Chairman shall be subject to review by the Interagency Committee for Outdoor Recreation and if approved by that body shall be final and conclusive, unless the Contractor brings an appeal pursuant to the provisions of the Administrative Procedures Act, Revised Code of Washington, Title 34. Pending final decision of an appeal thereunder, the Chairman's decision shall be controlling.

17. Amendments

This agreement may be amended by mutual consent of the parties, evidenced in writing and appended herewith, provided that prior notice of proposed changes is given to the HUD and the approval or the implied consent of that body obtained.

18. Notices

All notices, demands, requests, consents, approvals, and other communications which may or are required to be given by either party to the other or to

the HUD under this agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes when delivered or mailed by first class postage or certified mail, postage prepaid.

a. Notice to the State

Administrator
To the ~~Chairman~~, Interagency Committee for Outdoor Recreation
~~1018 East Olympia Avenue~~ P. O. Box 1489
Olympia, Washington 98501

or at such other address as the state shall have furnished to the Contractor in writing.

b. Notice to the Contractor

To John K. Taylor, who serves in the capacity of Staff Assistant to the Mayor for the Contractor and who has been designated as the Contractor's liaison officer for purposes of this agreement, or to such other officer or address as the Contractor shall have furnished to the Chairman in writing.

19. Reporting.

Once each year, the Contractor shall certify to the Chairman that the project and all assisted facilities are being retained, operated, maintained, and used in accordance with the terms of this agreement.

This report and certification will be partially prepared by the IAC as of March 31 of each year, and will be sent to the Contractor soon after that date. In addition to certification the Contractor will be asked to report on instances where IAC inspections show a need for remedial action and to acknowledge that assistance has been given in accordance with the report form. The Contractor will make every effort to return the completed form to the IAC promptly.

20. No waiver by the State

The Contractor agrees that the State or the IAC's failure to insist upon the strict performance of any provision of this project agreement or to exercise any right based upon a breach thereof, or the acceptance of any performance during such breach, shall not constitute a waiver of any rights under this project agreement.

21. Identifying Markers

The IAC and the HUD reserve the right to display, during the period covered by this agreement and after project completion, appropriate signs or markers, identifying the roles of the Federal, State, and local agencies participating in this project.

22. Recital in Deeds

The contractor shall require that every deed or other instrument of conveyance of land acquired for this project with state assistance shall contain the following provision:

"This conveyance is made in consideration of money coming in whole or in part from the Outdoor Recreation account of the general fund of the State of Washington. The purchaser takes subject to the obligations of the project agreement contract between it and the Washington State Interagency Committee for Outdoor Recreation dated _____, copies of which are in possession of the purchaser and the Interagency Committee. The project agreement contract provides, among other things, that the purchaser shall not at any time convert this property to uses other than for which state assistance was originally granted unless it has obtained prior approval of the Interagency Committee for Outdoor Recreation in the manner required by RCW 43.99.100 for marine recreation land, whether or not the property is marine recreation land."

IN WITNESS WHEREOF, the parties hereto have executed this project agreement in several counterparts.

STATE OF WASHINGTON

By E. V. Putnam Date 1/15/69
Administrator, Interagency Committee
for Outdoor Recreation

City of Seattle

Contractor

By J. D. Braman Date 1-13-69
J. D. Braman
Mayor

Title

Approved as to form
This 14th day
of January 1969.

A. L. Newbould

Corporation Counsel

Gordon F. Crandall
~~Gordon F. Crandall~~, Assistant
Attorney for Contractor

Authorized by Ordinance 97347,
approved December 31, 1968.

Approved as to form
This 15 day
of January 1969.

~~SLADE GORTON~~

~~JOHN J. O'CONNELL~~

Attorney General

By Martin M. Rytkin

Attorney for Interagency
Committee for Outdoor
Recreation