

WHEN RECORDED RETURN TO:

City of Anacortes
904 6th Street
Anacortes, WA 98221



201707210114

Skagit County Auditor \$79.00
7/21/2017 Page 1 of 7 3:46PM

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

2017 3365
JUL 21 2017

Amount Paid \$ ~~0~~
Skagit Co. Treasurer
By *MF* Deputy

DOCUMENT TITLE: QUITCLAIM DEED
GRANTOR(S): City of Anacortes, a Washington municipal corporation.
GRANTEE(S): R&S Management Co., LLC
ASSESSOR PARCEL / TAX ID NUMBER: P33185 / 350230-2-208-0400

QUITCLAIM DEED

The Grantor, the City of Anacortes, a Washington municipal corporation (City), for an in consideration of \$0.00, hereby conveys and quit claims to R&S Management Co., LLC, the following described real estate, together with any after acquired title, situate in the County of Skagit, State of Washington:

Legal Description:

A PORTION OF LOT 4, ANACORTES SHORT PLAT NO. 94-005, AS APPROVED JANUARY 26, 1995, AND RECORDED FEBRUARY 16, 1995, IN VOLUME 11 OF SHORT PLATS, PAGES 183 AND 184, UNDER AUDITOR'S FILE NUMBER 9502160015, RECORDS OF SKAGIT COUNTY, WASHINGTON, IN SECTION 30, TOWNSHIP 35 NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE MEANDER CORNER COMMON TO SECTIONS 19 AND 30, TOWNSHIP 35 NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN; THENCE SOUTH 88°03'11" EAST, ALONG THE EASTERLY PROJECTION OF THE LINE COMMON TO SAID SECTIONS 19 AND 30 FOR A DISTANCE OF 606.69 FEET TO THE ANACORTES INNER HARBOR LINE, AS DEPICTED BY THAT SURVEY PERFORMED BY THE WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES AND RECORDED UNDER

SKAGIT COUNTY AUDTOR'S FILE NO. 200110030106; THENCE SOUTH 28°28'51" EAST ALONG SAID INNER HARBOR LINE FOR A DISTANCE OF 29.99 FEET TO THE LINE COMMON TO LOT 3 AND LOT 4 OF SAID ANACORTES SHORT PLAT NO. 94-005, AND THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUING SOUTH 28°28'51" EAST ALONG SAID INNER HARBOR LINE FOR A DISTANCE OF 273.43 FEET TO THE NORTHEASTERLY CORNER OF THAT PROPERTY DELINEATED AS TRACT 2 OF SAID ANACORTES SHORT PLAT NO. 94-005; THENCE NORTH 88°08'26" WEST ALONG THE LINE COMMON TO TRACT 2 AND LOT 4 OF SAID ANACORTES SHORT PLAT NO. 94-005, FOR A DISTANCE OF 113.30 FEET TO THE CORNER COMMON TO LOT 3 AND LOT 4 THEREOF; THENCE NORTH 4°08'38" WEST ALONG THE LINE COMMON TO LOT 3 AND LOT 4 OF SAID SHORT PLAT FOR A DISTANCE OF 237.28 FEET TO THE POINT OF BEGINNING.
SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

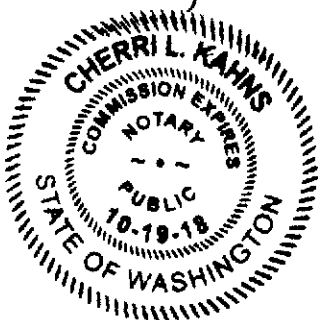
Dated this 20 day of July, 2017.

By: *[Signature]*
Laurie Gere, Mayor

STATE OF WASHINGTON)
)ss.
COUNTY OF SKAGIT)

On this 20th day of July, 2017, before, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Laurie M. Gere, Mayor, to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged said instrument to be his^(s) free and voluntary act and deed for the uses and purposes therein mentioned.

IN WITNESS WHEREOF I have hereunto given my hand and official seal this 20th day of July, 2017.



[Signature]
Notary Public in and for the State of Washington
Residing at Mount Vernon
My appointment expires 10-19-18

**Settlement Agreement and Release of Claims
between the
City of Anacortes
and
R & S Management Co., LLC.**

This Settlement Agreement and Release of Claims ("Agreement") is entered into effective as of the last signature date by the undersigned parties below, by and between the City of Anacortes ("City"), a Washington municipal corporation, and R & S Management Co., LLC ("R&S"), a Washington limited liability corporation.

RECITALS

- A. The City entered into a Lease Agreement with Anacortes Yacht Service, Inc., a predecessor in interest to R&S, on April 1, 1987 for lease of property to be used as a commercial boat yard. The Parties amended the Lease Agreement on March 20, 1989; again on April 21, 1989; again on January 15, 1993; assigned the lease from Anacortes Yacht Service, Inc. to Cap Sante Marine Ltd on November 1, 1995; further amended the Lease on December 18, 2003; again on February 23, 2009; and again amended the Lease Agreement on December 22, 2011. Cap Sante Marine Ltd. transferred all of its assets to R&S Management Co., LLC on October 28, 2010. The Parties further restated the previous Lease Agreements on June 28, 2017 ("Restated Lease"), for the lease of a certain area described in Exhibit A hereto, which is hereby incorporated by reference ("Leased Premises"), and will expire in 2034.
- B. The City leased a portion of the Leased Premises from the Washington State Department of Natural Resources under an Aquatic Lands Lease dated December 21, 2016 and recorded under Skagit County Auditors File Number 201702030107 (the "Aquatic Lands Lease").
- C. The Aquatic Lands Lease extended the City's lease of the premises described therein through the term of the Restated Lease. Prior to execution of the Aquatic Lands Lease, the City's legal right to sublease the Leased Premises to R&S was set to terminate in October of 2016 under a previous aquatic lands lease with the Department of Natural Resources, recorded under Skagit County Auditors File Number 9207240213.
- D. The City currently owns in fee simple a certain parcel of property, Skagit County Parcel number P33185, with a legal description of attached hereto as Exhibit B, which is hereby incorporated by reference ("City Parcel").

AGREEMENTS

NOW, THEREFORE, for good, valuable, and fair consideration, the adequacy and receipt of which are hereby acknowledged, the parties hereby Agree as follows.

I. Settlement Terms

- A. City Parcel Transfer. Within ten (10) days following execution of this Agreement, the City will transfer title to the City Parcel to R&S via Quitclaim Deed, to be executed by the City and recorded in the Skagit County land records. The City will pay for all recording costs and fees to record the Quitclaim deed for the City Parcel.
- B. Release. R&S hereby releases and fully discharges the City, its officials, officers, directors, employees, agents, representatives, attorneys, insurers, affiliates, successors and assigns ("Released Parties") from any and all claims, penalties, and liabilities that were or could have been alleged based on any facts or circumstances related to the Restated Lease or any previous Agreements between the Parties arising out of the following:
- a. Any claims that the City did not have the legal right to sublet any portion of the Leased Premises to R&S for any period of time;
 - b. Any claims against the City for environmental conditions on the City Parcel after the date of transfer to R&S, including, but not limited to, cleanup costs, penalties, or personal property damage;
 - c. Any claims arising out of the the Restated Lease based on circumstances or events that occurred prior to the date of this Agreement.
 - d. R&S warrants that it has not assigned or transferred any claim or part or portion of any claim released herein. R&S further warrants that if such assignment or transfer has occurred, it will indemnify and hold the Released Parties harmless from and against any claims based on or arising out of any such assignment or transfer purported or claimed. The obligation to indemnify and hold harmless shall include the obligation to pay reasonable attorneys' fees and costs actually incurred, whether or not litigation has commenced.

II. Other Provisions


- A. Warranty of Authority. The signatories warrant and represent that they are fully authorized to enter into this Settlement Agreement and to bind the Parties.
- B. Cooperation. The Parties will reasonably cooperate with each other to implement the terms of this Agreement, including but not limited to, executing

documents and taking other action reasonably necessary to implemmt the terms of this Agreement.


- C. Captions or Interpretations. Paragraph titles or captions are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provision.
- D. Modification or Amendment. This Agreement may not be changed, altered, or modified, except in writing and signed by the Parties.
- E. Entire Agreement. This Agreement constitutes the entire agreement between the Parties relating to the settlement and transaction contemplated hereby. The Parties acknowledge they have not relied on any promise, representation or warranty, whether express or implied, not contained in this Agreement.
- F. Binding Effect; No Assignments. This Agreement will be binding upon and inure to the benefit of the Parties and their respective heirs, trustees, executors, administrators, and successors. The Parties represent, covenant, and warrant they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged in this Agreement.
- G. Counterparts. This Agreement may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Agreement, which shall be binding upon and effective as to all Parties.

III. Signatures

The Parties hereto have executed this Settlement Agreement on the dates shown below.



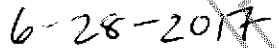
Laurie Gere, Mayor
City of Anacortes



Date



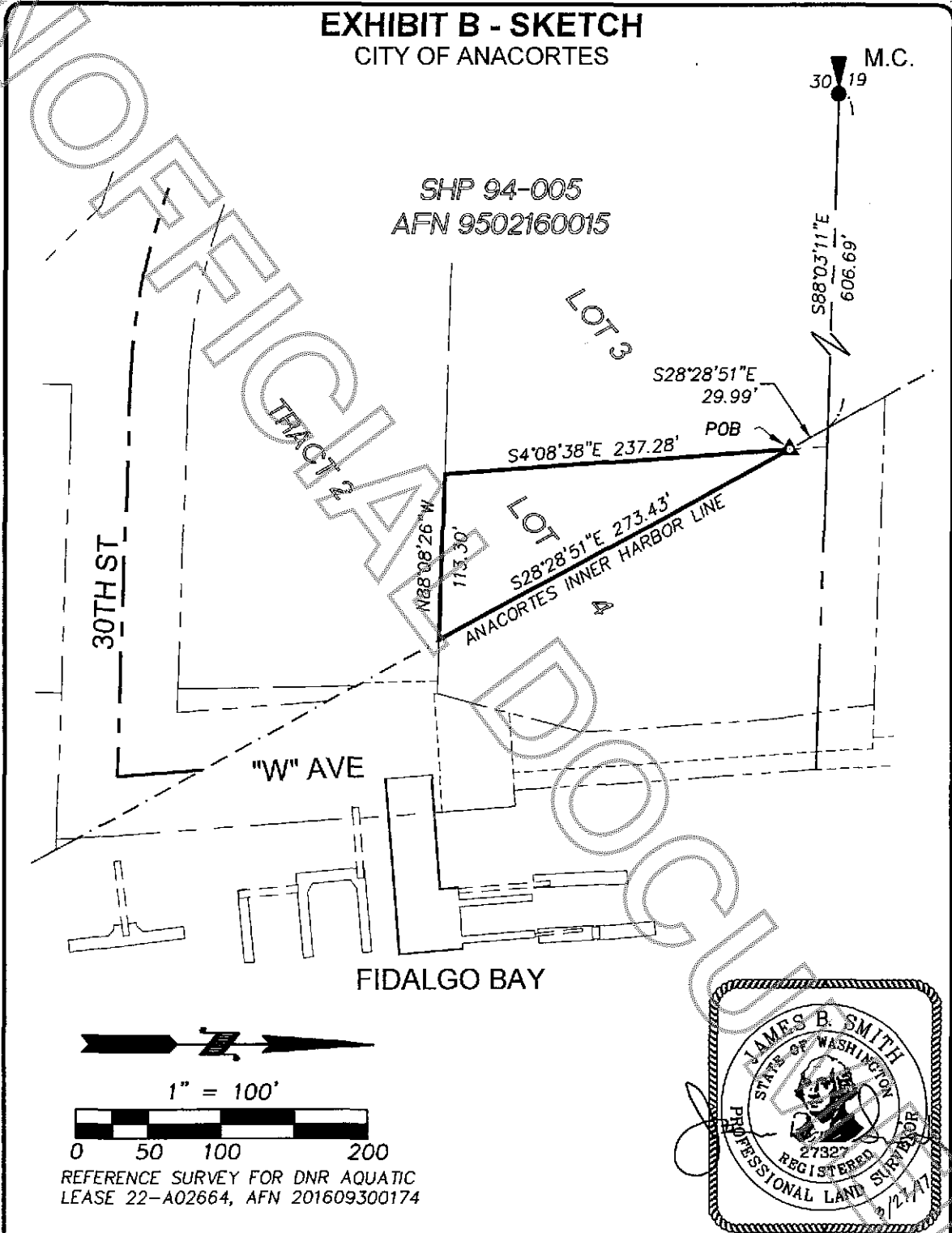
Name, Title
R&S Management Company, LLC



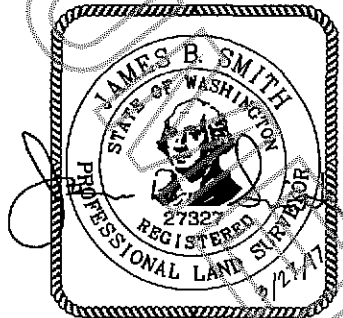
Date

EXHIBIT B - SKETCH
CITY OF ANACORTES

SHP 94-005
AFN 9502160015



1" = 100'
0 50 100 200
REFERENCE SURVEY FOR DNR AQUATIC
LEASE 22-A02664, AFN 201609300174



	HARMSEN & ASSOCIATES INC. 603 SOUTH FIRST STREET - MOUNT VERNON, WA 98273 (360) 336-9199 - (888) 794-7811 WWW.HARMSENINC.COM		PREPARED FOR: CITY OF ANACORTES
	JOB NO. 15-082	DATE: 3/24/17	

EXHIBIT A - LEGAL DESCRIPTION

A PORTION OF LOT 4, ANACORTES SHORT PLAT NO. 94-005, AS APPROVED JANUARY 26, 1995, AND RECORDED FEBRUARY 16, 1995, IN VOLUME 11 OF SHORT PLATS, PAGES 183 AND 184, UNDER AUDITOR'S FILE NUMBER 9502160015, RECORDS OF SKAGIT COUNTY, WASHINGTON, IN SECTION 30, TOWNSHIP 35 NORTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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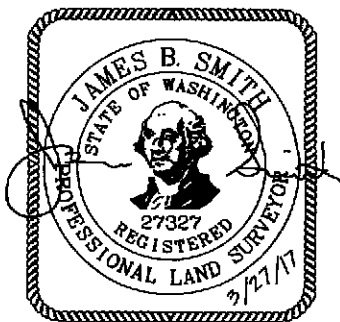
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SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

CONTAINING ± 0.31 ACRES.



HARMSSEN & ASSOCIATES INC.
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PREPARED FOR:
CITY OF ANACORTES

JOB NO.	DATE:
15-082	3/24/17