

**TERMINATION:  
DEVELOPMENT AGREEMENT  
(Port Blakely Properties)**

This Termination Development Agreement ("Termination Agreement"), entered into by the CITY OF BREMERTON, a Washington municipal corporation ("City") and BREMERTON WEST RIDGE, LLC, a Washington limited liability corporation ("West Ridge") on the date fully executed below, is intended to terminate that Development Agreement entered into in January 5, 2001 by and between the City and Port Blakely Tree Farms (Limited Partnership).

**RECITALS**

A During 2000, Port Blakely Tree Farms (Limited Partnership), hereinafter ("Port Blakely") owned certain real property consisting of approximately 440 acres identified in Exhibit A attached hereto ("Property"), and

B September, 2000, Kitsap County, the City of Bremerton and Port Blakely Communities, as agent for Port Blakely Tree Farms (Limited Partnership), entered into an agreement consisting of terms and conditions relating to comprehensive plan policies, annexations and further consisting of a development agreement relating to the Property ("Three Party Agreement"), and

C December 6, 2000, the City of Bremerton annexed the Property identified in Exhibit A, and

D The legislature of the state of Washington enacted RCW 36 70B 170 through 36 70B 210 (the "Development Agreement Statute), which authorizes a local government to enter into a development agreement with the owner of real property regarding the development of such property and establishing certain development rights, and

E The City Council adopted provisions in its development regulations which allow for a Development Agreement consistent with state law, and

F Port Blakely intended to develop an Industrial Park and planned to provide a range of employment opportunities and the infrastructure systems to support them, and

G Port Blakely filed with the City of Bremerton hereinafter ("City"), a proposed Development Agreement, and

H The City of Bremerton Planning Commission conducted a public meeting November 14, 2000, and passed Commission Resolution 2000-06 recommending to the City Council approval of the Development Agreement, and

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I The Bremerton City Council, after a duly noticed public hearing on December 6, 2000, made appropriate findings and passed Ordinance No 4740 approving the Development Agreement, which was recorded on January 8, 2001 under Kitsap County Auditor's File No 200101080083, and

J The Bremerton City Council, after a duly noticed public hearing on March 24, 2004, made appropriate findings and passed Ordinance No 4890 approving Amendment No 1 to Initial Development Agreement, which was recorded on May 21, 2004 under Kitsap County Auditor's File No 200405210329, and

K The City adopted a new Comprehensive Plan for the City on or about December 1, 2004 and designated the area as "Employment Center" on the City's land use map calling for a detailed development plan to be prepared prior to development, and

L The City adopted a new Zoning Code on or about November 30, 2005 which zones the Property R-10\* as a placeholder zoning until a detailed Centers Plan can be developed, and

M The parties to the Three-Party Agreement determined that there was no longer a need for the agreement and therefore the Bremerton City Council passed Ordinance No 5086 approving the agreement terminating the Three-Party Agreement which was entered into by the parties in August, 2009, and

N Concurrently with the agreement terminating the Three-Party Agreement, Kitsap County and the City of Bremerton entered into an interlocal agreement relating to the development and maintenance of an access road or roads to the Property, and

O On or about December 28, 2009, Bremerton West Ridge, LLC ("West Ridge") acquired all of the property subject to the Development Agreement set forth in Exhibit A and is thereby successor in interest to said property, and

P No development has occurred on the site following execution and recording of the Development Agreement, and

Q West Ridge's anticipated development of the property is inconsistent with the Development Agreement and therefore has requested that the Development Agreement be terminated, and

R Pursuant to the terms of the Development Agreement, any major modification of the terms of the Agreement must be processed in the manner in which the Agreement was processed and approved, and

S On August 3, 2011, the City Council held a public hearing and following the hearing passed Ordinance No 5157 authorizing termination of the Development Agreement,

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NOW THEREFORE, the City of Bremerton and West Ridge agree as follows

1 The recitals set forth above are adopted and incorporated as if set forth fully herein

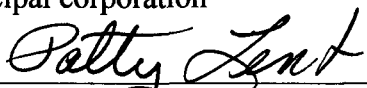
2 Each by their signatures below, the City and West Ridge approve termination of the Development Agreement

3 This Termination Development Agreement is effective on the date fully executed below As of the effective date of this Termination, the Development Agreement is of no further force or effect

4 This Termination. Development Agreement may be signed in counterparts, which taken together shall constitute the complete termination Signature by the parties transmitted via facsimile or electronic format shall be acceptable and binding

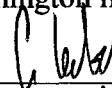
IN WITNESS WHEREOF, the City and West Ridge have executed this Termination Development Agreement

**CITY OF BREMERTON**, a Washington municipal corporation

By   
PATTY LENT, Mayor  
Date 9-21-11

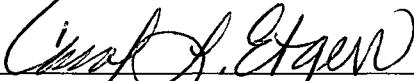
345 Sixth Street, Suite 600  
Bremerton, WA 98337  
Phone (360) 473-5266 Fax (360) 478-5200

**BREMERTON WEST RIDGE, LLC.**  
a Washington limited liability corporation


By   
CRAIG UKLAND, President Marla May Member  
Date 8/25/11

9401 North Harborview Drive  
Gas Harbor, WA 98332  
Phone (206) \_\_\_\_\_ Fax (206) \_\_\_\_\_

**ATTEST:**

By   
CAROL ETGEN, City Clerk  
Date September 21, 2011

**Approved as to form:**

By   
ROGER A. LUBOVICH, City Attorney  
Date SEPTEMBER 21, 2011