Ms. Pegeen Shean President North Capitol Hill Neighborhood Association 2414 Federal Ave. East Seattle, WA 98102

Re: Settlement Agreement between Seattle Preparatory School and the North Capitol Hill Neighborhood Association in the matter of City of Seattle MUP #3010627

Dear Ms. Shean:

In consideration of North Capitol Hill Neighborhood Association's withdrawal of the above-referenced appeal and its additional agreements set forth below, Seattle Preparatory School, Inc., (Seattle Prep) agrees to the following measures to reduce the impacts of the Peyton Hall Addition and Renovation Project (including the demolition of Adelphia Hall and related site development).

1. Hours of work

Except for emergency work, Seattle Prep will limit its construction activities to the period from 7:30 am to 5:00 pm. Site cleanup, storage of equipment, and other demobilization activities may take place until 6:00 pm. Crews may arrive at the site starting at 7:00 a.m. to begin mobilization.

2. Temporary Use of Portables or Residences South of East Miller

If Seattle Prep is allowed by DPD to use their current houses across the street from the school, Seattle Prep will use no more than one portable to provide temporary space for school functions during construction. Seattle Prep's goal is not to use any portables at all.

Seattle Prep will relocate current administrative office functions to the single family house south of East Miller on the east side of 12th Ave. It will relocate current teacher offices to the duplex units south of East Miller on the west side of 12th Ave. These units will not be used for student or educational activities. These uses will be temporary and will only be authorized to continue until 60 days after the temporary occupancy permit for the remodeled Peyton Hall has been issued. There will be no structural modification to these houses (unless life-safety or other modifications are required by the City of Seattle). Seattle Prep will return these dwelling units to residential use as soon as its temporary office use ends; that is, no later than 60 days following the issuance of the temporary occupancy permit for Peyton Hall.

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In return for NCHNA's support for this, Seattle Prep will take the following actions to reduce the impacts on the current residents of the duplex units:

- Seattle Prep will assure its current tenants that they can remain in their units under existing lease provisions until these units are needed for office use. This is contingent on the tenants agreeing to vacate when that time comes. Seattle Prep will keep the tenants informed of its schedule and will give them 60-days notice of its need to occupy the units.
- Seattle Prep will provide the tenants with assistance through its real estate management company in finding new rental units and will provide a truck or van and volunteers to assist in moving to their new quarters.
- Provided that the premises are in good condition, Seattle Prep will release its damage deposit to these tenants 30 days before they are required to vacate to assist them in their financial arrangements with their new landlords.
- Seattle Prep will notify the tenants 120 days before the units will be returned to residential use and will give them 60 days to decide if they wish to return to those units.

3. Pacific Northwest Catering

Seattle Prep will abide by the outcome of the City's land use and zoning enforcement process regarding Pacific Northwest Catering. While that process is going forward, Seattle Prep will require PNWC to take the following actions to reduce impacts to the neighborhood:

- PNWC will schedule all food service deliveries on Monday through Friday between the hours of 9:00 a.m. and 5:00 p.m.
- Food service truck deliveries for outside catering will only be done in conjunction with and as part of deliveries for school-related purposes.
- PNWC employees working on outside catering operations at the Seattle Prep site will not park their vehicles on 11th Ave. E. or next to the Seattle Prep kitchen area, but will instead park in the parking area located on Seattle Prep property across Delmar Avenue.
- Vans returning from outside catering events will not return to the Seattle Prepkitchen area after 9:00 p.m.
- No more than four PNWC employees per day will be allowed to work on outside catering events.
- No more than two PNWC catering vans will be parked outside the Seattle Prep kitchen area or in the outside parking areas adjacent to Peyton Hall.

Seattle Prep agrees that, after the 2012- 2013 school year, food preparation and service on its campus will be solely for Seattle Prep's student meals, and its other activities and functions. After that date, there will be no catering for non-Seattle Prep-related events.

NCHNA agrees that it will not participate as an organization in the City of Seattle's land use review and zoning enforcement action regarding Pacific Northwest Catering. This agreement does not prevent individual members of NCHNA from participating fully in these processes.

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4. The Electrical Transformer

Seattle Prep will use one of the three transformers identified in the September 6, 2012 email from Kirk Robinson to Pegeen Shean (incorporated in this agreement by this reference) and will locate and screen that transformer as shown on the attached plan. If the view of the transformer from the homes on the west side of 11th Avenue is not completely blocked by the fence shown on that plan, Seattle Prep will provide an additional trellis or lattice on top of the fence as permitted by the City of Seattle to provide additional screening.

5. Removal of Adelphia Hall after Completion of Peyton Hall Remodel

Seattle Prep will demolish and remove Adelphia Hall within 15 months from the time Peyton Hall is approved for temporary occupancy and will not seek approval from the City to occupy that building after the temporary occupancy permit allowing the use of Peyton Hall has been issued.

6. Truck Routes

If the City does not approve the proposed truck routes for the Peyton Hall Remodel and the demolition of Adelphia Hall that were presented to NCHNA on September 12, Seattle Prep will notify NCHNA and consult with NCHNA as Seattle Prep develops truck routes that the City will accept. In addition, Seattle Prep will explore the possibility of removing demolition debris from Adelphia Hall using E. Interlaken Boulevard and will explore the use of the Bagley Viewpoint Park located at 2548 Delmar Drive E. for truck staging.

7. Enforceability

In the event that either party feels the other has breached the terms of this agreement, and cannot reach a mutual agreement through neighborly discussion, arbitration shall be the next course of action as outlined in NCHNA/Seattle Prep Neighborhood Agreement page 12-16, number 2-16.

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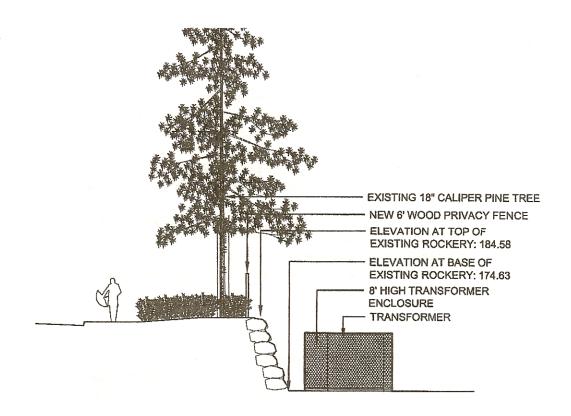
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Kent P. Hickey, President

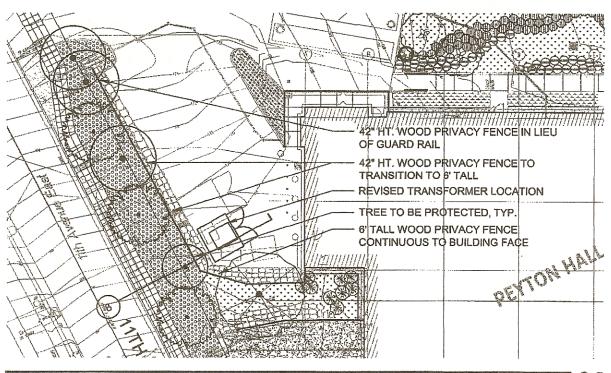
en Shean, President

DATED:

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SECTION AT TRANSFORMER 08



PLAN AT TRANSFORMER 11-201