



April 25, 2017

Jeff Wagner, Mayor
City of Covington
16720 SE 271st Street
Suite 100
Covington, WA 98042

RE: Lakepointe Urban Village Development Agreement (LU16-0026)

Dear Mayor Wagner:

On behalf of Hughes and Hawks Development (“Hawk Property Owner”) and Oakpointe Land Covington, LLC (the “Master Developer”) and in response to comments from City staff following Covington City Council meeting on April 11, 2017, the parties offer to replace Section 34.2 of the Lakepointe Urban Village Development Agreement (LU16-0026) (the “Development Agreement”) with the following:

34.2. Covington Connector. *The City and Master Developer acknowledge generally that if the final cost of construction of the Covington Connector and ID Nos. 36, 300, and 301 exceeds the funding allocated in the WA State Transportation Act, the Master Developer shall only be responsible for any and all project costs in excess of the funding allocated by the WA State Transportation Act. Any and all costs associated with improvements within the WSDOT rights-of-way (ID Nos. 300 and 301) shall be the sole responsibility of the Master Developer. Notwithstanding the foregoing, to the extent the City requires certain improvements to be constructed, or constructs certain improvements, within the Covington Connector and ID Nos. 36, 300 and 301, that are not specifically identified in the Development Agreement or as required mitigation for development of the Lakepointe Urban Village up to the Maximum Allowable Development and Trip Ceiling, as set forth in the Planned Action EIS, such improvement costs shall be paid by the City and not subject to funding under the WA State Transportation Act. To the extent Master Developer elects to fund such City-requested improvements, at its sole discretion, then Master Developer shall be entitled to a transportation impact fee credit for only such costs.*

Please let me know if you have any follow-up questions regarding the terms of the proposed revised Section 34.2 of the Development Agreement.

[signature on the following page]

10220 NE POINTS DRIVE
SUITE 310
KIRKLAND, WA 98033

WWW.OAKPOINTE.COM



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Sincerely,



Colin Lund
Director of Development
Oakpointe

On behalf of:

Oakpointe Land Covington, LLC, a Delaware limited liability
company

Hughes and Hawks Development, a joint venture composed of
Hughes Family Investment, Ltd., a Washington limited partnership,
and Hawk Family Properties Limited Partnership, a Washington
limited partnership

cc: Sharon Scott, Covington City Clerk
Covington City Councilmembers