

March 10, 2016

QueenB Radio, Inc., a Washington corporation
500 West Boone Avenue
Spokane, WA 99201-2491

City of Spokane, Park Department
Attn: Leroy Eadie, Parks Director
808 West Spokane Falls Boulevard
Spokane, WA 99201

Re: Letter of Intent re Access Easement Terms

The purpose of this non-binding letter ("**Letter of Intent**") is to set forth the preliminary terms and general understanding of both QueenB Radio, Inc., ("**KXLY**") and City of Spokane Park Board ("**Parks**"), with respect to the creation of an access easement and the terms of an agreement concerning the Property (as herein defined). KXLY and the City are jointly referred to as "**Parties**".

This Letter of Intent shall not create binding legal obligations or liability on KXLY or Parks, or on the part of any other person or entity, unless and until such time as definitive agreements (the "**Easement Agreement**") providing for all of the terms, covenants, conditions and understandings of the easement across the Property is executed and binding.

The following sets forth the general understanding and intent of the Parties regarding the proposed Easement Agreement.

1. The Property. The City Park Department owns certain real property in the City of Spokane, Spokane County, Washington, consisting of approximately 16.73 acres, as more particularly described on the attached Exhibit A ("**Park Property**"). The Park Property is located to the north of the property owned by KXLY and is developed as a youth sporting complex, which includes soccer fields, baseball diamonds, surface parking, restrooms, and a concessions and storage area/building. The Park Property is presently zoned RSF.

2. The Easement. KXLY has asked Parks to grant KXLY a non-exclusive easement in, under, through, over and across the Park Property, consisting of approximately 1.27 acres more or less.

3. Purpose. The easement would be for the purpose of facilitating construction of street improvements that will enhance pedestrian and vehicular access to both the Park Property and the property owned by KXLY, in a manner that does not unreasonably interfere with Park's use of the Park Property.

4. KXLY Obligations.

A. KXLY will develop a construction phasing plan and schedule that will maintain and not disrupt existing Park Property services, including public access, athletic programming, parking and restroom facilities.

B. KXLY will repair any and all areas that are disrupted by construction on the easement.

C. KXLY will design, construct and maintain access from the intersection of Regal Road and the Palouse Highway intersection onto Park property. All designs and specifications for the construction of the easement will be based upon accepted City of Spokane Standards, reviewed and approved by Parks. All maintenance, repair, snow removal, etc., will be provided by KXLY.

D. KXLY will replace the existing parking lot with joint use parking on KXLY property. At a minimum, KXLY will provide public access to one hundred nonrestrictive (except for required disabled parking, which is restrictive) parking spaces adjacent to Park Property. All maintenance, repair, snow removal, etc., will be provided by KXLY.

E. KXLY will replace the existing restroom, utilities, concession and storage building, including all necessary utility improvements. All design, programmable space, and specifications for this replacement will be based upon recently installed improvements by the Parks Division and will be reviewed and approved by Parks.

F. KXLY will develop a new full-size soccer field completely on KXLY property. KXLY will agree to lease this developed soccer field to Parks for \$1 per year for twenty years, with an automatic renewal for an additional twenty years on the same terms. All design and specifications will be based upon locally accepted industry standards, reviewed and approved by Parks. At the conclusion of the second twenty-year term ("**Additional Term**"), the property underlying the new full-size soccer field will revert to KXLY and Parks will be under no obligation to maintain it. Parks may simultaneous with the commencement of the Additional Term enter into a First Right of Refusal with KXLY for the purchase of the land underlying the new full-size soccer field on terms amenable to both parties.

G. KXLY will design, construct and maintain the Streetscape Plaza and frontage improvements from 46th Avenue to the Parks/KXLY property line, just south of the Regal/Palouse intersection. All design and specifications will be based upon City of Spokane Standards, related to land use approvals, reviewed and approved by Parks.

H. KXLY will design a multipurpose trail as described on the attached Exhibit B ("**Preferred Concept**").

I. KXLY will provide access to and availability to use storm water from the KXLY properties for future irrigation of adjacent Park properties. To facilitate this use, KXLY will construct and install "purple pipe" from KXLY's intended storm water storage area to a site designated by Parks.

J. KXLY will provide the needed partnership organization documentation for future grant applications in cooperation with Parks.

K. KXLY will work with Parks in engaging the Southgate Neighborhood on designed improvements, including a multiuse trail, streetscape and gateways, and the naming and signage of the complex.

5. Due Diligence.

A. Once this LOI has been approved by the Park Board and signed by the Parties, the Parties shall meet, confer, and exercise best efforts to reach agreement on the form and content of any documents needed to effectuate the creation and grant of the easement. "Best efforts" means the Parties shall devote time and resources to complete the documents contemplated in this LOI prior to April 14, 2016.

B. Final documents creating the easement and agreement setting forth the terms herein shall include a provision that the easement will terminate and revert to Parks, and all obligations of either party will terminate if KXLY does not commence to perform the obligations set forth in Section 4, above, within four (4) years of creation of the easement described in this Letter of Intent.

6. Reliance, Estoppel and Indemnity. This is a non-binding document having no legal effect. The Parties understand that all costs, expenses and fees related to this Letter of Intent shall be paid by the party incurring such Expenses without recourse against the other party. No claim for Expenses or liability of any kind related to this Letter of Intent shall be based upon reliance, estoppel, or equity. In the event the Parties do not reach agreement on the Exchange Agreements, this Letter of Intent shall terminate without any liability to the Parties.

DATED this _____ day of March 2016.

Parks

KXLY

By: _____

By: _____

Its _____

Its _____

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