

Dispute threatens sale of site

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The possible sale of a key part of downtown Woodinville may be stopped in a dispute over the proposed development of the site.

The former owners of the mobile-home park are objecting to a residential portion of the proposed development and say an agreement signed in 1995 specifies future use of the property.

The sale involves property known as Canterbury Square, a mobile-home development in the heart of town, standing kitty-corner from City Hall.

The 20-acre development is largely filled with retired residents, who want to sell the property and move on.

The residents who comprise the Canterbury Square Owners Association even have a possible buyer in CamWest Development of Kirkland, and a scheduled closing date of Jan. 16.

A lawsuit filed in King County Superior Court Wednesday asks the court to rule that the current sale agreement meets the 1995 conditions.

The filing was brought by the Canterbury Square Owners Association and CamWest Development against Al and Donna DeYoung, longtime Woodinville residents who once owned the property.

The dispute centers on what was meant by the 1995 agreement. That's when the DeYoungs sold the property to the residents, with the development converted into a 128-unit condominium project in 1996.

Part of the 1995 agreement included language about residents reselling the property, and in 2005 the owners began looking for buyers. They got several offers, for prices from \$16 million to \$35.5 million, the lawsuit noted.

In December, the residents executed a purchase agreement with CamWest for the \$35.5 million, with CamWest planning to turn the land into a mixed-use project with retail, office and residential space.

The residential aspect is what led to the court fight.

The lawsuit says the DeYoungs have sought to stop the sale, although they no longer have an ownership interest.

The DeYoungs, however, did have specific ideas for how the land should be used. The 1995 agreement included language specifying the property shall be used "for its highest and best use, in view of the DeYoungs' desire that the property eventually be part of the downtown business/commercial core of Woodinville" and used for business/commercial purposes.

The residents and CamWest argue that the projected use meets all the city's present zoning codes and is consistent with Woodinville's vision for its future.

DeYoung said he hasn't been served with the lawsuit and would not comment directly on the filings.

But DeYoung said the issue is simple.

"We're objecting to at least 400 units of multifamily housing and going without any retail," he said.

"We've sent them a letter and said we're going to uphold the settlement agreement," DeYoung added.

DeYoung said he expects the lawsuit to be "thrown out." CamWest says if that happens, the sale is off.

Where that leaves the property is unknown. The residents voted to approve the sale, and many of them are counting on funds from the sale to allow them to move.

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