

MOTION NO. 7222

A MOTION approving a lease for 25 years for a portion of the Sammamish River Trail to the City of Redmond.

WHEREAS, King County owns riverfront land, known as the Sammamish River Trail, and

WHEREAS, the City of Redmond owns adjacent property on which they will construct a 11.8 million dollar civic development, including a senior center, and

WHEREAS, the City of Redmond would like to develop and maintain a portion of the Sammamish River Trail property consisting of approximately 973 feet by 100 feet adjacent to the senior center on a lease basis, and

WHEREAS, the lease would allow for a more cohesive development, providing public park and recreational use of the property, and

WHEREAS, a lease has been developed, attached hereto, and presented to the King County Council for approval.

NOW, THEREFORE, BE IT MOVED by the Council of King County:

A 25-year lease with the City of Redmond for a portion of the Sammamish River Trail is approved in the basic form attached hereto and the King County executive is authorized to sign and deliver that lease to the City of Redmond.

PASSED this 5th day of July, 1988.

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON

Ray Grant  
Chairman

ATTEST:

Gerald A. Peterson  
Deputy Clerk of the Council

## LEASE AGREEMENT

1. PARTIES. This Lease dated the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, is between King County, a municipal corporation and a political subdivision of the State of Washington, and The City of Redmond, a municipal corporation, herein called "Lessee."

2. PREMISES. King County hereby leases to Lessee, upon the following terms and conditions, premises located in King County, Washington legally described as follows:

SEE EXHIBIT "A"

including any trade fixtures and personal property that are listed. These items shall be included within the meaning of premises unless specifically excluded.

Post Office Address:

3. TERM.

A. This lease term shall be for 25 years and 0 months, and shall begin on the 1st day of April, 1988, and end on the 31 day of March, 2013.

B. If King County is unable to deliver possession of the premises by the date specified for the commencement of the term as a result of causes beyond King County's reasonable control, King County shall not be liable for any damage caused for failing to deliver possession, and this lease shall not be void or voidable. Lessee shall not be liable for rent until King County delivers possession of the premises to Lessee, but the term shall not be extended by the delay. If King County does not deliver possession of the premises to Lessee WITHIN SIXTY (60) days after commencement of the term, Lessee can elect to terminate this lease by giving notice to King County at any time before the date King County delivers possession of the premises to Lessee.

4. RENT. Lessee shall pay to King County a rent of Rental to be waived in consideration of development & maintenance of premises. (\$ 0 ) DOLLARS payable in advance on or before the first (1st) day of each and every calendar month of the lease term. Lessee shall also pay a Leasehold Excise Tax of not applicable

( \$ 0 ) DOLLARS per 0. The rent is adjustable as set forth in the King County General Terms and Conditions. All rents and tax shall be made payable to the KING COUNTY FINANCE OFFICE and are to be received in the office of the:

King County Real Property Division  
500A King County Administration Building  
500 Fourth Avenue  
Seattle, Washington 98104

Said rental is exclusive of any other sale, franchise, business or occupation, or other tax based on rents. Should any such taxes apply during the life of this lease the rent shall be increased by such amount.

5. SECURITY AND DAMAGE DEPOSITS. At the time of the signing of this lease, the Lessee, shall pay the first (1st) month's rent and leasehold tax. In addition, the Lessee shall deposit with King County the sum of None (\$ Ø ) DOLLARS as a security deposit for the payment of rent and tax, and shall also deposit with King County the sum of None (\$ Ø ) DOLLARS as a damage deposit for any damages to the premises for which the Lessee is responsible and for any cleaning of the premises that the Lessee has not completed when the Lessee vacates. The security deposit is the only sum to be credited toward payment of the last month's rent upon Lessee's termination of the lease. The return of this deposit, or any portion of it, shall be conditioned on the performance of all the Lessee's duties. Within sixty (60) days after termination of the tenancy and vacation of the premises King County will return any sum due the Lessee from this deposit retained by King County. Furthermore, the Lessee understands and agrees that all rents, late charges and utility bills owing, unless paid by the Lessee, may be deducted from the deposit for damage and cleaning at the time of Lessee's vacation of the premises if any amount remains in that fund after subtraction of damage and cleaning costs. The deposits need not be held in any special account and no interest will be paid thereon.

6. USE. Lessee shall use said premises for the following purposes and no others without prior written consent of the King County:  
Construct and maintain asphalt pathways, irrigation and landscaping consistent with approved city master plan

~~7. COMMON AREAS. If the premises are part of a building occupied by other lessees, the Lessee herein agrees to conform to King County rules and regulations pertaining to the parts of the building that are in common use by the lessees.~~

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~~A. COMMON AREAS DEFINED. The term "common areas" means all areas and facilities outside the premises and within the exterior boundaries of the leased premises that are provided and designated by King County from time to time for the general use and convenience of Lessee and of other lessees and their respective authorized representatives and invitees. Common areas include, without limitation:~~

~~B. MAINTENANCE AND MANAGEMENT. Lessee along with other lessees shall cooperate to maintain and manage common areas. Lessee herein agrees to conform to King County rules and regulations pertaining to the common areas, and to pay \_\_\_\_ (%) percent of the cost in maintaining and managing the common areas.~~

~~C. LESSEE'S RIGHT TO USE. King County gives to Lessee and its authorized representatives and invitees the nonexclusive right to use the common areas, with others who are entitled to use the common areas, subject to King County's rights.~~

8. LESSEE IMPROVEMENTS.

A. Lessee shall submit to King County detailed plans and specifications for the following improvements within sixty (60) days after execution of this lease. Such improvements shall consist of:

SEE EXHIBIT "B"

Lessee will begin construction of the improvements no later than \_\_\_\_\_ days after approval of the plans and specifications, and shall be completed by \_\_\_\_\_.

B. If Lessee substantially fails to make the improvements or alterations required by this lease, this lease shall be terminated and all rentals paid shall be forfeited to King County.

9. GENERAL TERMS AND CONDITIONS. Attached hereto and incorporated herein by reference are King County General Terms and Conditions. Prior to signing this Lease Agreement, the parties modified paragraph(s) 19, and deleted paragraph(s) 1, 2, 10B-C-D, 11 therein.

10. SPECIAL TERMS AND CONDITIONS. Attached hereto and incorporated herein by reference are Special Terms and Conditions.

11. ENTIRE AGREEMENT - AMENDMENTS. This printed lease together with the attached Terms and Conditions and any and all exhibits expressly incorporated herein by reference and attached hereto shall constitute the whole agreement between the parties. There are no terms, obligations, covenants or conditions other than those contained herein. No modification or amendment of this lease shall be valid or effective unless evidenced by an agreement in writing signed by both parties.

12. NOTICES. Required notices except legal notices shall be given in writing to the following respective address:

TO King County: Manager Real Property Division  
500A King County Administration Building  
500 Fourth Avenue  
Seattle, Washington 98104

TO Lessee:

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when properly mailed.

~~13. PERSONAL GUARANTEE. Performance and payment of all obligations of Lessee are jointly and severally guaranteed by the corporate officers, stockholders, PLEASE INITIAL or directors who sign this agreement. Said guarantor's are acting in their individual capacity, on behalf of themselves and of their marital communities consisting of themselves and their respective spouses.~~

IN WITNESS WHEREOF, the parties hereto have subscribed their names as of the \_\_\_\_\_ of \_\_\_\_\_, 19 \_\_\_\_\_.

LESSEE:

LESSOR:  
KING COUNTY, WASHINGTON

BY \_\_\_\_\_

BY \_\_\_\_\_  
Tim Hill

TITLE \_\_\_\_\_

TITLE County Executive

BY \_\_\_\_\_

APPROVED AS TO FORM:  
BY Fred Kaseburg  
Fred Kaseburg

TITLE \_\_\_\_\_

TITLE Deputy Prosecuting Attorney

NATURAL RESOURCES & PARKS DIVISION

BY Russell Cahill

STATE OF WASHINGTON)  
                                  )ss  
COUNTY OF KING          )

On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_  
before me, the undersigned, a Notary Public in and for the State of  
Washington, duly commissioned and sworn personally appeared \_\_\_\_\_  
and \_\_\_\_\_  
to be known to be the \_\_\_\_\_ President and \_\_\_\_\_  
Secretary, respectively,  
of \_\_\_\_\_  
the corporation that executed the foregoing instrument, and  
acknowledged the said instrument to be the free and voluntary act and  
deed of said corporation, for the uses and purposes therein mentioned,  
and on oath stated that he \_\_\_\_\_  
authorized to execute the said instrument and that the seal affixed is  
the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year  
in this certificate above written.

NOTARY PUBLIC in and for the State of  
Washington, residing at \_\_\_\_\_.

STATE OF WASHINGTON)  
                                  )ss  
COUNTY OF KING          )

On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_  
before me, the undersigned, a Notary Public in and for the State of  
Washington, duly commissioned and sworn, personally appeared \_\_\_\_\_,  
to me known to be the individual \_\_\_\_\_ described in and who executed the  
foregoing instrument, and acknowledged to me that \_\_\_\_\_ he signed and  
sealed the said instrument as \_\_\_\_\_ free and voluntary act and  
deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year  
in this certificate above written.

NOTARY PUBLIC in and for the State of  
Washington, residing at \_\_\_\_\_.

SPECIAL TERMS AND CONDITIONS

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1. The property must continue to be used solely for public park and recreation purposes.
2. In advance of making the initial improvements and before any subsequent improvements, all plans/construction drawings must be reviewed and approved by King County Natural Resources and Parks Division.
3. All proposed improvements and uses must be consistent with the County's existing Sammamish River Trail master plan.
4. For safety and aesthetic reasons, no structures, signage, or trail tie-ins shall be installed which could pose a potential hazard to users of the Sammamish River Trail.
5. The level of routine maintenance (mowing, litter control, etc.) on the leased portion of trail right-of-way shall not be any less than that provided by King County on the adjoining property.
6. Advance review of plans will be directed to the Manager of Natural Resources and Parks Division.
7. Matters related to non-routine maintenance tasks will be directed to the Regional Maintenance Supervisor at 823-2706.
8. Lessee is required to obtain any regulatory permit that may be required and to submit such approved permit to the Natural Resources and Parks Division before any construction work is allowed.
9. LIABILITY INSURANCE

Tenant shall procure and maintain for the duration of this agreement, insurance against claims for injuries to persons or damages to property which may arise from, or in connection with the tenant's operation and use of the rental premises.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office form number GL0002 (ED. 1/73) covering Comprehensive General Liability and Insurance Services Office form Number GL0404 covering Broad form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage ("occurrence" form CG 0001).

B. Minimum Limits of Insurance

Lessee shall maintain limits no less than:

1. Comprehensive General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage.

C. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by King County.

D. Other Insurance Provisions

The policy is to contain, or be endorsed to contain, the following provisions:

1. King County, its officials, employees, and volunteers are to be covered as insureds as respects: Negligent acts, errors or omissions of the City of Redmond, its officers, officials, employees and volunteers in using or occupying the leased property.
2. The tenant's insurance coverage shall be primary insurance as respects King County, its officers, employees, and volunteers. Any insurance or self-insurance maintained by King County, its officers, officials, employees, or volunteers shall be excess of the tenant's insurance and shall not contribute with it.

3. Coverage shall state that the tenant's insurance shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the insurer's liability.

4. Insurance policy shall be endorsed to state that the carrier will endeavor to provide at least 30 days advanced notice to King County of any suspension, voiding, cancellation or reduction in coverage.

The tenant agrees to promptly notify King County by Certified Mail, Return Receipt Requested, of any notice received by the tenant concerning any change in the policy noted above and, to the extent feasible, to give such notice 30 days in advance of the change.

E. Verification of Coverage

Tenant shall furnish King County with certificate(s) of insurance and with original endorsement(s) effecting coverage required by this contract. The certificate and endorsement for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements for each insurance policy are to be provided by King County and are to be received and approved by King County before occupancy commences. King County reserves the right to require complete, certified copies of all required insurance policies at any time.

## EXHIBIT "A"

T.L. 0225059177

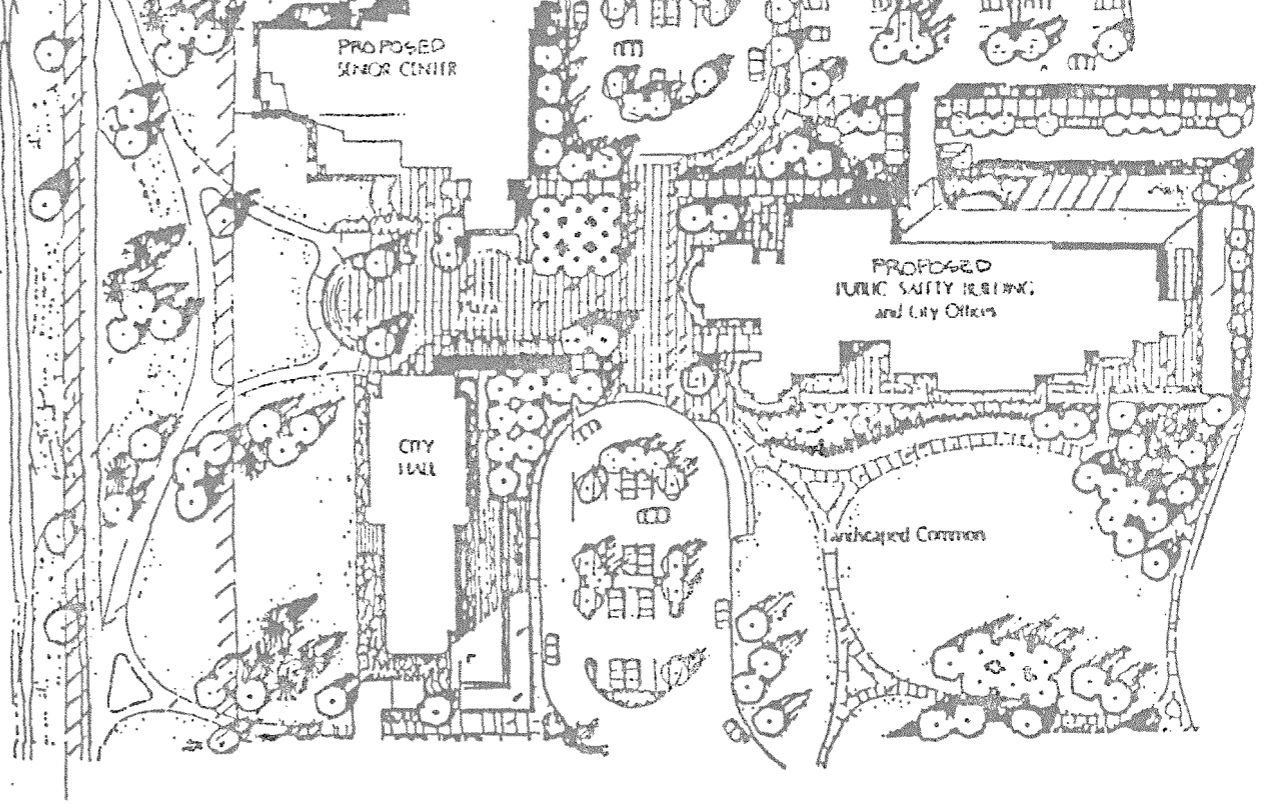
## LEGAL DESCRIPTION

That portion of the Northwest 1/4 of the Southeast 1/4 of Section 2, Township 25 North, Range 5 East, W.M., King County, Washington, lying westerly of a line drawn parallel to and measured at right angle a distance of 160 feet East from the centerline of Drainage District #3 described as follows:

Beginning at the Southeast corner of said subdivision;  
thence North  $00^{\circ}49'23''$  East 576.2 feet;  
thence North  $89^{\circ}10'50''$  West 171.5 feet;  
thence North  $00^{\circ}49'10''$  East 336.9 feet;  
thence North  $88^{\circ}07'37''$  West 608.60 feet, to a point 405 feet South of the North line and 780 feet West of the East line of said subdivision;  
thence North  $50^{\circ}33'54''$  West 235.49 feet, to a point 261 feet South of the North line and 964 feet West of the East line of said subdivision;  
thence South  $80^{\circ}37'47''$  West to a point on the East line of Drainage District #3 321 feet South of the North line of said subdivision;  
thence South along said East line to a point bearing North  $88^{\circ}10'56''$  West 1264.94 feet from the Point of Beginning;  
thence South  $88^{\circ}10'56''$  East 1264.94 feet to the Point of Beginning;  
Less Roads and Less Drainage District #3 Right-of-Way.



SAMMAMISH



Redmond Municipal Campus  
City of Redmond, Washington

KING COUNTY GENERAL TERMS AND CONDITIONS

1. LATE PAYMENT, TAXES AND LICENSES.

A. LATE PAYMENTS. There will be a late collection charge of five percent (5%) or THIRTY AND NO/100 (\$30.00) DOLLARS, whichever is greater, plus one percent (1%) per month interest for any delinquent rental not delivered to King County by the tenth (10th) day of the month.

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B. LEASEHOLD TAX. A leasehold excise tax is levied pursuant to the Revised Code of Washington (R.C.W.) Chapter 82.29A. The Lessee agrees to pay this tax to King County. If the State of Washington or King County changes the Leasehold Excise Tax, the tax payable shall be correspondingly changed.

C. LICENSE AND TAXES. Lessee shall pay throughout the term of this lease, all applicable taxes, and all license and excise fees covering the business conducted on the premises.

D. OTHER CONSIDERATION. No offset, reduction, or credit toward rent shall be allowed unless it is in writing and signed by the Manager of the Real Property Division of King County.

2. RENT ADJUSTMENT.

To ensure a fair rent based upon the fair market value of the premises, King County may adjust the rent to the then current fair market rental value every three (3) years, the first adjustment to occur three (3) years after the beginning of the term of this lease.

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A. FAIR MARKET RENTAL VALUE DEFINED. For all purposes required under this lease, "Fair Market Rental Value" is defined as: An amount in the competitive market that a well-informed and willing Lessor, who desires but is not required to lease, would accept, and which a well-informed and willing Lessee, who desires but is not required to lease, would pay for the use of the premises, after due consideration of all the elements reasonably affecting value.

B. NOTICE OF RENTAL ADJUSTMENT. When it elects to adjust the rent, King County will give Lessee written notice of the adjusted rent. Within thirty (30) days following receipt of notice from King County, Lessee will give King County written notice of its acceptance or rejection of the adjusted rent. If Lessee does not notify King County within the thirty (30) day period, the rent as adjusted by King County will become the rent.

C. ARBITRATION. If Lessee and King County cannot agree upon the rent adjustment, the rent for the period will be adjusted by arbitration. Lessee and King County will select one arbitrator each, and the two selected arbitrators will select a third. If the two arbitrators have not selected a third arbitrator within thirty (30) days after the selection of the last selection of the two, either Lessee or King County will apply to the presiding Judge of the Superior Court in King County for the appointment of a third arbitrator. Each arbitrator will be a member of the American Institute of Real Estate Appraisers, or of the Society of Real Estate Appraisers, or of some equivalent body. If in the future, a licensing requirement for real estate appraisers is imposed by any legislative body, each arbitrator shall be licensed. The three arbitrators will determine the Fair Market Rental Value for the premises; but the arbitrators may not reduce the rent below the sum fixed for the last preceding period. The decision of a majority of the arbitrators will bind both Lessee and King County. At the conclusion of the arbitration, the arbitrators will submit written reports to Lessee and King County, which shall contain all pertinent evidence that led to their conclusion together with an explanation of their reasoning for such conclusion.

~~D. COST OF ARBITRATION. The cost of the arbitration will be divided equally between Lessee and King County.~~

~~E. RENT PENDING ADJUSTMENT. In the event resolution of the rental adjustment is not completed prior to the commencement of the term being considered, Lessee shall, pending resolution of such rental adjustment, continue to pay King County the rental then in effect; and King County, at its option, may elect to require that interest in the amount of twelve percent (12%) per annum be payable on any sum due as a result of a retroactive rental increase determined under the terms of this lease.~~

3. COMPLIANCE WITH ALL LAWS AND REGULATIONS.

In using the premises, Lessee will comply with all applicable laws, ordinances and regulations, from any and all authorities having jurisdiction. The Lessee specifically agrees to comply and pay all costs associated with achieving such compliance without any notice of requirement or requirements from King County, and that King County does not waive this section by giving notice of demand for compliance in any instance.

4. UTILITIES.

Lessee shall pay for all costs, expenses, fees, services and charges of all kinds for heat, light, water, gas and telephone and for all other public utilities used on said premises so that the same shall not become a lien against the leased premises.

5. IMPROVEMENTS AND ALTERATIONS.

A. Lessee shall make no alterations or improvements to or upon the premises or install any fixtures (other than trade fixtures which can be removed without injury to the premises) without first obtaining written approval from King County.

B. Unless otherwise stipulated, all improvements or alterations erected or made on the premises shall, upon expiration or earlier termination of this lease, belong to King County without compensation to the Lessee, however, King County shall have the option to be exercised on expiration or earlier termination of the lease, to require the Lessee, at Lessee's expense, to remove any or all such improvements or alterations.

6. CONDITION OF PREMISES.

The Lessee has inspected and knows the condition of the premises, and it is understood and agreed that the premises are leased on an "as is" basis without any obligation on the part of the King County to make any changes, improvements, or to incur any expenses whatsoever for the maintenance or repair of the premises.

7. CONSTRUCTION DEFECTS.

King County shall not be liable to the Lessee for claims or damages arising from any defect in the construction of or the present condition of the premises, whether known or unknown, or for damage by storm, rain or leakage or any other occurrence.

8. MAINTENANCE.

A. Lessee shall throughout the term of this lease, without cost or expense to King County, keep and maintain the leased premises and all improvements, landscaping, fixtures and equipment which may now or hereafter exist thereon, in a neat, clean and sanitary condition, and shall except for reasonable wear and tear, at all times preserve the premises in good and safe repair. Upon the expiration or sooner termination of the lease, Lessee shall forthwith return the same in as good condition as that existing at the commencement of occupancy, ordinary wear and tear excepted.

B. If, after thirty (30) days' notice from King County, Lessee fails to maintain or repair any part of the leased premises or any improvement, landscaping, fixtures or equipment thereon, King County may, but shall not be obligated to, enter upon leased premises and perform such maintenance or repair and Lessee agrees to pay the costs thereof to King County upon receipt of a written demand. Any unpaid sums under this paragraph shall be payable as additional rent on the next rent payment date due following the written demand, and will bear interest at the maximum rate allowed by Washington State Law.

9. INDEMNITY AND HOLD HARMLESS.

The Lessee agrees to indemnify and hold harmless King County as provided herein to the maximum extent possible under law. Accordingly, the Lessee agrees for itself, its successors, and assigns, to defend, indemnify, and hold harmless King County, its appointed and elected officials, and employees from and against liability for all claims, demands, suits, and judgments, including costs of defense thereof, for injury to persons, death, or property damage which is caused by, arises out of, or is incidental to Lessee's exercise of rights and privileges granted by this Lease Agreement. The Lessee's obligations under this section shall include:

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\_\_\_\_\_

(a) Indemnification for such claims whether or not they arise from the ~~mutual~~ negligence of either the County or the Lessee, the concurrent negligence of both parties, or the negligence of one or more third parties.

(b) The duty to promptly accept tender of defense and provide defense to the County at the Lessee's own expense.

(c) Indemnification of claims made by the Lessee's own employees or agents.

(d) Waiver of the Lessee's immunity under the industrial insurance provisions of Title 51 RCW, which waiver has been mutually negotiated by the parties.

In the event it is necessary for the County to incur attorney's fees, legal expenses, or other costs to enforce the provisions of this section, all such fees, expenses, and costs shall be recoverable from the Lessee.

In the event it is determined that RCW 4.24.115 applies to this Lease Agreement, the Lessee agrees to defend, hold harmless, and indemnify King County to the maximum extent permitted thereunder, and specifically for its negligence concurrent with that of King County to the full extent of Lessee's negligence. Lessee agrees to defend, indemnify, and hold harmless the County for claims by Lessee's employees and agrees to waiver of its immunity under Title 51 RCW, which waiver has been mutually negotiated by the parties.

10. INSURANCE.

A. No use shall be made or permitted to be made of the premises, nor acts done, which will increase the existing rate of insurance upon the premises or cause the cancellation of any insurance policy covering the premises, or any part thereof, nor shall Lessee sell, or permit to be kept, used or sold, in or about the premises, any article which may be prohibited by the standard form of fire insurance policies. Lessee shall, at its sole cost and expense, comply with any and all requirements, pertaining to the premises. Lessee agrees to pay to King County as additional rent, any increase in premiums on policies which may be carried by King County on the premises covering damages and loss of rent caused by fire and the perils normally included in extended coverage above the rates for the least hazardous type of occupancy for industrial, warehousing, office and distribution operations.

~~B. Lessee shall maintain in full force and effect on all of its fixtures and equipment in the premises a policy or policies of fire and extended coverage insurance with standard coverage endorsement to the extent of at least eighty per cent (80%) of their insurable value. During the term of this lease the proceeds from any such policy or policies of insurance shall be used for the repair or replacement of the fixtures and equipment so insured. King County shall have no interest in the insurance upon Lessee's equipment and fixtures and will sign all documents necessary or proper in connection with the settlement of any claim or loss by Lessee. King County will not carry insurance on Lessee's property. Lessee shall furnish King County with a certificate of such policy and whenever required shall satisfy King County that such policy is in full force and effect within thirty (30) days of the commencement of this lease.~~

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C. The Lessee will carry fire and extended coverage insurance, with rent interruption endorsement, in an amount equal to the full insurable value of all improvements, structures and buildings located on the premises. The policy shall include King County as an insured for its vested interest in the property. A certificate of insurance must be provided to King County.

~~D. In the event of the total or partial destruction by fire, regardless of origin, or otherwise of the building, structures or facilities currently on the premises or subsequently constructed by the Lessee, the Lessee shall have the obligation to reconstruct such facilities to their original condition within six (6) months after their destruction.~~

11. LIABILITY INSURANCE. (See Paragraph #9 under Special Terms and Conditions)

~~Tenant shall procure and maintain for the duration of this agreement, insurance against claims for injuries to persons or damages to property which may arise from, or in connection with the tenant's operation and use of the rental premises.~~

A. Minimum Scope of Insurance

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Coverage shall be at least as broad as:

1. Insurance Services Office form number GL0002 (ED. 1/73) covering Comprehensive General Liability and Insurance Services Office form Number GL0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage ("occurrence" form CG 0001).

B. Minimum Limits of Insurance

Lessee shall maintain limits no less than:

1. Comprehensive General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage.

C. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by King County. At the option of King County, the insurer shall reduce or eliminate such deductibles or self-insured retentions. In no event shall the deductible or self-insured retention exceed \$5,000.

D. Other Insurance Provisions

The policy is to contain, or be endorsed to contain, the following provisions:

1. King County, its officers, officials, employees, and volunteers are to be covered as insureds as respects: liability arising out of premises rented or used by the tenant.

~~2. The tenant's insurance coverage shall be primary insurance as respects King County, its officers, employees, and volunteers. Any insurance or self-insurance maintained by King County, its officers, officials, employees, or volunteers shall be excess of the tenant's insurance and shall not contribute with it.~~

3. Any failure to comply with reporting provisions of the policy shall not affect coverage provided to King County, its officers, officials, employees, or volunteers.

4. Coverage shall state that the tenant's insurance shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the insurer's liability.

~~5. Insurance policy shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to King County.~~

E. Acceptability of Insurers

Insurance is to be placed with insurers with a Bests' rating of no less than A:XI.

F. Verification of Coverage

Tenant shall furnish King County with certificate(s) of insurance and with original endorsement(s) effecting coverage required by this contract. The certificate and endorsement for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements for each insurance policy are to be provided by King County and are to be received and approved by King County before occupancy commences. King County reserves the right to require complete, certified copies of all required insurance policies at any time.

12. MUTUAL RELEASE AND WAIVER.

To the extent a loss is covered by insurance in force, King County and Lessee hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under their respective fire insurance policies, including any extended coverage endorsements hereto; provided, that this agreement shall be inapplicable if it would have the effect of invalidating any insurance coverage of King County or the Lessee.

13. SURRENDER OF PREMISES.

At the expiration or earlier termination of this lease, Lessee shall promptly surrender possession of the premises to King County, and shall deliver to King County all keys that it may have to any and all parts of the premises.

14. DEFAULT AND RE-ENTRY.

If any rents above reserved, or other obligations provided herein, or any part thereof, shall be and remain unpaid when the same shall become due, or if Lessee shall violate or default on any of the covenants and agreements herein contained, then King County may cancel this lease upon giving the notice required by law, and re-enter said premises, using such force as may be required. Notwithstanding such re-entry by King County, the liability of the Lessee for the rent provided for herein shall not be extinguished for the balance of the term of this lease, and Lessee covenants and agrees to make good to King County any deficiency arising from a re-entry and reletting of the premises at a lesser rental than agreed to herein. The Lessee shall pay such deficiency each month as the amount thereof is ascertained by King County. In the event it becomes reasonably necessary to make any changes, alterations or additions to the premises or any part thereof for the purpose of reletting said premises or any part thereof, Lessee shall also be responsible for such cost.



21. ASSIGNMENT OR SUBLEASE.

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- A. Lessee shall not assign or transfer this lease or any interest therein nor sublet the whole or any part of the premises, nor shall this lease or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the written consent of King County first had and obtained, which consent shall not be unreasonably withheld. If Lessee is a corporation, Lessee further agrees that if at any time during the term of this lease one-half (1/2) or more of the outstanding shares of any class of stock of Lessee's corporation shall belong to any stockholders other than those who own one-half or more of the outstanding shares of that class of stock at the time of the execution of this lease or to members of their immediate families, such change in the ownership of the stock of the Lessee shall be deemed an assignment of this lease within the meaning of this paragraph. If King County shall give its consent to any assignment or sublease, this paragraph shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without the County's consent.
- B. If Lessee desires to assign, transfer, or sublease any portion of this lease or any interest therein, it shall notify King County in writing of said desire to assign or transfer and the details of the proposed agreement, at least thirty (30) days prior to the proposed date of assignment, transfer, or sublease to a third party. The notification shall include, but not be limited to a financial statement of the proposed assignee, including but not limited to a full disclosure of the monetary payment or any other considerations involved, and an affidavit from the proposed assignee stating he has examined this lease, understands this lease, agrees to assume and be bound by all of the Lessee's obligations and covenants under this lease, the same as if it were the original Lessee hereunder, and the proposed date of assignment, transfer or sub-lease.
- C. King County will review the request and respond with either an approval or disapproval of the request not later than ten (10) days prior to the proposed date. Disapproval of any such request shall be final and binding on the Lessee and not subject to any arbitration, provided that any approval will not be unreasonably withheld. King County shall charge to the Lessee a reasonable fee for administrative costs in reviewing and processing any assignment or sublease. Lessee may assign this lease to any wholly owned subsidiary without obtaining King County's consent or payment of fees.

22. CONDEMNATION.

- A. King County and Lessee will give to the other immediate written notice of the receipt of notice of any proceedings with respect to a condemnation and of any intention of any authority to exercise the power of eminent domain.
- B. If all of the premises are taken by any lawful authority under the power of eminent domain for a period which will end on or extend beyond the expiration of the term of this lease, this lease terminates as of the date condemnor takes possession, and Lessee will have no claim or interest in or to any award of just compensation except that the Lessee will be entitled to an amount equal to the fair market value of the Lessee's leasehold interest in any improvement taken by the condemnor made to the premises by the Lessee, but not to exceed the amount of that part, if any, of the award attributable to the value of the improvements.
- C. If part of the premises is taken by any lawful authority under the power of eminent domain for a period which will end on or extend beyond the expiration of the term of this lease, King County or Lessee may choose to terminate this lease as of the date the condemnor takes possession. If neither King County nor Lessee elects to terminate this lease, the rent will be reduced in the same



CONDEMNATION (continued)

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proportion that the value of the portion of the premises to be taken bears to the value of the entire premises as of the date condemnor takes possession. Lessee will have no claim or interest in or to any award of just compensation or damages except that the Lessee will be entitled to an amount equal to the fair market value of the Lessee's leasehold interest in the part taken by the condemnor of any improvements made to the premises by the Lessee, but not to exceed the amount of that part, if any, of the award attributable to the value of the improvements.

- D. If temporary use of all or a portion of the premises is taken by any lawful authority for a period, which would reduce the leasehold and consequently, would cause the premises to be untenable for the use by Lessee for the purposes set forth in the section of this lease titled "Use," at Lessee's determination, then King County or Lessee may choose to terminate this lease. If King County or Lessee elect to terminate the lease, the lease will terminate the date the condemnor takes possession and Lessee will have no claim or interest in or to any award of just compensation except that the Lessee will be entitled to an amount equal to the fair market value of the Lessee's leasehold interest in any improvements made to the premises by the Lessee. If neither King County or Lessee elects to terminate this lease, the lease will continue in full force and Lessee will be entitled to receive any award from the condemnor for the use of all or part of the premises, EXCEPT that Lessee may elect to have the rents reduced by the amount proportionally attributable to any partial temporary taking, in which event the Lessee shall not be entitled to any portion of the award attributable to said use.
- E. It is understood and agreed that Lessee shall not be party to any negotiation or proceedings at law wherein King County claims compensation other than that which is defined statutorily as constituting "just compensation."

23. ANTI-DISCRIMINATION.

In all services or activities, and all hiring or employment made possible by or resulting from this lease there shall be no discrimination against any employee or applicant for employment because of sex, age (except minimum age and retirement provisions), race, color, creed, national origin, marital status or the presence of any sensory, mental, or physical handicap, unless based upon a bona fide occupational qualification. This requirement shall apply to but not be limited to the following: employment, advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Lessee shall not violate any of the terms of R.C.W. 49.60, Title VII of the Civil Rights Act of 1964, or any other applicable federal, state, or local law or regulations regarding non-discrimination. Any violation of this provision shall be considered a violation of a material provision of this lease and shall be grounds for cancellation, termination, or suspension, in whole or in part, of the lease by the County and may result in ineligibility for further County agreements. The Lessee will also comply with other anti-discrimination laws or requirements of any and all jurisdictions having authority.

24. HEIRS, AGENTS AND ASSIGNS.

Without limiting any provisions of this lease pertaining to assignment and subletting, the provisions of this lease bind the heirs, legal representatives, successors, agents and assigns of any of the parties to this lease.

25. CAPTIONS.

The captions in this lease are for convenience only and do not in any way limit or amplify the provisions of this lease.

26. TIME IS OF THE ESSENCE.

Time is of the essence of this lease, and in the event of the failure of Lessee to pay any charges at the time in the manner herein specified, or to keep any of the covenants or agreements herein set forth, the Lessee shall be in default.

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27. CUMULATIVE REMEDIES.

No provision of this lease precludes King County from pursuing any other remedies for Lessee's failure to perform his obligations.

28. ATTORNEY'S FEES/COLLECTION CHARGES.

In the event legal action is brought by either party to enforce any of the terms, conditions or provisions of this lease, the prevailing party shall recover against the other party, in addition to the costs allowed by law, such sum as the court may adjudge to be a reasonable attorney's fee. In addition to all other charges, Lessee shall pay a charge of \$150.00 to King County for preparation of a demand for delinquent rent or a notice of default.

29. SEVERABILITY.

If any term or provision of this lease or the application of any term or provision to any person or circumstance is invalid or unenforceable, the remainder of this lease, or the application of the term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected and will continue in full force.

END OF GENERAL TERMS AND CONDITIONS