



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

June 21, 2016

Ordinance 18303

Proposed No. 2016-0245.1

Sponsors Upthegrove

1 AN ORDINANCE relating to the authorization of a new
2 lease at 12629 Renton Avenue South, Suite A, Seattle,
3 Washington, to support the operations of the sheriff's
4 office.

5 STATEMENT OF FACTS:

6 1. The facilities management division received a request in November
7 2013 from the sheriff's office for a new lease for space in 12629 Renton
8 Avenue South, Suite A, Seattle, Washington.

9 2. The sheriff's office needed space to support operations in the
10 unincorporated King County areas near Skyway.

11 3. The facilities management division determined in November 2013 that
12 there was not an appropriate county-owned option.

13 4. The facilities management division determined, through consultation
14 with the sheriff's office, that leasing was the most cost-effective option for
15 the county.

16 5. The facilities management division successfully negotiated to lease
17 space from Penn Center Skyway, LLC, located at 12629 Renton Avenue
18 South, Suite A, within council district two.

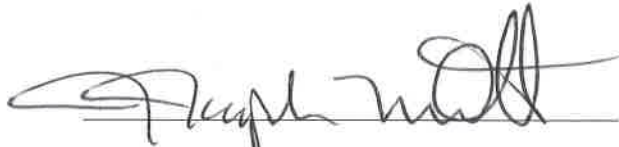
19 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

20 SECTION 1. The executive is authorized to execute a lease for the 12629 Renton
21 Avenue South, Suite A, with Penn Center Skyway, LLC, substantially in the form of
22 Attachment A to this ordinance and to take all actions necessary to implement the terms
23 of the lease.
24

Ordinance 18303 was introduced on 5/31/2016 and passed by the Metropolitan King
County Council on 6/20/2016, by the following vote:

Yes: 9 - Mr. von Reichbauer, Mr. Gossett, Ms. Lambert, Mr. Dunn,
Mr. McDermott, Mr. Dembowski, Mr. Upthegrove, Ms. Kohl-Welles
and Ms. Balducci
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



J. Joseph McDermott, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 28 day of JUNE, 2016.



Dow Constantine, County Executive

Attachments: A. Lease Agreement

RECEIVED
2016 JUN 29 PM 3:51
KING COUNTY COUNCIL CLERK

ATTACHMENT A:

LEASE AGREEMENT

LEASE

THIS LEASE AGREEMENT ("Lease"), is made and entered into between Penn Center Skyway, a Limited Liability Company ("Landlord"), and KING COUNTY, a political subdivision of the State of Washington ("Tenant").

1. Basic Lease Information

- 1.1 Lease Date: January 1, 2016 (for reference purposes only)
- 1.2 Landlord: Penn Center Skyway, a Limited Liability Company
- 1.3 Tenant: King County, a political subdivision of the State of Washington
- 1.4 Building: Located at:
Penn Center:
12629 Renton Ave South, Suite, Seattle, WA 98178,
on that certain real property that is legally described on the attached Exhibit A.
- 1.5 Premises: The area depicted on the attached Exhibit B, containing approximately 1,216 rentable square feet ("RSF")
- 1.6 Permitted Use: Police precinct and/or any other legally permissible use
- 1.7 Initial Term: 60 months
- 1.8 Extended Term(s): Two (2) options to extend of sixty (60) months per option term.
- 1.9 Lease Commencement Date (also referred to as "LCD"): See Section 3.1.
- 1.10 Rent Commencement Date: January 1, 2016 as provided in Section 3.1.
- 1.11 Expiration Date: The Lease shall expire on the last day of the month that is sixty (60) months following the LCD. Landlord and Tenant shall confirm the LCD in writing after execution of this Lease.

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1.12 Base Rent:

Months	Base Rent per rentable square foot per annum	Base Rent per month
1-12	\$17.29	\$1,751.71
13-24	\$17.78	\$1,801.71
25-36	\$18.27	\$1,851.71
37-48	\$18.77	\$1,901.71
49-60	\$19.26	\$1,951.71

1.13 Security Deposit: [None]

1.14 Landlord's Address for Notices:

Penn Center Skyway LLC
1616 S 257th Street
Des Moines, WA 98198

1.15 Tenant's Address for Notices:

King County Real Estate Services
Attn: Lease Administration
500 Fourth Avenue, Suite 830
Seattle, WA 98104

2. Premises; Tenant Improvements.

2.1 Premises. Landlord hereby leases the Premises to Tenant for the Term set forth above. Tenant, at its sole option, may elect to remeasure the Premises pursuant to the most recent, applicable measurement methodology published by the Building Owners and Managers Association (BOMA), and if the rentable square footage of the Premises varies from that set forth in Section 1.5 above, the parties hereto shall promptly amend this Lease to modify any variables that are dependent upon the same.

Landlord warrants that the Premises shall be delivered (i) in good operating condition, including but not limited to all mechanical, electrical, plumbing, and other systems serving the Premises; (ii) in compliance with all applicable laws, codes, ordinances and regulations; and (iii) free of any Hazardous Materials. To the extent that the Premises fails to comply with the prior sentence as of the Lease Commencement Date (without limiting any other rights or remedies that Tenant may have under this Lease and/or at law), Landlord shall promptly correct the same at its sole cost and expense.

Landlord also grants Tenant a nonexclusive license to use those portions of the Building or real property upon which the Building is situated made available from time to time by Landlord for the common use and enjoyment of Tenant, Landlord, and other tenants of the Building and their guests and invitees (the "Common Areas"). Landlord shall have the right to do and perform all such acts in and to the Common Areas as Landlord shall

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determine in its reasonable discretion, including without limitation reconfiguring and temporarily closing the same from time to time, so long as Landlord does not adversely affect Tenant's use and enjoyment of the Premises.

2.2 Tenant Improvements. None.

2.3 Expansion Options. None.

3. Term.

3.1 Lease Commencement Date. The LCD shall be the date upon which the last of the following two conditions have occurred: (a) approval by ordinance of the King County Council and (b) mutual execution of this Lease Agreement. The Base Rent schedule in Section 1.12 will start as of the LCD. The Rent Commencement Date shall be retroactive to January 1, 2016 with retroactive rent due for the period prior to the LCD in the amount of \$1,751.71 per month. Tenant's obligation to pay this retroactive rent shall be contingent upon approval of this Lease by ordinance of the King County Council.

3.2 Expiration Date. This Lease shall expire on the date set forth in Section 1.11 above ("Expiration Date").

3.3 Extension Option. Tenant is hereby granted the option to extend the initial Term for two (2) successive periods of sixty (60) months each ("Extended Term"). This option to extend may be exercised by Tenant only by giving Landlord written notice no more than six (6) months and no less than three (3) months prior to the last day of the initial Term. Tenant's extension option shall apply to all of the Premises then leased by Tenant under this Lease. From and after the commencement of the Extended Term, all of the terms, covenants, and conditions of this Lease shall continue in full force and effect as written, except that Base Rent for the Extended Term shall be the then-prevailing Fair Market Rent (defined below). The term "Fair Market Rent" for the purposes of this Lease shall mean the annual amount per rentable square foot that a willing, comparable, new, non-expansion, non-renewal, non-equity tenant would pay, and a willing, comparable landlord of a comparable building in the surrounding local market would accept under the transaction as further defined above, for new leases of similar space in the same geographic area as the Premises, considering, size, use type, and creditworthiness of tenant on or about the date on which the Fair Market Rent is being determined hereunder.

Within thirty (30) days of Tenant notifying Landlord that it intends to exercise an extension option under this Section 3.3, Landlord will advise Tenant in writing of its proposed Fair Market Rent. If Landlord and Tenant are unable to agree on a mutually acceptable Fair Market Rent not later than ninety (90) days prior to the expiration of the Term, then Landlord and Tenant, within five (5) days after such date, shall each simultaneously submit to the other, in a sealed envelope, its good faith estimate of the Fair Market Rent for the Premises (collectively referred to as the "Estimates"). If the higher of such Estimates is not more than one hundred five percent (105%) of the lower of such Estimates, then the Fair Market Rent shall be the average of the two Estimates. If the Prevailing Market Rent

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is not established by the exchange of Estimates, then, within ten (10) days after the exchange of Estimates, Landlord and Tenant shall each select a licensed commercial real estate appraiser to determine which of the two Estimates most closely reflects the Fair Market Rent for the Premises. Each appraiser shall have had at least seven (7) years' experience within the previous ten (10) years of his/her work experience as a commercial real estate appraiser working in Seattle, Washington with working knowledge of current rental rates and practices. Landlord's and Tenant's appraisers shall work together in good faith to agree upon which of the two Estimates most closely reflects the Fair Market Rent for the Premises. The Estimates chosen by such appraisers shall be binding on both Landlord and Tenant. If the two appraisers cannot agree upon which of the two Estimates most closely reflects the Fair Market Rent within twenty (20) days after their appointment, then, within ten (10) days after the expiration of such twenty (20) day period, the appraisers shall select a third appraiser meeting the aforementioned criteria. Once the third appraiser (the "Arbitrator") has been selected as provided for above, then, as soon thereafter as practicable but in any case within fourteen (14) days, the Arbitrator shall make his or her determination of which of the two Estimates most closely reflects the Fair Market Rent and such Estimate shall be binding on both Landlord and Tenant as the Fair Market Rent. If the Arbitrator believes that expert advice would materially assist him or her, he or she may retain one or more qualified persons to provide such expert advice. Landlord and Tenant shall share equally in the costs of the Arbitrator and of any experts retained by the Arbitrator. Any fees of any appraiser, counsel or experts engaged directly by Landlord or Tenant, however, shall be borne by the party retaining such appraiser, counsel or expert.

If the Fair Market Rent has not been determined by the commencement date of the Extended Term, Tenant shall pay Rent upon the terms and conditions in effect during the last month of the initial Term (or preceding Extended Term, as applicable) until such time as the Fair Market Rent has been determined. Upon such determination, the Rent shall be retroactively adjusted to the commencement of the Extended Term.

4. Permitted Use. The Premises may be used by Tenant for the uses set forth in Section 1.6 above. Landlord represents and warrants to Tenant that the Premises may lawfully be used for the uses set forth in Section 1.6 above.

5. Rent. Tenant covenants and agrees to pay Landlord, at Landlord's Notice Address set forth in Section 1.14 above, without deduction or offset except as otherwise set forth in this Lease, monthly rent in the amounts set forth in Section 1.12, payable in advance, without prior notice or demand, on or before the first day of each month of the Term (the "Base Rent"). Base Rent for any fractional calendar month at the beginning or end of the Term shall be prorated. All retroactive rent under Section 3.1 shall be due and payable in full on the LCD, and retroactive rent for any fractional calendar month as of the LCD shall be prorated.

6. Security Deposit. None.

7. Utilities and Services. Landlord shall at all times furnish the Premises with:
(i) water at those points of supply provided for general use of tenants of the Building;

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(ii) heated and refrigerated air conditioning; and (iii) electrical current reasonably sufficient for Tenant's use (which electrical service shall be separately metered); Tenant shall furnish its own electricity meter, telephone, internet, and cable service to the Premises. No interruption or failure of any utilities or services from any cause whatsoever shall be deemed an eviction of Tenant, provided that Landlord shall use commercially reasonable efforts to repair, replace or restore the same as quickly as possible. To the extent any interruption of services occurs due to Landlord's negligence, intentional misconduct or breach of Lease, then Rent shall be abated for the period of interruption in the proportion of the square footage rendered unusable in addition to, and without limiting, Tenant's other rights and remedies available at law and/or under this Lease.

8. Operating Costs. Landlord, at Landlord's sole cost & expense is responsible for real estate property taxes, building insurance and all common area maintenance which shall not be subject to pass-through, recapture or additional rent except as provided in Section 9 Maintenance and Repairs.

9. Maintenance and Repairs. Subject to Landlord's obligations under this Lease, Tenant shall be responsible for the maintenance and non-structural repairs to the interior of the Premises, which shall be maintained and repaired in a commercially reasonable manner. Landlord shall maintain, repair and replace, if necessary, at Landlord's sole cost and expense which shall not be subject to annual pass-through, recapture or additional rent, the Building; all Building systems, including but not limited to interior lighting (including replacement of ballasts and starters as required with the exception of light bulb replacement which shall be the responsibility of the Tenant); plumbing, heating, ventilating and air-conditioning systems (including replacement of filters as recommended in equipment service manual); floor coverings; window coverings; inside and outside walls (including windows and entrance and exit doors); all structural portions of the Building (including the roof and the watertight integrity of same); porches, stairways; sidewalks; exterior lighting; parking lot (including snow removal, cleaning and restriping as required); wheel bumpers; drainage; landscaping and continuous satisfaction of all governmental requirements (example: fire, building energy codes, indoor air quality and requirements to provide architecturally barrier-free premises for persons with disabilities, etc.). In the event of a necessary door or window replacement, Landlord shall be responsible for facilitating and managing the replacement in a commercially reasonable manner and time. Upon completion of work, Landlord shall bill Tenant for the cost of the material and installation which shall be due within 30 days of receipt of bill. Landlord shall be responsible for facilitating and managing the quarterly maintenance of the HVAC units related to service of the Premises which costs shall be billed to Tenant quarterly upon completion of maintenance and paid within 30 days of receipt of bill.

10. Sublease and Assignment. Tenant may assign this Lease in whole or in part, or sublet all or any portion of the Premises, with the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed.

11. Alterations and Improvements. Tenant shall be entitled to perform alterations and/or improvements to the Premises (including, without limitation, the installation of

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fixtures and signs) subject to Landlord's consent, which shall not be unreasonably withheld, conditioned or delayed. Upon Tenant's request, Landlord agrees to perform such alterations or improvements on Tenant's behalf, subject to reimbursement from Tenant for Landlord's actual and reasonable costs. Tenant may from time to time remove any fixtures, alterations or improvements installed by Tenant in or to the Premises; provided that Tenant agrees to repair any damage caused by such removal.

Notwithstanding the foregoing, Tenant may perform alterations and/or improvements to the Premises without obtaining Landlord's prior consent so long as such alterations and/or improvements: (i) do not exceed \$25,000 per project, (ii) are not visible from the exterior of the Premises, (iii) do not adversely affect any Building system or the structural strength of the Building, and (iv) do not require penetrations into the roof of the Building.

Tenant shall not be responsible for removing any alterations or improvements upon the termination of the Lease Agreement.

12. Damage and Destruction. In the event the Premises, Building or real property upon which the same are situated are destroyed or damaged by fire, earthquake or other casualty so as to render the Premises, Building or underlying real property, in Tenant's sole judgment, unfit for occupancy or Tenant's intended purpose, and the Landlord neglects or refuses to restore the Premises to its former condition within ninety (90) days of such damage or destruction, Tenant may terminate this Lease upon thirty (30) days written notice to Landlord. In the event of such termination, Landlord and Tenant shall have no further obligations hereunder, except those obligations that expressly survive the expiration or earlier termination of the Lease. In the event the Premises are damaged by any of the aforesaid events, the Rent shall be abated in proportion to the percentage of untenable space in the Premises as relates to the total square footage of the Premises until such time that Landlord restores the Premises to its pre-casualty condition. If, in the sole discretion of Tenant, the untenable portion of the Premises or the Building renders the Premises unusable for the Permitted Use, Tenant may unilaterally terminate this Lease upon thirty (30) days written notice to Landlord.

13. Condemnation. If any portion of the Premises, Building or real property upon which the same are situated (including, without limitation, any parking areas associated with the Premises and/or Building) which is necessary, in Tenant's sole judgment, for Tenant's occupancy or intended use of the Premises, or fifty percent (50%) or more of the rentable area of the Building, is made untenable by eminent domain or conveyed under a threat of condemnation, this Lease shall terminate at the option of either Landlord or Tenant as of the earlier of the date title vests in the condemning authority or the condemning authority first has possession of the Premises or the portion of the underlying real property taken by the condemning authority. All Rents and other payments shall be paid to that date. If the condemning authority takes a portion of the Premises or of the Building or the underlying real property necessary for Tenant's occupancy or intended use that does not render them, in Tenant's sole judgment, untenable, then this Lease shall continue in full force and effect and the Rent shall be proportionately reduced based on the percentage by which the floor area of the Premises is reduced. The reduction in Rent shall

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be effective on the earlier of the date the condemning authority first has possession of such portion or title vests in the condemning authority. If the Tenant, in its sole judgment, determines that the condemnation has rendered the Premises unsuitable for the Permitted Use, Tenant shall be entitled to terminate this Lease upon thirty (30) days advance written notice to Landlord. Landlord shall be entitled to the entire award from the condemning authority attributable to the value of the Premises or the Building and Tenant shall make no claim for the value of its leasehold. Tenant shall be permitted to make a separate claim against the condemning authority for moving expenses if Tenant terminates the Lease under this section, provided that in no event shall Tenant's claim reduce Landlord's reward.

14. Indemnity and Hold Harmless. Each party shall defend, indemnify and hold the other harmless from and against any claims, suits, causes of action, judgments, damage, loss or liability for injuries to persons or property (excluding consequential damages such as lost profits) (collectively, "Claims") to the extent caused by the negligent acts or omissions of their respective agents, officers and employees acting in the scope of their employment. Where such Claims result from the concurrent negligence of the parties, the indemnity provisions provided herein shall be valid and enforceable only to the extent of each party's negligence. Each of the parties agrees that its obligations under this Section 14 extend to any claim, demand, cause of action and judgment brought by, or on behalf of, any of its employees or agents. For this purpose, each of the parties, by mutual negotiation, hereby waives, with respect to each of the other party's only, any immunity that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW. In the event that any of the parties incurs any judgment, award, and/or cost arising therefrom, including attorney fees, expenses, and costs shall be recoverable from the responsible party to the extent of that party's negligence.

15. Insurance.

15.1 Landlord acknowledges that Tenant, a Charter County Government under the Constitution of the State of Washington, maintains a fully funded self-insurance program as defined in King County Code 2.21 for the protection and handling of the Tenant's liabilities, including injuries to persons and damage to property. Tenant shall, at its own expense, maintain, through its self-funded program, coverage sufficient for all of its liability exposures for this Lease. Tenant shall provide Landlord with at least thirty (30) days prior written notice of any material change in Tenant's self-funded program and shall provide Landlord with a certificate of self-insurance as proof of coverage. Landlord further acknowledges that Tenant does not maintain a commercial General Liability Insurance policy and is a self-insured government entity; therefore, Tenant does not have the ability to add Landlord as an additional insured to such policy. Should Tenant cease self-insuring its liability exposure and purchase a Commercial General Liability Insurance Policy, Tenant shall add Landlord as an additional insured to such policy. Tenant shall at all times maintain its self-funded program or a Commercial General Liability Insurance Policy, each in an amount sufficient to cover its liability exposure under this Lease.

15.2 Landlord shall maintain throughout the Term commercially reasonable policies of property insurance covering loss of or damage to the Building and real property

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upon which the Building is situated (including tenant improvements and subsequent alterations) in the full amount of its replacement cost with endorsement to cover code changes. Landlord hereby waives and releases any right of recovery (including by way of subrogation) against Tenant, its officers, employees and agents, for any loss or damage sustained by Landlord with respect to the Premises, Building, real property upon which the same are situated, or any portion thereof or the contents of the same or any operation therein, to the extent such loss or damage is actually insured against or is required hereunder to be insured against.

16. Mediation. Landlord and Tenant agree that should any dispute arise concerning this Lease both parties may jointly elect to submit the dispute to mediation. Notwithstanding the foregoing, nothing herein shall be construed as a condition precedent for either party to seek legal or equitable relief by initiating a legal action. Landlord and Tenant shall each bear their respective costs of mediation.

17. Liens. Landlord and Tenant shall keep the Premises and the Building free from any liens arising out of any work performed, materials furnished, or obligations incurred by Tenant or Landlord and each shall indemnify and hold harmless the other from and against all liabilities, losses, damages and costs (including reasonable attorney fees and costs) incurred in connection with any such lien.

18. Quiet Possession. Landlord covenants that as of the Commencement Date, Landlord will have good right to lease the Premises for the purpose and uses stated herein and Tenant shall have and quietly enjoy the Premises for the Lease Term.

19. Holding Over. If Tenant remains in possession of the Premises after the expiration or termination of this Lease, Tenant's continued possession shall be on the basis of a tenancy at the sufferance of Landlord. In such event, Tenant shall continue to comply with or perform all the terms and obligations of Tenant under this Lease, except that the monthly Rent during Tenant's holding over shall be one hundred twenty-five percent (125%) of the Base Rent payable in the last full month prior to the termination hereof. Acceptance by Landlord of rent after such termination shall not constitute a renewal or extension of this Lease; and nothing contained in this provision shall be deemed to waive Landlord's right of re-entry or any other right hereunder or at law.

20. Non-Discrimination. Landlord shall not discriminate on the basis of race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification, in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Ch. 12.16.125. Landlord shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations that prohibit such discrimination. These laws include, but are not limited to, chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of 1964. Any violation of this provision shall be considered a default of this Lease and shall be grounds for cancellation, termination, or suspension, in whole or in part, of the Lease and may result in ineligibility for further

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agreements with King County. Notwithstanding anything to the contrary, Tenant shall be entitled to terminate this Lease effective upon written notice to Landlord in the event that Landlord violates the requirements of this Section 20.

21. Default.

21.1 The following occurrences shall each constitute a default by Tenant (an "Event of Default" or "Default"):

A. Failure To Pay. Failure by Tenant to pay any sum, including Rent, due under this Lease following ten (10) business days' notice from Landlord of the failure to pay.

B. Other Non-Monetary Defaults. The breach by Tenant of any agreement, term or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease, which breach continues for a period of thirty (30) days after notice by Landlord to Tenant of the breach (provided, if the nature of Tenant's failure is such that more time is reasonably required in order to cure, Tenant shall not be in Default if Tenant commences to cure promptly and thereafter diligently prosecutes such cure to completion).

21.2 Landlord Default; Remedies. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after notice by Tenant to Landlord. If Landlord fails to cure any such default within the allotted time, Tenant may, at in its sole discretion and without limiting Tenant's other rights or remedies under this Lease and/or at law, terminate this Lease upon thirty (30) days advance written notice to Landlord. Tenant shall have all remedies available at law or in equity. Nothing herein contained shall relieve Landlord from its duty to perform of any of its obligations to the standard prescribed in this Lease.

22. **Remedies.** Landlord shall have the following remedies upon an Event of Default. Landlord's rights and remedies under this Lease shall be cumulative, and none shall exclude any other right or remedy allowed by law.

22.1 Termination of Lease. Landlord may terminate Tenant's interest under the Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Tenant will remain liable to Landlord for damages in an amount equal to the Rent and other sums that would have been owing by Tenant under this Lease for the balance of the Lease term, less (i) the net proceeds, if any, of any reletting of the Premises by Landlord subsequent to the termination, after deducting all of Landlord's reasonable, actual reletting expenses or (ii) such amounts as Tenant proves may reasonably be avoided.

22.2 Re-Entry and Reletting. Landlord may continue this Lease in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Tenant from the Premises and anyone claiming through or under the

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Tenant, and remove the personal property of either. Landlord may relet the Premises, or any part of them, in Landlord's or Tenant's name for the account of Tenant, for such period of time and at such other terms and conditions as Landlord, in its discretion, may determine. Landlord may collect and receive the rents for the Premises. To the fullest extent permitted by law, the proceeds of any reletting shall be applied: first, to pay Landlord its reasonable, actual reletting expenses; second, to pay any indebtedness of Tenant to Landlord other than Rent; third, to the Rent due and unpaid hereunder; and fourth, the residue, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant shall not be entitled to receive any portion of such revenue. Re-entry or taking possession of the Premises by Landlord under this Section shall not be construed as an election on Landlord's part to terminate this Lease, unless a notice of termination is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease. Tenant will pay Landlord the Rent and other sums which would be payable under this Lease if repossession had not occurred, less the net proceeds, if any, after reletting the Premises, including without limitation, all repossession costs, brokerage commissions and costs for securing new tenants, attorneys' fees, remodeling and repair costs, costs for removing persons or property, costs for storing Tenant's property and equipment, and costs of tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.

23. Costs and Attorney's Fees. If Tenant or Landlord engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Rent or other payments, or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such action, whether in mediation or arbitration, at trial, on appeal, or in any bankruptcy proceeding.

24. Hazardous Materials.

24.1 As used herein, the term "Hazardous Material" means any hazardous, dangerous, toxic or harmful substance, material or waste including biomedical waste which is or becomes regulated by any local governmental authority, the State of Washington or the United States Government, due to its potential harm to the health, safety or welfare of humans or the environment. Landlord represents and warrants to Tenant that, to Landlord's knowledge without duty of investigation, there is no Hazardous Material on, in, or under the Premises as of the Commencement Date except as may otherwise have been disclosed to Tenant in writing before the execution of this Lease. If there is any Hazardous Material on, in, or under the Premises as of the Commencement Date which has been or thereafter becomes unlawfully released through no fault of Tenant, then Landlord (i) shall be solely responsible, at its sole cost, for promptly remediating the same and (ii) shall indemnify, defend and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred or suffered by Tenant either during or after the Lease term as the result of such contamination.

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24.2 Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except in strict compliance with all applicable federal, state and local laws, regulations, codes and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses directly related to the same. Tenant shall promptly notify Landlord of any inquiry, investigation or notice that Tenant may receive from any third party regarding the actual or suspected presence of Hazardous Material on the Premises.

24.3 Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any unlawful release of any Hazardous Materials on the Premises or the Property, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Premises or the Property to the condition existing prior to the release of any such Hazardous Material; provided that Landlord's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld, conditioned or delayed. The provisions of this Article 24 shall survive expiration or earlier termination of this Lease.

25. General.

25.1 Heirs and Assigns. This Lease shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.

25.2 Brokers' Fees. Tenant represents and warrants to Landlord that it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Landlord against any loss, cost, liability or expense incurred by Landlord as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant. Landlord represents and warrants to Tenant that it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Tenant against any loss, cost, liability or expense incurred by Tenant as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Landlord.

25.3 Entire Agreement. This Lease contains all of the covenants and agreements between Landlord and Tenant relating to the Premises. No prior or contemporaneous agreements or understandings pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or amended except in writing, signed by Landlord and Tenant.

Landlord Initial BBP Tenant Initial _____

25.4 Severability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Lease.

25.6 Force Majeure. Time periods for either party's performance under any provisions of this Lease (excluding payment of Rent) shall be extended for periods of time during which the party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war or other strife.

25.7 Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of Washington.

25.8 Addenda/Exhibits. The following exhibits are made a part of this Lease. The terms of any Addendum to Lease and the Exhibits shall control over any inconsistent provision in the sections of this Lease:

Exhibit A: Legal Description

Exhibit B: Diagram of the Premises

25.9 Counterparts. This Lease may be executed in counterparts, each of which shall constitute an original and all of which constitute but one original.

26. Signage. Tenant shall obtain Landlord's written consent, which shall not be unreasonably withheld, conditioned, or delayed, as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Premises. Tenant shall install any approved signage at Tenant's sole cost and expense and in compliance with all applicable laws.

27. Self Help. Notwithstanding anything to the contrary, if Landlord fails to make and complete any maintenance or repair obligation of Landlord within twenty-four (24) hours of notice from Tenant with respect to any item of maintenance or repair that is deemed necessary by Tenant for its use of the Premises, or within thirty (30) days of notice from Tenant with respect to any other Landlord maintenance or repair obligation, then Tenant shall be entitled to take such actions and make such repairs to the Premises, Building or property associated with the same, as Tenant may deem necessary to correct such interruption, and Landlord shall reimburse Tenant for the cost of the same within thirty (30) days of invoice.

28. Subordination, Nondisturbance and Attornment. This Lease shall be subordinate to all existing and future mortgages and/or deeds of trust on the Premises, the Building or the real property upon which the same are situated, and Tenant agrees to subordinate this Lease to any future mortgage or deed of trust and to attorn to Landlord's successor following any foreclosure, sale or transfer in lieu thereof, provided that the mortgagee, transferee, purchaser, lessor or beneficiary ("Landlord's Successor") agrees in a written instrument in form and substance satisfactory to Tenant that Tenant's use or possession of the Premises shall not be disturbed, nor shall its obligations be enlarged or

Landlord Initial ZEP Tenant Initial _____

its rights be abridged hereunder by reason of any such transaction. Notwithstanding any foreclosure or sale under any mortgage or deed of trust (or transfer by deed in lieu thereof), this Lease shall remain in full force and effect.

(The remainder of this page is left intentionally blank)

Landlord Initial JEP Tenant Initial _____

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date and year set forth below.

LANDLORD:

Evelyn E. Pennini

By: PENN CENTER SKYWAY LLC

Name: EVELYN E. PENNINI

Title: OWNER

Date 3-17-2016

TENANT:

KING COUNTY, a political subdivision of the State of Washington

By: _____

Name: _____

Title: _____

Date _____

APPROVED AS TO FORM:

By: _____
Senior Deputy Prosecuting Attorney

**APPROVED BY CUSTODIAL
AGENCY:**

By: _____

Date: _____

Landlord Initial EEP Tenant Initial _____

STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

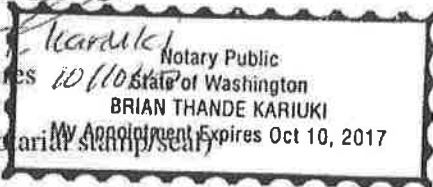
I certify that I know or have satisfactory evidence that Evelyn Pennini is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the owner of Penna. Center Skyway, a Washington LLC, its owner, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 17th day of March, 2016.

Notary Public

Print Name Brian Thande Kariuki

My commission expires 10/10/2017



(Use this space for notarial stamp/seal)

STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that _____ signed this instrument, on oath stated that _____ was authorized to execute the instrument and acknowledged it as the _____ of KING COUNTY, a political subdivision of the State of Washington, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this _____ day of _____, 2016

Notary Public

Print Name

My commission expires

(Use this space for notarial stamp/seal)

Landlord Initial EBL Tenant Initial _____

EXHIBIT A
Legal Description

ANGEL CITY DIV #2 LOT 4 LESS NELY 120 FT TGW LOT 5 LESS NWLY 10 FT OF
NELY 120 FT TGW LOTS 6 & 7
PLat Block: 2
Plat Lot: 4-5-6-7

Landlord Initial FEF Tenant Initial _____

EXHIBIT B
Diagram of Premises



Landlord Initial ELP Tenant Initial _____

EXHIBIT C
Tenant Improvement Addendum

NA

Landlord Initial JEP Tenant Initial _____