

**STATE OF WASHINGTON**

**AGENCY: South Puget Sound Community College**

**DELEGATED STATE RENTAL AGREEMENT**

1. This RENTAL AGREEMENT is made and entered into between City of Olympia, a Washington municipal corporation whose address is 601 4<sup>th</sup> Ave E for its heirs, executors, administrators, successors, and assigns, hereinafter called the Landlord, and the State of Washington, South Puget Sound Community College, hereinafter called the Tenant, acting under a delegation of authority from the Department of Enterprise Services or its successor Washington state government entity, in accordance with RCW 43.82.010.

**WHEREAS**, the Department of Enterprise Services is granted authority to lease property under RCW 43.82.010; and

**WHEREAS**, the Director of the Department of Enterprise Services is also granted authority to delegate the leasing function to agencies; and

**WHEREAS**, the Director has so delegated the authority for this Rental Agreement; and

**WHEREAS**, On December 17, 2018, Landlord acquired title to the real property at 112 4<sup>th</sup> Ave. W, Olympia, WA. Because of its location and zoning, the property is a suitable location for a workforce development and education program associated with culinary/catering and craft brewing and distilling, all of which are consistent with the needs and objectives in the City of Olympia's Downtown Strategy; and

**WHEREAS**, the objective of this rental agreement is, in part, to introduce SPSCC as a fixture to downtown Olympia. During the course of this rental agreement the parties will continue to collaborate on perspective future partnerships that will advance this objective. This is directly supported by the following City of Olympia Comprehensive Plan Goals:

PE6.7 - Collaborate with The Evergreen State College, St. Martin's University, and South Puget Sound Community College on their efforts to educate students in skills that will be needed in the future, to contribute to our community's cultural life, and attract new residents.

PE6.8 - Encourage The Evergreen State College, St. Martin's University, and South Puget Sound Community College to establish a physical presence in downtown; and

**WHEREAS**, the Landlord and Tenant deem it to be in the best public interest to enter into this Rental Agreement;

**WHEREAS**, Landlord and Tenant entered into a Rental Agreement, dated April 16, 2019, for the premises subject to this Rental Agreement. That April 16, 2019 Rental Agreement

was effective for one year, was not renewed by the parties, and so expired on April 16, 2020. Landlord and Tenant now wish to enter into a new Rental Agreement for the premises.

**NOW, THEREFORE**, in consideration of the terms, conditions, covenants, and performances contained herein, **IT IS MUTUALLY AGREED AS FOLLOWS:**

2. The Landlord hereby rents to the Tenant the following described premises (Leased Premises):

**Legal Description:** THE EASTERLY 37 FEET OF LOTS 5 AND 8 IN BLOCK 4 OF SYLVESTER'S PLAT OF OLYMPIA, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 14

**Common Street Address:** 112 4<sup>th</sup> Ave. W Olympia, WA

### **USE**

3. The Leased Premises shall be used by South Puget Sound Community College for the following purpose(s): to operate a workforce development and education program associated with culinary/catering and craft brewing and distilling, as well as a location to showcase the College's fine arts programs.

### **TERM**

4. This Rental Agreement shall be effective for a period of one year from the date of last signature below. This Rental Agreement may be extended for additional one-year terms upon mutual written agreement.

### **RENTAL RATE**

5. The Tenant shall pay rent to the Landlord for the Leased Premises at the following rate:

\$ 0.00 per month

In lieu of monetary rent, the Tenant shall operate a workforce development and education program ("program services") onsite associated with culinary/catering and craft brewing/distilling and Tenant shall provide a written annual report summarizing its provision of program services. This report will be submitted by June 15 of each following calendar year to Mike Reid, Economic Development Director, City of Olympia, P.O. Box 1967, Olympia, Washington 98507-1967.

### **EXPENSES**

6. During the term of this Rental Agreement, Landlord shall pay all real estate taxes, all property assessments, insurance, storm water, and maintenance and repair (except minor maintenance) as described below,

6.1. Tenant shall pay for only utilities (including water, sewer, gas, garbage, cable, internet and telephone service), janitorial expenses (including vacuuming, emptying of garbage, washing of windows, dusting, and general cleaning, maintenance of all landscaping upon the Leased Premises, replacement of light bulbs, interior repair, and toilet articles), and minor maintenance expenses.

## **MAINTENANCE AND REPAIR**

7. The Landlord shall maintain the Leased Premises in good repair and tenantable condition during the continuance of this Rental Agreement, except in case of damage arising from the negligence of the tenant's agents or employees. For the purposes of maintenance and repair, the Landlord reserves the right at reasonable times to enter and inspect the Leased Premises and to do any necessary maintenance and repairs to the building. Landlord's maintenance and repair obligations shall include, but not be limited to, the mechanical, electrical, interior lighting (including replacement of ballasts, starters as required, but not including replacement of light bulbs), 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 (except replacement of lightbulbs); wheel bumpers; drainage; and continuous satisfaction of all governmental requirements generally applicable to similar premises in the area (example: fire, building, energy codes, indoor air quality and requirements to provide an architecturally barrier-free premises for people with disabilities, etc.). If significant maintenance is required (such as a full electrical system failure or roof replacement) the Landlord may terminate this lease agreement as provided in paragraph 8, below.

Landlord is not responsible for financial or material loss of perishable food products as a result of mechanical or electrical failure or loss of any effects resulting from equipment failure.

Tenant agrees to keep the Leased Premises clean and in a sanitary condition, to repair and/or pay for the repair of any and all damage to the Leased Premises caused by Tenant, its agents, invitees, contractors, employees, or students, and upon surrendering possession, to leave the Leased Premises in good condition, except for ordinary wear and tear. Tenant will not make any alterations, additions, or improvements without prior written consent of Landlord. Tenant will not commit any waste or damage of the Leased Premises. Tenant is responsible for securing all the Leased Premises. Landlord is not responsible for any loss sustained by Tenant as a result of failure to properly secure the Lease Premises.

## **TERMINATION**

8. This Rental Agreement may be terminated by either party at any time by giving written notice not less than 120 days.

## **ASSIGNMENT/SUBLEASE**

9. Tenant may not assign this Rental Agreement or sublet the Leased Premises without the prior written consent of the Landlord.

## **FIXTURES AND FURNITURE**

10. The Tenant shall have the right during the existence of this Rental Agreement with the written permission of the Landlord (such permission shall not be unreasonably withheld), to make alterations, attach fixtures, and erect additions, structures or signs, in or upon the Leased Premises. Performance of any of the rights authorized above shall be conducted in compliance with all applicable governmental regulations, building codes, including obtaining any necessary permits. Any fixtures, additions, or structures so placed in or upon or attached to the Leased Premises shall be and remain the property of the Tenant and may be removed therefrom by the Tenant upon the termination of this Rental Agreement. Any damage caused by the removal of any of the above items shall be repaired by the Tenant.

Tenant shall provide, at its own expense, all furniture necessary for its possession and use in or upon the Leased Premises.

## **PREVAILING WAGE**

11. Landlord agrees to pay the prevailing rate of wage to all workers, laborers, or mechanics employed in the performance of any part of this Rental Agreement when required by state law to do so, and to comply with the provisions of Chapter 39.12 RCW, as amended, and the rules and regulations of the Department of Labor and Industries and the schedule of prevailing wage rates for the locality or localities where this Rental Agreement will be performed as determined by the Industrial Statistician of the Department of Labor and Industries, are by reference made a part of this Rental Agreement as though fully set forth herein.

## **PAYMENT**

12. Any and all payments provided for herein when made to the Landlord by the Tenant shall release the Tenant from any obligation therefore to any other party or assignee.

## **COMPLIANCE WITH STATE/FEDERAL LAWS**

13. Landlord is responsible for complying with all applicable provisions of the Americans With Disabilities Act of 1990 (42 U.S.C. 12101- 12213) and the Washington State Law Against Discrimination, Chapter 49.60 RCW, as well as the regulations adopted thereunder, with respect to the Leased Premises.

## **DISASTER**

14. In the event the Leased Premises are destroyed or injured by fire, earthquake or other casualty so as to render the Leased Premises unfit for occupancy either party may immediately terminate this Rental Agreement.

## **NO GUARANTEES**

15. It is understood that no guarantees, express or implied, representations, promises or statements have been made by the Tenant unless endorsed herein in writing and it is further understood that the Tenant, a State agency, is acting in compliance with a delegated authority from the Department of Enterprise Services in accordance with RCW 43.82.010. Any amendment or modification of this Agreement must be in writing and signed by both parties.

## **HAZARDOUS SUBSTANCES**

16. Landlord warrants that, to the best of its knowledge, no hazardous substance, toxic waste, or other toxic substance has been produced, disposed of, or is or has been kept on the Leased Premises hereby rented which if found on the property would subject the owner or user to any damages, penalty, or liability under any applicable local, state or federal law or regulation. Landlord shall indemnify and hold harmless the Tenant with respect to any and all damages, costs, attorney fees, and penalties arising from the presence of such substances on the Leased Premises, except for such substances as may be placed on the Leased Premises by the Tenant.

## **BINDING AUTHORITY**

17. It is further understood that this Rental Agreement shall not be binding upon the State of Washington, South Puget Sound Community College, unless signed by the Tenant's President or his/her designee and approved as to form by the Office of the Attorney General. And it is further understood that this Rental Agreement shall not be binding upon the City of Olympia, unless signed by the authorized employee and approved as to form by the City Attorney or his/her designee.

## **CAPTIONS**

18. The captions and paragraph headings hereof are inserted for convenience purposes only and shall not be deemed to limit or expand the meaning of any paragraph.

## **INTEGRATED DOCUMENT**

19. This Rental Agreement and the exhibits hereto constitute the entire agreement between the parties with respect to the rental of Leased Premises and supersedes all prior and contemporaneous agreements and understandings between the parties hereto relating to the subject matter hereof.

**NOTICES**

20. Wherever in this Rental Agreement written notices are to be given or made, they will be sent to the contact listed below unless a different address shall be designated in writing and delivered to the other party.

LANDLORD: City of Olympia  
Mike Reid, Economic Development Director  
Olympia City Hall  
601 4<sup>th</sup> Avenue East  
PO Box 1967  
Olympia, Washington 98507-1967  
(360) 753-8591  
[mreid@ci.olympia.wa.us](mailto:mreid@ci.olympia.wa.us)

TENANT: South Puget Sound Community College (Business Office)  
2011 Mottman Rd. SW  
Olympia, WA 98512  
(360) 596-5250  
abrown@spscc.edu

AND: Department of Enterprise Services  
Real Estate Services  
1500 Jefferson Street S.E., 2<sup>nd</sup> Floor  
Post Office Box 41015  
Olympia, Washington 98504-1015

IN WITNESS WHEREOF, the parties subscribe their names.

**LANDLORD - CITY OF OLYMPIA:**

*I hereby declare under penalty of perjury pursuant to the laws of the State of Washington that I have read the foregoing Rental Agreement, I am authorized to execute the same, I know the contents thereof, and I sign the same as my free act and deed.*

\_\_\_\_\_  
Steven J. Burney, City Manager

\_\_\_\_\_  
Date

**Approved as to Form:**

*Michael M. Young*  
\_\_\_\_\_  
Deputy City Attorney

**TENANT - STATE OF WASHINGTON, SPSCC:**

*I hereby declare under penalty of perjury pursuant to the laws of the State of Washington that I have read the Rental Agreement, I am authorized to execute the same, I know the contents thereof, and I sign the same as my free act and deed.*

Al Brown  
Al Brown, VP Administrative Services

05/26/2020  
Date

**Approved as to Form:**

\_\_\_\_\_  
Assistant Attorney General