



LEASE AGREEMENT

This Lease Agreement ("Lease") is made and effective as if the date of the last authorizing signature affixed hereto, by and between **The Family Support Center of South** ("Landlord") a 501c3 nonprofit organization with the mission/purpose of "Working Together to Strengthen all Families" and **the City of Olympia**, a municipal corporation.

Landlord is the manager of land and improvements commonly known and numbered as **108 State Avenue Olympia, WA 98501** and **201 Capital Way North, Olympia WA 98501** and legally described as follows (the "Premises"): **The Family Support Center of South Sound**. A sketch of the premises subject to this lease is attached as *Exhibit A*. The City of Olympia is the legal owner of said land and improvements. All terms of this lease are subject to the "*Lease Agreement for Old Olympia City Hall*" ("**Original Lease Agreement**") between the City of Olympia and the Family Support Center attached as *Exhibit B*.

Landlord makes available for lease a portion of the Premises (the "Leased Premises").

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Term.

Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Term" beginning September 1, 2016 and ending August 31, 2017. This term may be renewable upon mutual agreement of both parties after the end of the initial lease term and subject to changes in lease terms. The landlord may terminate the lease for *cause* (see "definitions") with twenty (20) days written notice.

2.Consideration in Lieu of **Rental Fees.**

A. Tenant shall provide to Landlord during the Contract Term 2 enrollment slots for Family Support Center clients in the Family Playtime Program for each month, September through June. In addition, Tenant shall provide its own preschool related supplies for Tenant preschool programs, as well as paper towels and toilet paper for the preschool room and attached bathroom used by Tenant. This exchange is based on 1,466 square footage occupancy of leased premises including the preschool room and indoor gym and 33% common space allocation which includes access to areas such as kitchen, laundry room, bathrooms, egresses, hallways, outdoor play areas, and designated shared meeting rooms. Tenant shall have fair and equal access to all common areas. Conference rooms may be reserved by Tenant on a first come, first serve basis for business related meetings/activities.

B. Tenant has use of existing preschool room furniture, equipment and supplies. Landlord is responsible for providing regular janitorial service 3 days per week and maintaining janitorial supplies, except where specifically provided otherwise in this Agreement. Tenant is responsible for maintaining the interior professional appearance of the Leased Premise and will at all times, maintain a clean, neat, sanitary, and safe environment. The Tenant will maintain the safety and security of all office furniture and equipment.

C. All additions of electrical appliances/equipment must be approved in writing by the Landlord prior to installation.

D. This tenancy is based on use as outlined in this lease. Any significant changes in use, such as expansion of hours of occupancy, numbers of occupants, or significant equipment additions that generate increased utility usage, may be subject to additional fees. Tenant will provide Landlord with thirty (30) days written notice of any changes in use and Landlord will provide tenant with thirty (30) days written notice of any change in fees related to changes in use and will provide justification for any increase in fees. If the lease is not renewed at the end of the term, the lease term will automatically be converted to a month to month lease. Landlord and/or Tenant shall give 30 days notice of intention to terminate a month to month lease.

E. Security Deposit. Tenant shall not pay a security deposit. Tenant shall not pay a damage despot.

F. Keys. Two (2) keys will be issued to Tenant and will be returned at end of Lease Term or upon Termination of Lease. The keys are not to be duplicated. In the event that keys are lost during the term of this Lease, the Tenant agrees to pay reasonable costs of rekeying the locks to the Leased premises.

Keys received *Tenant initial* _____ *Date*

Keys returned *Landlord initial* _____ *Date*

3. Use

A. Use of space is for City of Olympia Parks, Arts, & Recreation Preschool Program during the hours of 9:00 a.m. and 12:30 p.m. on Monday through Thursday of each week between September of 2016 and June of 2017 and those same hours on Monday through Friday of each week between June 19, 2017 and August 25, 2017. In addition, afternoon use for two weeks in July from 12:30 - 4:30 p.m. Tenant anticipates serving 8-12 clients per day (day/month/year).

Landlord shall have access to leased premises and may use space or allow others to use space for other purposes that benefit families/children during periods space is not in use by Tenant.

B. Hours of use are restricted to 9:00 a.m. to 12:30 p.m. on the weekdays noted above, but may be altered by mutual written consent between Landlord and Tenant. Any other use of the Premises at any other time or for any other purposes must be scheduled with the Landlord.

C. Tenant shall be entitled to store property and goods needed for the operation of business. No storage is allowed in hallways or other areas that may violate ingress/egress or fire codes. Landlord shall not be liable for loss of, or damage to, such stored items.

D. To help prevent the infestation of rats or other pests, all food items shall be stored only in sealed containers or in the refrigerator.

E. Consumption or possession of alcohol or illegal drugs or smoking anywhere on or within 25 feet of property is strictly prohibited.

F. Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device.

4. Sublease and Assignment.

Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent. The Landlord will schedule all repairs and maintenance unless otherwise authorized in writing.

5. Repairs, Damage, and Destruction

A. During the Lease term, Landlord and/or Legal Owner (City of Olympia) is responsible for major mechanical and electrical systems and the structure, subject to the obligations of the parties otherwise set forth in this Lease.

B. Tenant is financially responsible for any damage or destruction caused through the use of the Leased Premises by clients, staff, or volunteers. In the event of property damage, Tenant will notify Landlord within twenty-four (24) hours. Repairs should be made within a reasonable amount of time. Upon termination of lease or vacancy of leased premises, the Tenant shall return the space to original condition, including returning paint to original color (if changed), filling any holes in walls resulting from staples/nails/wall hangings, cleaning, and removing all tenant property/equipment. The Landlord will make repairs as they relate to reasonable use and wear. The Tenant will be held responsible for any damage caused by Tenant, which is beyond reasonable use and wear. Any repairs required to restore Leased Premises to original condition at time of Lease will be the financial responsibility of the Tenant.

C. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, Tenant shall be responsible for the costs of repair not covered by insurance. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Landlord or any of Landlord's agents, employees or invitees, Landlord shall be responsible for the costs of repair not covered by insurance. If the Leased Premises or any other part of the Building affecting the Leased area is damaged by fire or other casualty resulting from Acts of Nature (i.e. natural disasters outside of human control such as floods, earthquakes, etc.), and if Leased Premises are partially or totally unusable, Landlord shall be responsible for the costs of repair not covered by insurance.

6. Alterations and Improvements.

Tenant shall not make any alterations or improvements to the leased premises without the advance written approval of the Landlord.

7. Insurance.

A. Landlord shall maintain general property insurance on the Building and the Leased Premises in such amounts as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, located in the Leased Premises.

B. Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance and maintain professional liability insurance with respect to their respective activities on the Premises, with the premiums thereon paid fully on or before the due date. Such insurance shall afford minimum protection of not less than \$1,000,000.00 combined single limit coverage of bodily injury, property damage or combination thereof.

8. Utilities.

Landlord shall pay all charges for water, sewer, gas, electricity, garbage, and internet during the term of this Lease unless otherwise expressly agreed in writing by Landlord. Tenant shall pay charges for independent telephone lines Tenant installs and any other services and utilities not covered by Landlord in this agreement used by Tenant on the Leased Premises. Tenant shall not use any equipment or devices that utilize excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants. Installation of Technological Equipment/Hardware is subject to approval by the Landlord Information Technology (IT) designated Administrator prior to installation.

9. Signs.

All permanent signs/symbols must be pre-approved by the Landlord in writing. Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

10. Entry.

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

11. Parking.

Parking is not included in this lease. Parking spaces are available for lease from private companies or the City of Olympia or in public metered locations. Landlord is not responsible for parking violations made by Tenant or any of Tenants employees, clients, or volunteers.

12. Building Rules.

Tenant will comply with the rules of the Building adopted and altered by Landlord from time to time and will cause all of its agents, employees, invitees and visitors to do so; all changes to such rules will be sent by Landlord to Tenant in writing.

Tenant will participate in required building meetings including safety meetings as scheduled on regular basis. Tenant will report any workplace injuries or safety hazards in the building to the appropriate FSC official immediately and will participate in regular safety trainings as scheduled by the Landlord. Tenant and Landlord will each respectively comply with Washington State Labor and Industries Laws as required.

The Tenant agrees to work collaboratively with the Landlord, Family Support Center and other building Tenants to achieve an efficient, culturally relevant, client-centered delivery system which will empower families to obtain self-sufficiency, foster healthy child development, and reach their educational and vocational goals. The Tenant agrees to provide Landlord with program statistics needed for such purposes as annual reports and to pursue collaborative grant opportunities if both parties agree, upon request.

13. Default.

If default shall at any time be made by Tenant regarding the terms of consideration for use of such space, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention. 15.

14. Notice.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord:

The Family Support Center of South Sound
Attn: Schelli Slaughter, Executive Director
PO Box 784
Olympia, WA 98507
Business Phone: 360-754-9297 ext. 211
Cell Phone 360-888-0928
Email: Schellis@fscss.org
Fax: 360-528-2004

If to Tenant:

City of Olympia Parks, Arts, & Recreation
Attn: Paul Simmons, Parks, Arts & Recreation Director
222 Columbia Street NW
Olympia, WA 98501

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

15. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

16. Compliance with Law.

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

17. Conflicts between this Agreement and Original Lease Agreement (Exhibit B). The parties understand that the Original Lease Agreement is the controlling document between the parties and that anything expressed herein that is determined to be contrary to the terms of the Original Lease Agreement is considered ineffective and is, therefore, effectively stricken. If the purpose of this Agreement can be carried out without that stricken portion, the remainder of this Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date of the last authorizing signature affixed below.

LANDLORD:

THE FAMILY SUPPORT CENTER OF SOUTH SOUND, OLYMPIA, WA

X _____

Schelli Slaughter, Executive Director

Date

X _____

Sara Holt-Knox, Board Chair

Date

TENANT:

City of Olympia

X _____

City Manager

Date

APPROVED AS TO FORM

X *J. Harkson* _____ *8/4/2016*

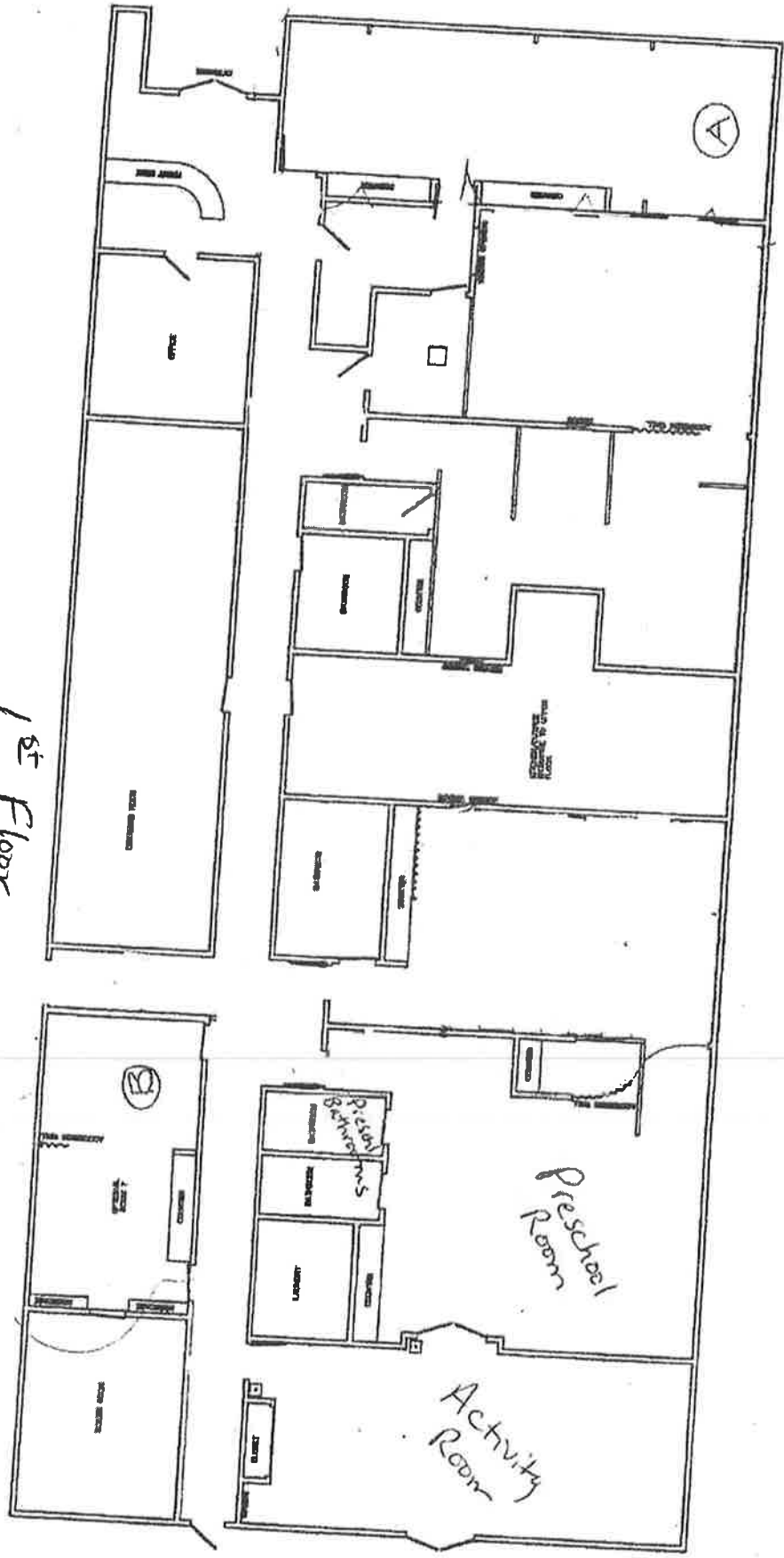
Deputy City Attorney

Date

EXHIBIT A

1st Floor
Family Support Center

State Street



Playground

LEASE AGREEMENT

THIS LEASE is made this 20th day of October, 2014, by and between the CITY OF OLYMPIA, a Washington municipal corporation, Lessor, hereinafter referred to as "the City," and the Family Support Center of South Sound, a Washington nonprofit corporation, hereinafter referred to as "Family Support Center," on the following terms and conditions:

1. LEASE SUMMARY.

TENANT

Name: Family Support Center of South Sound
Address: 201 Capitol Way
Olympia, WA 98501
Phone Numbers: (360) 754-9297

LEASED PREMISES

Approximately 14,790 square feet of space in a structure known as the Old Olympia City Hall Building located on the northwest corner of Capitol Way and State Avenue in Olympia, as outlined on Exhibit "A" attached hereto, subject to reservations made for maintenance of sewer, water, pipe, and other utilities and other encumbrances of record. Leased premises also include approximately 1,000 square feet of the grounds to the west and another approximately 800 square feet to the north of the building, also outlined on Exhibit "A" attached hereto.

TERM

This lease shall be for a period of five (5) years commencing on the effective date of this agreement. During the term of this lease, the City may terminate the lease upon giving the Family Support Center notice of at least two (2) years prior to the stated date of termination. During the term of this lease, the Family Support Center may terminate the lease upon giving the City notice of at least one (1) year prior to the stated date of termination. If such notice is given, the agreement shall terminate upon the stated date of termination, or such earlier date as set forth in the notice of termination.

Irrespective of the above, the City may terminate this agreement on six (6) months' notice if the Family Support Center materially breaches this use and lease agreement and fails to cure such breach within thirty (30) days' notice of breach.

OPTION TO RENEW

The City may extend this agreement for three (3) additional periods of up to five (5) years, for a total of twenty (20) years, if the Family Support Center is meeting all of its obligations under this lease agreement. Such renewal shall be upon the terms, covenants, and conditions contained herein. The

renewal term shall commence on the expiration of the immediately preceding term. A request for renewal may be submitted by written notice to the City no later than ninety (90) days prior to the expiration of the then current term. Family Support Center shall not be entitled to a renewal of this lease if Family Support Center is in default of the performance of its obligations hereunder at the date request of renewal is due or at the date the renewal term is to commence.

USE OF PREMISES

The Family Support Center shall have general supervision and control over the Building and shall administer the programs therein. The programs shall be those which are appropriate for a multi-purpose community center set forth in RCW 35.59. The Family Support Center shall administer occupancy of the first and second floors of the Building with a complementary array of subtenants that are child-serving agencies and/or deliver programs which will provide a convenient, effective service delivery system to provide support and assistance to families with children. The programs presented shall be those generally described in Exhibit "B" attached hereto. All programs and functions of the subtenants of the facility shall be consistent with, and further the goals of the Family Support Center. A complete list of the subtenants of the facility and a description of each program to be presented shall be submitted in writing to the City to assure that the City has authority to participate in or contribute money towards such programs. The initial list of subtenants shall be submitted to the City prior to the execution of the agreement. The sublease agreements will be done on a standard form approved by the City, and the subtenants will be provided a copy of this Agreement. Subsequent or replacement subtenants and programs shall be submitted within four (4) weeks of desired occupancy. The City shall have two (2) weeks after submittal to notify the Family Support Center of any potential restrictions on tenancy or program requests. Such restrictions shall be based solely on legal constraints in the use of City property or on the inconsistency with the program descriptions in Exhibit B. Under no circumstances shall a proposed subtenant be allowed occupancy in the Building prior to the City's allowed two (2) week review of the proposed subtenant.

2. LEASED PREMISES.

The City hereby leases to the Family Support Center, and Family Support Center hereby leases from the City, the premises described in paragraph 1 above, located in Thurston County, hereinafter called "the premises."

3. TERM.

This Lease shall be for the term specified in paragraph 1 above.

4. RENT.

For the benefit of the Landlord and their citizens the Family Support Center shall provide the community benefits described in Exhibit "C" (Community Benefits) attached hereto. For and in consideration of the Community Benefits and annual rent paid by Family Support Center to Landlord equal to one dollar (\$1) per year, the sufficiency of which is hereby acknowledged, the parties have entered into this lease. If Family Support Center does not continue to provide or ensure its subtenants are providing the Community Benefits during the term of this lease or any option period, the City may terminate this agreement immediately if the Family Support Center fails to cure such breach within thirty (30) days' notice of breach.

The Family Support Center shall have the authority to charge subtenants of the Building any reasonable lease, maintenance and other fees. Said fees or other revenue shall be set in amounts sufficient to maintain and support the Family Support Center's obligations hereunder over the life of the lease. Said

revenues shall be used only for operation, maintenance, debt service obligations or other costs incurred in conjunction with this lease.

5. ACCEPTANCE OF PREMISES.

The Family Support Center has examined the premises, and the adjoining premises of which the premises are a part, and accepts them in their present condition. There are no warranties expressed or implied as to any condition apparent or unknown except as otherwise stated in this Lease. Family Support Center agrees to make any changes in the premises necessary to conform to any federal, state or local law applicable to Family Support Center's or their subtenants use of the premises.

6. POSSESSION.

If the City shall be unable for any reason to deliver possession of the premises or any portion thereof at the time of the commencement of this Lease, the City shall not be liable for any damage caused thereby to the Family Support Center, nor shall this Lease thereby become void or voidable, nor shall the term specified herein be in any way extended, but in such event the Family Support Center shall not be liable for any rent until such time as the City can deliver possession; provided that if the Family Support Center shall take possession of any portion of the premises in the interim, it shall pay the full rent specified herein reduced pro rata for the portion of the premises not available for possession by the Family Support Center; and provided further, that if the City shall be unable to deliver possession of the premises at the commencement of this Lease, Family Support Center shall have the option to terminate this Lease by giving at least thirty (30) days' written notice of such termination, and this Lease shall terminate unless the City shall deliver possession of the premises prior to the effective date of termination specified in such notice. If Family Support Center shall, with the City's consent, take possession of all or any part of the premises prior to the commencement of the term of this Lease, all of the terms and conditions of this Lease shall immediately become applicable, with the exception that Family Support Center shall not be obligated to pay any rental for the period prior to the commencement of the term of this Lease unless otherwise mutually agreed.

7. USE OF PREMISES.

Family Support Center shall use the premises only for those purposes stated in paragraph 1 above and shall not use them for any other purpose without the written consent of the City, which consent may be withheld in the City's sole discretion. The premises shall be used only for lawful purposes; and only in accordance with all applicable building, fire and zoning codes. Family Support Center shall use the entire premises for the conduct of said business in a first-class manner continuously during the entire term of this Lease. No signs or other advertising matter, symbols, canopies or awnings shall be attached to or painted on or within the premises, including the windows and doors thereof, without the approval of the City. At the termination or sooner expiration of this Lease, all such signs, advertising matter, symbols, canopies or awnings attached to or painted by Family Support Center shall be removed by Family Support Center at its own expense, and Family Support Center shall repair any damage or injury to the premises and correct any unsightly condition caused by such removal. At no time shall the Family Support Center have the right to remove or otherwise disturb timber, valuable minerals, sand or gravel from the site, which materials belong to the City and may only be used with consent and appropriate compensation.

8. REQUIREMENTS AS TO IMPROVEMENTS.

The specific requirements as to the planning, construction and completion of any major improvements planned by Family Support Center must be submitted to the City for prior written

approval. Prior to the submission of any plans for contemplated improvements on the leased premises, Family Support Center shall furnish a survey of the appropriate leased premises as prepared by a registered and licensed surveyor, all at Family Support Center's own expense.

9. RESERVATION OF RIGHTS.

The City reserves to itself from the premises herein leased rights of way upon, over, across, onto or beneath the above-described lands for pole and wire lines, gas, water and sewage pipes and mains, conduits or any other utilities or industrial or business area facilities of all kinds now existing or to be constructed and maintained by it, either in addition to or in the substitution for those now existing from any point or points and in any direction and also reasonable rights of entry upon the demised premises for the construction, repair, inspection and maintenance of them in efficient use and condition, providing such action by the City shall not materially interfere with or interrupt Family Support Center's operation and shall be at the expense of the City. The City is hereby granted such continuous, perpetual easement or easements that the City believes are necessary within the leased premises for such purposes, which easement or easements may be further granted by the City to third parties.

10. UTILITIES AND SERVICES.

Family Support Center shall be liable for and shall pay throughout the term of this lease all charges for all utility services furnished to the premises, including but not limited to, light, heat, gas, janitorial services, garbage disposal, security, electricity, water, stormwater and sewerage, including any connection fees, and any fire protection, police protection, or emergency health services as furnished by local authorities and as may be the subject of a contract between the City and such local authorities or as imposed by ordinance or statute.

11. INDEMNIFICATION

The City, its employees and agents shall not be liable for any injury (including death) to any persons or for damage to any property, regardless of how such injury or damage be caused, sustained or alleged to have been sustained by Family Support Center or by others (including, but not limited to all persons directly or indirectly employed by Family Support Center, and any agents, contractors, subcontractors, suppliers, customers or invitees of Family Support Center) as a result of any condition (including existing or future defects in the premises), or occurrence (including failure or interruption of utility service) whatsoever related in any way to the premises and the areas adjacent thereto; provided, however, that the foregoing provisions shall not be construed to make Family Support Center responsible for loss, damage, liability or expense resulting from injuries to third parties to the extent caused by the negligence of the City or employees of the City; and provided further, however, if and to the extent that any of the activities covered by this indemnity are construed to be subject to Section 4.24.115 of the Revised Code of Washington, it is agreed that where such items of actual or alleged liability, damages, costs or expenses arise from the concurrent negligence of Family Support Center and the City, it is expressly agreed that Family Support Center's obligations of indemnity under this paragraph shall not be effective to the extent of City's negligence. Family Support Center agrees to indemnify, defend and to hold and save the City harmless from all liability or expense (including attorneys' fees, costs and all other expenses of litigation) as set forth above.

12. INSURANCE

a. Family Support Center shall, at its own expense, provide and maintain commercial general liability insurance with a reputable insurance company or companies satisfactory to the City, and including, but not limited to premises and operations; personal injury, contractual liability; independent

contractors; broad form property damage; completed operations and products; (and Collapse, Explosion and Underground, where required) and such additional types and amounts of liability insurance as the City may deem reasonably necessary for the types of services or activities offered by Family Support Center and with the minimum policy limits of:

| | |
|---------------------------------|--|
| Bodily Injury/Death: | Combined Single Limit \$2,000,000 each occurrence |
| Property Damage per Occurrence: | \$1,000,000 |

The coverage afforded by such policies shall thereafter be in such increased amounts as the City may specify to indemnify both the City and Family Support Center against such liability or expense. The City shall be named as one of the insureds on the policies (and, at the City's option, shall be furnished with a copy of such policy or policies of insurance) which shall provide that such insurance may not be cancelled without the insurance company first having given the City thirty (30) days' advance written notice of such intent to cancel. Family Support Center shall submit certificates evidencing compliance with this paragraph in lieu of furnishing the actual policies or copies thereof. Family Support Center shall furnish the City with evidence of renewal of such policies not less than thirty (30) days prior to their expiration. In consideration of the City's execution of this Lease, Family Support Center hereby waives any immunity Family Support Center may have under industrial insurance, Title 51 RCW, in connection with the foregoing immunity.

b. At all times during the term of this Lease, Family Support Center shall maintain in effect upon the leased premises and Family Support Center's improvements thereon, fire and extended coverage property insurance for physical loss and damage excluding earthquake insurance and flood insurance, written by companies authorized to do business in the State of Washington and approved by the City's insurance carrier. Such policy or policies (a) shall be written in the form of replacement cost insurance in an amount not less than 100 percent of the full replacement cost of the leased premises and Family Support Center's improvements thereon, which amount shall be adjusted not less frequently than annually, (b) shall contain an endorsement waiving any and all rights of subrogation against the City and (c) shall provide that notice of cancellation of the policy or any endorsement shall be given to the City and any other party designated by the City at least 10 days prior to cancellation. The City and each other party designated by the City shall be named as additional insureds and loss payees on all such policies. Family Support Center shall provide the City and each other party designated by the City with certificates of insurance evidencing such coverage and shall provide evidence of renewal at least 30 days prior to the expiration of such policy or policies. Family Support Center will also take out and maintain policies of insurance to cover the loss, damage or destruction of Family Support Center's furniture, fixtures, equipment and other items owned by Family Support Center on the leased premises, with limits based on the reasonable value thereof.

c. If any improvement installed by Family Support Center on the leased premises or any part thereof shall be damaged or destroyed by fire or other casualty during the term of this Lease, Family Support Center may, at its option, at its own cost and expense, repair or restore the same according to the original plans thereof or according to such modified plans as shall be previously approved in writing by the City. Such work of repair or restoration shall be commenced within sixty (60) days after the damage or loss occurs and shall be completed with due diligence but not longer than one (1) year after such work is commenced, and such work shall be otherwise done in accordance with the requirements of the provisions hereof pertaining to the construction of improvements upon the leased premises. All insurance proceeds collected for such damage or destruction shall be applied to the cost of such repairs or restoration, or if Family Support Center elects not to repair or restore, to the cost of removing, demolishing, or clearing off the building or improvements. If (i) there are not insurance proceeds, or (ii) the same shall be insufficient for said purpose, Family Support Center shall make up the deficiency out of its own funds. Should Family Support Center fail or refuse to make the repair, restoration or removal as

hereinabove provided, then in such event said failure or refusal shall constitute a default under the covenants and conditions hereof, and all insurance proceeds so collected shall be forthwith paid over to and be retained by the City on its own account, and the City may, but shall not be required to, sue and apply the same for and to the repair, restoration or removal of said leased premises or improvements, and the City may, at its option, terminate this Lease as elsewhere provided herein.

d. Notwithstanding anything to the contrary contained in the preceding section, if any building erected on said leased premises shall be damaged by fire or other casualty, and if the cost of repairing or restoring the same shall exceed the insurance payable for such damage, and if such damage shall occur during the term so that the remaining term of this Lease is of insufficient length to allow Family Support Center to finance such cost in a commercially reasonable manner, the Family Support Center shall have the option, to be exercised within thirty (30) days after such event, to repair or restore said building as hereinabove provided, or to terminate this Lease by written notice thereof to the City.

e. Any dispute under this section shall be subject to arbitration, under paragraph 28, **ARBITRATION PROCEDURE.**

13. WAIVER OF SUBROGATION.

The City and Family Support Center 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 insurance contracts, including any extended coverage endorsements thereto, provided, that this paragraph shall be inapplicable to the extent it would have the effect of invalidating any insurance coverage of the City or Family Support Center. Each party agrees to cause their respective insurance carriers to include in its policies a waiver of subrogation clause or endorsement.

14. TAXES.

Family Support Center shall be liable for, and shall pay, throughout the term of this lease, all license fees and taxes covering or relating to the premises and its use, including, without limitation, (a) all real estate taxes assessed and levied against the premises; (b) all amounts due and payable for general or special assessments against the premises during the term of this lease (whether assessed prior to or during the term of this lease), including any assessments for LIDs or ULIDs; and (c) all personal property taxes upon Family Support Center's fixtures, furnishings, equipment and stock in trade, Family Support Center's leasehold interest under this lease or upon any other personal property situated in or upon the Premises.

15. MAINTENANCE AND REPAIR.

Family Support Center Maintenance Responsibilities

The Family Support Center shall perform its maintenance duties hereunder at the same level and in accordance with the same standards the City applies to other City-owned property. This shall include a reasonable program of preventive maintenance. The Family Support Center shall establish a reserve fund to cover the cost of their maintenance obligations. The status and balance of the reserve fund shall be reviewed annually with the Assistant City Manager or his/her designee.

General Maintenance

The Family Support Center shall be responsible for general maintenance of the building and premises including, but not limited to day-to-day janitorial and cleaning services, light bulb changes, removal of snow, ice and debris from pedestrian walkways; interior painting and landscaping within the outdoor play areas. Family Support Center's routine maintenance obligation shall include all equipment

and furnishings located within the premises that shall include, for example, surveillance and security equipment, fixtures, carpet flooring, and other equipment necessary for Family Support Center's occupancy and operation of the Premises.

The Family Support Center shall also, at its own expense and at all times, keep the premises free from infestation of pests and conditions that might result in harborage for, or infestation of, pests. (Pests shall include, without limitation, rodents, insects, and birds in numbers to the extent that a nuisance is created.)

The Family Support Center shall be allowed to execute emergency repairs related to the building if the repair relates to safety and operational continuity and the City is unable to respond.

The Family Support Center, at its request, may request City staff to perform general maintenance work that is defined as the Family Support Center's responsibility. The Family Support Center will reimburse the City for labor, equipment and materials. The scope of work to be performed and the labor rate for performing the work will be approved in writing by the City and Family Support Center before any work commences.

Major Repair and Replacement

The Family Support Center shall by October 1 of each year submit to the Assistant City Manager or his/her designee a multi-year capital plan which outlines proposed major capital purchases and/or repairs for the years indicated in said plan for the City's concurrence. The Family Support Center shall obtain City approval, and comply with all applicable bidding and procurement requirements, prior to making any improvement, alteration, repair or changes to the Center, except for work which qualifies as ordinary maintenance under RCW 39.04.010. By way of example, work or improvements requiring prior City approval include but are not limited to additions or removal of walls, electrical, plumbing systems or other fixtures.

Landlord's Maintenance Obligations

The City shall perform or cause to be performed by contract all other repair, maintenance or upkeep of the Family Support Center property premises and equipment that is not defined as the Family Support Center's Obligation. This includes maintenance on the major building systems such as HVAC, elevator, exterior envelope, roof, electrical, fire sprinkler system, and plumbing systems.

Family Support Center shall keep the premises free and clear of any liens and encumbrances arising or growing out of the use and occupancy of the premises by Family Support Center. At the City's request, Family Support Center shall furnish the City with written proof of payment of any item which would or might constitute the basis for such a lien on the premises if not paid. Any dispute under this section shall be subject to arbitration under paragraph 28, **ARBITRATION PROCEDURE**. Family Support Center shall have no claim as deduction or offset any monies or charges against the rent paid to the City for maintenance or repairs of items deemed the responsibility of the Family Support Center. Family Support Center has inspected the premises and accepts the premises "as is".

16. ALTERATIONS AND IMPROVEMENTS.

Family Support Center or subtenants 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 of the City. The City's response to Family Support Center's requests for approval shall be prompt, and such approval shall not be unreasonably withheld. Upon installation, Family Support Center shall furnish the City with a copy of the "as-built" drawings including utility installations and site plans detailing the nature of the additions, alterations or improvements. The City reserves the right to have Family Support Center remove, at Family Support Center's sole expense, all or any of such alterations, additions or improvements at the end of the Lease

term as provided in Paragraph 17, Disposition of Improvements. Any dispute under this section shall be subject to arbitration under paragraph 28, **ARBITRATION PROCEDURE**.

17. DISPOSITION OF IMPROVEMENTS.

a. Within sixty (60) days after the expiration or earlier termination of this Lease, the Family Support Center and their subtenants shall at their own expense, promptly and diligently remove from the leased premises all or any designated portion of the improvements and other property owned by Family Support Center or subtenants, which can be removed without injury to the premises, and after such removal, restore the surface of the ground to a graded, properly filled, level and uniform condition, free from all debris; provided, however, that if Family Support Center at such time shall be in default in the payment of rents or any other charges hereunder, the City shall have a lien on the improvements to secure payment of such rents or charges.

b. Notwithstanding the foregoing, if the City does not elect to have Family Support Center remove the improvements, Family Support Center agrees to execute, acknowledge and deliver to the City prior to the expiration of such sixty-day (60) period a proper recordable instrument quit claiming and releasing to the City to any right, title and interest of Family Support Center or subtenants in and to the leased premises and all improvements thereon, and giving such further assurances of title as may be required by the City. Family Support Center shall, upon such lease termination, surrender and deliver the leased premises and all remaining improvements to the City, without delay and in good order, condition and repair, ordinary wear and tear excepted, and in a neat and clean condition, excepting only Family Support Center's or any subtenants movable trade fixtures, machinery, equipment and personal property. Family Support Center shall also deliver to the City all documents necessary or appropriate for the proper operation, maintenance and management of the leased premises and improvements.

c. Any dispute under this section shall be subject to arbitration under paragraph 28, **ARBITRATION PROCEDURE**.

18. INSPECTION.

The City reserves the right to inspect the premises at any and all reasonable times throughout the term of this Lease, provided that it shall not interfere unduly with Family Support Center's operations. The right of inspection reserved to the City hereunder shall impose no obligation on the City to make inspections to ascertain the condition of the premises, and shall impose no liability upon the City for failure to make such inspections.

19. DEFAULTS.

Time is of the essence of this Lease, and in the event of the failure of Family Support Center to pay the rental, interest or other charges provided in this Lease or provide the Community Benefits shown in Exhibit "C" at the time and in the manner herein specified, or to keep any of Family Support Center's covenants or agreements herein, the City may elect to terminate this Lease and reenter and take possession of the premises with or without process of law, provided, however, that Family Support Center shall be given fifteen (15) days' notice in writing if the default is for the nonpayment of rent or other monetary default, or thirty (30) days' notice in writing for any other default, stating the nature of the default in order to permit such default to be remedied by Family Support Center within the applicable time period. If the City issues a notice of default for the nonpayment of rent, in order to cure such default, Family Support Center must pay the overdue rent, plus a Fifty Dollar (\$50) lease reinstatement fee. If during any consecutive twelve-month period, the City has issued three notices of default, the City shall not be required to accept the cure of any subsequent default by Family Support Center and may terminate

this Lease or exercise any other rights or remedies available to it immediately by written notice to Family Support Center without the expiration of any otherwise applicable cure period.

If upon such reentry there remains any personal property of Family Support Center or of any other person upon the premises, the City may, but without the obligation to do so, remove said personal property and hold it for the owners thereof or may place the same in a public garage or warehouse, all at the expense and risk of the owners thereof, and Family Support Center shall reimburse the City for any expense incurred by the City in connection with such removal and storage. The City shall have the right to sell such stored property, without notice to Family Support Center or its subtenants, after it has been stored for a period of thirty (30) days or more, the proceeds of such sale to be applied first to the cost of such sale, second to the payment of the charges for storage, and third to the payment of any other amounts which may then be due from Family Support Center to the City, and the balance, if any, shall be paid to Family Support Center. Notwithstanding any such reentry, the liability of Family Support Center for the full rental provided for herein shall not be extinguished for the balance of the term of this Lease, and Family Support Center shall make good to the City any deficiency arising from a reletting of the premises at a lesser rental than that chargeable to Family Support Center. Family Support Center shall pay such deficiency each month as the amount thereof is ascertained by the City. Payment by Family Support Center to the City of interest on rents and/or any other charges due and owing under this Lease shall not cure or excuse Lessee's default in connection with rents and/or other charges. All remedies of the City hereunder are cumulative and not alternative.

20. ADVANCES BY CITY FOR FAMILY SUPPORT CENTER.

If Family Support Center shall fail to do anything required to be done by it under the terms of the Lease, except to pay rent, the City may, at its sole option, do such act or thing on behalf of Family Support Center, and upon notification to Family Support Center of the cost thereof to the City, Family Support Center shall promptly pay the City the amount of that cost. However, if the City shall pay any monies on Family Support Center's behalf, Family Support Center shall repay such monies, together with interest thereon commencing on the date the City paid such monies and calculated at the greater of the rate of two (2) percentage points over the composite prime rate of interest set forth in the Wall Street Journal "Money Rates" column (or its successor) most recently prior to such date.

21. ASSIGNMENT OR SUBLEASE.

Except as provided in paragraph 1, Family Support Center shall not assign or transfer (including any assignment or transfer for security purposes) this Lease or any interest therein nor sublet the whole or any part of the premises, nor shall this Lease or any interest hereunder be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the advance written consent of the City, which may be withheld in the City's sole discretion. If the City shall give its consent to any assignment or sublease, Family Support Center shall remain liable under the terms of this Lease, and this paragraph shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without the City's consent pursuant to this paragraph.

22. COMPLIANCE WITH CITY REGULATIONS/ALL LAWS.

Family Support Center agrees to comply with all applicable rules and regulations of the City pertaining to the building or other realty of which the premises are a part or to Family Support Center's use or occupancy thereof, now in existence or hereafter promulgated for the general health, welfare, safety and convenience of the City, its various Family Support Centers, invitees, licensees and the general public. Family Support Center further agrees to comply with all applicable federal, state and municipal laws, ordinances and regulations, including, without limitation, those relating to environmental matters,

and Americans with Disabilities Act, and to indemnify the City for any liability, damages, costs or fees incurred by the City due to Family Support Center's failure to comply with the requirements of this section. Costs and fees shall include all direct and indirect costs and professional fees, including engineering and attorney's fees. Any fees for any federal, state or local inspections and/or certificates required for use and occupancy of the leased premises shall be paid by Family Support Center.

23. HAZARDOUS SUBSTANCES.

Family Support Center certifies, represents, warrants, covenants and agrees that:

For itself, its contractors, subcontractors and agents, Family Support Center will comply with all applicable local, state and federal environmental laws, regulations, ordinances and administrative and judicial orders relating to the generation, recycling, treatment, use, sale, storage, handling, transport and disposal of any Hazardous Substances (as defined below) by any person on the leased premises or common areas. Lessee will not, without the City's prior written consent, keep on or around the leased premises or any common areas, for use, disposal, treatment, generation, storage, or sale, any Hazardous Substances.

24. INSOLVENCY.

If Family Support Center becomes insolvent because Family Support Center's assets are exceeded by Family Support Center's debts or Family Support Center is unable to pay Family Support Center's debts as they come due; then, in the event any of the foregoing shall occur, the City may, at its option, terminate this Lease.

25. ATTORNEY'S FEES AND COSTS.

Should a dispute arise between the parties hereto as to the effect of any provision hereof and said dispute is referred to an attorney, whether for enforcement in court or for decision under arbitration, the losing party shall pay the prevailing party's actual and incurred attorney's fees; costs of court or arbitration, including such fees and costs of any appeal; other legal expenses; and collection costs, except that the amount of such fees, costs or expenses taken separately or in the aggregate, shall not be unreasonable. If such dispute arises and is later settled by the parties, such settlement shall include a specific allocation of disposition of attorney's fees on both sides.

26. NONDISCRIMINATION - SERVICES.

Family Support Center agrees that it will not discriminate by segregation or otherwise against any person or persons because of any status protected from such discrimination by law including but not limited to race, creed, color or national origin in furnishing, or by refusing to furnish, to such person or persons the use of the facility herein provided, including any and all services, privileges, accommodations and activities provided thereby.

It is agreed that Family Support Center's noncompliance with the provisions of this clause shall constitute a material breach of this Lease. In the event of such noncompliance, the City may take appropriate action to enforce compliance, may terminate this Lease, or may pursue such other remedies as may be provided by law.

27. NONDISCRIMINATION - EMPLOYMENT.

Family Support Center covenants and agrees that in all matters pertaining to the performance of this Lease, Family Support Center shall at all times conduct its business in a manner which assures fair, equal and nondiscriminatory treatment of all persons without respect to race, creed or national origin, or any status protected from such discrimination by law and in particular:

a. Family Support Center will maintain open hiring and employment practices and will welcome applications for employment in all positions from qualified individuals who are members of racial or other minorities; and

b. Family Support Center will comply strictly with all requirements of federal, state or local laws or regulations issued pursuant thereto relating to the establishment of nondiscriminatory requirements in the hiring and employment practices, and assuring the service of all patrons or customers without discrimination as to any person's race, creed, color or national origin.

The City reserves the right to take such action as the appropriate governmental authority may direct to enforce these provisions.

28. ARBITRATION PROCEDURE.

In the event of a dispute between the City and Family Support Center with respect to any issue specifically mentioned elsewhere in this Lease as a matter to be decided by arbitration, such dispute shall be determined by arbitration as provided in this paragraph. The City and Family Support Center shall each appoint a person as arbitrator who shall have had at least ten (10) years of experience in Thurston County in the subject matter of the dispute. The appointment shall be in writing and given by each party to the other, and the arbitrators so appointed shall consider the subject matter of the dispute, and if agreement can be reached between them, their opinion shall be the opinion of the arbitration. In the event of their failure to agree upon the matter so submitted, they shall appoint a third arbitrator. In the case of the failure of such arbitrators to agree upon the third arbitrator, the same shall be appointed by the American Arbitration Association from its qualified panel of arbitrators, with similar qualifications. If the City or Family Support Center shall fail to so appoint an arbitrator for a period of ten (10) days after written notice from the other party to make such appointment, then such party will have defaulted its right to make such appointment, and the arbitrator appointed by the nondefaulting party shall determine and resolve the dispute. In the event the three arbitrators are appointed, after being duly sworn to perform their duties with impartiality and fidelity, they shall proceed to determine the question submitted. The decision of the arbitrators shall be rendered within thirty (30) days after their appointment, and such decision shall be in writing, with copies thereof delivered to each of the parties. The award of the arbitrators shall be final, binding, and conclusive on the parties. The fees of the arbitrators and the expenses incident to the proceedings shall be borne equally between the City and Family Support Center. The arbitrators shall award to the prevailing party the fees of that party's counsel, expert witnesses, or other witnesses called by the prevailing party.

29. INVALIDITY OF PARTICULAR PROVISIONS.

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

30. NOTICES.

All default and other substantial notices required under the provisions of this Lease may be personally delivered or mailed. If mailed, they shall be sent by certified mail, return receipt requested to the following addresses:

To the City:
Jay Burney, Assistant City Manager
City of Olympia
P. O. Box 1967
Olympia, WA 98507

To the Family Support Center:
Schelli Slaughter, Executive Director
The Family Support Center of South Sound
201 Capitol Way
Olympia, WA 98501

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices given by personal delivery shall be deemed given upon receipt. Notices sent by mail shall be deemed given when properly mailed, and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

31. WAIVER.

The acceptance of rent by the City for any period or periods after a default by Family Support Center hereunder shall not be deemed a waiver of such default unless the City shall so intend and shall so advise Family Support Center in writing. No waiver by the City of any default hereunder by Family Support Center shall be construed to be or act as a waiver of any subsequent default by Family Support Center. After any default shall have been cured by Family Support Center, it shall not thereafter be used by the City as a ground for the commencement of any action under the provisions of paragraph 19, **DEFAULTS.**

32. BINDER.

This Lease is binding upon the parties hereto, their heirs, personal representatives, successors in interest and assigns.

33. NO RECORDING.

Without the prior written consent of the City, this Lease shall not be recorded.

FAMILY SUPPORT CENTER

By: _____

Signature

Schelli Slaughter

Print Name

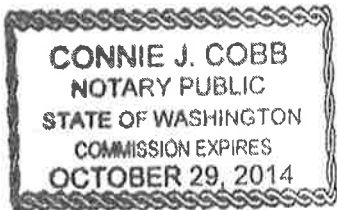
Executive Director

Title

STATE OF WASHINGTON)
) ss
COUNTY OF THURSTON)

On this 20th day of October, 2014, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared before me SHELLI SLAUGHTER to me known to be the EXECUTIVE DIRECTOR of Family Support Center of South Sound, a Washington nonprofit corporation, who executed the foregoing **Lease Agreement**, and acknowledged the said **Lease Agreement** to be the free and voluntary act and deed of said nonprofit corporation for the uses and purposes therein mentioned and on oath states that he/she is authorized to execute the said **Lease Agreement**.

WITNESS my hand and official seal the day and year first above written.



Connie J. Cobb

Signature

Print Name:

Connie J. Cobb

NOTARY PUBLIC in and for the State of Washington,
residing at *Olympia*

My commission expires:

10/29/14

EXHIBIT "A"
Property Description

Lot 7, Block 3, of Sylvester's Plat of the Town of Olympia, as recorded in Volume 1 of Plats at page 14, Thurston County records; Together with the easterly five (5) feet of Lot 8, Block 3 of said Sylvester's Plat. Situated in the SW Quarter of Section 14, Township 18 North, Range 2 West, Willamette Meridian, Washington, together with the children's play area lying to the North and the courtyard lying to the West.

EXHIBIT "B" **Programs**

Family Support Center Programs & Services: The Family Support Center provides a variety of comprehensive, co-located, coordinated, confidential family support services in accordance with our mission, "Working Together to Strengthen ALL Families." The Family Support Center was founded to provide a "one stop shop" where families in Olympia and the South Sound region can access multiple services needed to support and strengthen families. The Family Support Center develops and coordinates programs and services in response to community needs. Family Support Services include but are not limited to such activities as case management, parent support, maternal/infant health, mental health counseling, early learning programs, homeless prevention, substance abuse treatment, basic needs, supervised visitation, child abuse & neglect prevention, holiday assistance, legal support, advocacy, medical care, adult education, support groups, child care, family activities, financial assistance, transportation, domestic violence/sexual assault services, training, shelter, housing, employment assistance, prenatal support, resource & referral, screenings and assessment, benefits assistance, navigation services, community events, and more. The Family Support Center sublets space to other organizations that provide direct benefits and services to families, women, and children in our community.

Family Resource Services: This program services families and children in need of support and assistance in accessing and navigating community resources and meeting basic needs that help families achieve economic and residential stability, family safety, health, & well-being, and promotion of protective factors for children.

Parent & Children's Education: A variety of parent education classes, support groups, life skills classes, trainings, classes, and other education classes are offered to parents and adults in the community. Child care and children's programming such as preschool programs, workshops, indoor/outdoor play, activities, community cafes, parent leadership opportunities, and child centered events, are offered to support children's healthy development.

Thurston County Family Justice Center: The Family Support Center is the coordinated entry point for victims/survivors of domestic violence, sexual assault, and human trafficking accessing services of the Thurston County Family Justice Center, a program of the Family Support Center. The Family Justice Center program is a public private partnership of community based and criminal justice organizations and agencies working together to address the safety and well-being of survivors and their families.

Homeless Family Services: The Family Support Center is the coordinated entry for all homeless families with children in our community, providing intake/assessment, emergency shelter, affordable housing, rental assistance, and other supportive services to support homeless families and prevent homelessness of those at imminent risk.

Donations: The Family Support Center provides donations of good/services to families, children, and individuals in need in our community. Donations of food, clothing, diapers, hygiene supplies, cold weather gear, emergency supplies, bus passes, gift cards, holiday toys, baby equipment, and more are regularly distributed.

Supervised Visitation: The Family Support Center provides supervised visitation services and transportation to private parties as well as child welfare involved families.

Community meeting and office space: The Family Support Center provides office space, meeting, kitchen, common, and activity space to public and private community organizations in alignment with our mission and purpose.

Legal Services: A variety of civil legal clinics and pro bono legal support and counsel is available at the Family Support Center.

Medical Services: Acute medical care, mental health, and preventive medical service clinics are offered to low income families/individuals in addition to healthcare navigation and enrollment services.

Childcare: A variety of childcare programs are offered at the Family Support Center including childcare provider training, enrollment, scholarships, access, activities, before/after school care, children's programs, camps, and more.

Advocacy and Volunteer Services: A variety of volunteer and advocacy organizations and activities operate at the Family Support Center to promote community engagement and efforts that are in alignment with the Family Support Center's mission in purpose.

EXHIBIT "C"
Community Benefits

The Family Support Center of South Sound is 501c3 nonprofit with the mission "Working Together to Strengthen ALL Families." The Family Support Center of South Sound was founded to provide comprehensive, co-located, collaborative services delivered under one roof to improve access to services to families, children, and individuals in the community. The Family Support Center building is a community center whereas nonresidential coordinated services are delivered to community members for the benefit of the community. Family Support programs are defined as community-based and public services to promote the health, well-being, and safety of children and families. Services benefit citizens of the City of Olympia and the greater South Sound region.

Specific Community Benefits are outlined in the program descriptions in Exhibit "B."