

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF OLYMPIA AND THE NORTHWEST ECOBUILDING GUILD, A WASHINGTON NONPROFIT CORPORATION, FOR LEASE OF THE PROPERTY LOCATED AT 911 ADAMS STREET SE, OLYMPIA, WASHINGTON.

WHEREAS, on August 3, 2018, the City of Olympia (City) acquired the property located at 911 Adams Street SE, Olympia, Washington (the Property); and

WHEREAS, because of its location and zoning, the Property is suitable for high-density residential development, economic development, library expansion or a park, all of which are stated needs and objectives in the City's Downtown Strategy; and

WHEREAS, City staff and The Northwest Ecobuilding Guild, a Washington nonprofit corporation (The Guild), have negotiated terms and conditions for The Guild's lease of the Property; and

WHEREAS, the Olympia City Council determines it to be in the best interest of the City of Olympia to lease the Property to The Guild so it may continue its current use and serve the community while a long-term vision for the Property is developed by the City; and

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE as follows:

1. The Olympia City Council hereby approves the Lease Agreement between the City of Olympia and The Northwest Ecobuilding Guild, a Washington nonprofit corporation, for lease of the property located at 911 Adams Street SE, Olympia, Washington upon the agreed terms within the Lease Agreement.
2. The City Manager is directed and authorized to execute on behalf of the City the Lease Agreement between the City of Olympia and The Northwest Ecobuilding Guild and any other documents necessary to execute said Lease Agreement, and to make any minor modifications as may be required and are consistent with the intent of the Lease Agreement, or to correct any scrivener's errors.

PASSED BY THE OLYMPIA CITY COUNCIL this _____ day of _____ 2019.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY



**LEASE AGREEMENT
BETWEEN
THE CITY OF OLYMPIA AND THE NORTHWEST ECOBUILDING GUILD**

THIS LEASE AGREEMENT is made and entered into between the City of Olympia, a Washington municipal corporation (hereinafter referred to as “OLYMPIA”), and the Northwest Ecobuilding Guild, a Washington nonprofit corporation, (hereinafter referred to as “THE GUILD”), and collectively referred to herein as “the Parties.”

On August 3, 2018, OLYMPIA acquired title to the real property at 911 Adams Street SE, Olympia, Washington. Because of its location and zoning, the property is suitable for high-density residential development, economic development, library expansion or a park, all of which are stated needs and objectives in OLYMPIA’s Downtown Strategy.

OLYMPIA desires to enter into a lease agreement so THE GUILD may continue its current use, while a long-term vision for the property is developed by OLYMPIA.

LEASE

1. **Premises.** In consideration of the covenants and agreements hereinafter set forth and other good and valuable consideration, OLYMPIA hereby leases to THE GUILD the real property and structures thereon commonly located at 911 Adams St SE, Olympia, Washington, and more specifically legally described as set forth in “Exhibit A,” which is attached hereto and incorporated by reference.
2. **Term of Lease.** This lease shall commence on March 1, 2019 and shall terminate on December 31, 2019. This lease may be extended upon mutual agreement of the Parties.
3. **Rent.** THE GUILD agrees to pay OLYMPIA, as rental payment hereunder, the annual total of **One Dollar and No Cents** (\$1.00) U.S. Payment shall be made by check payable to the City of Olympia and provided to OLYMPIA’s Accounts Receivable office located at 601 4th Ave E, P.O. Box 1967, Olympia, Washington 98507-1967.
4. **Annual Report.** THE GUILD agrees to provide OLYMPIA with a written annual report summarizing participation, and activities upon the leased premises, and the financial status of the organization each year. 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.
5. **Utilities.** THE GUILD agrees that it shall pay the cost of all utilities, including but not limited to water, sewer, gas, garbage, cable, internet and telephone service. The cost of



purchasing or leasing telephones and/or installing and maintaining same, cable or internet service, shall be the responsibility of THE GUILD.

6. Maintenance and Repair. THE GUILD shall provide janitorial services, to include vacuuming, emptying of garbage, washing of windows, dusting, and general cleaning, including maintenance of all landscaping upon the leased premises, including replacement of light bulbs, painting, interior repair, and toilet articles. THE GUILD is responsible for all repairs necessary due to the negligence of THE GUILD, its agents, invitees, contractors or employees.
7. Repairs and Alterations. THE GUILD agrees to keep the leased premises clean and in a sanitary condition, to repair and/or pay to repair any and all damage to the leased premises caused by THE GUILD, and upon surrendering possession, to leave the leased premises in good condition, except for ordinary wear and tear. THE GUILD will not make any alterations, additions, or improvements without prior written consent of OLYMPIA. THE GUILD will not commit any waste or damage of the leased premises.
8. Damage by Casualty. In the event said leased premises shall be destroyed or damaged by fire or other casualties so that the same shall be unfit for use or occupancy, then OLYMPIA shall, within fifteen (15) days after said casualty, notify THE GUILD whether or not OLYMPIA elects to rebuild the premises and lease it in the same manner. If OLYMPIA elects not to rebuild the premises, then this lease shall be terminated and all rents will be adjusted as of said date of OLYMPIA's decision. If OLYMPIA elects to rebuild the premises, then the rent shall be suspended for such period as THE GUILD is not in possession and until the premises can be made fit for THE GUILD's occupancy. OLYMPIA and THE GUILD hereby expressly waive their right of subrogation against the other party and waive their entire claim of recovery against the other party for loss, damage, or injury from fire or other casualty, included in the extended coverage insurance endorsement, whether due to negligence of any of the parties, their agents, or employees or otherwise.
9. Indemnification / Hold Harmless. THE GUILD shall defend, indemnify, and hold harmless OLYMPIA, its officers, officials, employees and volunteers from and against any and all claims, suits, actions, or liabilities for injury or death of any person, or for loss or damage to property, which arises out of THE GUILD's use of the premises, or from the conduct of THE GUILD's business, or from any activity, work or thing done, permitted, or suffered by THE GUILD in or about the premises, except only such injury or damage as shall have been occasioned by the sole negligence of OLYMPIA. It is further specifically and expressly understood that the indemnification provided herein constitutes THE GUILD's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated and agreed to by THE GUILD and OLYMPIA. The provisions of this section shall survive the expiration or termination of this lease.

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10. Insurance Requirements.

A. Insurance Term

THE GUILD shall procure and maintain for the duration of this lease, insurance against claims for injuries to persons or damage to property which may arise from or in connection with THE GUILD's operation and use of the leased premises.

B. No Limitation

THE GUILD's maintenance of insurance as required by this lease shall not be construed to limit the liability of THE GUILD to the coverage provided by such insurance, or otherwise limit OLYMPIA's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance

THE GUILD shall obtain insurance of the types and coverage described below:

1. Commercial General Liability insurance shall be at least as broad as Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover premises and contractual liability. OLYMPIA shall be named as an additional insured on THE GUILD's Commercial General Liability insurance policy using ISO Additional Insured-Managers or Lessors of Premises Form CG 20 11 or a substitute endorsement providing at least as broad coverage.
2. Property insurance shall be written on an all risk basis.

D. Minimum Amounts of Insurance

THE GUILD shall maintain the following insurance limits:

1. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
2. Property insurance shall be written covering the full value of Lessee's property and improvements with no coinsurance provisions.

E. Other Insurance Provisions

THE GUILD's Commercial General Liability insurance policy or policies are to contain, or be endorsed to contain that they shall be primary insurance as respects OLYMPIA. Any insurance, self-insurance, or self-insured pool coverage maintained by OLYMPIA shall be excess of THE GUILD's insurance and shall not contribute with it.

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F. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VII.

G. Verification of Coverage

THE GUILD shall furnish OLYMPIA with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of THE GUILD.

H. Waiver of Subrogation

THE GUILD and OLYMPIA hereby release and discharge each other from all claims, losses and liabilities arising from or caused by any hazard covered by property insurance on or in connection with the premises or said building. This release shall apply only to the extent that such claim, loss or liability is covered by insurance.

I. OLYMPIA's Property Insurance

OLYMPIA maintains property insurance covering any buildings or structures for its full replacement value.

J. Notice of Cancellation

THE GUILD shall provide OLYMPIA with written notice of any policy cancellation within two business days of its receipt of such notice.

K. Failure to Maintain Insurance

Failure on the part of THE GUILD to maintain the insurance as required shall constitute a material breach of lease, upon which OLYMPIA may, after giving five business days' notice to THE GUILD to correct the breach, terminate the lease or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to OLYMPIA on demand by THE GUILD.

L. Public Entity Full Availability of Lessee Limits

If THE GUILD maintains higher insurance limits than the minimums shown above, OLYMPIA shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by THE GUILD, irrespective of whether such limits maintained by THE GUILD are greater than those required by this lease or whether any certificate of insurance furnished to OLYMPIA evidences limits of liability lower than those maintained by THE GUILD.

2



M. Alcohol Sale or Consumption upon Leased Premises.

If alcohol is either sold or consumed on the leased premises, THE GUILD agrees to obtain Liquor Liability insurance in the amount of \$1,000,000 each occurrence. OLYMPIA shall be named as an additional insured on such insurance. Host liquor liability coverage may be substituted when alcohol is consumed and not sold on the leased premises with the prior written approval of OLYMPIA.

11. Publicity. THE GUILD agrees to provide OLYMPIA, specifically Kellie Purce Braseth, Strategic Communication Director, (360) 753-8361, with any and all publicity information affecting the Leased Premises.
12. Termination. This lease may be terminated in its entirety at any time by either party by thirty (30) days' notice in writing or email to the other party of such termination, as provided in Paragraph 21 of this lease.
13. Assignment and Subleasing. THE GUILD shall not assign this lease nor sublet the leased premises to subtenants or caretakers, without the express written approval of OLYMPIA, except that the term "subtenants" shall not include the use of the premises by third-party invitees of THE GUILD in exchange for a per-hour or per-day usage fee.
14. Furniture. THE GUILD shall provide, at its own expense, all furniture necessary for its possession and use in or upon the leased premises.
15. Rules. THE GUILD shall comply with all laws, statutes, rules, regulations, ordinances, and resolutions promulgated either by the federal government, State of Washington, or the City of Olympia. Such rules include any and all rules of operation and procedure issued by OLYMPIA. THE GUILD agrees that rental of any office space must meet all applicable state laws and codes of the City of Olympia.
16. Default. It is agreed that if THE GUILD shall abandon or vacate said leased premises before the end of the term, or if any rent shall be due and unpaid, or if default is made of any of the covenants and agreements to be performed by THE GUILD as set forth herein, then OLYMPIA may, at its option, enter upon said leased premises and re-let the same for such rent and upon such terms as OLYMPIA may see fit, and if the full rental herein shall not be realized by OLYMPIA over and above any expenses to OLYMPIA to such re-letting, THE GUILD will pay all deficiency promptly upon demand, or OLYMPIA may declare said lease terminated and forfeited and take possession of the said leased premises. THE GUILD agrees to pay reasonable attorney's fees and court costs should it be necessary to enforce any of OLYMPIA's remedies in this paragraph.
18. Audits. Upon request, THE GUILD shall make all financial information, including revenues and expenses, available to OLYMPIA. Financial reserves shall likewise be made available.



Any terms, conditions, or restrictions attached to operating or reserve funds shall be identified. Information must be itemized to show the revenues, expenses, and cash reserves of each component program of THE GUILD.

19. Equipment Failure. OLYMPIA shall not be responsible for financial and/or material loss of perishable food products as a result of mechanical or electrical failure or loss of any effects resulting from equipment failure.
20. Security of Premises. THE GUILD is responsible for securing all areas under its lease. OLYMPIA shall not be responsible for any loss sustained by THE GUILD as a result of failure to properly secure facilities. Additionally, THE GUILD will indemnify, defend and hold OLYMPIA harmless from any liabilities, claims, suits or damages for any and all loss sustained by OLYMPIA arising out of THE GUILD's failure to secure and protect the leased premises.
21. Notices. All notices required or given under this lease shall be given to the following persons:

LESSOR: City of Olympia
Contact Person: Mike Reid, Economic Development Director
Address: Olympia City Hall
601 4th Avenue East
PO Box 1967
Olympia, Washington 98507-1967
Telephone: (360) 753-8591
Email: mreid@ci.olympia.wa.us

LESSEE: Northwest Ecobuilding Guild
Contact Person: Chris van Daalen, Executive Director
Address: 120 State Ave NE #303
Olympia, Washington 98501
Telephone: (360) 789-9669
Email: Chris@EcoBuilding.org

22. Nondiscrimination. THE GUILD agrees it shall not discriminate in the provision or delivery of services, resources or facilities for use or rental of the property based upon age, sex, race, creed, color, sexual orientation or national origin, or the presence of any physical, mental or sensory disability or because of any other status protected from discrimination by state or federal law. THE GUILD also agrees that it shall not discriminate in the use of the property by community groups for meetings supporting or opposing a ballot measure or candidate to the extent that the facilities are made available on an equal access, nondiscriminatory basis to all groups, but that THE GUILD shall not permit community groups to use the property or facilities to produce materials (e.g., campaign signs, brochures, or mailers) that support or oppose a ballot measure.

2



23. Entire Agreement. This lease constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous negotiations, proposals, commitments, writings, and understandings of any nature whatsoever. Any changes to this agreement requested by either party may only be by mutual agreement, in writing signed by duly authorized representatives of the parties. Failure by either party at any time to require performance by the other party or to claim a breach of any provision of this lease shall not be construed as affecting any subsequent breach or the right to require performance with respect thereto or to claim a breach with respect thereto.
24. Interpretation/Venue/Jurisdiction. The rights and obligations of the parties and all interpretations and performance of this lease shall be governed in all respects by the laws of the State of Washington. Section headings are inserted for convenience only and shall not be used in any way to construe the terms of this lease. If any portion of this lease is ambiguous, this lease shall not be interpreted against any party, as both parties participated in its drafting. The parties agree that venue is proper in Thurston County, Washington and jurisdiction is in the Thurston County Superior Court.
25. Ratification. Any act consistent with the terms of this lease, but prior to its final execution is hereby ratified and affirmed.

IN WITNESS WHEREOF, the parties have caused this agreement to be duly executed, such parties acting by their representatives being duly authorized.

** SIGNATURES ON FOLLOWING PAGE **



EXHIBIT "A"
LEGAL DESCRIPTION

**LOTS 3 AND 4 IN BLOCK 39 OF SYLVESTER'S PLAT OF OLYMPIA, AS
RECORDED IN VOLUME 1 OF PLATS, PAGE 14.**

SITUATE IN THURSTON COUNTY, WASHINGTON.

A small, handwritten mark or signature in the bottom right corner of the page, consisting of a circular scribble with a few lines extending from it.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – MANAGERS OR
LESSORS OF PREMISES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designation Of Premises (Part Leased To You):	
Name Of Person(s) Or Organization(s) (Additional Insured): Any person or organization acting as a manager or lessor of a premises that you are required to name as an additional insured on this policy, under a written contract, lease or agreement currently in effect, or becoming effective during the term of this policy.	
Additional Premium:	Included
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you, and only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury", caused, in whole or in part, by your acts or omissions, or the acts or omissions of those acting on your behalf, subject to the following additional exclusions:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Any offense which constitutes "personal and advertising injury" which is committed after you cease to be a tenant in that premises; or
3. Structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s) shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insured, the following is added to Section III - Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.