

LEASE AGREEMENT

This Lease Agreement is between the City of Olympia, a municipal corporation, (hereinafter referred to as “LESSEE”), and Intercity Transit, a municipal corporation operating as a Public Transportation Benefit Area under RCW 36.57A (hereinafter referred to as “LESSOR”) and both collectively referred to as “the Parties.”

RECITALS

WHEREAS, LESSOR and LESSEE have discussed the lease of certain premises from LESSOR for use as space by the Olympia Police Department for crisis response services, and uses reasonably compatible and related to such law enforcement purposes; and

WHEREAS, the parties wish to memorialize the terms and conditions of the lease of LESSOR’S premises in this Lease Agreement;

NOW THEREFORE, the Parties hereby agree as follows:

AGREEMENT

1. **PARTIES**: Intercity Transit hereby leases to the City of Olympia a portion of the building upon certain real property known as the Olympia Transit Center having the common street address of 222 State Avenue, Olympia, WA 98501. The leased premises are as shown upon **Exhibit 1**, attached hereto and incorporated herein by this reference.
2. **BUSINESS PURPOSE**: The leased premises are to be used only for the purpose of providing crisis response services, and such uses as are reasonably related to such use by the Olympia Police Department, a department of the City of Olympia.
3. **LEASE COMMENCEMENT AND TERM**: The term of this Lease Agreement shall commence on May 1, 2022, (the Rental Commencement Date), and shall continue to renew yearly unless either party gives the other ninety (90) days’ notice of termination.
4. **MUTUAL BENEFIT**: The PARTIES agree that it is mutually beneficial to locate the Olympia Police Department’s team of crisis responders in close proximity to the transit station as the transit station and surrounding area has a high incidence of crises often requiring police response and location of such services would decrease response times for such incidents.
5. **EXPENSES**: During the term of this Lease Agreement, LESSOR shall pay all real estate taxes, all property assessments, insurance, water and sewer, and garbage collection, storm water, irrigation water, and maintenance and repair as described below, together with annual exterior and interior window washing and light ballasts. LESSEE shall separately pay for its

separately metered electricity, in-suite janitorial service including carpet cleaning and floor sealing, restroom supplies and light bulbs.

6. MAINTENANCE AND REPAIR:

A. The LESSOR shall maintain the premises in good repair and tenantable condition during the term of this Lease Agreement, except in case of damage arising from the negligence of the LESSEE's licensees, invitees, agents, or employees.

B. For the purposes of maintaining and repairing the premises, the LESSOR reserves the right at reasonable times to enter and inspect the premises and to make any necessary repairs to the space subject to Section 11. LESSOR's maintenance and repair obligations shall include, but not be limited to, the mechanical, electrical, interior lighting (including replacement of ballasts, starters, and fluorescent tubes as required), plumbing, heating, ventilating, and air-conditioning systems (including replacement of filters as recommended in equipment service manual); floor coverings (excluding regular carpet cleaning); window coverings; elevators (if applicable); inside and outside walls (including windows); all structural portions of the building (including the roof and the watertight integrity of the same) porches, stairways, sidewalks; exterior lighting; parking lot (including snow removal, cleaning and restriping as required); wheel bumpers, and drainage.

C. LESSEE agrees that it shall take all steps reasonably necessary and proper to ensure that its employees, agents, licensees, or invitees take reasonable care of the leased premises and cooperate fully with LESSOR or its designees in relation to scheduling and such other matters as are reasonably related to LESSOR's being able to sufficiently perform LESSOR's duties to maintain such aspects of the leased spaces' structure as are the responsibility of the LESSOR, including such matters as the roofing and heating/air conditioning/ventilation system. LESSEE shall reimburse LESSOR for any repair costs arising from damage resulting from the negligent or intentional acts of its employees, agents, or invitees.

7. **COMMON AREA(S):** The common area to which LESSEE has right of access and use is defined as that portion of the leased grounds and/or building not assigned for the exclusive use of a single/designated tenant, but available for the non-exclusive use by all tenants of the building. This is including but not limited to landscape areas, sidewalks, stairwells, elevators, restrooms, kitchen area, storage room and lobbies. LESSOR shall be responsible for the maintenance of the common areas.

8. **INTERRUPTION OF SERVICE:** LESSOR shall not be liable for damages or otherwise for any failure or interruption of any utility service being furnished to the Leased Premises.

9. **PERSONAL PROPERTY TAXES:** LESSEE shall pay before delinquency all license fees, public charges, property taxes and assessments on the furniture, fixtures, equipment, and other property of or being exclusively used by LESSEE at any time situated on or installed in the premises as required by law.

10. BUSINESS TAXES: LESSEE shall pay all special taxes and assessments or license fees levied, assessed, or imposed by law or ordinance, by reason of the use of the premises for the specific purposes set forth in this Lease Agreement

11. ENTRY BY LESSOR: The LESSEE shall allow LESSOR, its agents or employees to have access to and enter the premises at all reasonable and necessary times upon forty-eight (48) hours' notice to LESSEE, to inspect the premises and for the purposes of care, maintenance, improvement and management of the building, including the leased premises. LESSOR specifically agrees and consents that its right of inspection of the premises **shall only occur if LESSOR or its agents or employees are accompanied by a designated, authorized representative of the Olympia Police Department**, otherwise unsupervised entry into the Leased Office Premises shall not be permitted or allowed.

12. INSURANCE:

A. LESSEE'S RESPONSIBILITIES: LESSEE shall, during the lease term, at its sole expense, maintain in full force a policy or policies of comprehensive general liability insurance issued by one or more insurance carriers, insuring against liability for injury to or death of persons and loss of or damage to property occurring in or on the premises and any portion of the common area which is subject to LESSEE's exclusive control or arising from LESSEE'S use of common areas, or LESSEE may provide proof of such coverages or the equivalent as may be required by this Lease Agreement through its participation in a risk pool as permitted by state law (e.g., Washington Cities Insurance Authority). Said liability insurance coverage shall be in an amount of not less than \$1,000,000 Per Occurrence and \$2,000,000 Policy Aggregate.

B. LESSOR'S RESPONSIBILITIES: LESSOR shall carry throughout the term of this Lease Agreement:

1. Fire and extended coverage insurance on the Building and all improvements therein (other than leasehold improvements) for their full replacement value, including a rent loss endorsement for at least 12 months; and
2. Commercial General Liability Insurance with respect to all common areas of the Building and Leased Premises in an amount not less than a combined single limit of \$1,000,000.

All such insurance coverage may be subject to commercially reasonable deductible amounts.

13. INDEMNITY:

A. LESSEE, as a material part of the consideration to be rendered to LESSOR, shall defend, indemnify, and hold LESSOR harmless from and against any and all claims or causes of action which may arise based on the LESSEE's occupancy and use of the Premises by LESSEE, its clients, invitees, agents, contractors, or licensees, except for such claims caused by LESSOR's negligence or intentional act.

B. LESSOR, as a material part of the consideration to be rendered to LESSEE, shall defend, indemnify, and hold LESSEE harmless from and against any and all claims or causes of action which may arise based on the LESSOR's negligence, ownership and operation of the Leased Premises by LESSOR, its invitees, agents, contractors, or licensees, except for such claims caused by LESSEE's negligence or intentional act.

C. Should a court of competent jurisdiction determine that this Lease Agreement is subject to RCW 4.24.115 then, in the event of liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the concurrent negligence of the LESSEE and LESSOR, its officers, officials, employees, and volunteers, the LESSOR'S liability hereunder shall be only to the extent of the LESSOR'S negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the LESSEE'S waiver of immunity under any act, including the Industrial Insurance, Title 51 RCW solely for the purposes of this indemnification. The parties have mutually negotiated this waiver. The provisions of this section shall survive the expiration or termination of this Lease Agreement.

14. ALTERATIONS: The LESSEE will not make any modifications, augmentations or improvements in said premises without the prior consent in writing of LESSOR. Any modifications, augmentations and/or improvements made by the LESSEE shall be by the LESSEE'S contractor and at the exclusive cost and expense of the LESSEE. Any damages to the premises as a result of modifications that LESSEE makes shall be repaired at the sole cost and expense of LESSEE in a reasonable workmanlike manner. Said modifications, augmentations and/or improvements shall become the property of LESSOR and shall remain in and be surrendered with the premises as a part thereof at the termination of this Lease Agreement, without disturbance, molestation or injury unless LESSOR requests LESSEE to remove such items or item at the end of the Lease Agreement. In that event, the removal shall be accomplished at LESSEE's sole expense and the premises restored to its condition prior to the installation of the removed improvement or alternation. The LESSEE agrees to hold harmless LESSOR from damage, claim, loss, or expense arising out of said alterations, additions, and/or improvements, including such liens that may be placed on the property as a result of such work.

15. STATUS OF PREMISES:

A. The LESSEE acknowledges that it has examined the premises and hereby accepts the same as being in the condition called for by this Lease Agreement.

B. Tenant's Responsibility of Removal of Tenant Improvements: Upon request of LESSOR, Removal of any tenant improvements specific to the LESSEE shall be the responsibility of the LESSEE upon termination of the Lease Agreement (examples include but are not limited to: cabinetry and telecommunications wiring). In the absence of the request from LESSOR, such improvements shall remain at the end of the lease period.

16. CONDITION OF PREMISES AT END OF LEASE: The LESSEE shall leave the premises upon termination of this Lease Agreement in the same condition as LESSEE received it, except for reasonable wear and tear.

17. AMENDMENTS: Any amendments, modifications, or additions to this Lease Agreement shall be in writing by the parties hereto and neither LESSEE nor LESSOR shall be bound by any verbal or implied agreements.

18. SEVERABILITY:

A. If any provision of this Lease Agreement shall be deemed to be invalid, void, or illegal, it shall in no way affect, impair, or invalidate any other provision hereof.

B. Provisions: All provisions set forth in this Lease Agreement are independent of one another, and the obligations or duties of either party hereto under any one provision are not dependent upon either party performing under the term of any other provision.

19. DISPUTE RESOLUTION, APPLICABLE LAW AND VENUE:

A. In the event of any dispute arising out of this agreement the parties agree they must first submit the dispute to non-binding mediation through such entity or person agreed upon by the parties.

B. This Lease Agreement is deemed executed in the City of Olympia, Thurston County, State of Washington, regardless of where signatories reside or the entities they represent are headquartered, and shall be construed under the laws of the State of Washington, and the parties hereto agree that any action relating to this Lease Agreement shall be instituted and prosecuted in the courts of the County of Thurston, State of Washington, and each party hereto waives the right to a change of venue, and further admits to the jurisdiction of the above-referenced court.

C. Attorneys' Fees: In the event of resolution of a covered dispute by litigation, in addition to any other relief granted to the substantially prevailing party, the court shall award the substantially prevailing party reasonable attorneys' fees and costs incurred in prosecuting or defending the matter, as the case may be. Matters subject to this right include if either party requires the services of any attorney in connection with enforcing the terms of this Lease Agreement including the recovery of any amount due related to this Lease, or for the restitution of said premises to LESSOR, and/or eviction of LESSEE during the lease term or after the expiration thereof, or for the failure of either party to carry out any requirement placed upon them under this Lease Agreement.

20. SUBMITTAL TO COUNSEL: Prior to execution, each party has had the opportunity to submit this Lease Agreement to legal counsel of their choice. Thus, for the purposes of interpretation, there shall be no presumption of interpretation against either party in the event of any ambiguity or dispute.

21. AUTHORITY: Each person executing this document warrants and represents that they are authorized to execute the same upon behalf of the party indicated.

22. NOTICES:

A. Wherever in this Lease Agreement written notices are to be given or made, they will be sent by certified mail to the address listed below unless a different address shall be designated in writing and delivered to the other party.

LESSOR: Intercity Transit
Ann Freeman-Manzanares, General Manager
526 Pattison Street SE
Olympia, Washington 98501

LESSEE: Legal Department, Attn: City Attorney
City of Olympia
P.O. Box 1967
Olympia, Washington 98507-1967

B. Any notice required under this Lease Agreement shall be in writing and shall be effective either: (i) when hand delivered to the person or entity designated to receive it, or (ii) seven (7) business days after being sent by prepaid certified first class U.S. mail, return receipt requested, addressed as set forth above to LESSOR or LESSEE as the case may be. Either party may change its address by a written notice to the other party.

IN WITNESS WHEREOF, LESSOR and the LESSEE have caused this lease to be executed on the date of the last required signature affixed hereto.

*****SIGNATURES ON FOLLOWING PAGES*****

EXHIBIT 1- FLOOR PLAN

