



Meeting Agenda

City Council

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Tuesday, January 9, 2018

7:00 PM

Council Chambers

1. ROLL CALL

1.A ANNOUNCEMENTS

1.B APPROVAL OF AGENDA

2. SPECIAL RECOGNITION

2.A [18-0023](#) Swearing in of Newly Elected Councilmembers

3. PUBLIC COMMUNICATION

(Estimated Time: 0-30 Minutes) (Sign-up Sheets are provided in the Foyer.)

During this portion of the meeting, citizens may address the City Council regarding items related to City business, including items on the Agenda. In order for the City Council to maintain impartiality and the appearance of fairness in upcoming matters and to comply with Public Disclosure Law for political campaigns, speakers will not be permitted to make public comments before the Council in these three areas: (1) on agenda items for which the City Council either held a Public Hearing in the last 45 days, or will hold a Public Hearing within 45 days, or (2) where the public testimony may implicate a matter on which the City Council will be required to act in a quasi-judicial capacity, or (3) where the speaker promotes or opposes a candidate for public office or a ballot measure.

Individual comments are limited to three (3) minutes or less. In order to hear as many people as possible during the 30-minutes set aside for Public Communication, the City Council will refrain from commenting on individual remarks until all public comment has been taken. The City Council will allow for additional public comment to be taken at the end of the meeting for those who signed up at the beginning of the meeting and did not get an opportunity to speak during the allotted 30-minutes.

COUNCIL RESPONSE TO PUBLIC COMMUNICATION (Optional)

4. CONSENT CALENDAR

(Items of a Routine Nature)

4.A [18-0046](#) Approval of December 19, 2017 City Council Meeting Minutes

Attachments: [Minutes](#)

4.B [18-0024](#) Approval of Resolution and Lease Agreement for Senior Services for South Sound

Attachments: [Resolution](#)

[Lease Agreement](#)

- 4.C [18-0025](#) Approval of Resolution Approving Terms and Conditions of Lease Agreement and Authorizing the City Manager to Execute a Lease for Premises

Attachments: [Resolution](#)

[Lease Agreement](#)

4. SECOND READINGS (Ordinances) - None

4. FIRST READINGS (Ordinances) - None

5. PUBLIC HEARING - None

6. OTHER BUSINESS

- 6.A [18-0006](#) Poetry Reading by Olympia's Poet Laureate

7. CONTINUED PUBLIC COMMUNICATION

(If needed for those who signed up earlier and did not get an opportunity to speak during the allotted 30 minutes)

8. REPORTS AND REFERRALS

8.A COUNCIL INTERGOVERNMENTAL/COMMITTEE REPORTS AND REFERRALS

8.B CITY MANAGER'S REPORT AND REFERRALS

9. ADJOURNMENT

The City of Olympia is committed to the non-discriminatory treatment of all persons in employment and the delivery of services and resources. If you require accommodation for your attendance at the City Council meeting, please contact the Council's Executive Assistant at 360.753.8244 at least 48 hours in advance of the meeting. For hearing impaired, please contact us by dialing the Washington State Relay Service at 7-1-1 or 1.800.833.6384.



City Hall
601 4th Avenue E.
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360-753-8244

City Council

Swearing in of Newly Elected Councilmembers

Agenda Date: 1/9/2018
Agenda Item Number: 2.A
File Number: 18-0023

Type: recognition **Version:** 1 **Status:** Filed

Title

Swearing in of Newly Elected Councilmembers

Report

Issue:

The following Councilmembers will be sworn in:

Councilmember Jim Cooper
Councilmember Lisa Parshley
Councilmember Renata Rollins
Councilmember Clark Gilman

A short reception will follow the swearing in ceremony.



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601 4th Avenue E.
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360-753-8244

City Council

Approval of December 19, 2017 City Council Meeting Minutes

Agenda Date: 1/9/2018
Agenda Item Number: 4.A
File Number: 18-0046

Type: minutes **Version:** 1 **Status:** Passed

Title

Approval of December 19, 2017 City Council Meeting Minutes



Meeting Minutes - Draft

City Council

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Tuesday, December 19, 2017

7:00 PM

Council Chambers

Last Meeting of the Year

1. ROLL CALL

Present: 5 - Mayor Cheryl Selby, Councilmember Jessica Bateman, Councilmember Jim Cooper, Councilmember Julie Hankins and Councilmember Jeannine Roe

Excused: 2 - Mayor Pro Tem Nathaniel Jones and Councilmember Clark Gilman

1.A ANNOUNCEMENTS

Mayor Selby read a statement regarding the Amtrak derailment that occurred on December 18, and thanked first responders for their work.

City Manager Steve Hall shared details of how City of Olympia first responders have provided mutual aid during the tragedy.

1.B APPROVAL OF AGENDA

The agenda was approved.

2. SPECIAL RECOGNITION

- 2.A [17-1301](#) Special Recognition - National Association of Secretaries of State Medallion Award Received by Olympia Federal Savings

Olympia Federal Savings Marketing and Public Relations Manager Ryan Betz discussed the National Association of Secretaries of State Medallion Award that was presented to the Bank on December 4th by Secretary of State Kim Wyman. The award recognizes civic engagement, voter education efforts, government services and a commitment to giving back to the community. Honored as Corporations for Communities, the recipients were recognized as extraordinary Washington businesses that give their best efforts in helping their communities.

Mr. Betz thanked the Council for recognizing the achievement and discussed ways that Olympia Federal Savings contributes to the Community.

The recognition was received.

- 2.B [17-1268](#) Special Recognition - 2017 Historic Preservation Awards and Olympia

Heritage Register Plaques

Historic Preservation Officer Michelle Sadlier discussed Olympia's 2017 Preservation Awards.

Preservation Awards were presented to Maurice Major for his citizen advocacy for Priest Point Park's heritage. Gray and Joy Graham and the Artisans Group for the 222 Market Place for rehabilitating the building and highlighting it's historical features.

Ms. Sadlier also shared the three buildings that were added to the 2017 Olympia Heritage Plaques:

Frederick W. & Elsa H. Schmidt House- Owners: Maria and Keith Ciani
Christensen Radio Repair Shop - Owners: Kenneth Pugh and Constance Phegley
Avalon Store Building - Owner - Kanako Wynkoop

The recognition was received.

2.C [17-1217](#) Special Recognition - 2017 Design Review Board Award of Merit

Associate Planner Catherine McCoy discussed the 2017 Design Review Board Award of Merit reward recipients.

Chair of the Design Review Board Joseph Lavelle discussed the criteria of the Award of Merit.

Awards were presented to:

Walker John, Urban Olympia III, LLC, for the Thurston First (Mixed Use) Bank Building, 600 Franklin Street SE

Walker John, 3rd Gen Investment Group, LLC, for the Campus Lofts Buildings, 512 12th Avenue SE

The recognition was received.

3. PUBLIC COMMUNICATION

The following people spoke: Jon Pettit, Jim Reeves, Jerry Dierker, Terry Ballard, Chelsea Rustad, Thomas Plumb, and Regon Unsoeld and Ronda Morrison.

COUNCIL RESPONSE TO PUBLIC COMMUNICATION (Optional)

4. CONSENT CALENDAR

4.A [17-1308](#) Approval of December 12, 2017 City Council Meeting Minutes

The minutes were approved.

4.B [17-1230](#) Bills and Payroll Certification

The decision was approved.

- 4.C [17-1303](#) Approval of Resolution Authorizing an Interlocal Agreement with Lewis County for Use of Jail Facilities and Services

The resolution was approved.

- 4.D [17-1304](#) Approval of Resolution Supporting Community Gardens in Olympia

The resolution was approved.

- 4.E [17-1307](#) Approval of an Amendment to the City Manager’s Employment Contract

The decision was approved.

4. SECOND READINGS (Ordinances)

- 4.F [17-0681](#) Approval of an Ordinance Adopting the 2017 Engineering Design and Development Standards (EDDS) Update

The ordinance was approved on second reading.

- 4.G [17-0075](#) Approval of an Ordinance Amending Transportation Impact Fees

The ordinance was approved on second reading.

- 4.H [17-1193](#) Approval of an Ordinance related to Chapter 3.04 Funds of the Olympia Municipal Code

The ordinance was approved on second reading.

- 4.I [17-1199](#) Approval of an Ordinance Adopting the 2018 Utility Rates and General Facilities Charges

The ordinance was approved on second reading.

- 4.J [17-1214](#) Approval of an Amendment to Ordinance 7097 Related to the Operating Budget

The ordinance was approved on second reading.

- 4.K [17-1215](#) Approval of an Amendment to Ordinance 7098 Related to the Capital Budget

The ordinance was approved on second reading.

- 4.L [17-1216](#) Approval of an Amendment to Ordinance 7099 Related to Special Funds

The ordinance was approved on second reading.

- 4.M** [17-1228](#) Approval of an Ordinance Amending Olympia School District Impact Fees

The ordinance was approved on second reading.

- 4.N** [17-1244](#) Approval of an Ordinance Adopting the 2018 Operating Budget

The ordinance was approved on second reading.

- 4.O** [17-1245](#) Approval of an Ordinance Adopting the 2018-2023 Capital Facilities Plan and Appropriating Funds for 2018

The ordinance was approved on second reading.

- 4.P** [17-1247](#) Approval of an Ordinance Appropriating 2018 Special Funds

The ordinance was approved on second reading.

- 4.Q** [17-1259](#) Approval of an Ordinance Adopting 2018 Park Impact Fee Rate Adjustment

The ordinance was approved on second reading.

- 4.R** [17-1270](#) Approval of an Ordinance Related to Extreme Risk Protection Orders and Amending Olympia Municipal Code Section 9.48.170

The ordinance was approved on second reading.

- 4.S** [17-1272](#) Approval of an Ordinance Amending Olympia Municipal Code Section 9.16.080, Pedestrian Interference

The ordinance was approved on second reading.

Approval of the Consent Agenda

Councilmember Hankins moved, seconded by Councilmember Roe, to adopt the Consent Calendar. The motion carried by the following vote:

Aye: 5 - Mayor Selby, Councilmember Bateman, Councilmember Cooper, Councilmember Hankins and Councilmember Roe

Excused: 2 - Mayor Pro Tem Jones and Councilmember Gilman

4. FIRST READINGS (Ordinances) - None

5. PUBLIC HEARING - None

6. OTHER BUSINESS

- 6.A** [17-1306](#) 2017 Year-End Highlights

Assistant City Manager Jay Burney shared the highlights for 2017.

The report was completed.

6.B [17-1309](#) Remarks from Outgoing Councilmembers

Councilmembers shared parting comments with Councilmembers Roe and Hankins.

Councilmembers Roe and Hankins reflected on their years of service on the City Council as well as thanked staff, citizens and partners for their work throughout the years.

The discussion was completed.

7. CONTINUED PUBLIC COMMUNICATION

8. REPORTS AND REFERRALS

8.A COUNCIL INTERGOVERNMENTAL/COMMITTEE REPORTS AND REFERRALS

Councilmembers reported on meetings and events attended.

Councilmember Roe made a referral to the Mayor to convene a group of stakeholders to explore supporting a downtown welcome center.

8.B CITY MANAGER'S REPORT AND REFERRALS

Mr. Hall shared holiday tidings with the Councilmembers.

9. ADJOURNMENT

The meeting adjourned at 8:36 p.m.



City Council

Approval of Resolution and Lease Agreement for Senior Services for South Sound

Agenda Date: 1/9/2018
Agenda Item Number: 4.B
File Number: 18-0024

Type: resolution **Version:** 1 **Status:** Passed

Title

Approval of Resolution and Lease Agreement for Senior Services for South Sound

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve a resolution authorizing the City Manager to sign the 2018 Olympia Center lease agreement with Senior Services for South Sound

Report

Issue:

Whether to continue the annual lease with Senior Services for South Sound for local and regional space at The Olympia Center.

Staff Contact:

Scott River, Associate Director, Parks, Arts & Recreation, 360.753.5806

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

Senior Services for South Sound has leased space at the Olympia Center since the building opened in 1987. This lease is consistent with agreements from previous years. Office space has been reconfigured to meet the current needs for Senior Services. Senior Services for South Sound has reviewed and approved the contract.

Senior Services for South Sound coordinates regional services for seniors in Thurston and Mason Counties. Their lease at the Olympia Center includes regional office space, as well as programming and office space necessary for the local operations of the Olympia Senior Center.

Lease Terms -

· Length: Calendar year 2018.

- Space: Office, lobby, reception, kitchen, storage and work space at the Olympia Center.
- Lease Payment: \$6,227.98 per quarter, plus an additional charge for extra hours of program/special event space use above the hours detailed in the agreement.
- Utilities: City provides all utilities except telephones.
- Janitorial Service: Olympia provides janitorial and facility maintenance services; except that the Senior Services is responsible for any repairs or alterations that they cause, except for ordinary wear and tear.

Neighborhood/Community Interests (if known):

None known

Options:

1. Approve the resolution as written
2. Request language modifications to the resolution
3. Reject the resolution as written and provide staff with alternate direction

Options 2 and 3 would require additional staff time to reconstruct and/or renegotiate terms of the agreement.

Financial Impact:

This lease meets the projected revenue anticipated in the approved operating budget for 2018.

Attachments:

Resolution
Lease Agreement

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, APPROVING THE TERMS AND CONDITIONS OF A LEASE AGREEMENT WITH SENIOR SERVICES FOR SOUTH SOUND, AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAID LEASE AGREEMENT FOR A PORTION OF THE OLYMPIA CENTER LOCATED AT 222 COLUMBIA STREET NW, IN OLYMPIA, WASHINGTON.

WHEREAS, Senior Services for South Sound (Senior Services) coordinates regional services for seniors in Thurston and Mason counties; and

WHEREAS, since 1987, Senior Services has leased space at The Olympia Center for its regional office, as well as for programming and office space necessary for the local operation of the Olympia Senior Center; and

WHEREAS, City staff have negotiated a Lease Agreement with Senior Services for the calendar year 2018 consistent with agreements from previous years; and

WHEREAS, the 2018 quarterly lease payments shall be \$6,227.98, for an annual total of \$24,911.92;

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

1. The Olympia City Council hereby agrees to and approves the terms and conditions of the proposed 2018 Lease Agreement with Senior Services for South Sound for a portion of The Olympia Center.
2. The City Manager is directed and authorized to execute the Lease Agreement with Senior Services for South Sound. The City Manager is also authorized to modify any terms consistent with the intent expressed by the Olympia City Council in this Resolution, and to correct any scrivener's errors in said Lease Agreement, as may be required.

PASSED BY THE OLYMPIA CITY COUNCIL this _____ day of January, 2018.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



DEPUTY CITY ATTORNEY



**LEASE AGREEMENT
BETWEEN
THE CITY OF OLYMPIA AND SENIOR SERVICES FOR SOUTH SOUND**

THIS LEASE AGREEMENT is made and entered into between the City of Olympia, herein referred to as "OLYMPIA" and SENIOR SERVICES FOR SOUTH SOUND, a Washington nonprofit corporation, herein referred to as "USER."

1. Premises. In consideration of the covenants and agreements hereinafter set forth and other good and valuable consideration, OLYMPIA hereby leases to USER a portion of The Olympia Center, herein referred to as the CENTER, located at 222 Columbia St NW, Olympia, Washington. More specifically, said portion is described generally as follows (and in detail on the attached "Exhibit A," which is hereby incorporated by reference as though fully set forth herein):

- a.) OLYMPIA agrees to grant the USER exclusive use of the following areas:

Dedicated Space

Office, reception, storage and work space for Senior Services for South Sound, Supportive Services, Health and Hygiene, and Senior Nutrition Program, and the Senior Boutique.

In 2015, the Service to At Risk Seniors Program (STARS) was eliminated due to funding shortages. This space will be converted to a Health and Hygiene program with the understanding that should the STARS program be reinstated the Health and Hygiene room would be converted back to STARS. Primary programming purposes for the Health and Hygiene Room will be: health consultations, medical checks, therapeutic programs for individuals, inclusion programming for seniors with developmental disabilities and dementia, personal hygiene procedures and consultations.

Lobby Space

The South Lobby is for the exclusive use of the USER during all building hours as established by OLYMPIA.

USER shall be responsible for providing access to their staff and any third party individuals or organizations and provide appropriate supervision during the use. USER will not provide CENTER keys or access codes to volunteers without written agreement by OLYMPIA. OLYMPIA will not be responsible for providing access to any exclusive use areas for third party individuals or organizations.



b.) OLYMPIA agrees to grant the USER nonexclusive use of the following areas based upon the agreed upon hours of use by the USER. Costs associated with this use are provided for in USER's rent obligation.

Additional use beyond these hours will be charged 200% of the senior rate once hours have been exceeded for each space type.

Programming Space (Nonexclusive)

Various program spaces as agreed to between OLYMPIA and USER. The breakdown of program space is:

- Class/meeting rooms – 2250 hours
- Multi-Purpose room “A” – 1190 hours
- Gymnasium – 450 hours
- Special Events – 120 hours in various rooms.

All “early open” (before 8am) or “late close” (after 10pm) hours will be charged to USER using the standard hourly rate for those hours. USER will communicate anticipated extra hours in advance to allow OLYMPIA to appropriately schedule staff when necessary. Thirty (30) days advance notice is preferable, but not required.

Kitchen Space (Nonexclusive)

The Main Kitchen will be managed cooperatively by OLYMPIA and USER. Responsibilities will be as follows:

OLYMPIA

- All scheduling of facility
- Coffee service scheduling and fee collection
- Equipment repair and replacement
- Supervision of community use, except Senior Services

USER

- Provide coffee service as scheduled.
- Daily cleaning and general upkeep
- Maintain inventory of utensils, plates, cups, mugs, and other specific items as necessary.
- Training for community users (Senior Services staff can establish a schedule for training that does not conflict with nutrition operations).

At the end of the regular nutrition program (2pm, Mon-Fri), all appliances and dishes (i.e. coffee cups) will be clean and ready for community use. Any hours, including but not limited to stocking, appliance use, cleaning, or prep work requiring extra time shall be booked through OLYMPIA to avoid conflicts with community users.



In 2010, USER accepted donation of a new walk-in freezer. In order to accept this donation, space was converted to accommodate the equipment. OLYMPIA agreed to allow USER to modify the mutually agreed upon space on the condition that when the USER vacates the premises, the freezer will be removed and USER will convert such space back to its original purpose (sink and prep space).

- c.) USER is authorized to permit third party individuals and organizations access to exclusive use areas provided that the primary purpose of the third party is to promote or support senior interests in the Olympia community. Use of programming space by a group under the co-sponsorship of the USER that generates money will be charged 400% of the senior rate).
 - d.) Any change in use as described in "Exhibit A" during the term of this agreement must be requested in writing by USER and approved in writing by OLYMPIA prior to the execution of any changes.
2. Term of Lease. This lease shall commence January 1, 2018, and shall terminate on December 31, 2018.
 3. Rent. USER agrees to pay OLYMPIA a total of \$6,227.98 per quarter, as rental payment hereunder, for an annual total of \$24,911.92. One quarter of said annual total shall be due and payable within 30 days of the end of each quarter during the term of said lease. Payment shall be made payable to the City of Olympia and provided to the City's Accounts Receivable office.
 4. Annual Report. USER agrees to provide OLYMPIA with a written annual report summarizing participation, activity and the financial status of the organization. This report will be submitted by June 15 following each calendar year.
 5. Utilities. USER agrees that OLYMPIA shall pay the cost of all utilities, except telephone service. The cost of purchasing or leasing telephones and/or installing and maintaining same shall be the responsibility of the USER.
 6. Maintenance and Repair. OLYMPIA shall provide janitorial services, to include vacuuming, emptying of garbage, washing of windows, dusting, and general cleaning on a schedule to be determined by OLYMPIA. OLYMPIA shall also provide maintenance services to include replacement of light bulbs, painting, interior repair, and toilet articles. USER is responsible for all repairs necessary due to the negligence of the USER, his/her agents, invitees or employees.
 7. USER's Repairs and Alterations. USER 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 USER, and upon surrendering possession, to leave the leased premises in good condition, except for ordinary wear and tear. The USER will not make any alterations,



additions, or improvements without prior written consent of OLYMPIA. The USER will not commit any waste or damage of the premises.

8. Damage by Casualty. In the event said 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 USER whether or not OLYMPIA elects to rebuild the premise 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 USER is not in possession and until the premises can be made fit for the USER's occupancy. OLYMPIA and USER 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. USER 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 USER's use of Premises, or from the conduct of USER's business, or from any activity, work or thing done, permitted, or suffered by USER 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 USER'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 USER and OLYMPIA. The provisions of this section shall survive the expiration or termination of this Lease.

10. Insurance Requirements

A. Insurance Term

USER shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the USER's operation and use of the leased Premises.

B. No Limitation

USER's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the USER 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

USER 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 additional insured on USER'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

USER 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

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

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

USER 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 USER.

H. Waiver of Subrogation

USER 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 the Building for its full replacement value.

J. Notice of Cancellation

USER shall provide OLYMPIA with written notice of any policy cancellation within two business days of their receipt of such notice.

K. Failure to Maintain Insurance

Failure on the part of the USER 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 USER 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.

L. Public Entity Full Availability of Lessee Limits

If the USER 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 USER, irrespective of whether such limits maintained by the USER are greater than those required by this contract or whether any certificate of insurance furnished to OLYMPIA evidences limits of liability lower than those maintained by the USER.

M. Alcohol Sale or Consumption in Leased Space.

If alcohol is either sold or consumed on the leased premises, USER 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 Premises with the prior written approval of OLYMPIA.

11. Publicity. USER agrees to provide OLYMPIA, specifically the CENTER Manager, with any and all publicity information affecting the CENTER.

12. Termination. This lease may be terminated in its entirety, or a portion of occupied space may be terminated, at any time by either party by thirty (30) days' notice to the other party of such termination.



13. Assignment and Subletting. USER shall not assign this lease nor sublet the leased premises without the consent of OLYMPIA. USER agrees to pay all rent, maintenance and repair costs and all other expenses and costs contained herein. The collection of any and all assigned or sublet costs as agreed to between parties will be the sole responsibility of USER.
14. Furniture. USER shall provide, at its own expense, all furniture necessary for its possession and use in the leased office area of the CENTER. Furthermore, USER shall be responsible to reasonably maintain said furniture and replace same, if necessary, to maintain decorum consistent with that of the remainder of the CENTER.
15. Rules. USER 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.
16. Hours and Days of Operation. USER shall be entitled to use and possession of the facilities during normal hours in which the CENTER is open to the public. To maintain a safe and secure facility for staff and assets, OLYMPIA may close the CENTER under the following conditions and in this order:
 1. After 5:00pm on regular business days, or any time on Saturdays.
 2. Whenever no building rentals, recreation programs, or senior programs are scheduled.

The Senior Lobby and Health & Hygiene Room use are not considered as “programming” after 5pm on weekdays or on Saturdays. Accommodations for the Senior Lobby and Health and Hygiene may be considered on a case by case basis at the request of USER, and allowed at the discretion of OLYMPIA. Meeting or programming use of the Senior Lobby and Health and Hygiene Room by USER after 5pm on weekdays and all day Saturday will be scheduled with OLYMPIA through the established procedures for room use scheduling.
17. Default. It is agreed that if USER shall abandon or vacate said 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 USER as set forth herein, then OLYMPIA may, at its option, enter upon said 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, USER will pay all deficiency promptly upon demand, or OLYMPIA may declare said lease terminated and forfeited and take possession of the said premises. USER 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, USER 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 USER.

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. USER is responsible for securing all non-public areas under its lease upon completion of use. OLYMPIA shall not be responsible for any loss sustained by USER as a result of failure to properly secure facilities. Additionally, USER 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 USER's failure to secure and protect the leased premises.
21. Notices. All notices required or given under this agreement shall be given to the following persons:

LESSOR: City of Olympia
Contact Person: Scott River, Associate Director
Address: The Olympia Center
222 Columbia St NW
Olympia, Washington 98501
Telephone: (360) 753-8380

LESSEE: Senior Services for South Sound
Contact Person: Eileen McKenzie-Sullivan
Address: 222 Columbia St NW
Olympia, Washington 98501
Telephone: (360) 586-6181

22. Entire Agreement. This document 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 agreement 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.
23. Interpretation/Venue. The rights and obligations of the parties and all interpretations and performance of this agreement 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 contract. Venue is proper in Thurston County, Washington.



24. Ratification. Any act consistent with the terms of this Agreement 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 **



CITY OF OLYMPIA

APPROVED AS TO FORM:

Steven R. Hall, City Manager

Attarkson

Deputy City Attorney

Date _____

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

On the ____ day of _____, 2018, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared before me STEVEN R. HALL, to me known to be the City Manager of the City of Olympia, a municipal corporation, who executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation for the uses and purposes therein mentioned and on oath states that he is authorized to execute the said instrument.

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

Signature
Print Name: _____
NOTARY PUBLIC in and for the State of Washington,
residing at _____
My commission expires _____

SENIOR SERVICES FOR SOUTH SOUND

By: _____
Its _____
Date _____

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

On the ____ day of _____, 2018, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared before me _____, to me known to be the _____ of the Senior Services for South Sound, a Washington non-profit corporation, who executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said non-profit corporation for the uses and purposes therein mentioned and on oath states that _____ is authorized to execute the said instrument.

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

Signature
Print Name: _____
NOTARY PUBLIC in and for the State of Washington,
residing at _____
My commission expires _____

**Senior Services for South Sound Lease
The Olympia Center
"Exhibit A"**

	Square Footage		O&M Rate	Lease Total	Subsidy Total
Dedicated Space					
Administrative (Regional)					
SHIBA (1st floor)	140		\$ 17.26	\$ 2,416.40	
Travel Office (1st floor in lobby)	60		\$ 17.26	\$ 1,035.60	
Reception/Regional Nutrition (former Volunteer Center)	453		\$ 17.26	\$ 5,212.51	
Care Connection (2nd floor/former Volunteer Center)	140		\$ 17.26	\$ 1,610.93	
Conference Room (2nd floor)	140		\$ 17.26	\$ 2,416.40	
Development Office (2nd floor)	140		\$ 17.26	\$ 2,416.40	
Finance Office (2nd floor)	140		\$ 17.26	\$ 2,416.40	
General Admin. (2nd floor)	428		\$ 17.26	\$ 7,387.28	
Administrative Offices SubTotal	1641			\$ 24,911.92	
Direct Service (Olympia)*					
Activities Office (1st floor)	160		\$ 17.26		\$ 2,761.60
Boutique (2nd floor)	811		\$ 17.26		\$ 13,997.86
Nutrition Office (1st floor)	147		\$ 17.26		\$ 2,537.22
Health & Hygiene Room & Office (1st floor)	703		\$ 17.26		\$ 12,133.78
Reception; includes Inclusion Office (1st floor)	625		\$ 17.26		\$ 10,787.50
Senior Lobby** (1st floor)	3425		\$ 17.26		\$ 59,115.50
Social Services office (1st floor)	100		\$ 17.26		\$ 1,726.00
Trips Office (2nd floor)	238		\$ 17.26		\$ 4,107.88
Direct Service Office Space SubTotal	6209				\$ 107,167.34
Programming Space (Olympia)					
	Allocated Hours	200% Rate	Senior Rate		
Class/Meeting Rooms	2250	\$ 4.25	\$ 2.13		\$ 4,792.50
Gymnasium	450	\$ 6.75	\$ 3.38		\$ 1,521.00
Main Kitchen***	1237	\$ 8.00	\$ 4.00		\$ 4,948.00
Multi Purpose Room A****	1190	\$ 17.00	\$ 8.50		\$ 10,115.00
Special Events "MPABC"	57	\$ 24.76	\$ 12.38		\$ 705.66
Special Events "Meeting Rooms"	63	\$ 4.25	\$ 3.38		\$ 212.94
Programming Space SubTotal					\$ 22,295.10
Total Lease				\$ 24,911.92	
Total Subsidy					\$ 129,462.44

* All "Direct Service" space is intended for the primary benefit of senior citizens residing in Olympia and is considered primary operation space for the "Olympia Senior Center".

**The Senior Lobby is an exclusive use space for the senior program on weekdays before 5pm. The space may also be available for Recreation and Community use, after 5:00pm on weekdays and on Saturdays, as mutually determined by Senior Services for South Sound and Olympia Parks, Arts and Recreation.

***The Main Kitchen hours are not included in allocated space based on Senior Services responsibility with management of that space. See contract for details.

****MultiPurpose Room "A" includes daily lunch from 11am to 2pm, Wednesday dances from 2pm to 4pm, and AM Lifetime fitness from 9am-10am.



City Council

Approval of Resolution Approving Terms and Conditions of Lease Agreement and Authorizing the City Manager to Execute a Lease for Premises

Agenda Date: 1/9/2018
Agenda Item Number: 4.C
File Number: 18-0025

Type: resolution **Version:** 1 **Status:** Passed

Title

Approval of Resolution Approving Terms and Conditions of Lease Agreement and Authorizing the City Manager to Execute a Lease for Premises

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the resolution approving a lease for premises to be used for an auxiliary police station and authorizing the City Manager to execute a Lease Agreement for same.

Report

Issue:

Whether to approve the terms and conditions of a lease for premises to be used for an auxiliary police station in West Olympia.

Staff Contact:

Jay Burney, Assistant City Manager, 360.753.8740
Ronnie Roberts, Police Chief, 360.753.8409

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

The City has a need for an auxiliary police station in West Olympia to provide law enforcement services to the community. Currently, Olympia Police Department is without a suitable auxiliary police station to provide services to that portion of Olympia. An auxiliary police station will provide a location for patrol officers to perform necessary administrative and law enforcement tasks and to enhance services to the community in West Olympia.

The success of a recent public safety levy in Olympia provided for the increase of Olympia's downtown walking patrol unit and the addition of a neighborhood liaison unit. The auxiliary police station in West Olympia will be used as primary office space, and will enhance law enforcement presence and services in West Olympia and the entire community.

Neighborhood/Community Interests (if known):

N/A

Options:

1. Approve the resolution approving the terms and conditions of a lease with MPH Holdings, LLC, for premises to be used for an auxiliary police station in West Olympia, and authorizing the City Manager to execute a Lease Agreement for same.
2. Do not approve the terms and conditions of the proposed lease with MPH Holdings, LLC, and direct staff to continue negotiations for better terms, or to forego further efforts to lease premises for an OPD auxiliary police station.

Financial Impact:

Under the terms of the proposed Lease Agreement, the City will make monthly lease payments in the sum of \$3,222,92 on the first of each month, commencing February 1, 2018, for a lease term of five years, with an option to renew the lease for an additional five-year term. The lease provides for annual rent increases of three percent (3%) for each remaining year of the lease, and thereafter.

Attachments:

Resolution

Lease Agreement with MPH Holdings, LLC

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, APPROVING THE TERMS AND CONDITIONS OF A LEASE AGREEMENT WITH MPH HOLDINGS, LLC, AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAID LEASE AGREEMENT FOR PREMISES AT 1415 HARRISON AVENUE NW, SUITE 201, IN OLYMPIA, WASHINGTON.

WHEREAS, the City of Olympia has need for an auxiliary police station for the Olympia Police Department to provide community law enforcement services; and

WHEREAS, the City has investigated suitable properties available for lease to accommodate an auxiliary police station; and

WHEREAS, MPH Holdings, LLC has a property available for the City's purposes located at 1415 Harrison Avenue NW, Suite 201, in Olympia, Washington, and is offering said premises for lease and use for law enforcement purposes; and

WHEREAS, the lease would commence on February 1, 2018, and continue for five years, concluding on January 31, 2023, with an option to renew for five additional years upon notice to the lessor; and

WHEREAS, the initial monthly rent shall be \$3,222.92 due on or before the first day of each month, commencing February 1, 2018, and continuing thereafter for each month of the lease term and any extension thereof, subject to adjustment on an annual basis as provided under the terms of the Lease Agreement;

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

1. The Olympia City Council hereby agrees to and approves the terms and conditions of the proposed Lease Agreement with MPH Holdings, LLC, for premises to be used as an auxiliary police station by the Olympia Police Department.
2. The City Manager is directed and authorized to execute the Lease Agreement with MPH Holdings, LLC. The City Manager is also authorized to modify any terms consistent with the intent expressed by the Olympia City Council in this Resolution, and to correct any scrivener's errors in said Lease Agreement, as may be required.

PASSED BY THE OLYMPIA CITY COUNCIL this _____ day of January, 2018.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY

LEASE AGREEMENT

This Lease Agreement is entered into by and between the City of Olympia, a municipality organized under the laws of the State of Washington, (hereinafter referred to as “LESSEE”), and MPH Holdings, LLC, a Washington Limited Liability Company (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 office space by the Olympia Police Department for an auxiliary police substation, and uses reasonably compatible and related to such law enforcement purposes; and

WHEREAS, the parties contemplate memorializing 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:** MPH Holdings, LLC hereby leases to the City of Olympia, and the City of Olympia, leases from MPH Holdings, LLC, approximately 2,275 square feet of commercial space, more or less, constituting a portion of the building upon certain real property having the abbreviated legal description of Section 15 Township 18 Range 2W PLAT WOODRUFF LTS 1-3 B 42 3/40 & VAC STS; and the common street address of 1415 Harrison Avenue NW, Suite 201, Olympia, WA 98502. 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 an auxiliary police station and office space, and such uses as are reasonably related to such use by the Olympia Police Department, a department of the City of Olympia. No other business or use is authorized without written consent by LESSOR, which consent shall not be unreasonably refused or withheld. The LESSEE shall not permit the premises to be used in such a manner as to create any nuisance, including, but not limited to the presence of pets within the leased premises, with the exceptions of service animals to assist disabled persons or otherwise permitted by the Washington Law Against Discrimination, Chapter RCW 49.60, or trained canine K-9 animals used in and for law enforcement purposes; waste; or fire hazard. LESSEE shall neither make nor allow any use of the leased premises, nor acts done, which will increase the

existing rate of insurance policy covering the building, or any part thereof; nor shall the LESSEE sell, or permit to be kept, used or sold, in or about the leased premises, any article which may be prohibited by the standard form of fire insurance policies. The LESSEE shall, at its sole cost and expense, comply with any and all statutory or ordinance requirements pertaining to the leased premises as is necessary for the maintenance of reasonable fire and public liability insurance covering the leased premises, building and appurtenances. The LESSEE agrees to pay to LESSOR as additional rent, any increase in premiums or policies which may be carried by LESSOR on the leased premises covering damages to the building and loss of rent caused by fire and the perils normally included in extended coverage above the rate for the least hazardous type of occupancy for office operations.

3. **LEASE COMMENCEMENT AND TERM:** The term of this Lease Agreement shall commence on the 1st day of February 2018, (the Rental Commencement Date), and shall continue for five (5) years concluding on the 31st day of January, 2023. The LESSEE shall have the option to renew this Lease Agreement for five (5) additional years by providing LESSOR with ninety (90) days written notice prior to the expiration date. Upon giving such notice, the additional five (5) years shall be upon the same terms and conditions as governed in the initial term of this Lease Agreement, unless any term or condition is mutually modified by a written agreement between LESSOR and LESSEE. If LESSEE does not give LESSOR notice of intent to exercise the option to extend this Lease Agreement, LESSOR may market and/or show the space to prospective tenants ninety (90) days prior to the end of the lease, upon reasonable notice to LESSEE, and LESSEE shall not unreasonably interfere with such showings or marketing.
4. **INITIAL MONTHLY RENT AND RENT COMMENCEMENT:** LESSEE shall pay to LESSOR as initial monthly rent, the sum of Three Thousand Two Hundred Twenty-Two Dollars and 92/100 Cents (**\$3,222.92**) on or before the 1st day of February, 2018, and continuing thereafter on the first day of each month for the lease term and any extension thereof. This sum shall be subject to adjustment on an annual basis as provided herein in Paragraph 5 below.
5. **ANNUAL RENTAL INCREASE:** Beginning February 1, 2019, LESSEE agrees to pay an annual increase in the monthly base rent for each remaining year of the lease term. This increase shall be determined by multiplying three percent (3%) of the existing rental amount and adding same to the then existing base rent. A similarly calculated increase shall be effective on the 1st day of February of each remaining year thereafter.
6. **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 and for its separately metered electricity, in-suite

janitorial service including carpet cleaning and floor sealing, restroom supplies and light bulbs.

7. 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. 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 building as specifically permitted in Paragraph 13 of this Lease Agreement. LESSOR's maintenance and repair obligations under paragraph 7 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.

B. LESSEE agrees that it shall take all steps reasonably necessary and proper to insure 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.

8. PARKING: The initial monthly rent shall include 25% of the on-site and off-site parking spaces for the shared use of the LESSEE, its employees, agents, licensees, and invitees, along with shared ADA accessible spaces. LESSEE shall have two (2) reserved parking spaces for Olympia Police Department patrol cars on-site, and these shall be included in LESSEE'S total parking spaces.

9. COMMON AREA: 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(s). This is including but not limited to landscape areas, sidewalks, non-assigned parking stalls, stairwells, elevators and lobbies. LESSOR shall be responsible for the maintenance of the common areas.

10. 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, and no such failure or interruption shall entitle LESSEE to terminate this Lease.

11. 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 used by LESSEE at any time situated on or installed in the premises as required by law.

12. 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, separate from and in addition to the initial monthly rent.

13. ENTRY BY LESSOR: The LESSEE shall allow LESSOR, its agents or employees to have access to and enter the premises for scheduled or other maintenance at all reasonable and necessary times upon forty-eight (48) hours' notice to LESSEE, and without prior notice upon mutual agreement of LESSEE and LESSOR 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, including without prior notice as outlined above and in emergency situations shall only occur if LESSOR or its agents or employees are accompanied by a designated, authorized representative of the City of Olympia, otherwise unsupervised entry into the Leased Premises shall not be permitted or allowed by LESSEE.

14. ASSIGNMENT:

A. The LESSEE shall not, without written consent of the LESSOR, which consent will not be unreasonably withheld, let or sublet the whole or any part thereof nor assign this Lease Agreement or any part thereof without LESSOR'S prior approval. In the event LESSOR allows the LESSEE to assign or sublet the leased premises or any portion thereof; the LESSEE shall remain liable for the payment of rent and the performance of all other obligations required of the LESSEE under this Lease Agreement, despite any such assignment or sublease.

B. ADDITIONAL RENT UPON ASSIGNMENT: LESSOR reserves the right to increase the base monthly rent in the event of any assignment or subletting of this Lease Agreement. Any such intended increase shall be disclosed to Lessee at the time of the giving of any consent required under sub-paragraph A of this Section.

C. In the event of any assignment of this Lease Agreement, LESSEE shall remain primarily liable on its terms and hereunder unless released in writing by LESSOR.

D. In the event of any assignment or sublease, the assignee or subtenant shall agree in writing to perform and be bound by all of the terms and conditions of this Lease required be performed by LESSEE.

E. After the approval by LESSOR of any assignment or subletting by LESSEE of its interest or portion thereof in this Lease Agreement, no further assignment or subletting shall be made without LESSOR'S prior written consent.

15. SUCCESSION: Subject to any limitations on assignments set forth herein, all the terms and provisions of this Lease Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties hereto.

16. 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 \$1,000,000.00 Per Occurrence and \$2,000,000 Policy Aggregate. In the event that LESSEE is a member of any self-insured insurance risk pool made available to it because of its status, the coverage shall be no less than that set forth in this section and shall meet the requirements set forth in the subsequent sections. All policies of insurance required to be carried hereunder by LESSEE shall be written by companies satisfactory to LESSOR and licensed to do business in the State of Washington with an AM Best Rating of A- or better. Each policy required above shall expressly include, severally and not collectively, as primary additionally-named insured thereunder, LESSOR and any person or firm designated by LESSOR and having an insurable interest thereunder, hereinafter called "additional insured", as their respective interest may appear. Said insurance shall not be subject to cancellation or reduction in coverage except upon at least thirty (30) days prior written notice to each additional insured. The policies of insurance or duly executed certificates evidencing them, together with satisfactory evidence of the payment of premiums thereof, shall be deposited with each additional insured at the commencement of the lease term and not less than 30 days prior to the expiration of the term of such coverage. An annual renewal certificate is also required for yearly proof of insurance.

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.

17. INDEMNITY:

A. LESSEE, as a material part of the consideration to be rendered to LESSOR, shall defend, indemnify, and save 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 subtenants, 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 save 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.

18. DEFAULT BY THE LESSEE: The occurrence of any one or more of the following events shall constitute a material default of this lease by the LESSEE:

A. Vacation, abandonment of the premises or cessation of the conduct of the LESSEE'S business therein as described in -Paragraph 1, above, for a period in excess of thirty (30) days.

B. Failure by the LESSEE to make any payment required as and when due, where such failure shall continue for a period of thirty (30) days after due date.

C. Failure by the LESSEE to observe or perform any of the covenants, conditions or provisions of this Lease Agreement, for a period of thirty (30) days.

D. Except as expressly permitted hereunder, any attempted conveyance, assignment, mortgage, or subletting of the premises herein.

E. Upon written notice of default to the LESSEE and LESSEE's failure to cure the breach within thirty (30) days of the giving of that notice, LESSOR shall have the right to pursue any and all remedies available to it under Washington law, including those set forth in the following section.

19. REMEDIES IN THE EVENT OF ANY DEFAULT BY LESSEE: as set forth above, LESSOR shall have the right to:

A. Declare this Lease forfeited and the said term ended. LESSEE shall not be released from making all monthly payments required as rent under this Lease Agreement, and at the times and in the manner and for the balance of the term as set forth herein.

B. LESSEE agrees to pay to LESSOR any deficiency arising from re-entry, reletting of the premises at lesser rentals, or inability to relet the premises during the remainder of the existing term. LESSEE further agrees to reimburse LESSOR for all costs associated with the recovery and reletting of the premises. LESSEE shall not be excused from its obligation to reimburse for a rate equal to or higher than the rate called for under the present Lease Agreement. The proceeds derived from any reletting shall be applied first to the payment of any expenses incurred in reletting, then to the payment of rents as they become due, and finally toward the fulfillment of other terms and conditions of the Lease. The balance, if any, to be paid over to LESSOR.

C. In the alternative, LESSOR may pursue any other remedy now or hereafter available to LESSOR under the laws or judicial decisions of the State of Washington.

20. DEFAULT OF LESSOR: LESSOR shall not be in default unless LESSOR fails to perform its obligations under this Lease Agreement within thirty (30) days after receipt of written notice from LESSEE. LESSEE shall notify LESSOR of any default which, by its nature would not necessarily be known to LESSOR.

21. LEASE SUBORDINATE TO MORTGAGES: This Lease Agreement shall automatically be subordinate to any mortgages or deeds of trust which heretofore and which may hereafter affect the premises, to any sale and/or leaseback, to any and all advances made or to be made thereunder, to the interest on the obligations secured thereby, and to all renewals, modifications, consolidations, replacements, or extensions thereof. This provision shall be self-operative and any mortgagee or beneficiary of a deed of trust shall require no further instrument of subordination.

22. ESTOPPEL CERTIFICATES: LESSEE shall, within fifteen (15) days of presentation, acknowledge and deliver to LESSOR:

A. Any subordination or non-disturbance agreement or other instrument that LESSOR may require to carry out the provision of this Lease, and

B. Any estoppel certificate requested by LESSOR from time-to-time in the standard form of any such mortgagee or beneficiary of such deed of trust certifying, if such be true, that LESSEE shall be in occupancy, that this Lease Agreement is unmodified and/or if modified in full force and effect as modified and stating the modifications and the dates to which the rent and other charges shall have been paid, and that there shall be no rental offsets or claims.

23. MORTGAGE PROTECTION: LESSEE shall give to any mortgagee or beneficiary of a deed of trust by certified mail, copy of any notice of default served upon LESSOR, provided that prior to such notice, LESSEE has been notified in writing, by way of a notice of assignment of this Lease, the request for an estoppel certificate, or otherwise of the address of such mortgagees and/or beneficiaries. In the event LESSOR shall have failed to cure such default within the time provided for in this Lease, then such mortgagee and/or beneficiary shall have an additional thirty (30) days within which to cure such default, or if such default cannot be cured within such time period, then such mortgagee and/or beneficiary shall have such additional time as may be necessary to cure such default so long as the mortgagee and/or beneficiary has commenced and is diligently pursuing the remedies necessary to cure such default (including, but not limited to, commencement of foreclosure proceedings, if necessary to effect such cure), and during such additional time, this Lease Agreement shall not be terminated so long as such remedies are being diligently pursued.

24. CONDEMNATION: In the event a condemning governmental authority takes or condemns all of the premises, this Lease Agreement shall terminate and LESSOR shall have the sole and exclusive right to the compensation awarded or received for the taking of the premises, except as to the reasonable value of any tenant improvements paid for and installed by LESSEE. If only part of the premises is taken or condemned, the rent hereunder shall be reduced commensurate with the reduction value of the premises as an economic unit on account of the partial taking; provided that if the part taken or condemned renders the remainder of the premises reasonably unsuitable for use of the LESSEE, this Lease Agreement shall terminate at the option of the LESSEE.

25. 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.

26. 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 from 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.

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

28. EXTERIOR WINDOWS: For the duration of the lease term, the LESSEE shall be responsible for any breakage or damage of premise windows or doors caused by any negligence or wrongful act by LESSEE, , its employees, agents, or assigns.

29. PARAGRAPH HEADINGS: The paragraph headings used in this Lease Agreement are for convenience only. They shall not be construed to limit or to extend the meaning of any part of this Lease Agreement.

30. 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.

31. 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.

32. DISPUTE RESOLUTION, APPLICABLE LAW AND VENUE:

A. In the event of any dispute arising out of this agreement the parties agree they may submit the dispute to non-binding mediation and binding arbitration through the Washington Arbitration and Mediation Service or such other entity or person who or which may be agreed upon by the parties: PROVIDED, that, in the event either party objects to the submission of the matter to arbitration within 30 days after demand for arbitration has been filed with the appropriate agency, then the procedure shall be terminated and the matter shall be processed as the parties deem appropriate through the Courts of the State of Washington.

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 either arbitration or litigation, in addition to any other relief granted to the substantially prevailing party, the arbitrator or 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 (whether denominated as rent or otherwise) due under 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. In addition to attorney' s fees, the right shall include a reasonable sum for witness fees and other court costs, whether at arbitration or, if such events occur, at trial and on appeal.

33. CASUALTY DAMAGE:

A. LESSOR'S DUTY IN THE EVENT OF CASUALTY DAMAGE: If the Premises or the Building is damaged by a fire, explosion, or other casualty (a "Casualty"), then LESSOR shall, within 30 days after such Casualty, deliver to LESSEE a good faith estimate prepared by LESSOR'S architect (the "Damage Notice"). The good faith estimate shall include the date on which the repair of the damage caused by such Casualty will be substantially completed (such date is herein called the "Estimated Restoration Completion Date"). Base Rental and additional rent for Operating Expenses shall be abated as of the date of the Casualty if such Casualty renders any

portion of the leased Premises uninhabitable. The Premises shall be deemed uninhabitable when LESSEE is prevented from conducting its business in a manner reasonably comparable to that conducted immediately before the Casualty either because of damage to the Premises or because of the unavailability of access or services to the Premises. The Premises shall be deemed to remain uninhabitable with respect to such portion of the Premises until the earlier of:

1. The date when repairs to the Premises have been substantially completed and access and services to the Premises have been restored or,
2. The date on which LESSEE conducts business in such portion of the Premises.

B. Right to Terminate: If the Premises or the Building is damaged by Casualty such that LESSEE is prevented from conducting its business in a material portion of the Premises in a manner reasonably comparable to that conducted immediately before such Casualty, and if the following three criteria are met:

1. Casualty damages a material portion of the Building,
2. LESSOR makes a good faith determination to demolish the remainder of the Building or LESSOR'S Mortgagee requires payment of the insurance proceeds to the indebtedness secured by its Mortgage, and
3. If the damage affects the premises, then LESSOR may terminate this Lease Agreement by giving written notice of its election to terminate within 30 days after the Damage Notice has been delivered to LESSEE. In case of any such termination under this Section, Basic Rental and additional rent for Operating Expenses shall abate in full as of the date of the Casualty.

C. Repair obligation: If neither party elects to terminate this Lease Agreement following a Casualty, then LESSOR shall, within a reasonable time after such Casualty, commence to repair the Building and the Premises. The LESSOR shall go ahead with reasonable attentiveness to restore the Building and Premises to substantially the same condition as existed immediately before such Casualty. However, LESSOR shall not be required to repair or replace any part of the furniture, equipment, fixtures, and other improvements which may have been placed in the Premises, except that LESSOR shall restore the leasehold improvements in the Premises (if and to the extent it receives funds therefore from the insurance required to be maintained by LESSEE under Section 19 or from LESSEE). LESSOR'S obligation to repair or restore the Building or Premises shall be limited to the extent of the insurance proceeds paid for the Casualty in question, plus the amount of any deductible applicable to such casualty damage. Any casualties caused by the LESSEE will be covered by the LESSEE.

D. Damage near the end of the term: If the following two criteria are met:

1. The Premises are partially destroyed or damaged during the last 12 months of the Term such that LESSEE is prevented from conducting business in a material portion of the premises in a manner reasonably comparable to that conducted immediately before the Casualty; and

2. Such damage cannot be substantially repaired within 30 days after the occurrence thereof;

Then either LESSOR or LESSEE may, at its option, terminate this Lease Agreement as of the date of the occurrence of such damage by delivering to the other party written notice thereof within ten (10) days after the date of the Casualty.

34. 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.

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

36. 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: MPH Holdings, LLC
Post Office Box 11221
Olympia, Washington 98508

LESSEE: Legal Department
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) three (3) 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.

37. SIGNAGE: LESSEE may place their signage, purchased by the LESSEE and installed at LESSEE's sole cost and expense, on the exterior of its space where specified, as well as on directory signage at parking lot, and on the monument signs at the street, according to specifications and placement to meet all applicable codes and

regulations after receiving written approval from LESSOR, which consent shall not be unreasonably withheld.

38.COMMISSION: LESSOR shall pay commissions as per separate agreement with Kidder Mathews.

IN WITNESS WHEREOF, LESSOR and the LESSEE have caused this lease to be executed this _____ (day) of _____ (month), _____ (year).

LESSOR

MPH HOLDINGS, LLC

BY: _____
Shelby Hentges

ITS: Managing Member

LESSEE

City of Olympia

BY: _____
Steven R. Hall

ITS: City Manager

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

On the ___ day of _____ 2017, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of _____, a Washington limited liability corporation, who executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability corporation for the uses and purposes therein mentioned and on oath states that _____ is authorized to execute the said instrument.

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

Signature
Print Name: _____
NOTARY PUBLIC in and for the State of Washington, residing at _____
My commission expires _____

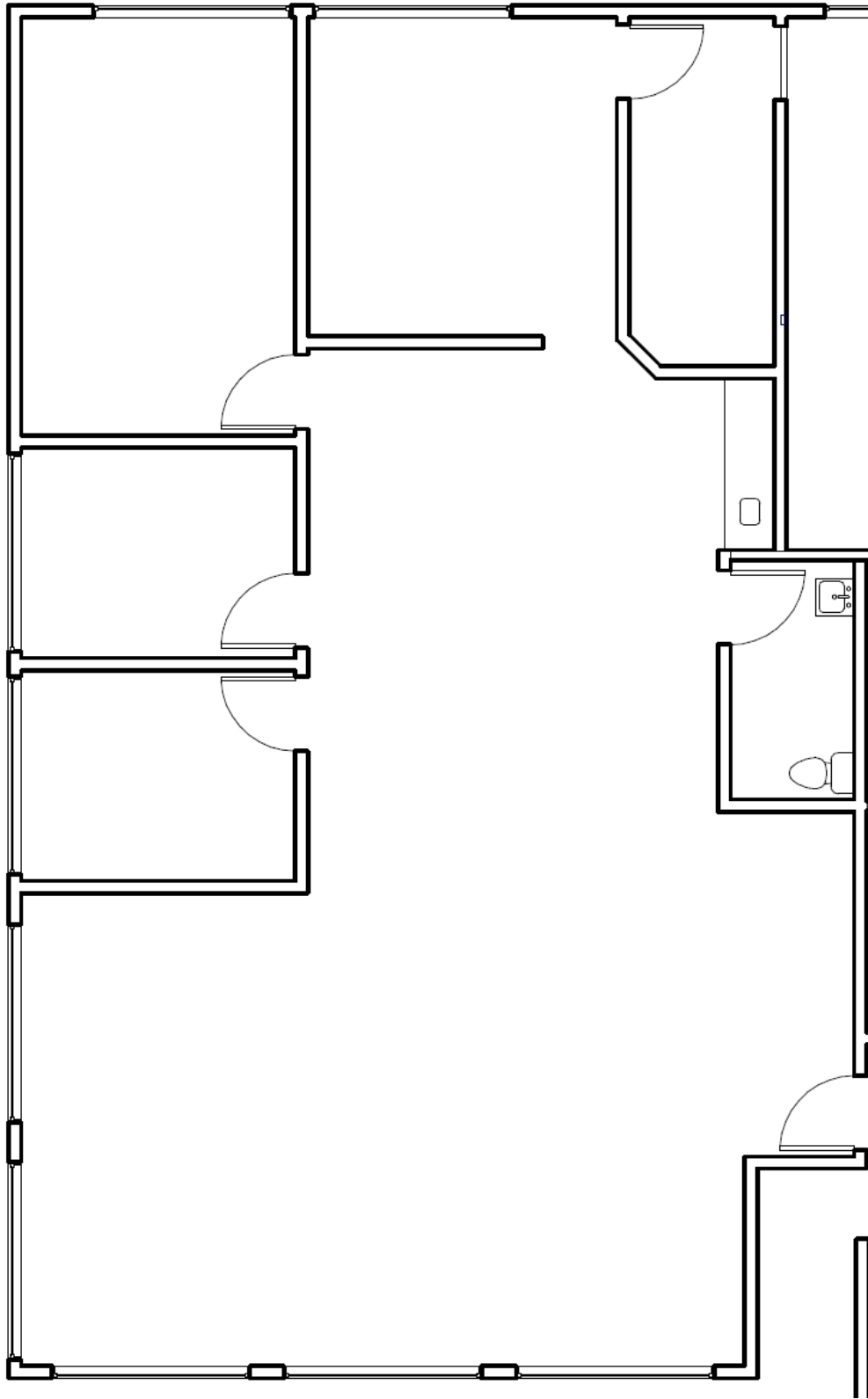
STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

On the ___ day of _____ 2017, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of the City of Olympia, a municipal corporation, who executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation for the uses and purposes therein mentioned and on oath states that _____ is authorized to execute the said instrument.

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

Signature
Print Name: _____
NOTARY PUBLIC in and for the State of Washington, residing at _____
My commission expires _____

EXHIBIT 1- FLOOR PLAN





City Council

Poetry Reading by Olympia's Poet Laureate

Agenda Date: 1/9/2018
Agenda Item Number: 6.A
File Number: 18-0006

Type: information **Version:** 1 **Status:** Other Business

Title

Poetry Reading by Olympia's Poet Laureate

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive the poetry presentation. Reading only; No action requested.

Report

Issue:

Whether to receive a presentation of poetry from Olympia's Poet Laureate Amy Solomon Minarchi.

Staff Contact:

Angel Nava, Arts Program Specialist, Parks, Arts & Recreation, 360.753.8384

Presenter(s):

Amy Solomon-Minarchi, Olympia Poet Laureate

Background and Analysis:

Part of the work of Olympia's Poet Laureate is to present a poem at the first City Council meeting of each year. In January 2017, Olympia's first Poet Laureate, Amy Solomon Minarchi, kicked off the opening City Council meeting of the year with her poem, "Credo Unplugged." Since that first official engagement, Ms. Minarchi has worked to fulfill the goals of the Poet Laureate program:

- Promote poetry as an art form
- Expand access to the literary arts
- Connect the community to poetry
- Promote poetry as a community voice that contributes to a sense of place

In 2017, she:

- Conducted two workshops in coordination with the Olympia Timberland Library.
- Provided poetry instruction to incarcerated youth through the Inkwell program of Community

Youth Services.

- Presented a poetry walk/workshop, performances and a community sidewalk poetry project during spring and fall Arts Walks.
- Organized **Poetry at the Bus Stop** and soon to come, **Poetry Rides the Bus**, with Intercity Transit.
- Worked with several other poets to provide three haiku poems to be stamped into the concrete at the isthmus park development.
- Acted as the City's poetry ambassador at multiple poetry events in the community.

For the next quarter of her appointment, Ms. Minarchi plans to:

- Put out a call for submissions for a Community Poetry Anthology: "I Hear Olympia Singing".
- Present a four-workshop **Youth Performance Poetry** series focused on writing and performance that culminates with a youth poetry reading in June 2018.
- Host two poetry reading: **Bus Poets**: Reading at TRL Olympia Branch, February 2018, and **Teen Reading**: April 2018 Arts Walk.
- Host a **Poetry of Place** workshop at the Olympia Poetry Network, April 10, 2018 6-8 pm, and a **Young Writer's Club!** workshop at Madison Elementary School, January 16, 2018 3:30-4:30 pm. These two workshops are also available to any other agency or organization interested in hosting.

Ms. Solomon Minarchi's term ends in December of 2018. In addition to continuing her work of championing poetry in our community for her final quarter as Poet Laureate, she will also help facilitate and transition the successor Poet Laureate for the next two-year term.

Neighborhood/Community Interests (if known):

None known.

Options:

N/A

Financial Impact:

Funds for the Poet Laureate's two-year appointment have already been approved.

Attachments:

None