SOLAR ENERGY

ROOFTOP LEASE AGREEMENT

BY AND BETWEEN

THE CITY OF OLYMPIA, A WASHINGTON MUNICIPAL CORPORATION

AS LANDLORD

AND

OLYMPIA COMMUNITY SOLAR, A WASHINGTON NON-PROFIT CORPORATION,

AS TENANT

Table of Contents

RECITALS	4	
I. GRANT	OF ROO	FTOP LEASE 4
	1.1	DEFINITIONS 4
	1.2	LEASE TO USE AND ACCESS TO ROOFTOP 5
	1.3	EQUIPMENT SPACE 5
	1.4	TERM OF ROOFTOP LEASE 5
	1.5	FEES PAID FOR ROOFTOP LEASE 6
	1.6	RESPONSIBILITIES OF TENANT 6
	1.7	RESPONSIBILITIES OF LANDLORD 7
II. GENER	AL COV	ENANTS 8
	2.1	USE OF ELECTRICAL SERVICES BY TENANT 8
	2.2	CONSTRUCTION, ALTERATION AND MAINTENANCE 8
	2.3	LAWS AND REGULATIONS 8
	2.4	BUILDING RULES 9
	2.5	ENTRY BY LANDLORD 9
	2.6	ASSIGNMENT, SUBLETTING AND TRANSFERS BY AGREEMENT 9
	2.7	INSURANCE 9
	2.8	INDEMNITY 10
	2.9	CASUALTY DAMAGE 10
	2.10	TERMINATION OF GROUND LEASE/TERMINATION OF CITY-HOCM LEASE 10
	2.11	DAMAGES FROM CERTAIN CAUSES 11
	2.12	EVENTS OF DEFAULT/REMEDIES 11
III. MISCE	LLANE	DUS 12
	3.1	ATTORNEYS' FEES 12
	3.2	NO IMPLIED WAIVER 12
	3.3	PERSONAL LIABILITY 12
	3.4	NOTICE 12
	3.5	SEVERABILITY 12
	3.6	RECORDATION 13
	3.7	GOVERNING LAW 13
	3.8	TIME OF PERFORMANCE 13
	3.9	TRANSFERS BY LANDLORD 13
	3.10	TAXES 13
	3.11	REGULATORY AUTHORITY 13
	3.12	INDEPENDENT CONTRACTOR 13
	3.13	FORCE MAJEURE 14
	3.14	OWNERSHIP OF EQUIPMENT 14

3.15 ENTIRE AGREEMENT 14

Appendix 1 Solar Equipment

SOLAR ENERGY FACILITY ROOFTOP LEASE AGREEMENT

THIS ROOFTOP LEASE AGREEMENT (sometimes referred to alternatively as "Lease" or "Agreement"), is made and entered into as of the last date shown below by a party executing this Lease (the "Effective Date"), between the CITY OF OLYMPIA, a Washington municipal corporation ("City" or "Landlord") and OLYMPIA COMMUNITY SOLAR, a Washington non-profit corporation ("Tenant"), collectively referred to as the "Parties.".

RECITALS

- A. Tenant is a Washington non-profit corporation formed for the purpose of developing, installing, and administering community solar power generation systems, including the community solar power generation system covered by this Lease. Tenant enters into this Lease in order to install and operate Solar Equipment in and on the rooftop of the Building described in this Lease for the purpose of providing a solar power system for said Building.
- B. Landlord is the City of Olympia, a Washington municipal corporation, which owns the Building and rooftop that is the subject of this Lease. The City of Olympia desires to promote community efforts to promote solar power generation projects to reduce carbon emissions and other pollutants. Landlord City of Olympia, has the legal authority to grant the above referenced non-exclusive Lease to Tenant, subject to certain terms and conditions set forth herein.
- C. The Olympia Farmers Market (OFM), a Washington non-profit corporation, operates a farmers market in the Building pursuant to an operating agreement between it and the City. OFM desires to utilize the clean power generated by the solar equipment installed by Tenant for its own operations and to advance its own community purposes. By separate agreement, Tenant and OFM have agreed that OFM will utilize the power generated by Tenant's solar equipment, and that OFM will cooperate with Tenant to allow Tenant to install, operate, and maintain Tenant's solar equipment on the Building.

NOW, THEREFORE, in consideration of the covenants herein and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties hereto agree as follows:

GRANT OF ROOFTOP LEASE

1.1 DEFINITIONS

In addition to terms defined in this Lease, the following terms set forth below are defined as follows:

- 1.1.1 "<u>Building</u>" means that certain building located at 700 Capitol Way N, Olympia WA, currently known as the Olympia Farmers Market.
- 1.1.2 "Equipment Space" means that equipment rack space located in the attic and mechanical room of the Building and any portion of the Building, including the Rooftop that contains Solar Equipment.
- 1.1.3 <u>"Rooftop"</u> means the applicable portions of the Building's roof of the OFM designated by Landlord City of Olympia and Landlord OFM, as the space for installation of the solar equipment.

4

1.1.4 <u>"Solar Equipment"</u> means Tenant's solar generation facility and related equipment including wiring, cabling, and other accessories used therewith for installation, operation, and maintenance on the Rooftop and in the Equipment Space, and described on the attached and incorporated herein in <u>Appendix 1</u>.

1.1.5 "Tenant-OFM Agreement" means that separate agreement between Tenant and the Olympia Farmers Market reflecting the terms of the agreement between Tenant and OFM by which OFM will utilize the power from Tenant's solar equipment and OFM will cooperate with Tenant to allow Tenant to install, operate, and maintain Tenant's solar equipment on the Building

1.2 LEASE TO USE AND ACCESS TO ROOFTOP

- 1.2.1 Subject to the terms and conditions contained in this Lease, Landlord hereby grants to Tenant, and Tenant hereby accepts, the non-exclusive right to use that portion of the Rooftop as designated in Appendix 1 for the installation, operation, and maintenance, at Tenant's sole cost and expense, of the Solar Equipment. Landlord hereby grants to Tenant, and Tenant hereby accepts, a nonexclusive easement through the Building, including all elevators, stairways, or other access points of egress and ingress, for purposes of accessing the Rooftop for the purpose described herein and pursuant to the terms and conditions of Section 1.7 below. Tenant shall exercise its right to ingress and egress at a time and in a manner that does not interfere with the business and operations of the OFM and as is provided in the Tenant-OFM Agreement.
- 1.2.2 Tenant acknowledges that it has inspected the Rooftop, that Landlord has made no representations or warranties respecting the condition thereof or otherwise or its suitability for Tenant's use, and that, except as may be expressly provided to the contrary in this Lease, Landlord has no obligation or duty to make any alterations, improvements, or repairs in and to the Rooftop to make same ready for Tenant's use and occupancy and Tenant takes and accepts the Rooftop in its present "as is" condition.

1.3 EQUIPMENT SPACE

Landlord acknowledges that Tenant will be installing equipment in the Equipment Space and that the installation, maintenance, and use of the Equipment Space will be at Tenant's sole expense and is subject to the terms of this Lease.

1.4 <u>TERM OF ROOFTOP LEASE</u>

This Lease commences on the Effective Date and terminates on the date that is fifteen (15) the Date of the solar installations' commissioning (the "Term"), provided that the Lease terminates two (2) years from the Effective Date if the Tenant has not commissioned the Solar Equipment. Tenant has an option to renew the Lease for an additional five (5) year term if the cost of installation, maintenance, and administration of the Solar Equipment has not been recouped during the initial Lease term. Tenant shall provide Landlord a written estimate of the cost for the Solar Equipment prior to installation. Tenant shall provide Landlord with an annual accounting that indicates the amount recouped by Tenant of its costs for installation, maintenance, and administration of the Solar Equipment. Tenant shall give Landlord ninety (90) days written notice of Tenant's intent to renew the Lease prior to termination of the initial Lease term. Tenant shall surrender the Rooftop to Landlord in good condition and repair (subject to ordinary wear and tear). If Tenant is in default of this Lease, then Landlord may prohibit the removal of any of the Solar Equipment, its sole discretion, until the default is cured. The Tenant shall, upon the termination of the Lease, transfer and convey the Solar Equipment, cabling, and accessories installed on the Rooftop and in the Equipment Space to Landlord without further consideration, by executing a Bill of Sale conveying same to Landlord, the same having been fully depreciated. In the event Tenant defaults under the terms of this Lease, or fails to repair or maintain the Solar Equipment, its cabling, and accessories, then Landlord is entitled to take possession and ownership of said Solar Equipment, cabling, and accessories without further consideration as liquidated damages for Tenant's default.

1.5 FEES PAID FOR ROOFTOP LEASE

Tenant shall pay Landlord a fee for this Lease, without notice, setoff, or demand, of One Dollar and No Cents (\$1.00) per year, commencing with the Effective Date and payable on January 31st of each year thereafter during the term of this Lease. Tenant shall make such payments in person or by United States Mail, postage prepaid, to the address of Landlord set forth in Paragraph3.4. The annual fee may be paid in advance by Tenant. The amount of the fee is based on the Tenant's representation that it will not be operated in a manner to return a profit.

1.6 RESPONSIBILITIES OF TENANT

- 1.6.1 <u>Plans and Specifications of Solar Equipment</u>. Tenant, at Tenant's sole expense, shall design, procure, install, and maintain the Solar Equipment in accordance with its plans and specifications, which plans and specifications Tenant shall share with Landlord. Tenant is responsible for all costs associated with the Lease, including the costs of installing, operating, and maintaining the Solar Equipment. Tenant shall fully depreciate the fair market value of the equipment over the term of this Lease or its option term.
- 1.6.2 <u>Use and Maintenance</u>. This Lease is limited to allowing Tenant only to install, maintain, and operate the Solar Equipment on the Rooftop and Equipment Space in the location or locations described in <u>Appendix 1</u>.

Tenant shall not use or permit the use of the Rooftop or Equipment Space for any purpose which is illegal, dangerous to life, limb, or property, or which, in Landlord's reasonable opinion, creates a nuisance or which would increase the cost of insurance coverage with respect to the Building. In particular, no environmentally hazardous materials may either be used or stored in or around the Rooftop and Equipment Space and no such materials may be used in any of the Solar Equipment installed by Tenant on the Rooftop or in the Equipment Space. Tenant shall not permit unauthorized person or persons with insufficient expertise or experience to access the Equipment Space or maintain or operate the Solar Equipment. Tenant and Landlord understand that the Equipment Space must be kept locked and secure at all times. Access to the Equipment Space is permitted to agents and employees of Tenant, Landlord, and OFM for installation, maintenance, and inspection purposes.

Tenant acknowledges that interruptions in utility services and power surges are not uncommon in facilities such as the Building. Tenant acknowledges that all Solar Equipment in the Building is the sole responsibility of Tenant and that the use and operation of such Solar Equipment is at Tenant's sole risk.

Landlord reserves the right to maintain the Property and Building in any way it deems fit. In the event that Landlord desires to conduct maintenance of the roof portion of the Building, Landlord shall provide a courtesy one (1) month written notice to Tenant. Tenant shall accommodate Landlord by taking whatever action necessary to secure the Equipment, or to remove it temporarily, for Landlord to make repairs or perform necessary maintenance. Landlord will use their best efforts to timely perform any work which requires Tenant to remove or otherwise disable its Equipment. Should roof maintenance or replacement require removal of equipment, such removal is at the sole expense of the Tenant and Tenant will use its best efforts to work with Landlord to allow necessary maintenance, repair, or replacement.

1.6.3 <u>Care and Maintenance of Rooftop by Tenant</u>. Tenant shall not commit any waste or allow any waste to be committed within or on any portion of the Rooftop and shall not injure the Rooftop, Equipment Space, or Building but shall maintain the Rooftop and Equipment Space in a clean condition and in good repair, except as to damage to be repaired by Landlord, as provided herein. Tenant shall remove all excess cable, tools, and equipment and shall keep all areas neat and clean at all times. At the termination of this Lease, Tenant a shall deliver up the Rooftop and Equipment Space to Landlord in as good condition as at the date of the commencement of the term of this Lease, ordinary wear and tear

excepted.

- 1.6.4 <u>Site Technical Standards.</u> Tenant shall, at all times, and its sole expense, install, operate, and maintain its Solar Equipment in compliance with such technical standards for the Rooftop and Equipment Space as may from time to time be established by Landlord, in its sole discretion, and as may be established in the Tenant-OFM Agreement, including, without limitation, technical standards relating to structural engineering, and City of Olympia construction permits (the "Site Technical Standards").
- 1.6.5 Removal of Solar Equipment. Tenant shall remove its Solar Equipment within thirty (30) business days after the termination of this Lease if requested by Landlord, and Tenant shall repair any damage to the Building (including the Rooftop and Equipment Space) caused thereby, excluding ordinary wear and tear. To assure that Tenant will remove its Solar Equipment and will effect such repairs, as security Landlord may require Tenant to deposit \$10,000 cash into an escrow account, which Landlord may draw upon in the event of Tenant's failure to timely remove the Solar Equipment. Tenant is not permitted to remove any moveable Solar Equipment or other personal property or equipment from the Rooftop at any time, including at the end of the Lease Term or any renewal thereof or other sooner termination of this Lease, if Tenant is then in default under this Lease.

If Tenant does not remove its Solar Equipment (to the extent such is entitled to be removed) on or prior to the expiration or termination of this Lease without the written consent of Landlord to maintain the Solar Equipment at the Rooftop or Equipment Space, Tenant's Solar Equipment must be conclusively deemed to be abandoned (after Landlord has given Tenant twenty (20) business days' written notice of such expiration or termination) and said Solar Equipment becomes Landlord's property, and Landlord may remove or dispose of such Solar Equipment as Landlord sees fit, all at Tenant's cost and expense. In connection therewith, provided Tenant is not in default hereunder, if Tenant requests permission from Landlord to maintain its Solar Equipment on the Rooftop after the termination of this Lease, Landlord may not unreasonably withhold its consent thereto. Such consent must be deemed to be reasonably withheld if such space is relet to a third party or if the marketing of such space is inhibited by the presence of the Solar Equipment.

1.6.6 <u>Maintenance of Solar Equipment.</u> Tenant is solely responsible for any and all maintenance of the Solar Equipment during the term of this Agreement. Tenant may, in the Tenant-OFM Agreement, require OFM to carry out some or all of Tenant's responsibility to maintain the Solar Equipment, but Tenant remains responsible for any and all maintenance of the Solar Equipment.

1.7 RESPONSIBILITIES OF LANDLORD

- 1.7.1 Rights of Access and Provision of Space and Facilities. Landlord shall allow Tenant's employees or agents to ingress and egress in those portions of the Building under Landlord's control and shall provide Tenant with access to and use of the Rooftop and Equipment Space consistent with the requirements of the installation, operation, maintenance, and service of the Solar Equipment; provided, however, such rights of ingress and egress will be (i) limited to reasonable hours; (ii) subject to the terms and conditions of any leases or agreements between Landlord and any other party, including any agreement between Landlord and OFM; (iii) subject to the terms and conditions of the Tenant-OFM Agreement, and (iv) subject to rules and regulations reasonably promulgated from time to time by Landlord regarding such rights of ingress and egress.
- 1.7.2 <u>Non-Interference</u>. Tenant has the sole and exclusive right to install and operate solar energy generating equipment on the Rooftop. Landlord shall not, in any event during the Term, construct, build, or locate, or allow others to construct, build, or locate any equipment or facilities (solar or otherwise) on the property that would unreasonably interfere with the Solar Equipment or otherwise engage in, or allow others to engage in activity, that might impede the Solar Equipment's access to the sun or decrease the output or efficiency of the Solar Equipment.

1.7.3 <u>Upon Termination of Lease.</u> Unless Landlord requests removal of the Solar Equipment by Tenant under Subparagraph 1.6.5 above, upon the termination of the Lease, Landlord owns the Solar Equipment and is solely responsible for the maintenance and upkeep of such Solar Equipment.

II - GENERAL COVENANTS

2.1 USE OF ELECTRICAL SERVICES BY TENANT

Landlord shall furnish Tenant electrical facilities to provide sufficient power for Tenant's Solar Equipment; provided, however, that Tenant is responsible for (i) the cost of installing such facilities, (ii) the cost of the installation of any separate meters required by Tenant, and (iii) the sums charged to Landlord or OFM by the applicable utility for such service as reflected by such meter. Landlord is not liable in any respect for damages to either person or property by any temporary interruption in the power provided by such facilities nor does a temporary interruption in power relieve Tenant from fulfillment of any covenant or agreement hereof. If any of Tenant's Solar Equipment fails because of a loss of electrical power, Landlord shall use reasonable diligence to restore electrical power promptly, but Tenant has no claim for damages on account of any interruption in electrical service occasioned thereby or resulting therefrom.

2.2 CONSTRUCTION, ALTERATION, AND MAINTENANCE

In addition to and not in limitation of any provision herein concerning construction, alterations, installation, and maintenance of any equipment installed under this Lease, Tenant shall comply and, to the extent applicable, any and all of Tenant's contractors or subcontractors shall comply with the provisions of <u>Appendix 2</u>, attached hereto, together with such other rules and regulations promulgated from time to time by Landlord.

2.3 LAWS AND REGULATIONS

Tenant shall comply with all applicable laws, ordinances, rules, and regulations of any governmental entity or agency having jurisdiction with respect to the Lease or the Building.

Tenant hereby warrants that the equipment installed in conjunction with this Lease complies with manufacturers' specifications, such specifications to comply with all federal, state, and local rules and regulations. Tenant shall, at Tenant's sole cost, take all measures necessary to ensure that such equipment is within manufacturers' specifications and that all equipment strictly complies with all laws, rules, regulations, ordinances, and codes, whether existing on the effective date or later amended or enacted, of all federal, state, and local governmental authorities and that the equipment strictly complies with all contractual obligations to which Tenant is bound in connection with such equipment and as applicable to the Solar Equipment or similar facilities.

Tenant shall use its best efforts and take all measures necessary to ensure that the Solar Equipment installed by Tenant does not interfere with or disturb the operation of any other equipment or business of either Landlord or of any other tenant or occupant of the Building. In the event of such interference or disturbance to an existing tenant or occupant, Tenant shall immediately make such necessary adjustment to its equipment to correct such interference or disturbance. In the event Tenant does not make immediate necessary adjustment to its equipment to correct such interference or disturbance, then Landlord may contract for and arrange to have a solar company correct such interference or disturbance. In the event Landlord must engage a solar company to complete such adjustment, then the cost of such solar company to correct the interference or disturbance may be deducted from any costs due from Landlord to Tenant.

Nothing herein may be deemed to limit Tenant's obligations or either Landlord's rights under Article 1.7.5 above.

2.4 <u>BUILDING RULES</u>

Tenant shall comply with the rules and regulations of the Building as adopted and altered by Landlord from time to time and shall cause all of its agents, employees, invitees, and visitors to do so, provided such rules: (i) do not unreasonably and materially interfere with Tenant's conduct of its business; and (ii) do not require payment of additional moneys. Landlord shall send all changes to such rules in writing.

2.5 ENTRY BY LANDLORD

Tenant shall permit Landlord or Landlord's employees, agents, or representatives to inspect any portion of the Solar Equipment installed in or on the Building by Tenant at all reasonable hours (and in emergencies at all times) to inspect the same, and to clean, maintain, or make repairs, alterations, or additions to the Solar Equipment, Equipment Space, Rooftop, or to the Building, and Tenant is not entitled to any abatement or reduction of Lease Fees by reason thereof. Landlord shall request that Tenant supply a representative to facilitate Landlord's inspection, but Landlord is not required to delay its inspection in the event that a Tenant representative is not available.

2.6 ASSIGNMENT, SUBLETTING, AND TRANSFERS BY AGREEMENT

Tenant may assign this Lease or its rights hereunder to (a) any corporation, company, or other entity which is controlled or managed by Tenant or (b) any nonprofit entity which has purchased or received a distribution of all or substantially all the assets of Tenant or the Solar Equipment. In the case of any assignment, the assignee is deemed to have assumed, without releasing Tenant, all obligations under this Lease. Any other assignment by Tenant of this Lease or the rights hereunder is subject to the prior written consent of Landlord, which consent may not be unreasonably withheld.

2.7 <u>INSURANCE</u>

- 2.7.1 Insurance Policies. Prior to the commencement of any work, installation, maintenance in, on, or about the Building and during the term of this Lease, Tenant shall obtain and maintain the following insurance, at its own expense, in amounts not less than those specified below:
 - a. Commercial General Liability for bodily injury liability and property damage liability with limits of \$2,000,000 for each occurrence and \$2,000,000 aggregate coverage.
- 2.7.2 Policy Terms. The above insurances must, without liability on the part of either Landlord for premiums thereof, include the following:

Endorsement as Additional Named Insureds of:

- a. Landlord and affiliates as designated from time-to-time by Landlord;
- b. All other indemnity obligations as set forth in this Lease; and
- c. Thirty (30) days prior notice of cancellation to each certificate holder.

The carrying of the insurance described herein may in no way be interpreted as relieving Tenant of any responsibility or liability under this Lease.

2.7.3 Certificates of Insurance. Prior to the commencement of any work in, on, or about the Building, Tenant shall obtain and file certificates with Landlord showing existence of such insurance, which

insurance is subject to Landlord's approval as to the adequacy of protection and compliance with this Lease and the satisfactory character of the insurer. Such insurance must be placed with reputable insurance companies licensed to do business in the State of Washington.

2.7.4 Contractors and Subcontractors. Should Tenant engage a contractor or subcontractor, the same conditions applicable to Tenant under this Lease apply to each contractor or subcontractor, including but in no way limited to the indemnity and insurance clauses.

2.8 INDEMNITY

Except for the gross negligence, willful misconduct, or default under this Lease by Landlord, or Landlord's employees or agents, Tenant shall protect, defend, and hold harmless Landlord, and Landlord's officers, employees, agents, directors, shareholders, and assigns, from and against all loss, claims, and expense, including without limitation any loss or damage attributable in whole or in part to Tenant or its employees, servants, agents, or contractors, because of damage to, loss or destruction of property, including loss of use thereof, or because of bodily injury, sickness or disease, or death sustained by any person, including workmen's occupational disease arising directly or indirectly from Tenant's activities under the Lease, arising directly or indirectly from the Solar Equipment, or the use and occupancy by Tenant of the Rooftop or Equipment Space, or any breach of this Lease.

2.9 CASUALTY DAMAGE

If the Solar Equipment or any part thereof is damaged by fire or other casualty, Tenant shall give prompt written notice thereof to Landlord. In case the Building is damaged such that alteration or reconstruction of the Building, in Landlord's sole opinion, is required (whether or not any equipment or property of Tenant has been damaged by such casualty) or in the event any mortgagee of Landlord should require that the insurance proceeds payable as a result of a casualty be applied to the payment of the mortgage debt or in the event of any material uninsured loss to the Building, Landlord may, at its option, terminate this Lease by notifying Tenant in writing of such termination within ninety (90) days after the date of such casualty. If Landlord does not elect to terminate this Lease, Landlord shall commence and proceed with reasonable diligence to restore the Building shell, excluding any of the Solar Equipment (which will be Tenant's sole responsibility to restore at its sole cost and expense) in accordance with the terms of the Lease; except that Landlord's obligation to restore does not require Landlord to spend for such work an amount in excess of the insurance proceeds actually received by Landlord as a result of the casualty. When the repairs described in the preceding sentence have been completed by Landlord, Tenant will then complete the restoration of all improvements in excess of such improvements installed by Landlord, which are necessary to permit Tenant's resumption of operations pursuant to the Tenant's final working drawings and specifications ("Improvement Restoration"). Tenant shall complete, or shall cause to be completed, construction of the Improvement Restoration within two (2) months after Landlord first notifies Tenant that the improvements to be completed by Landlord have been substantially completed. Tenant shall bear all cost and expense of completing the Improvements Restoration. Landlord is not liable for any inconvenience or annoyance to Tenant or injury to the business of Tenant resulting in any way from such damage or the repair thereof except that the Lease Fee will abate from the date of the damage through the period of restoration.

2.10 TERMINATION OF GROUND LEASE

If the ground lease between Landlord and the Port of Olympia is terminated, then this Lease terminates as of the date that the ground lease is terminated.

2.11 DAMAGES FROM CERTAIN CAUSES

Notwithstanding any provision herein, neither party is liable to the other for any loss or damage to any property or person occasioned by theft, fire, act of God, public enemy, injunction, riot, strike, insurrection, war, court order, requisition, or order of governmental body or authority.

2.12 EVENTS OF DEFAULT/REMEDIES

- 2.12.1 The following events are events of default by Landlord or Tenant under this Lease: (i) Landlord or Tenant fails to pay any Lease Fees or other sum of money, including the payment for electricity required by Article 1.7.3, when due hereunder and such failure continues for a period of ten (10) business days after receipt of written notice from any other party of such failure; (ii) Tenant or Landlord fails to comply with its respective obligations under any provision of this Lease, and such failure continues for a period of thirty (30) days after written notice of such default is delivered to the defaulting party, provided, however, if such condition cannot reasonably be cured within such thirty (30) day period, it instead is an event of default if the defaulting party fails to commence to cure such condition within such thirty (30) day period or thereafter fails to prosecute such action diligently and continuously to completion within ninety (90) days of the date of the notice of default; (iii) the Lease hereunder granted is taken on execution or other process of law in any action against Tenant; (iv) Tenant ceases to do business or abandon any rights granted under the Lease: (v) Tenant becomes insolvent or unable to pay its debts as they become due, or Tenant notifies Landlord that it anticipates either condition; (vi) Tenant takes any action to, or notifies Landlord that Tenant intends to file a petition under any section or chapter of the United States Bankruptcy Code, as amended from time to time, or under any similar law or statute of the United States or any State thereof; (vii) a receiver or trustee is appointed for Tenant's Lease interest in this Lease or for all or a substantial part of the assets of Tenant; or (viii) Landlord substantially interferes or allows another to substantially interfere with the sunlight reaching the Solar Equipment.
- 2.12.1 Upon the occurrence of any event or events of default by Tenant, whether enumerated in Paragraph 2.12.1 or not, each Landlord has the option to pursue any remedies available to it at law or in equity without any additional notices to Tenant or demand for possession. Landlords remedies include but are not limited to the following: (i) terminate this Lease and take possession of the Solar Equipment; (ii) terminate electrical power to the Solar Equipment; and (iii) exercise all other remedies available to Landlord City of Olympia, Landlord OFM's remedies include but are not limited to the following: (i) terminate this Lease; (ii) terminate electrical power or its use from the Solar Equipment; and (iii) exercise all other remedies available to Landlord. Landlord has all other remedies at law or in equity, including, without limitation, injunctive relief of all varieties, and termination rights. Upon the occurrence of any event or events of default by Landlord, whether enumerated in Paragraph 2.12.1 or not, Tenant may exercise all remedies available to it at law or in equity, including, without limitation, injunctive relief of all varieties, and termination rights.
- 2.12.3 Each party is in default hereunder in the event the defaulting party has not begun and pursued with reasonable diligence the cure of any failure to comply with its respective obligations under any provision of this Lease within thirty (30) days of the receipt by the other of written notice of the alleged failure to perform.
- 2.12.4 Notwithstanding the provisions of Paragraph 2.12.2 above, an event of default by Tenant which results from mandated compliance by Tenant with applicable laws, rules, or regulations of any federal, state, or other local governmental authority will be waived by Landlord; however Tenant shall use all reasonable efforts to comply with the terms hereof consistent with such laws, rules, or regulations.

11

III MISCELLANEOUS

3.1 <u>ATTORNEYS' FEES</u>

In the event of a dispute arising out of or related to this Lease, each party will pay its own attorneys' fees and costs.

3.2 NO IMPLIED WAIVER

The failure of either party to insist at any time upon the strict performance of any covenant or agreement herein or to exercise any option, right, power, or remedy contained in this Lease may not be construed as a waiver or a relinquishment thereof for the future.

3.3 PERSONAL LIABILITY

In no event is either party liable to the other for (a) any loss or damage that may be occasioned by or through the acts or omissions of other tenants of the Building or of any third parties or (b) any consequential, special or incidental damages.

3.4 NOTICE

All notices, demands, requests, or other communications which are required to be given, served, or sent by one party to the other pursuant to this Lease must be in writing, and must be mailed, postage pre-paid, by registered or certified mail, or by a reliable overnight courier service with delivery verification, addressed as follows:

If to Landlord City: Director of Public Works

City of Olympia 601 4th Ave E P.O. Box 1967

Olympia, WA 98507-1967

And

If to Tenant Olympia Community Solar:

Mason Rolph Olympia Community Solar 112 4th Avenue E, STE208 Olympia, WA 98501

Each notice, demand, request, or communication which is mailed or delivered in the manner described above must be deemed sufficiently given, served, sent, or received for all purposes at such time as it is delivered to the addressee first named above for each party (with the return receipt of verification of delivery being deemed conclusive evidence of such notice), or at such time as delivery is refused by addressee upon presentation.

Either party may designate by notice in writing a new address or individual to which any notice, demand, request or communication made thereafter will be so given, served or sent.

3.5 SEVERABILITY

If any term or provision of this Lease, or the application thereof to any person or circumstance is, to any

extent, found by a court to be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, is not affected thereby, and each term and provision of this Lease is valid and enforced to the fullest extent permitted by law.

3.6 RECORDATION

Tenant may record a Memorandum of Lease for purposes of memorializing its rights to the Rooftop; provided Tenant shall file and record a termination of the memorandum within thirty (30) days prior to the expiration of this Lease.

3.7 GOVERNING LAW

This Lease and the rights and obligations of the parties hereto must be interpreted, construed, and enforced in accordance with the laws of the State of Washington.

3.8 TIME OF PERFORMANCE

Except as expressly otherwise herein provided, with respect to all required acts of Tenant, time is of the essence of this Lease.

3.9 TRANSFERS BY LANDLORD

Landlord may transfer and assign, in whole or in part, all its rights and obligations hereunder and in the Building, and in such event and upon such transfer Landlord is released from any further obligations hereunder, and Tenant shall look solely to such successor in interest of Landlord for the performance of such obligations, provided, however, such successor in interest expressly accepts such obligations in writing.

3.10 <u>TAXES</u>

Tenant is responsible for collecting and remitting all applicable federal, state, and local taxes attributable to the ownership and operation of any equipment installed pursuant to this Lease, provided, however, that Tenant is not responsible for any taxes imposed on the income of Landlord derived from the Building or otherwise.

3.11 REGULATORY AUTHORITY

Tenant shall secure any permits, Leases, regulatory approvals, and authorizations from federal, state and local governments ("Permits") required currently or in the future for the provision of any services and exercise of any of its rights under the Lease, and Tenant's right and obligations hereunder are subject to receipt and maintenance of all necessary Permits. Tenant shall promptly inform Landlord of (i) any legal or regulatory development of which Tenant becomes aware that would prohibit or render all or any portion of this Lease Agreement commercially unfeasible or (ii) its revocation of or failure to obtain any Permits.

3.12 <u>INDEPENDENT CONTRACTOR</u>

Tenant shall at all times act in its own capacity and right as an independent contractor. Tenant may not make purchases, or obligate Landlord to expend any funds or to perform any obligations other than as provided in this Lease or as may be authorized in writing by Landlord. Tenant and any and all of its employees or agents shall at all times present and represent itself or themselves as representatives of Tenant, not of Landlord.

3.13 FORCE MAJEURE

Except with respect to Tenant's payment obligations under this Lease, if the performance by a party to this Lease of any nonmonetary obligation hereunder is interfered with by reason of any circumstances without the fault or negligence, or beyond the reasonable control, of any party, including fire, explosion, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies, any law, order, natural disaster, regulation, ordinance, requirement, acts of, or failures to act by, any government or any legal body or representative of any such government, labor unrest, including without limitation, strikes, slowdowns, picketing, or boycotts, embargo, delay of a common carrier, or any other cause beyond such party's control, then the party affected will be excused from such performance on a day-to-day basis to the extent of such interference (and the other parties will likewise be excused from performance of their obligations on a day-to-day basis to the extent such other party's obligations relate to the performance so interfered with), provided that the affected party will use reasonable efforts to remove such causes of non-performance.

3.14 OWNERSHIP OF EQUIPMENT

Unless acquired as provided in this Lease, Landlord has no ownership or other interest in any Solar Equipment installed on the Building. The manner of operation of the Solar Equipment, including but not limited to decisions on when to conduct maintenance, is within the sole discretion of Tenant, subject to Landlord's reasonable rules and regulations as it relates to access to the Rooftop and Equipment Space. Tenant shall, in good faith, work to coordinate all construction and maintenance (emergency repairs excepted) of the Solar Equipment with Landlord so as to not unreasonably interfere with Landlord's use of the Property.

3.15 ENTIRE AGREEMENT

This Lease embodies the entire agreement between the parties hereto with relation to the transaction contemplated hereby, and there have been and are no covenants, agreements, representations, warranties, or restrictions between the parties hereto with regard thereto other than those specifically set forth herein.

LANDLORD - CITY OF OLYMPIA, a Washington municipal corporation

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

By:
Steven J. Burney, City Manager
Date:
Approved as to Form:
Michael M. Young
Deputy City Attorney

TENANT - OLYMPIA COMMUNITY SOLAR, a Washington non-profit corporation

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

By: <u>Mason Rolph</u>			
Mason Rolph, President			
• '			
Date: 03/19/2021			
Date.			

Appendix 1

SOLAR EQUIPMENT

TO BE SUPPLIED BY OLYMPIA COMMUNITY SOLAR

16