


Implementation Board Business Meeting Agenda



Meeting Date: July 12, 2023

Time	Item
2:00pm-2:10pm	<p>Welcome and Settling In</p> <ol style="list-style-type: none"> 1. Welcome, Roll Call of Implementation Board- Members, Mission Statement, and Theory of Change (Simha Reddy) 2. Land Acknowledgement (Simha Reddy) 3. Public Comment Sign-Up (Simha Reddy) <ul style="list-style-type: none"> - Public Comment will be 15 minutes - Public Comment must directly address a portion of the agenda. - Each person will have 1 minute for public comment. <p><i>Result: Everyone feels welcomed and participants are confirmed.</i></p>
2:10pm-2:15pm	<p>Consent Agenda (Simha Reddy)</p> <ol style="list-style-type: none"> 1. June 2023 Meeting Minutes [Pg. 3-4] <p><i>Result: Board members vote to approve/disapprove.</i></p>
2:15pm-2:25pm	<p> CEO Updates (Helen Howell)</p> <p><i>Result: CEO Helen Howell provides updates to the Board.</i></p>
2:25pm-2:40pm	<p>Public Comment (Austin Christoffersen)</p> <p><i>Result: Public comment is heard.</i></p>
2:40pm-3:00pm	<p>Officer Elections (Simha Reddy)</p> <p><i>Result: The Implementation Board will elect Co-Chair Position A.</i></p>

3:00pm-3:10pm	Vote on Resolution 2023-10 (Implementation Board) [Pg. 5-6] <i>Result: The Implementation Board will vote on a resolution altering the Bylaws to have elections in the February meeting and establish the election process with a Chair Pro Tempore.</i>
3:10pm-3:20pm	Vote on Resolution 2023-06 KCRHA Authorizing a Lease with King County (Meg Barclay) [Pg. 7-44] <i>Result: The Implementation Board will vote on a resolution allowing the interim CEO to enter a no-cost lease with King County, for office space for KCRHA.</i>
3:20pm-3:40pm	LEC Hotel Program Ramp Down Briefing (Peter Lynn) [Pg. 45-46] <i>Result: The Implementation Board will receive a briefing from its Chief Program Officer, Peter Lynn on the LEC Hotel Program Ramp Down.</i>
3:40pm-3:55pm	Clerk Updates (Austin Christoffersen) <i>Result: Clerk Austin Christoffersen will provide updates and reminders to Board Members.</i>
3:55pm – 4:00pm	Adjourn (Simha Reddy) The next meeting of the Implementation Board will be held on August 9th, 2023. The physical meeting location will be announced on the KCRHA website (Implementation Board section) prior to the meeting.

Board Chair: Simha Reddy

Clerk: Austin Christoffersen

July 12, 2023 (2:00pm – 4:00pm)

Mission: The mission of the King County Regional Homelessness Authority is to significantly decrease the incidence of homelessness throughout King County by centering customer voices to respond to needs and eliminate inequities.

Theory of Change: If we create a homeless response system that centers on customer voice, then we will be able to focus on meeting needs and eliminating inequities, in order to end homelessness for all.

NOTICE: The Board can be called in to Executive Session as needed, pursuant to RCW 42.30.110.

KCRHA Regular Implementation Board Meeting Minutes

Friday, June 14, 2023

2:00pm to 4:00pm

Chair: Simha Reddy

Roll Call:

Last	First	Present	Absent	Notes
Anderson	Carey	X		
Caminos	Nate	X		
Carvalho	Paula	X		
Chelminiak	John	X		
Maritz	Ben	X		
McHenry	Gordon	X		
Ramos	Michael	X		
Pattenaude	Damien	X		
Rankin	Sara	X		
Reddy	Simha	X		
Ross	Christopher	X		
Spotted Elk	Juanita	X		
Brandon	Okesha		X	
Floyd	Zsa Zsa	X		Alternate

A quorum is present with 12 members

Land Acknowledgement – Simha Reddy

CEO Update – Helen Howell

- Thanks the Board and community for support of the 5-year plan
- Full update on contracts to come in meeting, but we are waiting for 1 contract
- As interim CEO Helen's goal is to shore up internal operations and open up lines of communications with providers.

Public Comment – Austin Christoffersen

- Anitra Freeman
- Bill Kirlin-Hackett
- Maria Arns
- Elizabeth Maupin
- Tamara Bauman
- Shanee Colston

Officer Elections – John Chelminak

- Motion to name John Chelminak as Chair Pro Tempore for elections by Chair Reddy

- Seconded by Member Carvalho
 - Passed Via Voice Vote unanimously
- Co-Chair Position A, [Person with lived experience, not necessarily in the Lived Experience Caucus]
 - Member Rankin raised the concern that the Lived Experience Caucus has a procedural defect.
 - Co-Chair Position A, have moved to the next meeting, Motion made by Member Anderson, Seconded by Member Maritz, motion passes unanimously via voice vote.
- Co-Chair Position B, [Open to all members]
 - Vote 1
 - Member Maritz Nominated by Member Spotted Elk-- Fails
 - Yea: ANDERSON, CHELMINAK, MARITZ, SPOTTED ELK, FLOYD, RANKIN
 - Nay: CAMINOS, CARVALHO, MCHENRY, PATTENAUDE, REDDY, ROSS
 - Member Reddy Nominated by Member Reddy-- Fails
 - Yea: CAMINOS, CARVALHO, MCHENRY, PATTENAUDE, REDDY, ROSS
 - Nay: ANDERSON, CHELMINAK, MARITZ, SPOTTED ELK, FLOYD, RANKIN
 - Vote 2
 - Member Maritz-- Fails
 - Yea: ANDERSON, CHELMINAK, MARITZ, SPOTTED ELK, FLOYD, RANKIN
 - Nay: CAMINOS, CARVALHO, MCHENRY, PATTENAUDE, REDDY, ROSS
 - Member Reddy-- Passes
 - Yea: CAMINOS, CARVALHO, CHELMINAK, MCHENRY, PATTENAUDE, REDDY, ROSS
 - Nay: ANDERSON, MARITZ, SPOTTED ELK, FLOYD, RANKIN
- Treasurer
 - Member Maritz Nominated by Member Maritz-- Fails
 - Yea: ANDERSON, MARITZ, SPOTTED ELK, FLOYD, RANKIN
 - Nay: CAMINOS, CARVALHO, CHELMINAK, MCHENRY, PATTENAUDE, REDDY, ROSS
 - Member Patenaude Nominated by Member Reddy-- Passes
 - Yea: CAMINOS, CARVALHO, CHELMINAK, MCHENRY, PATTENAUDE, REDDY, ROSS
 - Nay: ANDERSON, MARITZ, SPOTTED ELK, FLOYD, RANKIN
- Secretary
 - Member Ross Nominated by Member Ross-- Passes
 - Yea: CAMINOS, CARVALHO, CHELMINAK, MCHENRY, REDDY, ROSS
 - Nay: ANDERSON, MARITZ, SPOTTED ELK, FLOYD, RANKIN
 - Member Spotted Elk Nominated by Member Reddy

Contract Briefing and Update – Meg Barclay

Ombuds Charter – Katara Jordan

Meeting Adjourned—4:20 PM

RESOLUTION NO. 2023-10

A RESOLUTION OF THE IMPLEMENTATION BOARD OF THE KING COUNTY
REGIONAL HOMELESSNESS AUTHORITY; AMENDING THE BYLAWS TO INSTITUTE
AN ELECTION

WHEREAS, pursuant to the Interlocal Agreement for the Establishment of the King County Regional Homelessness Authority dated December 18, 2019 (the “Interlocal Agreement”) between King County (the “County”) and the City of Seattle (“Seattle”), the County and Seattle formed a governmental administrative agency pursuant to RCW 39.34.030(3) known as the King County Regional Homelessness Authority (the “Authority” or as abbreviated “KCRHA”); and

WHEREAS, under Article VIII, Section 2(J, vi) of the Interlocal Agreement, the Implementation Board of the Authority has the ability via resolution to amend the Bylaws of the Implementation Board; and

WHEREAS, the Implementation Board Bylaws do not establish a set time in the calendar to hold elections; and

WHEREAS, Officer Elections are a vital part of the Implementation Board, where establishing a set election day would give clear guidance to when an officers term begins and ends; and

WHEREAS, the Implementation Board Bylaws do not establish who will chair the elections; and

WHEREAS, Electoral integrity is a priority of the Implementation Board;

NOW, THEREFORE, BE IT RESOLVED BY THE IMPLEMENTATION BOARD OF THE KING COUNTY REGIONAL HOMELESSNESS AUTHORITY:

Section 1. Amend Bylaws to add a new Section III.06 titled Elections. “Elections will be held at the February Implementation Board Regular Meeting every calendar year. Elections will be held by a Chair Pro Tempore, who is a member of the Implementation Board that is not running for an officer position and is selected by the board present on election day.”

Section 2. Effective Date. This resolution shall take effect immediately and be in force from and after passage and approval.

Resolution 2023-10 was introduced on and Passed by an affirmative vote of at least two-thirds (2/3) of the Members of the Implementation Board pursuant to the terms of the Interlocal Agreement at a meeting held this 14th day of June, 2023.

[Results]

Yea:

Nay:

Abstain:

KING COUNTY REGIONAL HOMELESSNESS AUTHORITY
IMPLEMENTATION BOARD
KING COUNTY, WASHINGTON

x_____

Simha Reddy, Chair

ATTEST:

x_____

Austin Christoffersen, Clerk of the Authority

Attachments: NONE

To: Implementation Board

From: Austin Christoffersen, Clerk of the Authority

CC: Helen Howell, Interim Chief Executive Officer; Peter Lynn, Chief Programs Officer; Anne Burkland, Chief of Staff

Subject: Memo on the LEC Hotel Program Rampdown

Date: 7/05/2023

Status: Informational [X]

Decisional []

Critical Incident Follow-Up []

I. Summary

In April 2023, KCRHA activated emergency management protocols in response to the collapse of a hotel shelter program created and managed by the Lived Experience Coalition (LEC). The LEC had overspent their funding, and hundreds of people were at risk of being pushed back onto the streets.

II. Action Taken

KCRHA worked with public, private, and nonprofit partners to coordinate daily activities that would assess needs and connect people in the LEC hotels to services, and if available, to shelter and housing.

- King County provided \$750,000 to KCRHA, and the state Legislature approved Gov. Inslee's request for up to \$6 million from the Right of Way Safety Initiative to extend the temporary hotel placements through the end of June.
- KCRHA staff and partners were on-site at four hotels daily to build a By-Name List so that teams could match people with service options.
- Hotel residents were connected to appropriate resources that meet their needs, including connections to inpatient substance use treatment, domestic violence survivors were moved to safe placements, and veterans connected with housing vouchers.
- Nonprofits delivered food to ensure that people would not go hungry, a medically-necessary oxygen tank that had been repossessed was replaced, and children were provided with snacks, toys, and books.
- Each person on the By-Name List was connected with support services, and, where available and accepted, with housing or shelter.

III. Outcomes

- Over the course of three months:
 - 32 households (53 people) have moved into permanent housing.
 - 58 households (122 people) have moved into shelter or another temporary location.
 - 77 households (110 people) have independently left the hotel/motel sites since the beginning of KCRHA's involvement in April; they may have moved in with family and friends or to other housing, or they may have moved to an unsheltered site, but service providers have not been able to confirm their current location.

IV. Conclusion

The cooperation and collaboration across multiple cities and partner organizations was truly inspiring, built trust and strengthened partnerships, and shows what we can accomplish when we work together. At the same time, it's important to recognize that our communities simply do not have the infrastructure to meet the full scope of the need.

The emergency activation also highlights the primary purpose for which KCRHA was created—to develop consistent, unified coordination of service provision across the system of homelessness response.

With better coordination, oversight, and infrastructure, we hope to prevent emergencies like these before they happen.

We want to thank everyone for their hard work and dedication.

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made this _____ day of _____, 2023, between **KING COUNTY**, a home rule charter county and political subdivision of the State of Washington ("Landlord"), and **KING COUNTY REGIONAL HOMELESSNESS AUTHORITY** ("Tenant"). Landlord and Tenant are sometimes referred to herein individually as a "party" and together as the "parties."

1. BASIC LEASE INFORMATION:

1.1 Lease Date: This Lease shall be effective as of the date it has been executed by both parties.

1.2 Landlord: King County, a home rule charter county and political subdivision of the State of Washington

1.3 Tenant: King County Regional Homelessness Authority

1.4 Building: Located at: the Yesler Building, 400 Yesler Way, Seattle, Washington, 98104, on that certain real property that is legally described on the attached Exhibit A ("Real Property").

1.5 Premises: The area depicted on the attached Exhibit B, containing approximately 13,332 rentable square feet. The Premises is located on the sixth floor of the Building.

1.6 Permitted Use: General office purposes and/or any other legally permissible use.

1.7 Initial Term: January 1, 2022 - December 31, 2024

1.8 Extended Term(s): Two (2) options to extend for one (1) year per option term.

1.9 Lease Commencement Date: January 1, 2022

1.10 Rent Commencement Date: N/A

1.11 Expiration Date: December 31, 2024

1.12 Rent: Tenant shall pay no rent to Landlord. Pursuant to the Interlocal Agreement for the Establishment of the King County Regional Homelessness Authority dated December 18, 2019, between King County and the City of Seattle ("Interlocal Agreement"), King County's funding to the King County Regional Homelessness Authority includes the

value of King County space contributed by King County to the King County Regional Homelessness Authority, and King County as “Landlord” under this Lease agrees to lease the Premises to Tenant for Tenant operations. The “In Kind Rent” value being contributed by Landlord to Tenant for the year 2022 is \$538,968.00. The In Kind Rent value shall be escalated by three percent (3%) annually, commencing on the first anniversary of the Lease Commencement Date as shown in the schedule below. Notwithstanding the foregoing, if Landlord and Tenant mutually agree, each in their sole discretion, to amend the Master Services Agreement dated January 1, 2022 between Landlord and Tenant (“Master Services Agreement”) to adjust the In Kind Rent value to be contributed by Landlord to Tenant in connection with this Lease, then Landlord and Tenant shall enter into an amendment to this Lease to memorialize such adjustment to the In Kind Rent value.

Months	Date Range	Annual In Kind Rent Value
1-12	1/1/2022 to 12/31/2022	\$538,968.00
13-24	1/1/2023 to 12/31/2023	\$555,137.04
25-36	1/1/2024 to 12/31/2024	\$571,791.15
37-48 First Extended Term	1/1/2025 to 12/31/2025	\$588,944.88
49-60 Second Extended Term	1/1/2026 to 12/31/2026	\$606,613.23

1.13 Security Deposit: \$0

1.14 Landlord's Address for Notices:

King County Real Estate Services
500 Forth Avenue, Suite 830
Seattle, WA 98104-2337

Email: RES-LeaseAdmin@kingcounty.gov

1.15 Tenant's Address for Notices:

400 Yesler Way, Suite 600
Seattle, WA 98104
Attn: Chief Administrative Officer

Email: admin@kcrha.org

2. PREMISES; AS-IS CONDITION; COMMON AREAS; TENANT IMPROVEMENTS; EXPANSION:

2.1 Premises. Landlord hereby leases the Premises to Tenant for the Term set forth above. Tenant, at its sole option, may elect to remeasure the Premises pursuant to the most recent, applicable measurement methodology published by the Building Owners and Managers Association (BOMA), and if the rentable square footage of the Premises varies from that set forth in Section 1.5 above, the parties hereto shall promptly amend this Lease to modify any variables that are dependent upon the same.

2.2 As-Is Condition. Subject to the terms and conditions of this Lease, Landlord makes the Premises available to Tenant and Tenant hereby accepts the Premises on an “AS IS” and “WHERE IS” basis, without any warranty, guaranty, liability, or representation whatsoever, express or implied, oral or written, on the part of Landlord, or any person on behalf of Landlord, regarding the Building or Premises or any matter affecting the Building or Premises, including but not limited to the suitability of the Building or Premises for Tenant’s intended use or any related purpose or use. Tenant acknowledges and agrees that Landlord has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, contracts or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present, or future, except as otherwise expressly set forth in this Lease. All tenant improvements are subject to the Landlord’s prior written consent and approval and Tenant shall be solely responsible for all tenant improvements and costs thereof.

2.3 Common Areas. Landlord also grants Tenant a nonexclusive license to use those portions of the Building made available from time to time by Landlord for the common use and enjoyment of Tenant, Landlord, and other tenants of the Building and their guests and invitees (the “Common Areas”). Landlord shall have the right to do and perform all such acts in and to the Common Areas as Landlord shall determine in its reasonable discretion, including without limitation reconfiguring and temporarily closing the same from time to time, so long as Landlord does not adversely affect Tenant’s use and enjoyment of the Premises and/or access to the Premises. Notwithstanding the foregoing, Landlord shall use commercially reasonable efforts to minimize any interference with Tenant’s use of, and access to, the Premises in connection with the exercise of Landlord’s rights under this Section.

2.4 Tenant Improvements. Landlord, at Landlord’s sole cost and expense, shall modify the restroom signage on the sixth floor of the Building to accommodate all genders (“Tenant Improvements”). Landlord shall perform the Tenant Improvements in a good, workmanlike manner and in compliance with all applicable laws, rules, regulations, and ordinances. Landlord shall complete the Tenant Improvements by March 31, 2022.

2.5 Intentionally Omitted.

3. TERM:

3.1 Commencement Date. This Lease shall commence on the date set forth in Section 1.9 above (“Lease Commencement Date” or “Commencement Date”).

3.2 Expiration Date. This Lease shall expire on the date set forth in Section 1.11 above ("Expiration Date").

3.3 Extension Option. Tenant is hereby granted the option to extend the initial Term for two (2) successive periods of twelve (12) months each (each, an "Extended Term"). This option to extend may be exercised by Tenant only by giving Landlord written notice no less than three (3) months prior to the last day of the initial Term or first Extended Term, as applicable. Tenant's extension option shall apply to all of the Premises then leased by Tenant under this Lease. From and after the commencement of the Extended Term, all of the terms, covenants, and conditions of this Lease shall continue in full force and effect as written.

4. PERMITTED USE:

The Premises may be used by Tenant for the uses set forth in Section 1.6 above, and for no other business or purpose without the prior written consent of Landlord, which consent may be withheld if Landlord, in its sole discretion, determines that any proposed use is inconsistent with or detrimental to the maintenance and operation of the Building as an office building or is inconsistent with any restriction on use of the Premises, the Building, or the Land contained in any Lease, mortgage, or other instrument or agreement by which the Landlord is bound or to which any of such property is subject. Tenant shall not commit any act that will increase the then existing cost of insurance on the Building without Landlord's consent. Tenant shall promptly pay upon demand the amount of any increase in insurance costs caused by any act or acts of Tenant. Tenant shall not commit or allow its employees or agents to commit any waste upon the Premises, or any public or private nuisance or other act which disturbs the quiet enjoyment of any other tenant in the Building or which is unlawful. Tenant shall not, without the written consent of Landlord, use any apparatus, machinery or device in or about the Premises which will cause any substantial noise, vibration or fumes in areas outside the Premises. Tenant shall not permit smoking in the Premises; Landlord has designated all internal portions of the Building as a smoke-free zone. If any of Tenant's office machines or equipment should disturb the quiet enjoyment of any other tenant in the Building, then Tenant shall provide adequate insulation, or take other action as may be necessary to eliminate the disturbance. Tenant shall comply with all laws relating to its use or occupancy of the Premises and shall observe such reasonable rules and regulations (not inconsistent with the terms of this Lease) as may be adopted and made available in writing (to include e-mail) to Tenant by Landlord from time to time for the safety, care and cleanliness of the Premises or the Building, and for the preservation of good order therein. The Building Rules and Regulations in force at the execution date of this Lease are attached hereto as Exhibit D. In the event of any conflict between the terms and conditions of this Lease and the terms and conditions of the Rules and Regulations (as the same may be amended from time to time), the terms and conditions of this Lease shall control. Notwithstanding anything to the contrary, Tenant's employees and agents may bring bicycles into and through the Building so long as such bicycles are kept in the Premises and not in the Common Areas.

5. RENT; INTERLOCAL AGREEMENT:

Landlord and Tenant enter into this Lease in connection with the Interlocal Agreement, including without limitation Section 1(d) of Article VII of the Interlocal Agreement, concerning Landlord's commitment to provide operational space to Tenant. As consideration for Landlord's agreement to enter into this Lease, Tenant shall pay Landlord \$1.00 and provide the services contemplated under the Interlocal Agreement. As stated in the Master Services Agreement, King County shall provide \$538,968.00 as In Kind Rent for the year 2022. Subject to the last sentence of Section 1.12 above, this In Kind Rent value shall be escalated by three percent (3%) annually, commencing on the first anniversary of the Lease Commencement Date as stated in Section 1.12 above. If any payments by Tenant are due under this Lease, Tenant shall make said payments to Landlord without deduction or offset in lawful money of the United States in advance on or before the first day of each month at Landlord's Payment Address set forth in Section 1.14 above, or to such other party or at such other place as Landlord may hereafter from time to time designate in writing. In Kind Rent value for any partial month at the beginning or end of the Lease term shall be prorated in proportion to the number of days in such month.

6. SECURITY DEPOSIT:

As security for the performance of this Lease by Tenant, Tenant has paid to Landlord the Security Deposit as specified in Section 1.13 above, if any, receipt of which is hereby acknowledged. Landlord may apply all or any part of the Security Deposit to the payment of any sum in default or any other sum which Landlord may in its reasonable discretion deem necessary to spend or incur by reason of Tenant's default. In such event, Tenant shall, within five (5) days of written demand therefore by Landlord, deposit with Landlord the amount so applied. The amount of the Security Deposit then held by Landlord shall be repaid to Tenant within thirty (30) days after the expiration or sooner termination of this Lease. Landlord shall not be required to keep any Security Deposit separate from its general funds and Tenant shall not be entitled to any interest thereon.

7. UTILITIES AND SERVICES:

Landlord shall at all times furnish the Premises with: (i) water at those points of supply provided for general use of tenants of the Building; (ii) heated and refrigerated air conditioning as appropriate, at such temperatures and in such amounts as are required by governmental authority or as are reasonably appropriate for the Building; (iii) janitorial service, recycling and trash removal on weekdays, other than national holidays, and such carpet cleaning and window washing as may from time to time be reasonably required; (iv) elevators for ingress and egress to the floor on which the Premises are located; (v) replacement of Building-standard light bulbs and fluorescent tubes in the Premises; (vi) electrical current reasonably sufficient for Tenant's use; and (vii) sewer service. Tenant shall furnish its own telephone and cable service to the Premises. During the term of the Lease, as the same may be extended, Landlord shall furnish internet service to the Premises at no cost to Tenant. Landlord shall not be liable for any loss, injury or damage to person or property caused by or resulting from any variation, interruption, or failure of any services or facilities provided by Landlord pursuant to this Lease due to any cause whatsoever. No interruption or failure of any utilities or services from any cause whatsoever shall be deemed an eviction of Tenant or relieve Tenant from any of Tenant's obligations hereunder, provided that Landlord shall use commercially reasonable efforts to repair, replace or restore the same as quickly as possible. To the extent any interruption of

services occurs due to Landlord's negligence, intentional misconduct or breach of Lease, then the In Kind Rent value shall be abated for the period of interruption in the proportion of the square footage rendered unusable for Tenant's intended purposes, in addition to, and without limiting, Tenant's other rights and remedies available at law and/or under this Lease.

8. OPERATING COSTS:

Tenant shall pay no operating costs as part of this Lease. This Lease is a full-service lease, meaning that the cost of all services, utilities, maintenance, repairs, replacements, taxes, insurance, and other items associated with the ownership and management of the Building are included in the In Kind Rent.

9. MAINTENANCE AND REPAIRS:

Subject to Landlord's obligations under this Lease, Tenant shall be responsible for keeping the Premises in a neat, clean condition. Landlord shall maintain, repair and replace, if necessary, the Premises; the Building; all Building systems, including but not limited to interior lighting (including without limitation replacement of light bulbs, ballasts and starters as required); plumbing, heating, ventilating and air-conditioning systems (including without limitation replacement of filters as recommended in equipment service manual); floor coverings; window coverings; elevators (including without limitation communications systems); inside and outside walls (including without limitation windows and entrance and exit doors); all structural portions of the Building (including without limitation the roof and the watertight integrity of same); porches, stairways; sidewalks; exterior lighting; parking lot (including without limitation snow removal, cleaning and restriping as required); wheel bumpers; drainage; landscaping and continuous satisfaction of all governmental requirements (example: fire, building energy codes, indoor air quality and requirements to provide architecturally barrier-free premises for persons with disabilities, etc.).

10. CARE OF BUILDING AND PREMISES:

Without limiting Landlord's obligations under Section 9 above, Landlord shall perform all normal maintenance and repairs reasonably determined by Landlord as necessary to maintain the Premises and the Building as a first-class office building; provided that Landlord shall not be required to maintain or repair any property of Tenant, excluding any appliances (such as refrigerators, water heaters, microwave ovens, and the like) which are within the Premises and furnished to Tenant by Landlord, which Landlord shall maintain in good working order at its sole cost and expense. Tenant shall not make any alterations, additions or improvements ("Alterations") in or to the Premises, or make changes to locks on doors, or add, disturb or in any way change any plumbing or wiring ("Changes") without first obtaining the written consent of Landlord and in accordance with plans and specifications reasonably approved by Landlord, which consent and approval shall not be unreasonably conditioned, delayed, or withheld. As a condition to its approval, Landlord may require Tenant to remove such Alterations or Changes upon the expiration or earlier termination of the Term and to restore the Premises to the condition they were in prior to such Alterations or Changes, including restoring any damage resulting from such removal, all at Tenant's expense. Landlord shall notify Tenant in writing of any requirement to remove an Alteration or Change at the expiration or sooner termination of the Lease concurrently with Landlord's approval of the same, with Landlord's failure to so notify Tenant

being deemed its waiver of the right to require removal of the Alteration or Change. Tenant shall have the right to perform, or cause to be performed, repairs, maintenance, Alterations, and Changes during normal business hours as long as such work does not unreasonably disturb other tenants of the Building. Any Alterations or Changes required to be made to Tenant's Premises due to Tenant's specific use of the Premises (as opposed to general office use) by any amendment to any applicable building, health, safety, fire, nondiscrimination, or similar law or regulation ("law"), or any new law shall be made at Tenant's sole expense and shall be subject to the prior written consent of Landlord, which consent shall not be unreasonably conditioned, delayed, or withheld. Landlord shall, at its sole cost and expense, be responsible for causing the Premises to comply with all applicable laws and regulations concerning the use of the Premises for general office purposes. Subject to Section 13 (Waiver of Subrogation), all damage or injury done to the Premises or Building by Tenant or by any persons who may be in or upon the Premises or Building with the express or implied consent of Tenant, including but not limited to the cracking or breaking of any glass of windows and doors, shall be paid for by Tenant. Subject to Section 13 (Waiver of Subrogation), all damage or injury done to the Premises or Building by Landlord or by any persons who may be in or upon the Premises or Building with the express or implied consent of Landlord, including but not limited to the cracking or breaking of any glass of windows and doors, shall be paid for by Landlord.

11. ACCESS:

Tenant shall, upon at least one (1) business day prior written notice and with a representative of Tenant present, permit Landlord and its agents to enter into and upon the Premises at all reasonable times for the purpose of inspecting the same or for the purpose of cleaning, repairing, altering or improving the Premises or the Building. In the event of an emergency, Landlord may enter into and upon the Premises without prior written notice and without a representative present but shall notify Tenant thereof as soon afterwards as reasonably practicable. Upon at least two (2) business days prior written notice, Landlord shall have the right to enter the Premises for the purpose of showing the Premises to prospective Tenants within the period of one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term.

12. DAMAGE OR DESTRUCTION:

12.1 Damage and Repair:

If the Building is damaged by fire or any other cause to such extent that the cost of restoration, as reasonably estimated by Landlord, will equal or exceed thirty percent (30%) of the replacement value of the Building (exclusive of foundations) just prior to the occurrence of the damage, or if insurance proceeds sufficient for restoration are for any reason unavailable, then Landlord may no later than the sixtieth day following the damage, give Tenant a notice of election to terminate this Lease. In the event of such election, this Lease shall be deemed to terminate on the thirtieth day after the giving of said notice, and Tenant shall surrender possession of the Premises by or before such date. If the cost of restoration as reasonably estimated by Landlord shall amount to less than thirty percent (30%) of said replacement value of the Building and insurance proceeds sufficient for restoration are available, or if Landlord does not elect to terminate this Lease, Landlord shall restore the Building and the Premises (to the extent of

improvements to the Premises originally provided by Landlord hereunder) with reasonable promptness, subject to delays beyond Landlord's control and delays in the making of insurance adjustments by Landlord, and Tenant shall have no right to terminate this Lease except as herein provided. To the extent that the Premises are rendered unusable for Tenant's intended purposes, the In Kind Rent value shall proportionately abate, except in the event such damage resulted from or was contributed to, directly or indirectly, by the act, fault or neglect of Tenant, Tenant's officers, contractors, agents, employees, clients, customers, or licensees. No damages, compensation or claim shall be payable by Landlord for inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Premises or of the Building. Landlord shall use its best efforts to effect such repairs promptly. Notwithstanding anything to the contrary, if the Premises, or access to the Premises, are damaged or destroyed and rendered unusable for Tenant's intended purposes, as determined by Tenant in its sole discretion, or if the estimated time to restore the Premises or Building exceeds one hundred eighty (180) days after the date of the casualty, then Tenant may terminate this Lease upon written notice to Landlord. Landlord shall provide Tenant with written notice of the estimated time to restore the Premises or Building within thirty (30) after the date of the casualty.

12.2 Destruction During Last Year of Term:

In case the Building shall be substantially destroyed by fire or other cause at any time during the last twelve months of the term of this Lease, either Landlord or Tenant may terminate this Lease upon written notice to the other party hereto given within sixty (60) days of the date of such destruction.

12.3 Tenant Improvements:

Landlord will not carry insurance of any kind on any improvements paid for by Tenant or on Tenant's furniture or furnishings or on any fixtures, equipment, improvements or appurtenances of Tenant under this Lease and Landlord shall not be obligated to repair any damage thereto or replace the same, unless such damage or need for replacement is caused by Landlord or its employees, agents, or contractors.

13. WAIVER OF SUBROGATION:

Landlord and Tenant each hereby release the other and their officials, agents and employees, from any and all liability and responsibility to the releasing party and to anyone claiming by or through it or under it, by way of subrogation or otherwise, for all claims, damage, or destruction of property, occasioned by perils which can be insured against by the property insurance carried by such releasing party and/or to the extent the same would have been covered had the releasing party maintained the property insurance required under this Lease, regardless of cause, including without limitation negligence. Landlord and Tenant grant this release on behalf of themselves and their respective insurance carriers and each party shall cause its respective insurance carrier(s) to issue an applicable waiver of subrogation endorsement consistent with this Section. Notwithstanding the foregoing, no such release shall be effective unless the aforesaid insurance policy or policies shall expressly permit such a release or contain a waiver of the carrier's right to be subrogated.

14. RESERVED.

15. INDEMNITY AND HOLD HARMLESS:

Tenant agrees to indemnify, defend and hold Landlord, its respective appointed and elected officials, agents, and employees (collectively the "Landlord Indemnatee Parties") harmless from and against liability for all claims, demands, suits, and judgments, including costs of defense thereof for injury to persons, death, or property damage which is caused by, arises out of, or is incidental to the negligence or willful misconduct of Tenant or its respective appointed and elected officials, agents, and employees, except to the extent of the negligence or willful misconduct of any Landlord Indemnatee Parties. Tenant's obligations under this Section 15 shall include:

- A. The duty to promptly accept tender of defense and provide defense to the Landlord Indemnatee Parties at Tenant's own expense and with counsel reasonably acceptable to Landlord;
- B. Indemnification of claims made by Tenant's own employees or agents; and,
- C. Waiver of the Tenant's immunity under the industrial insurance provisions of Title 51 R.C.W. but only to the extent necessary to indemnify the Landlord Indemnatee Parties, which waiver has been mutually negotiated herein.

Landlord agrees to indemnify, defend and hold Tenant, its respective appointed and elected officials, agents, and employees (collectively the "Tenant Indemnatee Parties") harmless from and against liability for all claims, demands, suits, and judgments, including costs of defense thereof for injury to persons, death, or property damage which is caused by, arises out of, or is incidental to the negligence or willful misconduct of Landlord or its respective appointed and elected officials, agents, and employees, except to the extent of the negligence or willful misconduct of any Tenant Indemnatee Parties. Landlord's obligations under this Section 15 shall include:

- A. The duty to promptly accept tender of defense and provide defense to the Tenant Indemnatee Parties at Landlord's own expense and with counsel reasonably acceptable to Tenant;
- B. Indemnification of claims made by Landlord's own officials, employees or agents; and,
- C. Waiver of the Landlord's immunity under the industrial insurance provisions of Title 51 R.C.W. but only to the extent necessary to indemnify the Tenant Indemnatee Parties, which waiver has been mutually negotiated herein.

In the event Landlord or Tenant incurs attorney's fees, legal expenses or other costs to enforce the provisions of this Section 15, all such reasonable fees, expenses and costs shall be recoverable from the other party.

In the event it is determined that R.C.W. 4.24.115 applies to this Lease or any addenda, Landlord and Tenant each agrees to defend, hold harmless, and indemnify the Landlord Indemnatee Parties or Tenant Indemnatee Parties, as applicable, to the maximum extent permitted thereunder, and specifically for its negligence concurrent with that of the other party to the full extent of such party's negligence.

The provisions of this Section 15 shall survive the expiration or termination of this Lease. Nothing contained within this provision shall affect and/or alter the application of any other provision contained within this Lease.

16. INSURANCE:

16.1 Tenant Insurance:

Tenant shall, throughout the term of this Lease and any extension or renewal hereof, at its own expense, keep and maintain in full force and effect, the following minimum insurance set forth below:

- A. Commercial General Liability Insurance with minimum limits of Two Million Dollars (\$2,000,000) per occurrence and Four Million Dollars (\$4,000,000) in the aggregate for bodily injury, personal and advertising injury, and property damage. Such insurance shall include coverage for, but not limited to, ongoing operations, premises liability, and contractual liability. Limits may be satisfied by a single primary limit or by a combination of separate primary and umbrella or excess liability policies, provided that coverage under the latter shall be at least as broad as that afforded under the primary policy and satisfy all other requirements applicable to liability insurance including but not limited to additional insured status to the Landlord. Landlord, its officials, employees and agents shall be included as an additional insured under Tenant's commercial general liability insurance policy unless Tenant participates in a Risk Pool for any of the required insurance coverages, in which case the additional insured requirement shall not apply.
- B. Property Insurance. Tenant shall, throughout the term of this Lease and any renewal thereof, at its own expense, keep and maintain in full force and effect, "All Risk" property insurance in an amount equal to the full replacement value of Tenant's Leasehold Improvements and personal property, and maintain business interruption coverage.
- C. Workers Compensation. Workers Compensation coverage, as required by the Industrial Insurance Act of the State of Washington, as well as any similar coverage required by applicable federal or other law.
- D. Employers Liability or "Stop Gap": Coverage in the amount of \$1,000,000 each occurrence and shall be at least as broad as the protection provided by the Workers Compensation policy Part 2 (Employers Liability), or, in states with monopolistic state funds, the protection provided by the "Stop Gap" endorsement to the general liability policy.

As used in this Lease, "Tenant's Leasehold Improvements" shall mean any alterations, additions or improvements installed in or about the Premises by Tenant with Landlord's permission or otherwise permitted by this Lease, whether or not the cost thereof was paid for by Tenant.

16.3 Additional Insurance Requirements:

16.3.1 Automobile Liability with minimum limits of One Million Dollars (\$1,000,000) per accident for bodily injury and property damage. Coverage shall be at least as broad as that afforded under ISO form number CA 00 01. Such limits may be satisfied by a single primary limit or by a combination of separate primary and umbrella or excess liability policies, provided that coverage under the latter shall be at least as broad as that afforded under the primary policy. Landlord, its officials, employees, and agents shall be included as an additional insured under Tenant's automobile liability policy unless Tenant participates in a Risk Pool for any of the required insurance coverages, in which case the additional insured requirement shall not apply.

16.3.2 Professional Liability, if applicable, with minimum limits of \$2,000,000 per claim.

16.4 Insurance Policy Requirements:

Unless otherwise approved by the Landlord, commercial insurance coverage is to be placed with insurers with an A.M. Best rating of no less than A-: VIII. Tenant shall endeavor to provide at least thirty (30) days prior written notice to Landlord, or at least ten (10) days prior written notice to Landlord in the case of non-payment of premium, before any insurance policy required under this Section 16 is cancelled or reduced below the limits required hereunder.

16.5 Evidence of Insurance:

Tenant shall deliver to Landlord prior to the Commencement Date, and from time to time thereafter, certificates of insurance, including additional insured endorsement(s) evidencing the existence of insurance coverage as required above and evidencing Landlord as an additional insured thereunder. In no event shall the limits of any insurance policy required under this Section 16 be considered as limiting the liability of Tenant under this Lease.

16.6 Primary Policies:

Tenant's insurance coverage shall be primary and non-contributing as respects the insurance of Landlord. Any insurance and/or self-insurance maintained by Landlord, its officials, employees or agents shall not contribute with Tenant's insurance or benefit Tenant, or its respective insurers in any way.

16.7 Self-Insurance:

Landlord acknowledges, accepts and agrees that the Tenant may self-insure any coverage required in this Lease and, in the event that Tenant self-insures, Tenant will provide proof of such self-insurance upon the request of the Landlord.

16.8 Landlord Insurance:

Landlord shall, throughout the term of this Lease and any renewal thereof, at its own expense, keep and maintain in full force and effect, "All Risk" property insurance in an amount equal to the full replacement value of the Building.

17. ASSIGNMENT AND SUBLETTING:

17.1 Assignment or Sublease:

Tenant may not assign, mortgage, encumber or otherwise transfer this Lease nor sublet the whole or any part of the Premises without in each case first obtaining Landlord's prior written consent, which consent may be withheld, conditioned, or delayed in Landlord's sole discretion.

No such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease. Consent to any such assignment, subletting or transfer shall not operate as a waiver of the necessity for consent to any subsequent assignment, subletting or transfer. Each request for an assignment or subletting must be accompanied by a Processing Fee of \$500 in order to reimburse Landlord for expenses, including attorneys' fees, incurred in connection with such request ("Processing Fee"). Tenant shall provide Landlord with copies of all assignments, subleases and assumption instruments.

17.2 Landlord Right to Terminate Portion of Lease:

If such consent is requested, Landlord reserves the right to terminate this Lease, or if consent is requested for subletting less than the entire Premises, to terminate this Lease with respect to the portion for which such consent is requested, at the proposed effective date of such subletting, in which event Landlord may enter into the relationship of Landlord and Tenant with any such proposed subtenant or assignee, based on the rent (and/or other compensation) and the terms agreed to by such subtenant or assignee and otherwise upon the terms and conditions of this Lease. Landlord shall provide written notice to Tenant of such termination within ten (10) business days after Landlord's receipt of a consent request. Notwithstanding anything to the contrary, Tenant may withdraw its proposed assignment or sublease at any time before the effective date of the same, in which case Landlord's right to terminate the Lease, in whole or in part, shall automatically be void and the Lease shall continue in full force and effect.

17.3 Tenant Transfer of Lease:

If a Tenant is a corporation, partnership, or any other entity, any transfer of this Lease by merger, consolidation or liquidation, or any change in the ownership of or power to vote a majority of its outstanding voting stock, partnership interests, or other ownership interests, shall constitute an assignment for the purpose of this Section 17. If Tenant is a partnership, conversion of Tenant to a limited liability company or partnership or to a corporation (or to another entity by which the parties in Tenant would be relieved of liability to any creditors of Tenant) shall constitute an assignment for purposes of this Section 17.

17.4 Assignee Obligations:

As a condition to Landlord's approval, any potential assignee otherwise approved by Landlord shall assume in writing all obligations of Tenant under this Lease arising from and after the date of assignment and shall be jointly and severally liable with Tenant for rental and other payments and performance of all terms, covenants and conditions of this Lease arising from and after the date of assignment.

17.5 Sublessee Obligations:

Any sublessee shall assume all obligations of Tenant as to that portion of the Premises which is subleased and shall be jointly and severally liable with Tenant for rental and other payments and performance of all terms, covenants, and conditions of this Lease with respect to such portion of the Premises arising from and after the date of sublease.

18. SIGNS:

Except as provided herein, Tenant shall not place or in any manner display any sign, graphics, or other advertising matter anywhere in or about the Building or in or about the Premises at places visible (either directly or indirectly) from anywhere outside the Premises without first obtaining Landlord's written consent thereto, which consent shall be at Landlord's reasonable discretion. Any such consent by Landlord shall be upon the understanding and condition that Tenant shall remove the same at the expiration or sooner termination of this Lease and Tenant shall repair any damage to the Premises or the Building caused thereby. Landlord shall not unreasonably withhold its consent to normal Tenant signage outside the Premises which Landlord determines is consistent in Landlord's opinion with the Building's image and signage and graphics program. Landlord shall, at its sole cost and expense, provide Tenant with building standard signage on the main-floor directory and entry to the Premises suite. Signage other than Building directory and suite entry is at Tenant's sole expense.

19. LIENS AND INSOLVENCY:

19.1 Liens:

Tenant shall keep its interest in this Lease, the Premises, the Land and the Building free from any liens arising out of any work performed and materials ordered or obligations incurred by or on behalf of Tenant and hereby indemnifies and holds Landlord harmless from any liability from any such lien. In the event any lien is filed against the Building, the Land or the Premises by any person claiming by, through or under Tenant, Tenant shall, upon request of Landlord and at Tenant's expense, immediately cause such lien to be released of record or furnish to Landlord a bond, in form and amount and issued by a surety reasonably satisfactory to Landlord, indemnifying Landlord, the Land and the Building against all liability, costs and expenses, including attorneys' fees, which Landlord may incur as a result thereof. Tenant, at its sole cost and expense and after written notice to Landlord, may contest, by appropriate proceedings conducted in good faith and with due diligence, any lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant, if, and only if, such proceedings suspend the collection thereof against Landlord, Tenant and the Premises and neither the Premises, the Building nor the Land nor any part thereof or interest therein is or will be in any danger of being sold, forfeited or lost. The provisions of this Section 19 shall

survive the expiration or termination of this Lease. Nothing contained within this provision shall affect and/or alter the application of any other provision contained within this Lease.

19.2 Insolvency:

If Tenant becomes insolvent or voluntarily or involuntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of Tenant, Landlord at its option may terminate this Lease and Tenant's right of possession under this Lease and in no event shall this Lease or any rights or privileges hereunder be an asset of Tenant in any bankruptcy, insolvency or reorganization proceeding.

20. TENANT DEFAULT:

20.1 Cumulative Remedies:

All rights of Landlord herein enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law. In addition to the other remedies provided in this Lease, Landlord shall be entitled to restrain by injunction the violation or threatened violation of any of the covenants, agreements or conditions of this Lease.

20.2 Tenant's Right to Cure:

Tenant shall have a period of five (5) business days from the date of written notice from Landlord to Tenant within which to cure any default in the payment of any payments due to Landlord under this Lease. Tenant shall have a period of thirty (30) days from the date of written notice from Landlord to Tenant within which to cure any other default hereunder; provided, however, that with respect to any such default capable of being cured by Tenant which cannot be cured within thirty (30) days, the default shall not be deemed to be uncured if Tenant commences to cure within thirty (30) days and for so long as Tenant is diligently pursuing the cure thereof.

20.3 Intentionally Omitted.

20.4 Landlord's Reentry:

In the event of a default of this Lease by Tenant beyond applicable notice and cure periods, Landlord, in addition to any other rights or remedies it may have, at its option, may enter the Premises or any part thereof, and expel, remove or put out Tenant or any other persons who may be thereon, together with all personal property found therein and Landlord may terminate this Lease. Notwithstanding anything to the contrary, Landlord shall not have the right to relet the Premises or any part thereof for the account of Tenant.

20.5 Intentionally Omitted.

20.6 Trade Fixtures:

Tenant shall have no right to, and Tenant agrees that it will not, remove any trade fixtures or movable furniture from the Premises at any time while Tenant is in default hereunder.

21. LANDLORD DEFAULT:

Landlord shall be in default under this Lease if Landlord fails to do, observe, keep or perform any of the terms, covenants, conditions, agreements or provisions of this Lease required to be done, observed, kept or performed by Landlord, within thirty (30) days after written notice by Tenant to Landlord, except when the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, in which case Landlord shall not be deemed in default if it commences performance within the thirty (30) day period and thereafter diligently pursues the cure to completion. In the event of a default by Landlord, Tenant, at its option, without further notice or demand, shall have the right to terminate this Lease in addition to all other rights and remedies provided at law or in equity or elsewhere herein.

22. SURRENDER OF POSSESSION:

Subject to the terms of Section 12 relating to damage and destruction, upon expiration of the term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved (subject to Tenant's obligation to remove any Alterations or Changes if requested by Landlord pursuant to Section 10, above), reasonable use and wear and tear excepted.

23. REMOVAL OF PROPERTY:

Tenant shall remove all of its movable personal property, telephone, data and computer cabling, and trade fixtures paid for by Tenant at the expiration or earlier termination of this Lease and shall repair any damage or injury to the Premises or Building resulting from such removal. All other improvements and additions to the Premises shall thereupon become the property of Landlord.

24. NON-WAIVER:

Waiver by Landlord or Tenant of any term, covenant or condition herein contained or any breach thereof shall not be deemed to be a waiver of such term, covenant, or condition or of any subsequent breach of the same or any other term, covenant, or condition herein contained. The subsequent acceptance of any payment hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the amount so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such payment.

25. HOLDOVER:

If Tenant shall, with the written consent of Landlord, hold over after the expiration of the term of this Lease, such tenancy shall be deemed a month-to-month tenancy, which tenancy may be terminated as provided by applicable law. During such tenancy, Tenant agrees to be bound by all of the terms, covenants and conditions herein specified, so far as applicable. If Tenant shall hold over after the expiration or earlier termination of this Lease without the written consent of Landlord, such occupancy shall be deemed an unlawful detainer of the Premises subject to the applicable laws of the state in which the Building is located and, in addition, Tenant shall be

liable for any costs, damages, losses and expenses incurred by Landlord as a result of Tenant's failure to surrender the Premises in accordance with this Lease.

26. CONDEMNATION:

26.1 Entire Taking:

If all of the Premises or such portions of the Building as may be required for the reasonable use of the Premises, are taken by eminent domain, this Lease shall automatically terminate as of the date title vests in the condemning authority and any payments shall be paid to that date.

26.2 Constructive Taking of Entire Premises:

In the event of a taking of a material part of but less than all of the Premises, where Landlord shall reasonably determine that the remaining portions of the Premises cannot be economically and effectively used by it (whether on account of physical, economic, aesthetic or other reasons), or if, in the opinion of Landlord, the Building should be restored in such a way as to alter the Premises materially, Landlord shall deliver a written notice to Tenant of such determination not more than sixty (60) days after the date of taking. The Term of this Lease shall expire upon such date as Landlord shall specify in such notice but not earlier than sixty (60) days after the date of such notice. Pursuant to the Interlocal Agreement, Landlord shall provide new facilities in a different building for Tenant's operations.

26.3 Partial Taking:

In case of a taking of a part of the Premises, or a portion of the Building not required for the reasonable use of the Premises, then this Lease shall continue in full force and effect and the In Kind Rent value shall be equitably reduced based on the proportion by which the floor area of the Premises is reduced, such In Kind Rent value reduction to be effective as of the date title to such portion vests in the condemning authority. If a portion of the Premises shall be so taken which renders the remainder of the Premises unusable for Tenant's intended purposes, Tenant may terminate this Lease by written notice to Landlord within sixty (60) days after the date of such taking and the Term of this Lease shall expire upon such date as Tenant shall specify in such notice not later than sixty (60) days after the date of such notice, and pursuant to the Interlocal Agreement, Landlord shall provide new facilities in a different building for Tenant's operations.

26.4 Awards and Damages:

Landlord reserves all rights to damages to the Premises for any partial, constructive, or entire taking by eminent domain, and Tenant hereby assigns to Landlord any right Tenant may have to such damages or award, and Tenant shall make no claim against Landlord or the condemning authority for damages for termination of the Leasehold interest or interference with Tenant's business. Tenant shall have the right, however, to claim and recover from the condemning authority compensation for any loss to which Tenant may be put for Tenant's moving expenses, business interruption or taking of Tenant's personal property and Leasehold improvements paid for by Tenant (not including Tenant's Leasehold interest) provided that such

damages may be claimed only if they are awarded separately in the eminent domain proceedings and not out of or as part of the damages recoverable by Landlord.

27. NOTICES:

All notices under this Lease shall be in writing and delivered in person or sent by registered or certified mail, or nationally recognized courier (such as Federal Express, DHL, etc.), postage prepaid, to Landlord and to Tenant at the Notice Addresses provided in Sections 1.14 and 1.15 above (provided that after the Commencement Date any such notice may be mailed or delivered by hand to Tenant at the Premises) and to the holder of any mortgage or deed of trust at such place as such holder shall specify to Tenant in writing; or such other addresses as may from time to time be designated by any such party in writing. Notices mailed as aforesaid shall be deemed given on the date of such mailing.

28. COSTS AND ATTORNEYS' FEES:

If Tenant or Landlord shall bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of any payments hereunder or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees and costs in such suit, at trial and on appeal.

29. LANDLORD'S LIABILITY:

Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants, undertakings and agreements for the purpose of binding Landlord personally or the assets of Landlord except Landlord's interest in the Premises and Building, but are made and intended for the purpose of binding only the Landlord's interest in the Premises and Building, as the same may from time to time be encumbered. No personal liability or personal responsibility is assumed by, nor shall at any time be asserted or enforceable against Landlord or its partners or their respective heirs, legal representatives, successors, and assigns on account of the Lease or on account of any covenant, undertaking or agreement of Landlord in this Lease contained.

30. ESTOPPEL CERTIFICATES:

Tenant shall, from time to time (not to exceed two (2) times per year), upon written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement acceptable to Tenant stating: The date this Lease was executed and the date it expires; the date the term commenced and the date Tenant accepted the Premises; and certifying to the extent true and to the best of Tenant's knowledge (without specific investigation or study): That this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way (or specifying the date and terms of agreement so affecting this Lease); that this Lease represents the entire agreement between the parties as to this leasing; that there are no Landlord defaults beyond applicable notice and cure periods under this Lease; that all required contributions by Landlord to Tenant on account of Tenant's improvements have been received; that any security deposit is as stated in the Lease; and such other factual matters as Landlord may reasonably request. It is intended that any such statement delivered pursuant to this paragraph may be relied upon by a prospective purchaser of Landlord's interest or the holder of any

mortgage upon Landlord's interest in the Building. Such statement shall not affect, prejudice or waive any rights or remedies of Tenant against Landlord. If Tenant shall fail to respond within thirty (30) days of receipt by Tenant of a written request by Landlord as herein provided, Landlord may provide a second written request to Tenant with the following language in all caps in the subject line: "THIS REQUEST FOR AN ESTOPPEL CERTIFICATE MUST BE RESPONDED TO WITHIN FIVE (5) BUSINESS DAYS AFTER RECEIPT, WITH A FAILURE TO RESPOND BEING DEEMED TO BE AN ADMISSION OF THE CONTENTS THEREIN," and if Tenant fails to timely respond to such second written request, then Tenant shall be deemed to have given such certificate as above provided without modification.

31. TRANSFER OF LANDLORD'S INTEREST:

In the event of any transfers of Landlord's interest in the Premises or in the Building, other than a transfer for security purposes only, Landlord shall be automatically relieved of any and all obligations and liabilities on the part of Landlord accruing from and after the date of such transfer and such transferee shall have no obligation or liability with respect to any matter occurring or arising prior to the date of such transfer, except for obligations or liabilities of a continuing nature. Subject to the terms and conditions of this Lease, Tenant agrees to attorn to the transferee as "Landlord" under this Lease.

32. RIGHT TO PERFORM:

If Tenant shall fail to pay any sum of money required to be paid by it hereunder, or shall fail to perform any other act on its part to be performed hereunder, and such failure shall continue for thirty (30) days after notice thereof by Landlord, Landlord may, but shall not be obligated so to do, and without waiving or releasing Tenant from any obligations of Tenant, make such payment or perform any such other act on Tenant's part to be made or performed as provided in this Lease. Any sums paid by Landlord hereunder shall be immediately due and payable by Tenant to Landlord and Landlord shall have (in addition to any other right or remedy of Landlord) the same rights and remedies in the event of the nonpayment of sums due under this Section 32 as in the case of default by Tenant under Section 20 in the payment any sums due.

33. QUIET ENJOYMENT:

Tenant shall have the right to the peaceable and quiet use and enjoyment of the Premises, subject to the provisions of this Lease, as long as Tenant is not in default hereunder beyond applicable notice and cure periods, without disturbance by Landlord or by any person or entity claiming by, through, or under Landlord.

34. AUTHORITY:

Each of Landlord and Tenant hereby represents and warrants that this Lease has been duly authorized, executed and delivered by and on its behalf and constitutes such party's valid and binding agreement in accordance with the terms hereof. Landlord represents and warrants to Tenant that this Lease is not subject to the consent of a third party, including without limitation a lender.

35. HAZARDOUS MATERIALS:

35.1 Tenant Obligations:

35.1.1 Tenant shall not dispose of, or otherwise allow its employees or agents to dispose of, any hazardous waste or materials in, on or under the Premises or the Building, or in any improvements placed on the Premises. Tenant confirms to Landlord that Tenant's intended use of the Premises does not involve the use, production, disposal or bringing on to the Premises of any hazardous waste or materials, except only ordinary and customary cleaning supplies typically used in a first class downtown office building and only in such quantities or concentrations as allowed under applicable laws, rules and regulations. As used in this Section 35, the term "hazardous waste or materials" includes any substance, waste or material defined or designated as hazardous, toxic or dangerous (or any similar term) pursuant to any statute, regulation, rule or ordinance now or hereafter in effect. Tenant shall promptly comply with all such statutes, regulations, rules and ordinances applicable to hazardous waste or materials brought onto the Premises by Tenant, and if Tenant fails to so comply Landlord may, after reasonable prior notice to Tenant (except in case of emergency), effect such compliance on behalf of Tenant. Tenant shall immediately reimburse Landlord for all costs incurred in effecting such compliance.

35.1.2 Tenant agrees to protect, defend, indemnify and hold harmless Landlord Indemnitee Parties against any and all losses, liabilities, suits, obligations, fines, damages, judgments, penalties, claims, charges, cleanup costs, remedial actions, costs and expenses (including, without limitation, consultant fees, attorneys' fees and disbursements) which may be imposed on, incurred or paid by Landlord, or asserted in connection with any hazardous waste or materials brought onto the Premises by Tenant or its employees or agents. Tenant hereby waives immunity under the industrial insurance provisions of Title 51 R.C.W. but only to the extent necessary to indemnify Landlord, which waiver has been mutually negotiated herein.

35.1.3 The provisions of this Section 35.1 shall survive the expiration or termination of this Lease. Nothing contained within this provision shall affect and/or alter the application of any other provision contained within this Lease.

35.2 Landlord Obligations:

Landlord, at its sole cost and expense, shall promptly comply with all statutes, regulations, rules and ordinances applicable to hazardous waste or materials brought onto the Real Property and/or Building by Landlord or existing at the Real Property and/or Building as of the Lease Date. Landlord agrees to protect, defend, indemnify and hold harmless Tenant Indemnitee Parties against any and all losses, liabilities, suits, obligations, fines, damages, judgments, penalties, claims, charges, cleanup costs, remedial actions, costs and expenses (including, without limitation, consultant fees, attorneys' fees and disbursements) which may be imposed on, incurred or paid by Tenant, or asserted in connection with any hazardous waste or materials brought onto the Real Property and/or Building by Landlord or its employees or agents or existing at the Real Property and/or Building as of the Lease Date. Landlord hereby waives immunity under the industrial insurance provisions of Title 51 R.C.W. but only to the extent necessary to indemnify Tenant Indemnitee Parties, which waiver has been mutually negotiated

herein. Landlord shall not be responsible for any hazardous waste or materials resulting from the acts of other tenants or occupants of the Building or other third parties, or for consequential damages arising from the presence of any hazardous wastes or materials on the Premises or in the Building. The provisions of this Section 35.2 shall survive the expiration or termination of this Lease. Nothing contained within this provision shall affect and/or alter the application of any other provision contained within this Lease.

36. RESERVED

37. GENERAL:

(a) Headings:

Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

(b) Successors and Assigns:

All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective, successors and assigns, provided the foregoing shall be subject to the terms of Section 17.

(c) Payment of Brokers:

If Tenant has dealt with any person or real estate broker with respect to leasing or renting space in the Building, Tenant shall be solely responsible for the payment of any fee due said person or firm and Tenant shall indemnify and hold Landlord harmless against any liability in respect thereto, including Landlord's attorneys' fees and costs in defense of any such claim.

(d) Entire Agreement:

This Lease along with the Interlocal Agreement and the Master Services Agreement contain all covenants and agreements between Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises, to Tenant's use of the Building and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by Landlord and Tenant.

(e) Severability:

Any provision of this Lease which shall be held invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

(f) Overdue Payments:

Tenant acknowledges that a late payment of sums due hereunder will cause Landlord to incur costs not contemplated by this Lease. Such costs may include, but not be limited to, processing and accounting charges, and penalties imposed by terms of any contracts, mortgages

or deeds of trust covering the Building. Therefore, in the event Tenant shall fail to pay any sums payable by Tenant under this Lease for five (5) business days after such amount is due, then Tenant shall pay Landlord, a late charge ("Late Charge") equal to 5% of such amount owing, but not in excess of the highest rate permitted by law. In addition to any Late Charges which may be incurred hereunder, any sums payable by Tenant under this Lease which are more than thirty (30) days past due, shall bear interest at a rate equal to 12% per annum but not in excess of the highest lawful rate permitted under applicable laws, calculated from the original due date thereof to the date of payment ("Overdue Fee"); provided, however, the minimum Overdue Fee shall be \$100.00.

In addition, if payments are received by check or draft from Tenant, and two (2) or more of such checks or drafts are dishonored by the bank or other financial institution they were drawn upon in any twelve (12) month period, Landlord may thereafter require all payments due hereunder from Tenant to Landlord to be made by bank cashier's or bank certified check or other similar means of payment and Landlord shall not be required to accept any checks or drafts of Tenant which do not comply with such requirements.

(g) Force Majeure:

Except for the payment of sums payable by Tenant, time periods for Tenant's or Landlord's performance under any provisions of this Lease shall be extended for periods of time during which Tenant's or Landlord's performance is prevented due to circumstances beyond Tenant's or Landlord's reasonable control.

(h) Right to Change Public Spaces:

Landlord shall have the right at any time, without thereby creating an actual or constructive eviction or incurring any liability to Tenant therefor, to change the arrangement or location of such of the following as are not contained within the Premises or any part thereof: entrances, passageways, doors and doorways, corridors, stairs, toilets and other like public service portions of the Building. Nevertheless, in no event shall Landlord diminish any service, change the arrangement or location of the elevators serving the Premises, make any change which shall diminish the area of the Premises, make any change which shall interfere with access to the Premises, Tenant's use of the Premises, or change the character of the Building from that of a first-class office building.

(i) Governing Law; Venue:

This Lease shall be governed by and construed in accordance with the laws of the State of Washington without giving effect to its conflicts of law rules or choice of law provisions. Venue for any action filed with respect to this Lease shall be in the Superior Court of King County, Washington, and no other venue; and the parties hereby agree to the personal jurisdiction of such court.

(j) Building Directory:

Landlord shall maintain in the lobby of the Building a directory which shall include the name of Tenant and any other names reasonably requested by Tenant in proportion to the number of listings given to comparable tenants of the Building.

(k) Building Name:

The Building shall be known by such name as Landlord may designate from time to time.

(l) Non-Discrimination:

Tenant and Landlord, for themselves, their successors, and assigns as a part of the consideration hereof, do hereby covenant and agree to comply with all civil rights and anti-discrimination requirements of federal, state and local laws applicable to the Building and Premises, including, without limitation, Chapter 49.60 RCW. Tenant and Landlord shall not discriminate on the basis of race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification, in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Chapter 12.16, as now codified and as hereafter amended. Tenant and Landlord shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations that prohibit such discrimination. These laws include, but are not limited to, King County Charter Section 840, Chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of 1964. Any violation of this provision shall be considered a default of this Lease and shall be grounds for cancellation, termination, or suspension, in whole or in part, of this Lease and may result in ineligibility for further agreements between the parties.

(m) Counterparts:

This Lease may be executed in one or more facsimile or PDF counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

(n) Substitute Premises:

Landlord may, upon at least sixty (60) days' prior written notice to Tenant, substitute other premises in the Building for the Premises, not to exceed one (1) time during the Term. In each such case, the substituted premises shall (a) contain at least substantially the same rentable area as the Premises and (b) contain comparable tenant improvements. Landlord shall pay all reasonable moving expenses of Tenant incidental to such substitution of premises. The In Kind Rent value shall be reasonably adjusted based on the rentable area of the substitution premises.

38. EARLY TERMINATION:

38.1 Termination by Tenant. This Lease may be terminated by Tenant prior to the Expiration Date or the end of an Extended Term at any time by written notice to Landlord.

38.2 Termination by Landlord Due to Withdrawal from or Termination of Interlocal Agreement. If Landlord withdraws from the Interlocal Agreement pursuant to the terms of the Interlocal Agreement or if the Interlocal Agreement is otherwise terminated during the Term of

this Lease, then Landlord may terminate this Lease by written notice to Tenant and the effective date of termination shall be the effective date of Landlord's withdrawal from or termination of the Interlocal Agreement; provided that, and notwithstanding anything to the contrary, Tenant shall have at least thirty (30) days prior written notice to vacate the Premises.

38.3 Non-Appropriation. If expected or actual funding providing for the In Kind Rent value for Tenant's use of the Premises is withdrawn prior to the Expiration Date or the end of an Extended Term, Landlord's obligation to provide the Premises for Tenant's use shall terminate to the extent permitted under the Interlocal Agreement. Landlord shall provide Tenant with written notice of the withdrawal of funding and effective termination and Tenant shall have at least thirty (30) days to vacate the Premises after notice of termination is provided.

[Signatures on following pages]

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the later of the dates set forth below.

LANDLORD:

KING COUNTY, a home rule charter county and political subdivision of the State of Washington

By: _____

Name: _____

Title: _____

Date _____

APPROVED AS TO FORM:

By: _____
Senior Deputy Prosecuting Attorney

**APPROVED BY CUSTODIAL
AGENCY:**

By: _____

Date: _____

TENANT:

KING COUNTY REGIONAL HOMELESSNESS AUTHORITY

By: _____

Name: _____

Title: _____

Date _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that ____ signed this instrument, on oath stated that ____ was authorized to execute the instrument and acknowledged it as the _____ of KING COUNTY, a home rule charter county and political subdivision of the State of Washington, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this _____ day of _____, 20__.

Notary Public
Print Name
My commission expires

(Use this space for notarial stamp/seal)

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that s/he signed this instrument, on oath stated that s/he was authorized to execute the instrument and acknowledged it as the _____ of King County Regional Homelessness Authority, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this _____ day of _____, 20__.

Notary Public
Print Name
My commission expires

(Use this space for notarial stamp/seal)

EXHIBIT A

Legal Description

BORENS C D ADD AND VAC ALLEY

Plat Block: 39

Plat Lot: ALL

EXHIBIT B

Diagram of Premises

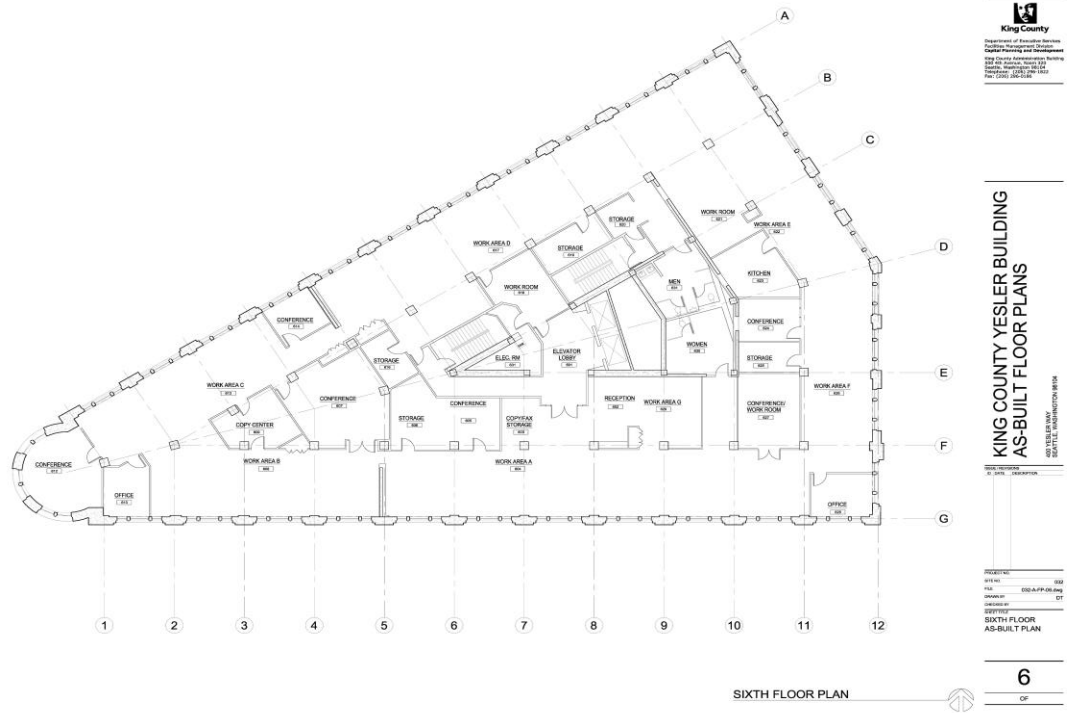


EXHIBIT C

Reserved

EXHIBIT D

BUILDING RULES AND REGULATIONS

1. Enforcement of Rules. Landlord shall equitably enforce these Rules and Regulations against any and all of the tenants of the Building.

2. Directory. The directory of the Building will be provided exclusively for the display of the name and location of tenants and Landlord reserves the right to exclude any other names therefrom.

3. Emergency Information. Tenant must provide Landlord with names and telephone numbers to contact in case of emergency. Tenant must fill out a Tenant emergency information sheet and return it to Landlord's office within three (3) days of occupancy.

4. Sign. Except as set forth in the Lease, no sign, placard, picture, advertisement, name or notice shall be inscribed, displayed, printed or affixed on or to any part of the outside of the Premises or Common Areas of the Building without the written consent of the Landlord being first obtained. If such consent is given by Landlord, Landlord may regulate the manner of display of the sign, placard, picture, advertisement, name or notice. Landlord shall have the right to remove any sign, placard, picture, advertisement, name or notice which has not been approved by Landlord or is being displayed in a non-approved manner without notice to and at the expense of the Tenant. Tenant shall not place anything or allow anything to be placed in the Premises that is visible from outside the Premises that may appear unsightly from outside of the Premises.

5. Access. The sidewalks, halls, passages, exits, entrances, elevators and stairways shall not be obstructed by any of the tenants or used by them for any purpose other than for ingress to and egress from their respective premises. This includes obstructing halls, passages, entrances, exits, elevators, stairways, balconies and roof with furniture, trash or deliveries. Halls, passages, entrances, exits, elevators, stairways, balconies and the roof are not for the use of the general public and the Landlord shall in all cases retain the right to control thereof and prevent access thereto by all persons whose presence in the judgment of the Landlord shall be prejudicial to the safety, character, reputation and interests of the Building or its tenants; provided, however, that nothing herein contained shall be construed to prevent access by persons with whom a tenant normally deals in the ordinary course of its business unless such persons are engaged in illegal activities. No tenant and no employees or invitees of any tenant shall go upon the roof of the Building.

6. Locks and Keys. Except for customary banking vaults, Tenant shall not place any additional lock or locks on any door in the Premises or Building without Landlord's prior written consent. Landlord shall furnish a reasonable number of keys to the locks on the doors in the Premises to Tenant at move in. All keys to the Building, Premises, rooms and toilet rooms shall be obtained from Landlord's office and Tenant shall not, from any other source, duplicate or obtain keys or have keys made. The Tenant, upon termination of the tenancy, shall deliver to the Landlord the keys to the Building, Premises, rooms and toilet rooms that shall have been furnished.

7. Installation of Burglar and Informational Services. If Tenant requires telegraphic, telephonic, burglar alarm or similar services, it shall first obtain and comply with Landlord's instructions in their installation.

8. Floor Loads. Tenant shall not place a load upon any floor of the Premises, which exceeds the load per square foot, which such floor was designed to carry and which is allowed by law. Landlord shall have the right to reasonably prescribe the weight, size and position of all equipment, materials, furniture or other property brought into the Building. Heavy objects shall, if considered necessary by Landlord, stand on such platforms as determined by Landlord to be necessary to properly distribute the weight, which platforms shall be provided at Tenant's expense. Business machines and mechanical equipment belonging to Tenant, which cause noise or vibration that may be transmitted to the structure of the Building or to any space therein to such a degree as to be objectionable to Landlord or to any tenants in the Building, shall be placed and maintained by Tenant, at Tenant's expense, on vibration eliminators or other devices sufficient to eliminate noise or vibration. The persons employed to move such equipment in or out of the Building must be acceptable to Landlord. Landlord will not be responsible for loss of, or damage to, any such equipment or other property from any cause, and all damage done to the Building by maintaining or moving such equipment or other property shall be repaired at the expense of Tenant.

9. Deliveries and Moving Materials within Building. The Building freight elevator shall be available for use by all tenants in the Building, subject to such reasonable scheduling as Landlord, in its discretion, shall deem appropriate. No equipment, materials, furniture, packages, supplies, merchandise or other property will be received in the Building or carried in the elevators except between such hours and in such elevators as may be designated by Landlord. Tenant's initial move in and subsequent deliveries of bulky items, such as furniture, safes and similar items shall, unless otherwise agreed in writing by Landlord, be made only at times designated by Landlord. At least 24 hours prior notice is required for unusually large or heavy deliveries in order that floor protection may be placed to distribute the load and protect the stone lobby floor. No deliveries shall be made which impede or interfere with other tenants or the operation of the Building. Hand trucks and delivery carts are not permitted on passenger cars except by permission of the Landlord. Tenant shall be solely liable for any and all damage resulting from the above activities.

10. Unapproved Equipment. Tenant shall not install, operate or maintain in the Premises or in any other area of the Building, any electrical equipment which does not bear the U/L (Underwriters Laboratories) seal of approval, or which would overload the electrical system or any part thereof beyond its capacity for proper, efficient and safe operation as determined by Landlord, taking into consideration the overall electrical system and the present and future requirements therefor in the Building. Tenant shall not furnish any cooling or heating to the Premises, including, without limitation, the use of any electronic or gas heating devices, fans or space heaters, without Landlord's prior written consent.

11. Vending Machines. No vending machine shall be installed, maintained or operated upon the Premises without the written consent of the Landlord.

12. Fire Regulations. Tenant agrees that it shall comply with all fire regulations that may be issued from time to time by Landlord. Tenant also shall provide Landlord with the names of a designated responsible employee to represent Tenant in all matters pertaining to fire regulations.

13. Safety. Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Building, its occupants, entry and use, or its contents. Tenant, Tenant's agents, employees, contractors, guests and invitees shall comply with Landlord's reasonable requirements relative thereto.

14. Flammable Substances. Tenant shall not use or keep in the Premises or the Building any kerosene, gasoline or flammable or combustible fluid or material or any Hazardous Material as defined in Section 35 of the Lease (including but not limited to asbestos or lead based paints), except as otherwise expressly permitted under the Lease.

15. Nuisance. Tenant shall not use, keep or permit to be used or kept any noxious gas or substance in the Premises, or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to the Landlord or other occupants of the Building by reason of noise, odors and/or vibrations, or interfere in any way with other tenants or those having business in the Building. No animals (other than those aiding disabled persons such as "seeing eye" dogs) or birds shall be brought in or kept in or about the Premises or the Building. No tenant shall make or permit its employees or agents to make any disturbing noises or disturb or interfere with occupants of this or neighboring Buildings or Premises, or with those having business with such occupants by the use of any musical instrument, radio, phonograph, unusual noise, or in any other way. No tenant shall throw anything out of doors or down the passageways.

16. Restrooms. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from a violation of this rule shall be borne by the tenant who, or whose employees, sublessees, assignees, agents, licensees, or invitees, shall have caused it.

17. Cleanliness. Tenant shall reasonably cooperate with Landlord's efforts in the preservation of good order and cleanliness at the Building.

18. No Defacing Premises. Tenant shall not overload the floor of the Premises, shall not mark on or drive nails, screw or drill into the partitions, woodwork or plaster (except as may be incidental to the hanging of wall decorations), and shall not in any way deface the Premises or any part thereof.

19. Floor Covering. Except as set forth in the Lease, no tenant shall lay linoleum, tile, carpet or other similar floor coverings so that the same shall be affixed to the floor or the Premises in any manner except as approved by the Landlord. The expense of repairing any damage resulting from a violation of this rule or removal of any floor covering shall be borne by the tenant by whom, or by whose contractors, agents, sublessees, licensees, employees or invitees, the floor covering shall have been laid.

20. No Antennas. Tenant shall not install any radio or television antenna, loudspeaker or other devices on the roof or exterior walls of the Building, or the interior of windows. Tenant shall not interfere with radio or television broadcasting or reception from or in the Building or elsewhere.

21. Intentionally Omitted.

22. Window Coverings. Tenant shall observe Landlord's reasonable written rules with respect to maintaining standard window coverings at all windows in the Premises so that the Building presents a uniform exterior appearance.

23. Telephones. Landlord will direct electricians as to where and how telephone and telegraph wires are to be introduced. No boring or cutting for or stringing of wires will be allowed without the consent of Landlord. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.

24. Pest Extermination. Tenant shall utilize the termite or pest extermination service designated by Landlord to control termites and pests in the Premises. Landlord shall bear the cost and expense of such extermination services.

25. Non-Smoking Building. The Building is a non-smoking Building. Tenant shall prohibit smoking in the entirety of the Premises in compliance with WAC 296-62.

26. Time of Repairs and Maintenance. Tenant shall carry out Tenant's permitted repair, maintenance, alterations, and improvements in the Premises only during times agreed to in advance by Landlord and in a manner which will not interfere with the rights of other tenants in the Building. Notwithstanding anything to the contrary, Tenant shall have the right to perform, or cause to be performed, repair, maintenance, alterations, and improvements during normal business hours as long as such work does not unreasonably disturb other tenants of the Building.

27. Tenant Advertising. Without the written consent of Landlord, Tenant shall not use the name of the Building in connection with or in promotion or advertising the business of Tenant except as Tenant's address.

28. No Soliciting. Canvassing, soliciting and distribution of handbills or any other written material, and peddling in the Building are prohibited, and Tenant shall reasonably cooperate to prevent such activities by its employees and agents.

29. Disorderly Conduct. Landlord reserves the right to exclude or expel from the Building any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of the rules and regulations of the Building.

30. Building Closure. During all hours on Saturdays, Sundays, legal holidays and on weekdays between the hours of 6:00 p.m. and 7:00 a.m. the following day, access to the Building

or to the halls, corridors, or stairways in the Building, or to the Premises may be refused unless the person has a pass or is properly identified. The Landlord shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, riot, public excitement, or other commotion or any structural damage from any cause whatsoever, the Landlord reserves the right to prevent access to the Building during the continuance of the same, by closing the doors or otherwise, for the safety of the tenants and protection of the Building and property located therein. Anything to the foregoing notwithstanding, Landlord shall have no duty to provide security protection for the Building at any time or to monitor access thereto.

31. Premises Closure. Tenant shall see that the doors of the Premises are closed and securely locked before leaving the Building and that all water faucets, water apparatus and electricity are entirely shut off before Tenant or Tenant's employees leave the Building. Subject to Section 13 (Waiver of Subrogation) of the Lease, Tenant shall be responsible for any damage to the Building or other Tenants' premises caused by a failure to comply with this rule.

32. Building Name and Address. Landlord shall have the right, exercisable without notice and without liability to Tenant, to change the name and/or the street address of the Building of which the Premises is a part.

33. Observance of Rules. Tenant shall be responsible for the observance of all of the foregoing rules by Tenant's employees, agents, licensees, sublessees, assigns, and invitees.

34. Additional Rules. Landlord reserves the right to make such other Rules and Regulations or amendments hereto as, in its reasonable judgment, may from time to time be needed for safety and security, for care and cleanliness of the Building and for the preservation of good order therein. Tenant agrees to abide by all such Rules and Regulations hereinabove stated and any additional rules and regulations which are adopted.

35. Lease. These Rules and Regulations are in addition to, and are made a part of, the terms, covenants, agreements and conditions of Tenant's Lease of its Premises in the Building.

Memorandum

Date: July 5, 2023

To: King County Regional Homelessness Authority Implementation Board

From: Meg Barclay, Chief Administrative Officer

CC: Helen Howell, Interim Chief Executive Officer

Subject: Approval of In-Kind Lease with King County for RHA Office Space

I. Recommendation

That the King County Regional Homelessness Authority (RHA) Implementation Board (IB):

1. Adopt the attached Resolution; and
2. Authorize the RHA Interim Chief Executive Officer to execute a no-cost lease with King County for RHA office space in County-owned property located at 400 Yesler Way (the Yesler Building).

II. Background

As provided for in Article 7, Section 1(d), King County provides the RHA with office space, the value of which is credited toward the County's contribution to RHA Operations. The value of RHA office space at the Yesler Building in the RHA's 2023 budget is \$422,502. The value reflected in the lease for 2023 is \$555,137.04. The RHA 2023 budget will be amended to reflect this amount upon execution of the lease. The 2024 lease amount of \$571,791.15 will be reflected in the final 2024 budget when it is presented to the IB in December 2023.

The King County Facilities Management Division (FMD) and the RHA have come to agreement on terms the Yesler Building lease, effective January 1, 2022, through the end of the Interlocal Agreement's initial term on December 31, 2024, with two options to extend for one year each.

The lease provides for occupancy for this period at no cost to the RHA. It specifies requirements for the RHA's use of this space, and services to be provided by King County as landlord, including, but not limited to provision of light, heat, and internet service onsite.

The lease also commits to conversion of restrooms in the RHA space at the Yesler Building to gender neutral facilities by March 31, 2022. While this work has not yet been completed, the RHA will work with the County to identify a new date for completion to include in the lease prior to execution.

RHA legal counsel has reviewed the lease and recommends approval.

Attachments:

Lease Agreement between King County and the RHA
Resolution Authorizing Lease Execution

A RESOLUTION OF THE IMPLEMENTATION BOARD OF THE KING COUNTY REGIONAL HOMELESSNESS AUTHORITY AUTHORIZING A LEASE WITH KING COUNTY.

WHEREAS, under Article VIII, Section 2(j)(i) of the Interlocal Agreement, the Implementation Board of the King County Regional Homelessness Authority ("Authority") must approve the "Transfer or conveyance of an interest in real estate, except for lien releases or satisfactions of a mortgage after payment has been received or the execution of a lease for a current term less than one (1) year" by resolution; and

WHEREAS, Article VII Section 1(d) of the Interlocal Agreement specifies that King County will "make facilities available to the Authority for Authority operations"; and

WHEREAS, the Authority has negotiated and seeks to enter into a lease with King County for office space being provided pursuant to the Interlocal Agreement, located at 400 Yesler Way.

NOW THEREFORE BE IT RESOLVED BY THE IMPLEMENTATION BOARD OF THE KING COUNTY REGIONAL HOMELESSNESS AUTHORITY:

Section 1: The Implementation Board hereby authorizes the Authority to enter into a lease with King County. The Interim Chief Executive Officer of the Authority, in consultation with legal counsel, is hereby authorized to make such revisions and to finalize the terms of the Lease as determined to be necessary and in the best interest of the Authority. The Interim Chief Executive Officer is further authorized to execute the lease on behalf of the Authority.

Section 2: This resolution shall take effect immediately upon passage. Passed by a simple majority of the Implementation Board pursuant to the terms of the Interlocal Agreement at a special meeting held the 12th day of July 2023.

[Results]

Yea:

Nay:

Abstain:

KING COUNTY REGIONAL HOMELESSNESS AUTHORITY
IMPLEMENTATION BOARD KING COUNTY, WASHINGTON

x _____
Simha Reddy, Chair

ATTEST:

x _____
Austin Christoffersen, Clerk of the Authority