

City of Tukwila

Community Services and Safety Committee

- Orthia Delostrinos Johnson, Chair
- De'Sean Quinn
- Zak Idan

Distribution:

- C. Delostrinos Johnson
- D. Quinn
- Z. Idan
- D. Cline R. Bianchi

Mayor Ekberg

- C. O'Flaherty
- K. Kruller K. Hougardy

A. Youn

L. Humphrey

AGENDA

MONDAY, NOVEMBER 1, 2021 - 5:30 PM

Foster Conference Room (6300 Building, Suite 100)

THIS MEETING WILL NOT BE CONDUCTED AT CITY FACILITIES BASED ON THE GOVERNOR'S PROCLAMATION 20-28.

THE PHONE NUMBER FOR THE PUBLIC TO LISTEN TO THIS MEETING IS: 1-253-292-9750, Access Code 635842680#

Click here to: Join Microsoft Teams Meeting For Technical Support during the meeting call: 1-206-433-7155.

Item	Recommended Action	Page
1. BUSINESS AGENDA		
a. Leases for the Way Back Inn properties. Stacy Hansen, Human Services Program Coordinator	a. Forward to 11/15 Consent Agenda.	Pg.1
b. Discussion on Cascade Behavioral Health Hospital. Eric Drever, Police Chief	b. Discussion only.	
2. MISCELLANEOUS		

Next Scheduled Meeting: November 15, 2021



Allan Ekberg, Mayor

INFORMATIONAL MEMORANDUM

TO: Community Services and Safety Committee

FROM: Stacy Hansen, Human Services Program Coordinator

CC: Mayor Ekberg

DATE: October 25, 2021

SUBJECT: Way Back Inn Property Lease renewal

<u>ISSUE</u>

Kennedy's Cottage and Gregory House property leases have expired. The Hartnett Manor lease expires 11/30/21. Upon approval by City Council, all three leases will have the continuity of the same start (12/1/21) and end dates (11/30/26).

BACKGROUND

All three City owned homes are on undevelopable land. The non-profit, Way Back Inn, provides 90+ days of temporary shelter/transitional housing to unhoused Tukwila families. Upon reviewing the upcoming renewal of the Hartnett Manor property lease, it was discovered that through a series of unique events that the Kennedy's Cottage and Gregor House leases were not renewed in November 2018 as was customary.

DISCUSSION

Staff is asking Council to extend the lease on all three houses (Kennedy's Cottage, Gregory House, and Hartnett Manor) for another 5-year lease agreement with the Way Back Inn. With this partnership, WBI volunteers clean and maintain the homes, case management staff provide weekly supportive case management meetings with resident families. In 2021, our partnership with WBI provided 2,664 bed nights to 61 individuals who were experiencing homelessness.

FINANCIAL IMPACT

There is no financial impact.

RECOMMENDATION

The Council is being asked to approve the lease agreements and consider forwarding this item to the November 15, 2021, Regular Council meeting consent agenda.

ATTACHMENTS

Kennedy's Cottage lease agreement Harnett Manor lease agreement Gregor House lease agreement

RESIDENTIAL LEASE AGREEMENT KENNEDY'S COTTAGE

This lease is made effective December 1, 2021, between the City of Tukwila, a city, as "Lessor," and Way Back Inn Foundation, a Washington non-profit corporation, as "Lessee" (collectively, the "Parties").

WHEREAS, homelessness continues to be an issue for residents of the City of Tukwila and the greater community at large; and

WHEREAS, Lessor, a Washington municipal corporation, has determined that the provision of transitional housing to homeless and impoverished members of the community serves a fundamental governmental purpose as it protects the public health, safety, and welfare; and

WHEREAS, Lessee is a Washington non-profit corporation that provides temporary and transitional housing to the homeless;

Now, therefore, the Parties agree as follows:

- 1. **PREMISES**: Lessor shall lease to Lessee the Residence currently situated at 15421 42nd Avenue South, Tukwila, Washington ("Premises").
- 2. <u>**TERM**</u>: The term of this lease shall be for five years, commencing on December 1, 2021 and shall terminate on November 30, 2026, unless sooner terminated as a result of Lessee's default hereunder in accordance with the termination provisions set forth in paragraph 19. The Lessor reserves the right to terminate the lease at its convenience prior to the completion of the five-year term at any time for any reason with 90 days' prior written notice.
- 3. <u>**POSSESSION**</u>: Lessee shall be deemed to have accepted possession of the leased premises in an "as-is" condition. Lessor has made no representations to Lessee respecting the condition of the lease premises.
- 4. <u>CONSIDERATION</u>: In consideration of Lessee providing housing to homeless members of the Tukwila community, Lessee may occupy the leased premises rent free for the duration of this Lease; provided, Lessee shall make any and all necessary improvements to the Premises, including the Residence located thereon, at Lessee's sole expense. Such improvements shall not be commenced without the express written consent of Lessor and shall be subject to final inspection and the approval of the Lessor. Further, Lessee shall pay all costs associated with or arising out of the maintenance and operation of the leased Premises as set forth herein.
- 5. <u>USE</u>: Lessee shall use the leased premises to provide free, temporary single-family dwellings for homeless families with children whose income falls below 50% of King County median income and all current uses incidental thereto, and for no other purpose without first obtaining Lessor's prior written consent. Lessee shall

screen all housing applicants to ensure that applicants meet the income qualifications set forth herein. Lessee shall provide Lessor with an annual report each year reflecting data regarding the populations served by Lessee at the Premises.

- 6. <u>LESSEE MAINTENANCE AND REPAIR RESPONSILIBITY</u>: Lessee shall, when and if needed, at Lessee's sole expense, make any and all necessary repairs to the Premises and every part thereof. Lessee shall maintain the Premises in a neat, clean, and sanitary condition. Lessee shall surrender the leased Premises to Lessor in good condition upon the termination of this lease, reasonable wear and tear expected.
- 7. <u>UTILITIES</u>: Lessee shall pay prior to delinquency for all heat, light, water and other utility services supplied to the Premises.
- 8. <u>ALTERATIONS AND ADDITIONS BY LESSEE</u>: After obtaining the prior consent of Lessor, Lessee may make, at its sole expense, such additional improvements or alterations to the leased premises, which it may deem necessary or desirable. Any repairs or new construction by Lessee shall be done in conformity with plans and specifications approved by Lessor. All work performed shall be done in a workmanlike manner and shall become the property of the Lessor.
- 9. <u>LIENS</u>: Lessee shall keep the leased premises free from any liens arising out of any work performed, materials furnished, or obligations incurred by Lessee.
- 10. **INSURANCE**: Lessee shall procure and maintain for the duration of this Lease, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the Lessee's operation and use of the leased Premises. Lessee's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Lessee to the coverage provided by such insurance, or otherwise limit the Lessor's recourse to any remedy available at law or in equity. Lessee shall maintain Commercial General Liability insurance written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate. Commercial General Liability insurance shall be at least as broad as Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover premises and contractual liability. The Lessor shall be named as additional an insured on Lessee's Commercial General Liability insurance policy using ISO Additional Insured-Managers or Lessors of Premises Form CG 20 11 or a substitute endorsement providing at least as broad coverage. Lessee shall also maintain property insurance, which shall be written covering the full value of Lessee's property and improvements with no coinsurance provisions. Property insurance shall be written on an all risk basis. The Lessee's Commercial General Liability insurance policy or policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the Lessor. Any Insurance, self-insurance, or selfinsured pool coverage maintained by the Lessor shall be excess of the Lessee's insurance and shall not contribute with it. Insurance is to be placed with insurers

with a current A.M. Best rating of not less than A: VII. Lessee shall furnish the Lessor with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Lessee. Lessee and Lessor hereby release and discharge each other from all claims, losses and liabilities arising from or caused by any hazard covered by property insurance on or in connection with the premises or said building. This release shall apply only to the extent that such claim, loss or liability is covered by insurance. The Lessee shall provide the Lessor with written notice of any policy cancellation within two business days of their receipt of such notice. Failure on the part of the Lessee to maintain the insurance as required shall constitute a material breach of lease, upon which the Lessor may, after giving five business days' notice to the Lessee to correct the breach, terminate the Lease or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the Lessor on demand. If the Lessee maintains higher insurance limits than the minimums shown above, the Lessor shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Lessee, irrespective of whether such limits maintained by the Lessee are greater than those required by this contract or whether any certificate of insurance furnished to the Lessor evidences limits of liability lower than those maintained by the Lessee.

During the term of this Lease, the Lessor shall maintain all-risk property insurance covering the Residence located on the Premises for its full replacement value. Lessee expressly agrees that should damage arise to the Premises or Residence that is covered by Lessor's insurance but not Lessee's, Lessee shall reimburse Lessor for the cost of Lessor's deductible. Such reimbursement shall be made within thirty days of Lessor's written request for reimbursement.

11. **INDEMNIFICATION**: Lessee shall bear the sole risk for all personal property on the Premises. Lessor, its officials, employees and agents shall not be liable for any injury to or death of any person, or damage to property, sustained or alleged to have been sustained by Lessee, invitees or others as a result of any condition (including future conditions) in, on or about the Premises, or the improvements comprising any portion of the Premises; or as a result of the Premises becoming out of repair, or caused by fire or by the bursting or leaking of water, gas, sewer or steam pipes, or due to or the result of mold, fungus, water intrusion, asbestos, lead or other toxic materials or chemicals, or due to or the result of any accident from whatsoever cause in and about the Premises. Lessee agrees to indemnify, defend and hold Lessor, and its officials, staff, employees and agents, harmless from any and all claims, liabilities, losses, damages, actions, costs and expenses of any kind (including reasonable attorneys' fees) arising out of or related to Lessee's use of the Premises or the operation and/or conduct of its business or any activity or thing occurring on or about the Premises, and for property damage or bodily injury (including death) suffered on or about the Premises by any person, firm or corporation, except to the extent such loss or damage resulting from the gross

negligence of the Lessor or a breach of the terms of this Lease. The terms of this Section 11 shall survive any expiration or termination of this Lease.

The indemnification obligations contained in this Section 11 shall not be limited by any worker's compensation benefits or disability laws, and Lessee hereby waives any immunity that it may have under the Industrial Insurance Act, Title 51 RCW and similar worker's compensation benefits or disability laws.

Lessee agrees that they have read the above provision and that any questions they had concerning it were fully explained to their satisfaction by Lessee's attorney or agent. Lessee understands that they will be the party held financially responsible under all conditions and not the City of Tukwila or its officials, employees, or agents.

- 12. <u>ASSIGNMENT AND SUBLETTING</u>: Lessee shall not assign this lease or any part thereof, either by operation of law or otherwise, without first obtaining the prior written consent of Lessor.
- 13. <u>**DEFAULT**</u>: Failure by Lessee to observe or perform any of the covenants, conditions, or provisions of this lease, where such failure shall continue for a period of ten days after written notice from Lessor to cure the default, shall constitute a default and breach of the lease by the Lessor. Lessee shall notify Lessor promptly of any default not by its nature necessarily known to Lessor.
- 14. <u>ACCESS</u>: Lessee shall permit Lessor to enter the leased premises at reasonable times for the purpose of inspecting the leased premises and ascertaining compliance with the provisions hereof by Lessee, but nothing herein shall be construed as imposing any obligation on Lessor to perform any such work or duties. Lessor reserves the right to property inspection and testing for the Lessor's future development purposes. Lessor will give Lessee at least 48 hours' notice in the event of access needed for property testing.
- 15. <u>COMPLIANCE WITH LAWS, RULES AND REGULATIONS</u>: Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances, and governmental rules, regulations or requirements now in force or which may hereafter be in force relating to or affecting the conditions, use, or occupancy of the leased premises. Lessee shall faithfully observe and comply with the rules and regulations that Lessor shall from time to time promulgate, including, without limitation, those regulations affecting signage on the Property.
- 16. <u>**PERMITS</u>**: Lessee shall, at its sole cost and expense, be responsible for obtaining any permits or licenses that are necessary to perform the work and covenants of this lease Agreement.</u>
- 17. <u>LEASEHOLD EXCISE TAXES</u>: The Parties believe that this Lease is exempt from the requirements of chapter 82.29A RCW; however, in the event that the Washington State Auditor's Office determines that leasehold excise tax is owing,

such costs shall be born by Lessee. In such case, Lessor may make payment of the amount determined to be owed, and Lessee shall reimburse Lessor for such costs within 30 days of receipt of Lessor's request for reimbursement.

18. <u>NOTICE</u>: All notices under this lease shall be in writing and shall be effective when mailed by certified mail or delivered to Lessor at the address below stated, or to Lessee at the address below stated or to such other address as either party may designate from time to time:

LESSOR:	CITY OF TUKWILA	LESSEE:	Way Back Inn Foundation
	ATTN: Mayor's Office		PO Box 621
	6200 Southcenter Boulevard		Renton, Washington 98057-0621
	Tukwila, Washington 98188		-

19. <u>**TERMINATION**</u>: Either party has the right to terminate this Lease if the other party is in default of any material obligation or representation of this lease which default is incapable of cure, or which being capable of cure, is not cured within ten days after receipt of written notice of such default.

20. <u>GENERAL PROVISIONS</u>:

A. TIME IS OF THE ESSENCE OF THIS LEASE.

- B. In the event of any action or proceeding brought by either party against the other under this lease, the Prevailing party shall be entitled to recover for the fees of its attorneys in such action or proceeding, including costs of appeal, if any, in such amount as the court may adjudge reasonable Attorneys' fees. For the purposes of this provision, the terms "action" or "proceeding" shall include arbitration, administrative, bankruptcy, and judicial proceedings, including appeals therefrom.
- C. This lease shall be construed and governed by the laws of the State of Washington.
- D. Upon termination of this lease, Lessee shall surrender all keys to the Lessor at the place then fixed for notice.
- 21. <u>AUTHORITY OF LESSEE</u>: Lessee, and each individual executing this lease on behalf of Lessee, represent and warrant that s/he is duly authorized to execute and deliver this lease, and that this lease is binding upon Lessee in accordance with its terms.
- 22. <u>WAIVER AND FORBEARANCE</u>: No waiver by Lessor of any breach or default by lessee of any of its obligations or agreement or covenants herein, shall be deemed to be a waiver of any subsequent breach or default of the same or any other covenant, agreement or obligation, nor shall forbearance by Lessor to seek remedy

for any breach or default of Lessee be deemed a waiver by Lessor or its rights and remedies with respect to such breach or default.

THIS LEASE IS SUBJECT TO ACCEPTANCE BY LESSOR.

IN WITNESS THEREOF, the parties hereto have executed this Lease the date and year above written.

LESSOR:	LESSEE:
Ву:	By:
Its:	Its:
Date:	Date:

APPROVED AS TO FORM:

Office of the City Attorney

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of _____, 2021, personally appeared before me the undersigned, a Notary Public, in and for the State of Washington, duly commissioned and sworn, ______, to me known to be the Mayor of the City of Tukwila, a Washington state municipal corporation, that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said City of Tukwila, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument.

WITNESS MY HAND AND OFFICIAL SEAL hereto affixed the day and year first above written.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary) Notary public in and for the State of Washington, residing at ______ My appointment expires _____

STATE OF WASHINGTON)) ss. COUNTY OF KING)

On this _____ day of _____, 2021, personally appeared before me the undersigned, a Notary Public, in and for the State of Washington, duly commissioned and sworn, ______, to me known to be the ______ of the Way Back Inn Foundation, a Washington non-profit corporation, that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said Way Back Inn Foundation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument.

WITNESS MY HAND AND OFFICIAL SEAL hereto affixed the day and year first above written.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary) Notary public in and for the State of Washington, residing at ______ My appointment expires ______

RESIDENTIAL LEASE AGREEMENT HARTNETT MANOR

This lease is made effective December 1, 2021, between the City of Tukwila, a city, as "Lessor," and Way Back Inn Foundation, a Washington non-profit corporation, as "Lessee" (collectively, the "Parties").

WHEREAS, homelessness continues to be an issue for residents of the City of Tukwila and the greater community at large; and

WHEREAS, Lessor, a Washington municipal corporation, has determined that the provision of transitional housing to homeless and impoverished members of the community serves a fundamental governmental purpose as it protects the public health, safety, and welfare; and

WHEREAS, Lessee is a Washington non-profit corporation that provides temporary and transitional housing to the homeless;

Now, therefore, the Parties agree as follows:

- 1. **PREMISES**: Lessor shall lease to Lessee the Residence currently situated at 14688 Macadam Road South, Tukwila, Washington ("Premises").
- 2. <u>**TERM**</u>: The term of this lease shall be for five years, commencing on December 1, 2021 and shall terminate on November 30, 2026, unless sooner terminated as a result of Lessee's default hereunder in accordance with the termination provisions set forth in paragraph 19. The Lessor reserves the right to terminate the lease at its convenience prior to the completion of the five-year term at any time for any reason with 90 days' prior written notice.
- 3. <u>**POSSESSION**</u>: Lessee shall be deemed to have accepted possession of the leased premises in an "as-is" condition. Lessor has made no representations to Lessee respecting the condition of the lease premises.
- 4. <u>CONSIDERATION</u>: In consideration of Lessee providing housing to homeless members of the Tukwila community, Lessee may occupy the leased premises rent free for the duration of this Lease; provided, Lessee shall make any and all necessary improvements to the Premises, including the Residence located thereon, at Lessee's sole expense. Such improvements shall not be commenced without the express written consent of Lessor and shall be subject to final inspection and the approval of the Lessor. Further, Lessee shall pay all costs associated with or arising out of the maintenance and operation of the leased Premises as set forth herein.
- 5. <u>USE</u>: Lessee shall use the leased premises to provide free, temporary single-family dwellings for homeless families with children whose income falls below 50% of King County median income and all current uses incidental thereto, and for no other purpose without first obtaining Lessor's prior written consent. Lessee shall

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screen all housing applicants to ensure that applicants meet the income qualifications set forth herein. Lessee shall provide Lessor with an annual report each year reflecting data regarding the populations served by Lessee at the Premises.

- 6. <u>LESSEE MAINTENANCE AND REPAIR RESPONSILIBITY</u>: Lessee shall, when and if needed, at Lessee's sole expense, make any and all necessary repairs to the Premises and every part thereof. Lessee shall maintain the Premises in a neat, clean, and sanitary condition. Lessee shall surrender the leased Premises to Lessor in good condition upon the termination of this lease, reasonable wear and tear expected.
- 7. <u>UTILITIES</u>: Lessee shall pay prior to delinquency for all heat, light, water and other utility services supplied to the Premises.
- 8. <u>ALTERATIONS AND ADDITIONS BY LESSEE</u>: After obtaining the prior consent of Lessor, Lessee may make, at its sole expense, such additional improvements or alterations to the leased premises, which it may deem necessary or desirable. Any repairs or new construction by Lessee shall be done in conformity with plans and specifications approved by Lessor. All work performed shall be done in a workmanlike manner and shall become the property of the Lessor.
- 9. <u>LIENS</u>: Lessee shall keep the leased premises free from any liens arising out of any work performed, materials furnished, or obligations incurred by Lessee.
- 10. **INSURANCE**: Lessee shall procure and maintain for the duration of this Lease, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the Lessee's operation and use of the leased Premises. Lessee's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Lessee to the coverage provided by such insurance, or otherwise limit the Lessor's recourse to any remedy available at law or in equity. Lessee shall maintain Commercial General Liability insurance written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate. Commercial General Liability insurance shall be at least as broad as Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover premises and contractual liability. The Lessor shall be named as additional an insured on Lessee's Commercial General Liability insurance policy using ISO Additional Insured-Managers or Lessors of Premises Form CG 20 11 or a substitute endorsement providing at least as broad coverage. Lessee shall also maintain property insurance, which shall be written covering the full value of Lessee's property and improvements with no coinsurance provisions. Property insurance shall be written on an all risk basis. The Lessee's Commercial General Liability insurance policy or policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the Lessor. Any Insurance, self-insurance, or selfinsured pool coverage maintained by the Lessor shall be excess of the Lessee's insurance and shall not contribute with it. Insurance is to be placed with insurers

with a current A.M. Best rating of not less than A: VII. Lessee shall furnish the Lessor with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Lessee. Lessee and Lessor hereby release and discharge each other from all claims, losses and liabilities arising from or caused by any hazard covered by property insurance on or in connection with the premises or said building. This release shall apply only to the extent that such claim, loss or liability is covered by insurance. The Lessee shall provide the Lessor with written notice of any policy cancellation within two business days of their receipt of such notice. Failure on the part of the Lessee to maintain the insurance as required shall constitute a material breach of lease, upon which the Lessor may, after giving five business days' notice to the Lessee to correct the breach, terminate the Lease or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the Lessor on demand. If the Lessee maintains higher insurance limits than the minimums shown above, the Lessor shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Lessee, irrespective of whether such limits maintained by the Lessee are greater than those required by this contract or whether any certificate of insurance furnished to the Lessor evidences limits of liability lower than those maintained by the Lessee.

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11. **INDEMNIFICATION**: Lessee shall bear the sole risk for all personal property on the Premises. Lessor, its officials, employees and agents shall not be liable for any injury to or death of any person, or damage to property, sustained or alleged to have been sustained by Lessee, invitees or others as a result of any condition (including future conditions) in, on or about the Premises, or the improvements comprising any portion of the Premises; or as a result of the Premises becoming out of repair, or caused by fire or by the bursting or leaking of water, gas, sewer or steam pipes, or due to or the result of mold, fungus, water intrusion, asbestos, lead or other toxic materials or chemicals, or due to or the result of any accident from whatsoever cause in and about the Premises. Lessee agrees to indemnify, defend and hold Lessor, and its officials, staff, employees and agents, harmless from any and all claims, liabilities, losses, damages, actions, costs and expenses of any kind (including reasonable attorneys' fees) arising out of or related to Lessee's use of the Premises or the operation and/or conduct of its business or any activity or thing occurring on or about the Premises, and for property damage or bodily injury (including death) suffered on or about the Premises by any person, firm or corporation, except to the extent such loss or damage resulting from the gross

negligence of the Lessor or a breach of the terms of this Lease. The terms of this Section 11 shall survive any expiration or termination of this Lease.

The indemnification obligations contained in this Section 11 shall not be limited by any worker's compensation benefits or disability laws, and Lessee hereby waives any immunity that it may have under the Industrial Insurance Act, Title 51 RCW and similar worker's compensation benefits or disability laws.

Lessee agrees that they have read the above provision and that any questions they had concerning it were fully explained to their satisfaction by Lessee's attorney or agent. Lessee understands that they will be the party held financially responsible under all conditions and not the City of Tukwila or its officials, employees, or agents.

- 12. <u>ASSIGNMENT AND SUBLETTING</u>: Lessee shall not assign this lease or any part thereof, either by operation of law or otherwise, without first obtaining the prior written consent of Lessor.
- 13. <u>**DEFAULT**</u>: Failure by Lessee to observe or perform any of the covenants, conditions, or provisions of this lease, where such failure shall continue for a period of ten days after written notice from Lessor to cure the default, shall constitute a default and breach of the lease by the Lessor. Lessee shall notify Lessor promptly of any default not by its nature necessarily known to Lessor.
- 14. <u>ACCESS</u>: Lessee shall permit Lessor to enter the leased premises at reasonable times for the purpose of inspecting the leased premises and ascertaining compliance with the provisions hereof by Lessee, but nothing herein shall be construed as imposing any obligation on Lessor to perform any such work or duties. Lessor reserves the right to property inspection and testing for the Lessor's future development purposes. Lessor will give Lessee at least 48 hours' notice in the event of access needed for property testing.
- 15. <u>COMPLIANCE WITH LAWS, RULES AND REGULATIONS</u>: Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances, and governmental rules, regulations or requirements now in force or which may hereafter be in force relating to or affecting the conditions, use, or occupancy of the leased premises. Lessee shall faithfully observe and comply with the rules and regulations that Lessor shall from time to time promulgate, including, without limitation, those regulations affecting signage on the Property.
- 16. <u>**PERMITS</u>**: Lessee shall, at its sole cost and expense, be responsible for obtaining any permits or licenses that are necessary to perform the work and covenants of this lease Agreement.</u>
- 17. <u>LEASEHOLD EXCISE TAXES</u>: The Parties believe that this Lease is exempt from the requirements of chapter 82.29A RCW; however, in the event that the Washington State Auditor's Office determines that leasehold excise tax is owing,

such costs shall be born by Lessee. In such case, Lessor may make payment of the amount determined to be owed, and Lessee shall reimburse Lessor for such costs within 30 days of receipt of Lessor's request for reimbursement.

18. <u>NOTICE</u>: All notices under this lease shall be in writing and shall be effective when mailed by certified mail or delivered to Lessor at the address below stated, or to Lessee at the address below stated or to such other address as either party may designate from time to time:

LESSOR:	CITY OF TUKWILA	LESSEE:	Way Back Inn Foundation
	ATTN: Mayor's Office		PO Box 621
	6200 Southcenter Boulevard		Renton, Washington 98057-0621
	Tukwila, Washington 98188		-

19. <u>**TERMINATION**</u>: Either party has the right to terminate this Lease if the other party is in default of any material obligation or representation of this lease which default is incapable of cure, or which being capable of cure, is not cured within ten days after receipt of written notice of such default.

20. <u>GENERAL PROVISIONS</u>:

A. TIME IS OF THE ESSENCE OF THIS LEASE.

- B. In the event of any action or proceeding brought by either party against the other under this lease, the Prevailing party shall be entitled to recover for the fees of its attorneys in such action or proceeding, including costs of appeal, if any, in such amount as the court may adjudge reasonable Attorneys' fees. For the purposes of this provision, the terms "action" or "proceeding" shall include arbitration, administrative, bankruptcy, and judicial proceedings, including appeals therefrom.
- C. This lease shall be construed and governed by the laws of the State of Washington.
- D. Upon termination of this lease, Lessee shall surrender all keys to the Lessor at the place then fixed for notice.
- 21. <u>AUTHORITY OF LESSEE</u>: Lessee, and each individual executing this lease on behalf of Lessee, represent and warrant that s/he is duly authorized to execute and deliver this lease, and that this lease is binding upon Lessee in accordance with its terms.
- 22. <u>WAIVER AND FORBEARANCE</u>: No waiver by Lessor of any breach or default by lessee of any of its obligations or agreement or covenants herein, shall be deemed to be a waiver of any subsequent breach or default of the same or any other covenant, agreement or obligation, nor shall forbearance by Lessor to seek remedy

for any breach or default of Lessee be deemed a waiver by Lessor or its rights and remedies with respect to such breach or default.

THIS LEASE IS SUBJECT TO ACCEPTANCE BY LESSOR.

IN WITNESS THEREOF, the parties hereto have executed this Lease the date and year above written.

LESSOR:	LESSEE:
By:	By:
Its:	Its:
Date:	Date:

APPROVED AS TO FORM:

Office of the City Attorney

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of _____, 2021, personally appeared before me the undersigned, a Notary Public, in and for the State of Washington, duly commissioned and sworn, ______, to me known to be the Mayor of the City of Tukwila, a Washington state municipal corporation, that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said City of Tukwila, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument.

WITNESS MY HAND AND OFFICIAL SEAL hereto affixed the day and year first above written.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary) Notary public in and for the State of Washington, residing at ______ My appointment expires _____

STATE OF WASHINGTON)) ss. COUNTY OF KING)

On this _____ day of _____, 2021, personally appeared before me the undersigned, a Notary Public, in and for the State of Washington, duly commissioned and sworn, ______, to me known to be the ______ of the Way Back Inn Foundation, a Washington non-profit corporation, that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said Way Back Inn Foundation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument.

WITNESS MY HAND AND OFFICIAL SEAL hereto affixed the day and year first above written.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary) Notary public in and for the State of Washington, residing at ______ My appointment expires ______

RESIDENTIAL LEASE AGREEMENT GREGOR HOUSE

This lease is made effective December 1, 2021, between the City of Tukwila, a city, as "Lessor," and Way Back Inn Foundation, a Washington non-profit corporation, as "Lessee" (collectively, the "Parties").

WHEREAS, homelessness continues to be an issue for residents of the City of Tukwila and the greater community at large; and

WHEREAS, Lessor, a Washington municipal corporation, has determined that the provision of transitional housing to homeless and impoverished members of the community serves a fundamental governmental purpose as it protects the public health, safety, and welfare; and

WHEREAS, Lessee is a Washington non-profit corporation that provides temporary and transitional housing to the homeless;

Now, therefore, the Parties agree as follows:

- 1. **PREMISES**: Lessor shall lease to Lessee the Residence currently situated at 14239 42nd Avenue South, Tukwila, Washington ("Premises").
- 2. <u>**TERM**</u>: The term of this lease shall be for five years, commencing on December 1, 2021 and shall terminate on November 30, 2026, unless sooner terminated as a result of Lessee's default hereunder in accordance with the termination provisions set forth in paragraph 19. The Lessor reserves the right to terminate the lease at its convenience prior to the completion of the five-year term at any time for any reason with 90 days' prior written notice.
- 3. <u>**POSSESSION**</u>: Lessee shall be deemed to have accepted possession of the leased premises in an "as-is" condition. Lessor has made no representations to Lessee respecting the condition of the lease premises.
- 4. <u>CONSIDERATION</u>: In consideration of Lessee providing housing to homeless members of the Tukwila community, Lessee may occupy the leased premises rent free for the duration of this Lease; provided, Lessee shall make any and all necessary improvements to the Premises, including the Residence located thereon, at Lessee's sole expense. Such improvements shall not be commenced without the express written consent of Lessor and shall be subject to final inspection and the approval of the Lessor. Further, Lessee shall pay all costs associated with or arising out of the maintenance and operation of the leased Premises as set forth herein.
- 5. <u>USE</u>: Lessee shall use the leased premises to provide free, temporary single-family dwellings for homeless families with children whose income falls below 50% of King County median income and all current uses incidental thereto, and for no other purpose without first obtaining Lessor's prior written consent. Lessee shall

screen all housing applicants to ensure that applicants meet the income qualifications set forth herein. Lessee shall provide Lessor with an annual report each year reflecting data regarding the populations served by Lessee at the Premises.

- 6. <u>LESSEE MAINTENANCE AND REPAIR RESPONSILIBITY</u>: Lessee shall, when and if needed, at Lessee's sole expense, make any and all necessary repairs to the Premises and every part thereof. Lessee shall maintain the Premises in a neat, clean, and sanitary condition. Lessee shall surrender the leased Premises to Lessor in good condition upon the termination of this lease, reasonable wear and tear expected.
- 7. <u>UTILITIES</u>: Lessee shall pay prior to delinquency for all heat, light, water and other utility services supplied to the Premises.
- 8. <u>ALTERATIONS AND ADDITIONS BY LESSEE</u>: After obtaining the prior consent of Lessor, Lessee may make, at its sole expense, such additional improvements or alterations to the leased premises, which it may deem necessary or desirable. Any repairs or new construction by Lessee shall be done in conformity with plans and specifications approved by Lessor. All work performed shall be done in a workmanlike manner and shall become the property of the Lessor.
- 9. <u>LIENS</u>: Lessee shall keep the leased premises free from any liens arising out of any work performed, materials furnished, or obligations incurred by Lessee.
- 10. **INSURANCE**: Lessee shall procure and maintain for the duration of this Lease, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the Lessee's operation and use of the leased Premises. Lessee's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Lessee to the coverage provided by such insurance, or otherwise limit the Lessor's recourse to any remedy available at law or in equity. Lessee shall maintain Commercial General Liability insurance written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate. Commercial General Liability insurance shall be at least as broad as Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover premises and contractual liability. The Lessor shall be named as additional an insured on Lessee's Commercial General Liability insurance policy using ISO Additional Insured-Managers or Lessors of Premises Form CG 20 11 or a substitute endorsement providing at least as broad coverage. Lessee shall also maintain property insurance, which shall be written covering the full value of Lessee's property and improvements with no coinsurance provisions. Property insurance shall be written on an all risk basis. The Lessee's Commercial General Liability insurance policy or policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the Lessor. Any Insurance, self-insurance, or selfinsured pool coverage maintained by the Lessor shall be excess of the Lessee's insurance and shall not contribute with it. Insurance is to be placed with insurers

with a current A.M. Best rating of not less than A: VII. Lessee shall furnish the Lessor with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Lessee. Lessee and Lessor hereby release and discharge each other from all claims, losses and liabilities arising from or caused by any hazard covered by property insurance on or in connection with the premises or said building. This release shall apply only to the extent that such claim, loss or liability is covered by insurance. The Lessee shall provide the Lessor with written notice of any policy cancellation within two business days of their receipt of such notice. Failure on the part of the Lessee to maintain the insurance as required shall constitute a material breach of lease, upon which the Lessor may, after giving five business days' notice to the Lessee to correct the breach, terminate the Lease or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the Lessor on demand. If the Lessee maintains higher insurance limits than the minimums shown above, the Lessor shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Lessee, irrespective of whether such limits maintained by the Lessee are greater than those required by this contract or whether any certificate of insurance furnished to the Lessor evidences limits of liability lower than those maintained by the Lessee.

During the term of this Lease, the Lessor shall maintain all-risk property insurance covering the Residence located on the Premises for its full replacement value. Lessee expressly agrees that should damage arise to the Premises or Residence that is covered by Lessor's insurance but not Lessee's, Lessee shall reimburse Lessor for the cost of Lessor's deductible. Such reimbursement shall be made within thirty days of Lessor's written request for reimbursement.

11. **INDEMNIFICATION**: Lessee shall bear the sole risk for all personal property on the Premises. Lessor, its officials, employees and agents shall not be liable for any injury to or death of any person, or damage to property, sustained or alleged to have been sustained by Lessee, invitees or others as a result of any condition (including future conditions) in, on or about the Premises, or the improvements comprising any portion of the Premises; or as a result of the Premises becoming out of repair, or caused by fire or by the bursting or leaking of water, gas, sewer or steam pipes, or due to or the result of mold, fungus, water intrusion, asbestos, lead or other toxic materials or chemicals, or due to or the result of any accident from whatsoever cause in and about the Premises. Lessee agrees to indemnify, defend and hold Lessor, and its officials, staff, employees and agents, harmless from any and all claims, liabilities, losses, damages, actions, costs and expenses of any kind (including reasonable attorneys' fees) arising out of or related to Lessee's use of the Premises or the operation and/or conduct of its business or any activity or thing occurring on or about the Premises, and for property damage or bodily injury (including death) suffered on or about the Premises by any person, firm or corporation, except to the extent such loss or damage resulting from the gross

negligence of the Lessor or a breach of the terms of this Lease. The terms of this Section 11 shall survive any expiration or termination of this Lease.

The indemnification obligations contained in this Section 11 shall not be limited by any worker's compensation benefits or disability laws, and Lessee hereby waives any immunity that it may have under the Industrial Insurance Act, Title 51 RCW and similar worker's compensation benefits or disability laws.

Lessee agrees that they have read the above provision and that any questions they had concerning it were fully explained to their satisfaction by Lessee's attorney or agent. Lessee understands that they will be the party held financially responsible under all conditions and not the City of Tukwila or its officials, employees, or agents.

- 12. <u>ASSIGNMENT AND SUBLETTING</u>: Lessee shall not assign this lease or any part thereof, either by operation of law or otherwise, without first obtaining the prior written consent of Lessor.
- 13. <u>**DEFAULT**</u>: Failure by Lessee to observe or perform any of the covenants, conditions, or provisions of this lease, where such failure shall continue for a period of ten days after written notice from Lessor to cure the default, shall constitute a default and breach of the lease by the Lessor. Lessee shall notify Lessor promptly of any default not by its nature necessarily known to Lessor.
- 14. <u>ACCESS</u>: Lessee shall permit Lessor to enter the leased premises at reasonable times for the purpose of inspecting the leased premises and ascertaining compliance with the provisions hereof by Lessee, but nothing herein shall be construed as imposing any obligation on Lessor to perform any such work or duties. Lessor reserves the right to property inspection and testing for the Lessor's future development purposes. Lessor will give Lessee at least 48 hours' notice in the event of access needed for property testing.
- 15. <u>COMPLIANCE WITH LAWS, RULES AND REGULATIONS</u>: Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances, and governmental rules, regulations or requirements now in force or which may hereafter be in force relating to or affecting the conditions, use, or occupancy of the leased premises. Lessee shall faithfully observe and comply with the rules and regulations that Lessor shall from time to time promulgate, including, without limitation, those regulations affecting signage on the Property.
- 16. <u>**PERMITS</u>**: Lessee shall, at its sole cost and expense, be responsible for obtaining any permits or licenses that are necessary to perform the work and covenants of this lease Agreement.</u>
- 17. <u>LEASEHOLD EXCISE TAXES</u>: The Parties believe that this Lease is exempt from the requirements of chapter 82.29A RCW; however, in the event that the Washington State Auditor's Office determines that leasehold excise tax is owing,

such costs shall be born by Lessee. In such case, Lessor may make payment of the amount determined to be owed, and Lessee shall reimburse Lessor for such costs within 30 days of receipt of Lessor's request for reimbursement.

18. <u>NOTICE</u>: All notices under this lease shall be in writing and shall be effective when mailed by certified mail or delivered to Lessor at the address below stated, or to Lessee at the address below stated or to such other address as either party may designate from time to time:

LESSOR:	CITY OF TUKWILA	LESSEE:	Way Back Inn Foundation
	ATTN: Mayor's Office		PO Box 621
	6200 Southcenter Boulevard		Renton, Washington 98057-0621
	Tukwila, Washington 98188		-

19. <u>**TERMINATION**</u>: Either party has the right to terminate this Lease if the other party is in default of any material obligation or representation of this lease which default is incapable of cure, or which being capable of cure, is not cured within ten days after receipt of written notice of such default.

20. <u>GENERAL PROVISIONS</u>:

A. TIME IS OF THE ESSENCE OF THIS LEASE.

- B. In the event of any action or proceeding brought by either party against the other under this lease, the Prevailing party shall be entitled to recover for the fees of its attorneys in such action or proceeding, including costs of appeal, if any, in such amount as the court may adjudge reasonable Attorneys' fees. For the purposes of this provision, the terms "action" or "proceeding" shall include arbitration, administrative, bankruptcy, and judicial proceedings, including appeals therefrom.
- C. This lease shall be construed and governed by the laws of the State of Washington.
- D. Upon termination of this lease, Lessee shall surrender all keys to the Lessor at the place then fixed for notice.
- 21. <u>AUTHORITY OF LESSEE</u>: Lessee, and each individual executing this lease on behalf of Lessee, represent and warrant that s/he is duly authorized to execute and deliver this lease, and that this lease is binding upon Lessee in accordance with its terms.
- 22. <u>WAIVER AND FORBEARANCE</u>: No waiver by Lessor of any breach or default by lessee of any of its obligations or agreement or covenants herein, shall be deemed to be a waiver of any subsequent breach or default of the same or any other covenant, agreement or obligation, nor shall forbearance by Lessor to seek remedy

for any breach or default of Lessee be deemed a waiver by Lessor or its rights and remedies with respect to such breach or default.

THIS LEASE IS SUBJECT TO ACCEPTANCE BY LESSOR.

IN WITNESS THEREOF, the parties hereto have executed this Lease the date and year above written.

LESSOR:	LESSEE:
Ву:	By:
Its:	Its:
Date:	Date:

APPROVED AS TO FORM:

Office of the City Attorney

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of _____, 2021, personally appeared before me the undersigned, a Notary Public, in and for the State of Washington, duly commissioned and sworn, ______, to me known to be the Mayor of the City of Tukwila, a Washington state municipal corporation, that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said City of Tukwila, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument.

WITNESS MY HAND AND OFFICIAL SEAL hereto affixed the day and year first above written.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary) Notary public in and for the State of Washington, residing at ______ My appointment expires _____

STATE OF WASHINGTON)) ss. COUNTY OF KING)

On this _____ day of _____, 2021, personally appeared before me the undersigned, a Notary Public, in and for the State of Washington, duly commissioned and sworn, ______, to me known to be the ______ of the Way Back Inn Foundation, a Washington non-profit corporation, that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said Way Back Inn Foundation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument.

WITNESS MY HAND AND OFFICIAL SEAL hereto affixed the day and year first above written.

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(Legibly Print or Stamp Name of Notary) Notary public in and for the State of Washington, residing at ______ My appointment expires ______