ORDINANCE No. 112740

COUNCIL BILL No. 105278

AN ORDINANCE relating to the Department of Administrative Services; authorizing the establishment of Mutual and Offsetting Benefit (MOB) lease agreements with Senior Services and Centers

COMPTROLLER FILE No.

Introduced: DEC 16 1985	By: EXECUTIVE REQUEST
Referred: DEC 16 1985	To: City Operations
Referred:	To:
Referred:	To:
Reported: MAR 10 1986	Second Reading: MAR 10 1986
Third Reading: MAR 10 1986	Signed: MAR 10 1986
Presented to Mayor: MAR 11 1986	Approved: MAR 20 1986
Returned to City Clerk: MAR 20 1986	Published:
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

OK

Law Department

The City of Seattle--Legislati

REPORT OF COMMITTE

Honorable President:

Your Committe on Parks and Public

to which was referred the within Council Bill No. 105

report that we have considered the same and respectfully recom

Do Pass

REC'D CMB MAR 11 1986

Jeanette Williams

Committee Chair

Leus Defartment

The City of Seattle--Legislative Department

Date Reported
and Adopted

REPORT OF COMMITTEE

Honorable President:

Your Committe on Parks and Public Grounds

to which was referred the within Council Bill No. IC 5278
report that we have considered the same and respectfully recommend that the same:

Do Pass

Jeanette Williams

Committee Chair

RECD OMB MAR 11 1986

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ORDINANCE 112740

AN ORDINANCE relating to the Department of Administrative Services; authorizing the establishment of Mutual and Offsetting Benefit (MOB) lease agreements with Senior Services and Centers.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Mayor is authorized to execute and the City Comptroller to attest for and on behalf of the City of Seattle, two Mutual and Offsetting Benefit (MOB) lease agreements, substantially in the form of Exhibits "A" and "B", attached hereto and identified as "Lease Agreement", with Senior Services and Centers for lease of the buildings commonly known as the Central Area Senior Center, 500 30th Avenue South, and the Greenwood Senior Center, 525 North 85th Street, to operate programs for senior citizens.

Section 2. The consideration for the leases will be fair market rental value as determined by a current real property appraisal. However, as MOB tenants, Senior Services and Centers will pay only a portion of the fair market rent in the form of cash, while the remainder will be paid for by providing a predetermined amount of services to the public for the City.

Section 3. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and confirmed.

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(To be used for all Ordinances except Emergency.)

Section 4. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 10th day of March, 1986.,

and signed by me in open session in authentication of its passage this 10th day of March, 1986.

President of the City Council.

Approved by me this 20th day of March, 1986.

Mayor.

Filed by me this 20th day of March, 1986.

Attest: Norward J. Brooks
City Comptroller and City Clerk.

(SEAL)

By Theresa Dunbar
Deputy Clerk.

Published

ORD20.1

CSS 8.1.6

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112740

MUTUAL AND OFFSETTING BENEFIT

LEASE AGREEMENT

PART A - SIGNATURE FORM

PARTIES

THIS LEASE AGREEMENT is entered into by and between THE CITY OF SEATTLE, a municipal corporation of the State of Washington, as Lessor, (hereinafter referred to as the "City") and Senior Services and Centers, Inc. a nonprofit corporation organized under the laws of Washington and authorized to do business in the State of Washington, as Lessee (hereinafter referred to as "Lessee").

PREMISES

The City hereby leases to the Lessee and the Lessee hereby leases from the City all of the structure located on the following property:

> The north ½ of Lot 2, and the east 60 feet of Lot 3, EXCEPT the south 110 feet of said portion of Lot 3, Block 19, Osner's Second Addition to the City of Seattle, as recorded in Volume 12 of Plats, page 3, records of King County, Washington;

the street address for which is 525 North 85th Street, (hereinafter referred to as the "Premises").

USE/PURPOSE

The Premises shall be used and occupied only for the following purpose(s):

> Operating a Senior Citizen Center (also known as the Greenwood Senior Center) and associated programs.

TERM

The term of this lease begins January 1, 1983 and expires December 31, 1986, unless terminated earlier pursuant to the terms and conditions hereof.

RENT

In consideraton for this Lease, the Lessee shall pay to the City or provide for the City's benefit, for the use and occupancy of the Premises, the following monthly rent: One Thousand Three Hundred Eighty Four and 17/100 Dollars ($1,384.17), of which a portion, as further described in Part B, Subsection 9.A, hereof, shall be in the form of legal tender of the United States of America or negotiable instruments payable in the same and acceptable to the Director of Administrative Services. Any non-monetary portion of the rent shall be in the form of in-kind services that shall be agreed upon prior to the providing of the same. The services to be provided as a portion of any month's rent shall be described in the annual supplement(s) comprising Part C, hereof.

The "fair market improvements value" of the property of which the Premises form a part is One Hundred Sixty Six Thousand One Hundred Dollars ($166,100.00), which figure shall be used in the computation of the minimum monetary portion of the rent payable during the first year of the term hereof, and following the annual adjustment provided for in Part B, Subsection 9.C, hereof, for the succeeding years of the term of this Lease.

Under no circumstances shall in-kind services in excess of the value the Lessee becomes obligated to provide in any particular year be usable as an offset to the minimum monetary rental due and payable for any year of the Lease term, or as an offset to any services to be provided by the Lessee in any succeeding year of the Lease term.

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INSURANCE

The Lessee shall secure and maintain insurance to protect the City from liability as more fully described in Part B, Subsection 4 of this Lease, which insurance shall provide the following minimum coverage:

$ 500,000.00	Bodily injury, per person.
$ 500,000.00	Bodily injury, per occurrence.
$1,000,000.00	Property damage, per occurrence.

UTILITIES

Notwithstanding the provisions in the first sentence of Part B. Section 3. Utilities, the City, at its sole expense, shall provide the following:

None

The City shall not be responsible for any costs incurred in modifying the systems therefor that are occasioned by the Lessee's requirements.

AGREEMENT CONTENTS

This lease consists of this Part A - Signature Form, plus Part B - General Terms and Conditions, Addendum I prohibiting discrimination, and the annual supplements hereto that comprise Part C - Description of M.O.B. Lessee's Services in Lieu of Cash Rental, all of which, by this reference, are incorporated herein. This Lease embodies the entire agreement of the parties hereto. There are no other understandings or agreements, written or oral, between the parties relating to the subject matter hereof.

EFFECTUATION OF AGREEMENT

In order to be effective, this Lease must be (1) signed by an authorized representative of the Lessee and returned to the City at the address set forth below, accompanied by any required evidence of insurance, and (2) signed by the Mayor pursuant to ordinance authority.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures below:

THE CITY OF SEATTLE
LESSOR

By Charles Royer
Mayor

Senior Services and Centers, Inc.
LESSEE

By Margaret Newcomb
(Name)
President,
BOARD OF TRUSTEES
(Title)

ATTEST:

By Norman J. Brooks
City Comptroller

By [illegible]
(Name)
Vice-President
BOARD OF TRUSTEES
(Title)

City's address for all communications:

Property Management Section
Department of Administrative Services
Fifth Floor
400 Yesler Building
Seattle, WA 98104

(until otherwise notified)
L.M.1.1-2

Lessee's address for all communications:

SENIOR SERVICES AND CENTERS
1601 Second Avenue, Suite 800
Seattle, WA 98101

(until otherwise notified)

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STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

THIS IS TO CERTIFY that on this 28th day of April, 1986, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared CHARLES ROYER and ~~TIM HILL~~ Norman B. Brooks Jr., to me personally known to be the Mayor and City Comptroller, respectively, of THE CITY OF SEATTLE, a municipal corporation, that executed the foregoing instrument and acknowledged to me that they signed and sealed the same as the free and voluntary act and deed of said municipal corporation and an oath stated that they were authorized to execute said instrument and that the seal affixed is the seal of said municipal corporation.

WHITNESS my hand and official seal the day and year in this certificate first above written.

DOROTHY L. McFARLIN
COMMISSION EXPIRES
NOTARY
PUBLIC
SEPT. 15, 1989
STATE OF WASHINGTON

Dorothy L. McFarlin
Notary Public in and for the State of Washington, residing at Seattle

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 5th day of October, 1983, before me personally appeared Margaret Newcombe and William Hall to me known to be President and Vice President of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand the day and year first above written.

Doris A. Delkite
Notary Public in and for the State of Washington, residing at Seattle

MOB.A.4

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MUTUAL AND OFFSETTING BENEFIT

LEASE AGREEMENT

PART B - GENERAL TERMS AND CONDITIONS

1. LIMITATION ON USE/PURPOSE

Notwithstanding any other provision herein, the Lessee shall not enter into any sublease of the Premises or any portion thereof or any assignment of any interest in this Agreement, whether long or short term in nature, or engage in any activity with respect to or on the Premises other than that expressly authorized herein, without obtaining the prior explicit written authorization therefor from the City.

2. POSSESSION

In the event of the inability of the City to deliver possession of the Premises, or any portion thereof, at the time of the commencement of the term of this Lease, neither the City nor any of the City's officers, employees, or agents shall be liable for any damage caused thereby, nor shall this Lease thereby become void or voidable, nor shall the term herein specified be in any way extended, but in such event, the Lessee shall not be liable for any rent until such time as the City can deliver possession.

3. UTILITIES

The Lessee, at the Lessee's sole expense, shall provide or shall otherwise pay for, when due, all costs for providing all utilities and other services on or to the Premises including but not limited to elevator service, electricity, gas, water, telephone, sewer, garbage, heating, janitorial, security, and grounds keeping, and shall also pay all charges for utility installation and modifications thereto occasioned by the Lessee's requirements. The City shall not be liable for any injury, loss or damage caused by or resulting from any interruption or failure of said services due to any causes whatsoever except the City's negligence. The Lessee shall not be entitled to an offset, reduction, or return of rental as a result of any interruption or failure of said services.

4. LIABILITY

A. Indemnity: The Lessee shall indemnify and hold the City harmless from any and all losses, claims, actions, damages and expenses arising out of or resulting from any occurrence in or on the Premises. In the event that any suit based upon such losses, claims, actions, damages, or expenses is brought against the City, the Lessee, upon notice of the commencement thereof, shall defend the same at its sole cost and expense; and if final judgment be adverse to the City, or the City and the Lessee jointly, the Lessee shall promptly satisfy the same. The liability described in this subsection shall not be diminished by the fact, if it be a fact, that any such death, injury, damage, loss, cost or expense may have been contributed to, or may be alleged to have been contributed to, in part, by an act or omission of the City, its officers, employees or agents; Provided, that nothing contained in this subsection shall be construed as requiring the Lessee to indemnify the City against liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole act or omission of the City, its employees, officers, or agents.

B. Insurance: The Lessee shall secure and maintain during the full term of this Agreement, at no expense to the City, insurance by one or more companies authorized to do business in the State of Washington, as follows:

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(1) A policy of fire and extended coverage, vandalism, malicious mischief, and special extended coverage insurance providing coverage of not less than eighty percent (80%) of the full replacement value of the Premises, including improvements made thereto, and the contents, with no allowance for depreciation, under which policy the City shall be named as an additional insured, as follows:

> "The City of Seattle is an additional insured for all coverages provided by this policy of insurance and shall be fully and completely protected by this policy for any claim, suit, damage or loss of any sort sustained by any person, organization, or corporation and arising out of a covered occurrence under this policy. The coverages provided by this policy to the City or any other named insured shall not be terminated, reduced or otherwise changed in any respect without providing written notice thereof to The City of Seattle, Department of Administrative Services, Property Management Section, 400 Yesler Building, Fifth Floor, Seattle, WA 98104, at least thirty (30) days prior to the effective date thereof."

All losses under the policy shall be adjusted jointly by the Lessee and the City. Any loss paid under such insurance to the Lessee shall be held by the Lessee in trust for application to the cost of rebuilding, repairing, replacing, or restoring the Premises; and the City shall be paid such portion of the insurance proceeds as is equal to the true value of the Premises including all improvements made thereto as of the expiration or termination date specified in Part A, hereof, whichever is earlier (excluding removable trade fixtures and personal property), assuming no damage or loss other than normal wear and tear had occurred. Such payment shall be made to the City within seven (7) days after receipt by the Lessee of the insurance proceeds.

(2) A primary policy of general comprehensive liability insurance, under which (a) the City shall be named as an additional insured in the following manner:

> "The City of Seattle is an additional insured for all coverages provided by this policy of insurance and shall be fully and completely protected by this policy for any claim, suit, injury, death, damage or loss of any sort sustained by any person, organization or corporation in connection with activity upon or use or occupancy of the Premises, as well as any activity performed by the principal insured therein.
>
> "The coverages provided by this policy to the City, or any other named insured, shall not be terminated, reduced or otherwise changed in any respect without providing written notice thereof to The City of Seattle, Department of Administrative Services, Property Management Section, 400 Yesler Building, Fifth Floor, Seattle, WA 98104; at least thirty (30) days prior to the effective date thereof."

(b) Liability limits shall be at least the amounts set forth in Part A of this Lease; Provided, that in the event the Director of Administrative Services deems such insurance to be inadequate to fully protect the Lessee and the City, the Lessee shall increase said liability limits to such amounts as the Director of Administrative Services shall deem reasonably adequate to provide said protection, which increase shall be completed within sixty (60) days after the date of notice that the Lessee's insurance is deemed to be inadequate.

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(c) Coverage shall include, but not be limited to, the following types (described in insurance industry terminology):

(1) Premises Operations Liability;

(2) Blanket Contractual Liability;

(3) Broad Form Property Damage;

(4) Independent Contractor;

(5) Automobile Liability for owned, leased, hired or non-owned, if there will be any use of vehicles on the Premises by or on behalf of the Lessee;

(6) Products and/or Completed Operations;

(7) Personal Injury, Coverages A, B, and C (Exclusion "C" to be removed)..

C. Contractor's Insurance and Bond: The Lessee shall require each contractor used by the Lessee to perform any demolition or construction work in connection with any improvement, alteration, or addition to be made to the Premises, to secure and maintain, at no cost to the City, the following:

(1) A contract bond or performance bond payable to the Lessee and the City in the full and just sum of the total amount of the contract, conditioned that all the provisions of the contract shall be faithfully performed by the contractor, or the surety if so required, and indemnifying the Lessee and the City against any direct or indirect damages that shall be suffered or claimed for injuries to persons or property during the carrying out of the work of the contract, and conditioned as required by law for the payment of all laborers, mechanics, subcontractors and materialmen, and all persons who shall supply such person or persons or subcontractors with provisions or supplies for the carrying on of such work.

(2) A policy of primary comprehensive general liability and automobile liability insurance with $1,000,000 Combined Single Limits per occurrence and annual aggregate, providing the following coverages:

- Premises/Operations Liability (N & C);
- Owners and Contractors Protective Liability;
- Products and Completed Operations Liability;
- Blanket Contractual Liability;
- Broad Form Property Damage Liability;
- Personal Injury, including coverages A, B, and C;
- Stop Gap or Employers Contingent Liability;
- Explosion, collapse, underground damage (referred to as "X, C, U");
- Automobile Liability, including coverage for owned, non-owned, leased or hired vehicles.

and under which insurance The City of Seattle shall be named an additional insured in the same manner as that specified in Subsection 4.B(2) (a), hereof.

D. Evidence of Insurance: A copy of such policy(ies) and all endorsements thereto or other evidence to the reasonable satisfaction of the Director of Administrative Services that the Lessee has secured and is maintaining insurance as required by this section shall be delivered to the Property Management Section at the address specified in Part A, hereof, on or before the effective date of this Lease, and shall be delivered thereafter within five (5) City business days after the Lessee's receipt of

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a written request therefor, for review by the City Attorney and the City's Risk Manager, and filing with the City Clerk. In the event that the "ACORD" form of a Certificate of Insurance is submitted, it will be returned for correction if it does not comply with the following:

The wording at top of form: "This certificate is issued as a matter of information only and confers no rights upon the certificate holder." - Shall be deleted in its entirety.

The wording at bottom of form: "Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail thirty (30) days written notice to the below named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon the company." - Shall be changed to read - "Should any of the above described policies be cancelled, reduced as to coverage, or otherwise changed before the expiration date thereof, the issuing company will provide written notice of such action to the below named certificate holder/City of Seattle at least thirty (30) days prior to the effective date of such change or cancellation."

E. Assumption of Risk: The placement and storage of personal property on said Premises shall be the responsibility, and at the sole risk, of the Lessee.

F. Adjustments of Claims: The Lessee shall provide for the prompt and efficient handling of all claims for bodily injury, property damage or theft arising out of the activities of the Lessee under this Lease. The Lessee shall ensure that all such claims, whether processed by the Lessee or Lessee's insurer, either directly or by means of an agent, will be handled by a person with a permanent office in the Seattle area.

G. Termination upon Lessee's Failure to Comply with Requirements: Notwithstanding any provision herein to the contrary, the failure of the Lessee to comply with the provisions of this section shall subject this Lease to immediate termination without notice and without recourse by any person in order to protect the public interest.

5. USES AND CARE OF PREMISES

A. General Condition: The Premises shall at all times be kept in a neat, clean, safe and sanitary condition, and kept and used in accordance with the laws of the State of Washington and Charter and ordinances of The City of Seattle, and in accordance with all authorized rules and regulations of the Health Officer, Fire Marshal, Director of Construction and Land Use and other appropriate officers of The City of Seattle at the sole cost and expense of the Lessee. The Lessee shall not permit any waste, damage, or injury to the Premises; use or permit on said Premises anything that will increase the rate of fire insurance thereon; maintain anything on the Premises that may be dangerous to life or limb; overload the floors; permit any objectionable noise or odor to escape or to be emitted from said Premises; permit anything to come done upon said Premises that in any way will tend to create a nuisance or, in the event of multiple occupancy, to disturb any other tenants of the building; or to use or permit the use of said Premises for lodging or sleeping purposes.

B. Maintenance-Repairs: The Premises have been inspected by both parties and are accepted by Lessee in their existing condition as of the commencement date of this Lease, without reservation except for latent defects or faulty construction of the Premises not discoverable by inspection at the time of taking possesison. All normal repairs to roof, walls and foundations, existing utility connections to and from the Premises and major electrical, plumbing, and heating systems necessary to maintain the Premises in a tenantable condition shall be done by or under the direction of the City and at the City's expense, except repair work necessitated by an act or omission of the Lessee, or any of the Lessee's officers, employees, agents or invitees, which repairs shall be made at the sole expense of the Lessee. All other maintenance and repairs to the Premises shall be the responsibility and at the sole expense of the Lessee; Provided, that such maintenance and repairs shall be subject to the prior written approval of and shall be undertaken at the direction of the City.

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C. Alterations:

(1) The Lessee shall not make, or cause to be made, any alteration, addition or improvement in said Premises without first obtaining the written consent of the Director of Administrative Services for such work. All alterations, additions and improvements made shall be at the sole cost and expense of the Lessee, and shall become the property of the City, and unless otherwise agreed in writing by the Director of Administrative Services, shall remain in and be surrendered with the Premises as a part thereof at the expiration or termination of this Lease, without disturbance, molestation or injury.

(2) The City reserves an unqualified right to make alterations to the Premises or to the building in which the Premises are situated (a) where conditions deemed by the Director of Administrative Services to constitute an emergency exist, or (b) in order to correct Code-deficiencies. The City also reserves the right to make general alterations to the Premises or to the building in which the Premises are situated where such general alterations will not unreasonably interfere with the ordinary operation of the Premises by the Lessee.

D. Access: The City reserves for itself, its officers, employees, agents and contractors, free access to said Premises at all reasonable times for the purposes of inspecting, cleaning, or making repairs, additions or alterations to the Premises or any other property owned by or under the control of City, but this right shall not be construed as an agreement on the part of the City to make said inspections, clean or make repairs, additions or alterations. The Lessee shall have reasonable access to other property of the City where necessary to provide utility services to or make repairs, alterations, additions, or improvements to the Premises; all of the Lessee's work on such other City property shall be at the Lessee's sole expense.

E. Signs: The Lessee shall not display, inscribe, paint or affix to any part of the Premises any sign except such as shall have been approved in writing by the Director of Administrative Services prior to such placement. The City shall have the right to place and maintain "For Rent" signs in conspicuous places on said Premises and to show the Premises to prospective tenants during the thirty (30) days prior to the expiration of this lease.

F. Keys: Any change in locks must be requested, in writing, by the Lessee and approved by the Director of Administrative Services prior to installation. Said lock change shall be at the sole expense of the Lessee. If a lock change is approved, Lessee shall provide the Director of Administrative Services with one (1) key for each lock changed immediately after such change has been completed.

G. Equipment; Personal Property: Special purpose equipment and all major appliances such as dishwashers, stoves, refrigerators, washers, and dryers located on the Premises shall be maintained and repaired by the Lessee at no cost to the City.

6. DAMAGE OR DESTRUCTION

In the event the Premises are damaged by fire, earthquake, act of war, or other extraordinary casualty, to such an extent as to render the same untenantable in whole or in substantial part thereof, or are destroyed, it shall be optional with the City to repair or rebuild the same; and within forty-eight (48) hours after the happening of any such event, the Lessee shall give the City or City's agent notice thereof. The City shall have not more than sixty (60) days after the date of such notification to notify the Lessee of the City's intentions to repair or rebuild said Premises, or any part so damaged. If the City elects to repair or rebuild said Premises, the City shall prosecute the work of such repairing or rebuilding without unreasonable delay, in accordance with the then existing City procedures, and during such period the rent for said Premises shall be abated in the same ratio that the portion of the Premises rendered for the time being unfit for occupancy bears to the whole of the Premises; upon the completion of said rebuilding, the Lessee shall immediately reoccupy the Premises and pay the rent as aforesaid. In the event the building in which the Premises are located shall be substantially destroyed or damaged even though the

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Premises shall not be damaged thereby, if in the opinion of the Director of Administrative Services it shall not be practical to repair or rebuild, then it shall be optional with the City to terminate this Lease by providing notice of termination to the Lessee within sixty (60) days after such damage or destruction has been determined to be irreparable. If the City fails to give the Lessee timely notice of the City's intentions, as provided in this section the Lessee shall have the right to declare this Lease terminated by providing notice to the City of such termination prior to the effective date thereof.

Notwithstanding any other provision herein, no party to this Lease shall be liable in damages to any other party for termination of this Lease in the manner described in this section, because of the damage or destruction of the Premises or the building in which the Premises form a part.

7. SUSPENSION OF LESSEE'S OPERATIONS AND OBLIGATIONS TO PAY RENT

In the event any City inspection, repair, alteration, addition, or improvement work necessitates the temporary suspension of the Lessee's business or operations in, on or from the Premises for a period of thirty (30) days or less, the City shall notify the Lessee of such necessity and the anticipated beginning and ending dates of such suspension. The rent due the City shall be prorated during each month in which the Lessee's business or operations are required by the City to be suspended pursuant to this section, and the obligation of the Lessee to pay such prorated rent shall be cancelled during the period that the Lessee's business or operations are suspended. Such cancellation of the obligation to pay rent shall constitute the totality of relief provided hereunder, and the Lessee waives all claims for damages and for any injury to and interference with its operations or business and losses occasioned by any such suspension.

8. COMPLIANCE WITH LAW

A. General Requirement: The Lessee, at its sole cost and expense, shall perform and comply with all applicable laws of the United States and the State of Washington; the Charter and ordinances of The City of Seattle; and rules, regulations, orders, and directives of their administrative agencies and the officers thereof.

B. Licenses and Similar Authorizations: The Lessee, at no expense to the City, shall secure and maintain in full force and effect during the term of this Agreement, all required licenses, permits, and similar legal authorizations, and comply with all requirements thereof.

C. Taxes: The Lessee shall pay, before delinquency, all taxes, levies, and assessments arising from its activities on or occupancy of the Premises, including, but not limited to taxes arising out of the activity or business conducted on the Premises such as the rental or sale of goods or services; taxes levied on its property, equipment, and improvements on the Premises; and taxes on the Lessee's interest in this Agreement and any leasehold interest deemed to have been created thereby under Ch. 82.29A RCW. In the event the State of Washington makes any demand upon the City for payment of leasehold excise taxes resulting from the Lessee's occupation of the Premises or withholds funds due to the City to enforce collection of leasehold excise taxes, the Lessee shall, at its sole expense, contest such action and indemnify the City for all sums expended by, or withheld by the State from, the City in connection with such taxation.

D. Nondiscrimination and Affirmative Action.

(1) The Lessee agrees to and shall comply with all Federal, State and local laws and ordinances prohibiting discrimination with regard to race, color, national origin, ancestry, creed, religion, political ideology, sex, sexual orientation, marital status, or the presence of any sensory, mental or physical handicap.

(2) In the event the Lessee has three (3) or more employees, the following provision shall be deemed a part of this lease:

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"During the performance of this Lease, the Lessee agrees as follows:

"The Lessee will not discriminate against any employee or applicant for employment because of creed, religion, race, color, sex, marital status, sexual orientation, political ideology, ancestry, national origin, or the presence of any sensory, mental, or physical handicap unless based upon a bona fide occupational qualification. The Lessee will take affirmative action to ensure that applicants are employed, and that employees are treated during the employment without regard to their creed, religion, race, color, sex, national origin or the presence of any sensory, mental or physical handicap. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Lessee agrees to post in conspicuous places available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this non-discrimination clause. The Lessee will take affirmative action to ensure that all of its employees, agents and subcontractors adhere to these provisions; Provided, nothing herein shall prevent an employer from giving preference in employment to members of his/her immediate family.

"The Lessee will, upon the request of the Director (as used herein, Director means the Director of the City's Human Rights Department, or his/her designee) furnish to the Director on such form as may be provided therefor, a report of the affirmative action taken by the Lessee in implementing the terms of this provision, and will permit access to the Lessee's records of employment, employment advertisements, application forms, other pertinent data and records requested by the Director for the purpose of investigation to determine compliance with this provision.

"If, upon investigation, the Director determines that there is a probable cause to believe that the Lessee has failed to comply with any of the terms of this provision, the Lessee shall be so notified in writing. The contracting authority shall give the Lessee an opportunity to be heard after ten (10) days' notice. If the contracting authority concurs in the findings of the Director, it may suspend or terminate this Lease and evict the Lessee in accordance with law.

"Failure to comply with any of the terms of this provision shall be a material breach of this Lease."

The foregoing provision will be inserted in all subleases entered into under this Lease.

(3) Women's and Minority Business Enterprise Utilization:

(a) Reference: The provisions of Seattle Ordinance 109113 (Women's and Minority Business Enterprise Utilization Ordinance), as amended, are hereby incorporated by reference and made a part hereof as if fully set forth herein.

(b) Compliance: During the term of this Agreement, the Lessee shall:

1. Continue to make every effort to utilize MBEs and WBEs;

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2. Require every subcontractor utilized by the Lessee for work in fulfillment of the Lessee's obligations under this Lease, to make every effort to utilize WBEs and MBEs; and

3. Maintain records reasonably necessary for monitoring compliance with the provisions of Ordinance 109113, as amended.

Any substitutions for or other failure to utilize the WBEs or MBEs projected for use in this Lease on the commitment forms must be approved in writing by the Seattle Human Rights Department and the Director of Administrative Services.

Inasmuch as the Seattle Human Rights Department is authorized and empowered by Ordinance 109113 to monitor compliance with the Lessee's Women's and Minority enterprise utilization commitment during the term of this Lease, the Lessee shall furnish to such department within a reasonable time after a request has been made for the same, whatever reports or other information is reasonably necessary to determine compliance.

The failure of the Lessee to comply with applicable provisions of the Women's and Minority Business Enterprise Ordinance (Seattle Municipal Code Ch. 20.46 - Ordinance 109113, as amended) shall be a material breach of contract.

9. RENT CALCULATION AND PAYMENT PROCEDURE

A. That portion of the annual rent to be paid in legal tender of the United States of America shall at least equal the sum of (a) two and one half percent (2½) of the cost of one position of "Real Property Agent" or its successor, as computed in Part B, Subsection 9.B, hereof, plus (b) two and one-half percent (2.5%) of the then-current fair market improvements value of the property of which the Premises form a part (as specified in Part A, hereof, and as adjusted in accordances with Part B, Subsection 9.C, hereof) all multiplied by a fraction in which the numerator equals the particular year of the Lease for which such computation is to be made and rent is to be paid and the denominator equals the total number of years in the Lease term (e.g., 2/5 for the second year of a five year term). In any year when the Lessee receives Community Development Block Grant (CDBG) funds for maintenance and/or repairs to the Premises, the then current fair market improvements value will be reduced by the amount of the CDBG, prior to the calculation of the major maintenance costs.

B. "Costs of a Real Property Agent's position": The cost of a Real Property Agent's position shall be computed by multiplying the sum of 1343 chargeable hours by the then-prevailing hourly rate for such position or its successor, as published in the Department of Administrative Services' annual Rate & Services Directory or its successor; Provided, that the City reserves the right to modify, annually or more frequently, such rate or the number of chargeable hours as deemed appropriate by the Director of Administrative Services; Provided, further, that under no circumstances shall the Lessee be charged a higher rate than that established for City departments that desire to obtain property management services from the Department of Administrative Services or its successor.

C. "Fair Market Improvements Value": For the first year of the Lease term, the fair market improvements value of the property of which the Premises forms a part shall be the most recent City-appraised value of such property. For the second and following years of the Lease term, such value shall be adjusted upwards by multiplying the preceding year's value by the sum of 100% and the percentage increase (if any) in construction costs associated with the type of building of which the Premises forms a part, as indicated by the BOECKH Index for the preceding year; Provided, that in the event the aforementioned index is discontinued, the parties hereto shall select another, similar index that reflects increases in building maintenance and construction costs.

D. Time and Place of Payment: The annual minimum monetary rental calculated as described in Part A and Part B, Subsections 9B & C, hereof, shall be prorated and paid on a monthly basis, in advance, on or before the first day of every month, without separate invoice from the City. All such payments shall be delivered or mailed to the City Treasurer, c/o Property Management Section addressed as specified for notices, pursuant to Section 14, hereof. In-kind services in lieu of monetary rent shall be provided according to the schedule included in the annual supplements(s) comprising Part C, hereof.

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E. Delinquent Rent: Monetary rent shall be delinquent if not paid on or by the date specified in Part B, Subsection 9D, hereof. Delinquent monetary rent shall bear interest at a rate of Fifteen Percent (15%) per annum from the date of delinquency until paid. Services to be provided in lieu of monetary rent shall be delinquent if not provided according to the schedule(s) included in the appropriate annual supplement comprising a portion in Part C, hereof.

10. TERMINATION

A. For Breach by Lessee: In the event that the Lessee defaults in the performance of any of the terms, provisions, covenants and conditions to be kept, observed and performed by the Lessee, and such default is not corrected within thirty (30) days after the receipt of notice thereof from the City, or such shorter period as may be reasonable under the circumstances; or if the Lessee shall abandon, desert, vacate or remove from the Premises; or if the Lessee shall file a petition in bankruptcy; or if the Lessee shall be adjudicated as bankrupt after the filing of an involuntary petition in bankruptcy; or if the Lessee shall take or receive the advantage or benefit of any insolvency; or if the Lessee shall enter into an agreement of composition with the Lessee's creditors; then, in such event, the City, at its option at any time thereafter, may terminate this Lease together with all of the estate, right, and title thereby granted to or vested in the Lessee, by giving notice of such election at least twenty (20) days prior to the effective date thereof, and as of such effective date, this Lease and all of the estate, right, title and interest thereby granted to or vested in the Lessee shall then cease and terminate, and the City may re-enter the Premises using such force as may be required. Notwithstanding such re-entry by the City and anything to the contrary in this Lease, the liability of the Lessee for the rent provided for herein for the balance of the term of this Lease shall not be extinguisehd. The Director of Administrative Services shall have the right to determine on the City's behalf the existence of any default in performance or other breach or violation of the terms and conditions hereof on the part of the Lessee.

B. For Breach by City: The City shall not be in breach of any obligation to perform under this Lease unless the City fails to perform such obligation within a reasonable time, which time shall not extend more than thirty (30) days after notice by the Lessee to the City specifying the particular obligation that the City has failed to perform; Provided, however, that if the nature of the City's obligation is such that more than thirty (30) days are reasonably required for performance, then the City shall not be in breach if the City commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion.

C. Upon Notice by Lessee: This Lease may be terminated by the Lessee, without cause, by providing notice of such termination to the City not less than sixty (60) days prior to the effective date thereof.

11. SURRENDER OF PREMISES

Upon the expiration or termination of this Lease, including any extensions thereof, whichever is earlier, the Lessee shall quit and surrender said Premises and all keys thereto, without notice and in as good condition as received at commencement of the term, except for changes due to ordinary wear and tear, damage or destruction by fire or other casualty or circumstances uncontrollable by the Lessee, and alterations, additions, and improvements made with the consent of the Director of Administrative Services. On or before the termination or expiration date, whichever is earlier, the Lessee shall remove all furniture, equipment, supplies and other materials owned and controlled by Lessee.

12. WAIVER OF DEFAULT

The City does not waive full compliance with the terms and conditions of this Lease by acceptance of rent. No waiver of default by either party of any of the terms, covenants and conditions hereof shall be construed or operate as a waiver of any subsequent default of any of the terms, covenants and conditions hereon.

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13. AMENDMENTS

The parties hereto expressly reserve the right to amend this Lease, from time to time, as may be necessary; Provided, that no alteration or modification of the terms or conditions hereof shall be valid and binding unless made in writing and signed by an authorized representative of each of the parties hereto.

14. NOTICES

All notices to be given by either of the parties hereto to the other party, shall be in writing and may either be delivered personally or may be deposited in the United States Mail, postage prepaid, addressed as specified in Part A hereof, or to such other respective address as the receiving party shall have designated in writing. Notices sent by mail shall be deemed to have been given when properly mailed; the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

15. NO RELATIONSHIP

In no event shall the City be construed or held to have become in any way or for any purpose a partner, associate, or joint venturer of the Lessee or any party associated with the Lessee in the conduct of the Lessee's business or otherwise. This Lease does not constitute the Lessee the agent or legal representative of the City for any purposes whatsoever.

16. DIRECTOR OF ADMINISTRATIVE SERVICES

The term "Director of Administrative Services" as used throughout this Agreement in regard to permission, warrant, consent, approval, rights, interpretation, and discretionary matters shall mean the Director of Administrative Services or his designee; Provided, that the action of the Director of Administrative Services pursuant to or in implementation of this Lease does not constitute any official action by any other City Department or official that may be required by law, ordinance, rule or regulation before the Lessee may rightfully commence, suspend, enlarge, or terminate any particular undertaking or may obtain or exercise any particular right or privilege under this Lease. Decisions to be made by the Director of Administrative Services shall be left to his/her reasonable discretion. Any approval, consent, or permission of the Director of Administrative Services required by this Lease shall not be unreasonably withheld.

17. ADJUDICATION

This Lease shall be construed under all of the applicable laws, statutes, ordinances, rules and regulations of the United States, the State of Washington the The City of Seattle. In the case of a dispute between the parties, jurisdiction over such dispute shall be with the Superior Court of King County, Washington.

18. BINDING EFFECT

This Lease shall be binding upon the heirs, successors, assigns and all other parties legally empowered with signatory rights of any or all of the parties hereto.

19. INVALIDITY OF PROVISIONS

Should any term, provision, condition or other portion of this Lease be held to be inoperative, invalid or void, the same shall not affect any other term, provision, condition or other portion of this Lease, and the remainder of this Lease shall be effective as if such term, provision, condition or portion had not been contained herein.

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MUTUAL AND OFFSETTING LEASE AGREEMENT
PART C - - CONTRACT EXHIBIT
STATEMENT OF GOALS

The goal of the Mutual and Offsetting Lease Agreement is to document that participants of the Greenwood Senior Center will provide sufficient hours of service to the center and, therefore, to the community to offset the monetary rental due and payable for each year of the Leare term.

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CONTRACT EXHIBIT
PROGRAM PERFORMANCE STANDARDS

In 1983, Greenwood Senior Center will provide a minimum of 4,300 hours of volunteer service to the seniors of the Greenwood community.

Category of Service	Frequency
Harmonica Class	1/wk
Pinochle Class	1/wk
Weaving Class	1/wk
Knitting/Crochet Class	1/wk
Quiltmaking Class	1/wk
Bowling Class	1/wk
Arts/Crafts Class	1/wk
Ceramics Class	1/wk
Bridge Class	1/wk
Exercise Class	1/wk
Bus Trips	1/mo
Nursing Services	5/wk
Legal Assistance	5/mo
Income Tax Assistance	1/wk
Boutique/Gift Shop	5/wk
Sunday Social	1/mo
History Classes	2/wk
Tri-Chem Class	1/wk
Uke Strummers Class	1/wk
Mixed Chorus	1/wk
French Class	1/wk
Painting Class	1/wk
Foot Care/Podiatrist	1/mo
Attorney	1/wk
Hearing Screening	1/mo
Current Events	1/wk
Postal Alert Program	
Holiday Dinners	
Visitation of Sick	

Per the accepted formula for market value of volunteer service ($3.35 per hour), Volunteers will provide the equivalent of $14,387.04 of service to the community in 1983.

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CONTRACT EXHIBIT

Budget

BASIS FOR COMPUTATION OF UNIT COST

Unit: A unit is equal to one hour of volunteer service provided by participants at the Greenwood Senior Center.

Each hour of service will be computed at the rate of $3.35 per hour (minimum wage).

Unit: Volunteer service is defined as assistance in the following areas: socialization, recreation and education; health and nutrition; administration; and maintenance of the facility and grounds.

APPROVED QUARTERLY PROJECT SPENDING RATE

The approved quarterly services delivery rate shall be established at $3,596.76, and may exceed that amount by a maximum of 10% in the first three quarters without prior approval of the City. The annual amount of the delivered services usable as offset to rent is $14,387.04.

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MUTUAL AND OFFSETTING BENEFIT

LEASE AGREEMENT

PART A - SIGNATURE FORM

PARTIES

THIS LEASE AGREEMENT is entered into by and between THE CITY OF SEATTLE, a municipal corporation of the State of Washington, as Lessor, (hereinafter referred to as the "City") and Senior Services and Centers, Inc. a nonprofit corporation organized under the laws of Washington and authorized to do business in the State of Washington, as Lessee (hereinafter referred to as "Lessee").

PREMISES

The City hereby leases to the Lessee and the Lessee hereby leases from the City all of the structure located on the following property:

> Lots 1 through 4, inclusive, and Lots 11 through 14, inclusive, Block 21, Burke's Second Addition to the City of Seattle, as recorded in volume 1 of Plats, page 248, records of King County, Washington;

the street address for which is 500 30th Avenue South, (hereinafter referred to as the "Premises").

USE/PURPOSE

The Premises shall be used and occupied only for the following purpose(s):

> Operating a Senior Citizen Center (also known as the Central Area Senior Center) as associated programs.

TERM

The term of this lease begins January 1, 1983 and expires December 31, 1986, unless terminated earlier pursuant to the terms and conditions hereof.

RENT

In consideraton for this Lease, the Lessee shall pay to the City or provide for the City's benefit, for the use and occupancy of the Premises, the following monthly rent: Two Thousand Fire Hundred Thirty and No/100 Dollars ($2,530.00), of which a portion, as further described in Part B, Subsection 9.A, hereof, shall be in the form of legal tender of the United States of America or negotiable instruments payable in the same and acceptable to the Director of Administrative Services. Any non-monetary portion of the rent shall be in the form of in-kind services that shall be agreed upon prior to the providing of the same. The services to be provided as a portion of any month's rent shall be described in the annual supplement(s) comprising Part C, hereof.

The "fair market improvements value" of the property of which the Premises form a part is Three Hundred Three Thousand Six Hundred and No/100 Dollars ($303,600.00), which figure shall be used in the computation of the minimum monetary portion of the rent payable during the first year of the term hereof, and following the annual adjustment provided for in Part B, Subsection 9.C, hereof, for the succeeding years of the term of this Lease.

Under no circumstances shall in-kind services in excess of the value the Lessee becomes obligated to provide in any particular year be usable as an offset to the minimum monetary rental due and payable for any year of the Lease term, or as an offset to any services to be provided by the Lessee in any succeeding year of the Lease term.

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INSURANCE

The Lessee shall secure and maintain insurance to protect the City from liability as more fully described in Part B, Subsection 4 of this Lease, which insurance shall provide the following minimum coverage:

$ 500,000.00	Bodily injury, per person.
$ 500,000.00	Bodily injury, per occurrence.
$1,000,000.00	Property damage, per occurrence.

UTILITIES

Notwithstanding the provisions in the first sentence of Part B. Section 3. Utilities, the City, at its sole expense, shall provide the following:

None

The City shall not be responsible for any costs incurred in modifying the systems therefor that are occasioned by the Lessee's requirements.

AGREEMENT CONTENTS

This lease consists of this Part A - Signature Form, plus Part B - General Terms and Conditions, Addendum I prohibiting discrimination, and the annual supplements hereto that comprise Part C - Description of M.O.B. Lessee's Services in Lieu of Cash Rental, all of which, by this reference, are incorporated herein. This Lease embodies the entire agreement of the parties hereto. There are no other understandings or agreements, written or oral, between the parties relating to the subject matter hereof.

EFFECTUATION OF AGREEMENT

In order to be effective, this Lease must be (1) signed by an authorized representative of the Lessee and returned to the City at the address set forth below, accompanied by any required evidence of insurance, and (2) signed by the Mayor pursuant to ordinance authority.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures below:

THE CITY OF SEATTLE
LESSOR

By _____
Mayor

ATTEST:

By _____
City Comptroller

City's address for all communications:

Property Management Section
Department of Administrative Services
Fifth Floor
400 Yesler Building
Seattle, WA 98104

(until otherwise notified)

Senior Services and Centers, Inc.
LESSEE

By _____
(Name)
President
Board of Trustees
(Title)

By _____
(Name)
Vice-President
Board of Trustees
(Title)

Lessee's address for all communications:

SENIOR SERVICES AND CENTERS
1601 Second Avenue
Seattle, WA 98101

(until otherwise notified)

L.M.2.1-2

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

THIS IS TO CERTIFY that on this 28th day of April, 1986, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared CHARLES ROYER and ~~TIM HILL~~ MARGARET T. BROOKS, to me personally known to be the Mayor and City Comptroller, respectively, of THE CITY OF SEATTLE, a municipal corporation, that executed the foregoing instrument and acknowledged to me that they signed and sealed the same as the free and voluntary act and deed of said municipal corporation and an oath stated that they were authorized to execute said instrument and that the seal affixed is the seal of said municipal corporation.

WHITNESS my hand and official seal the day and year in this certificate first above written.

DOROTHY L. McFARLAND
COMMISSION EXP.
NOTARY
PUBLIC
SEPT. 15, 1989
STATE OF WASHINGTON

Dorothy L. McFarland
Notary Public in and for the State of Washington, residing at Seattle

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 5th day of October, 1983, before me personally appeared Margaret Newcombe and William Hall to me known to be President and Vice President of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand the day and year first above written.

Darison DiCaite
Notary Public in and for the State of Washington, residing at Seattle

MOB.A.4

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MUTUAL AND OFFSETTING BENEFIT

LEASE AGREEMENT

PART B - GENERAL TERMS AND CONDITIONS

1. LIMITATION ON USE/PURPOSE

Notwithstanding any other provision herein, the Lessee shall not enter into any sublease of the Premises or any portion thereof or any assignment of any interest in this Agreement, whether long or short term in nature, or engage in any activity with respect to or on the Premises other than that expressly authorized herein, without obtaining the prior explicit written authorization therefor from the City.

2. POSSESSION

In the event of the inability of the City to deliver possession of the Premises, or any portion thereof, at the time of the commencement of the term of this Lease, neither the City nor any of the City's officers, employees, or agents shall be liable for any damage caused thereby, nor shall this Lease thereby become void or voidable, nor shall the term herein specified be in any way extended, but in such event, the Lessee shall not be liable for any rent until such time as the City can deliver possession.

3. UTILITIES

The Lessee, at the Lessee's sole expense, shall provide or shall otherwise pay for, when due, all costs for providing all utilities and other services on or to the Premises including but not limited to elevator service, electricity, gas, water, telephone, sewer, garbage, heating, janitorial, security, and grounds keeping, and shall also pay all charges for utility installation and modifications thereto occasioned by the Lessee's requirements. The City shall not be liable for any injury, loss or damage caused by or resulting from any interruption or failure of said services due to any causes whatsoever except the City's negligence. The Lessee shall not be entitled to an offset, reduction, or return of rental as a result of any interruption or failure of said services.

4. LIABILITY

A. Indemnity: The Lessee shall indemnify and hold the City harmless from any and all losses, claims, actions, damages and expenses arising out of or resulting from any occurrence in or on the Premises. In the event that any suit based upon such losses, claims, actions, damages, or expenses is brought against the City, the Lessee, upon notice of the commencement thereof, shall defend the same at its sole cost and expense; and if final judgment be adverse to the City, or the City and the Lessee jointly, the Lessee shall promptly satisfy the same. The liability described in this subsection shall not be diminished by the fact, if it be a fact, that any such death, injury, damage, loss, cost or expense may have been contributed to, or may be alleged to have been contributed to, in part, by an act or omission of the City, its officers, employees or agents; Provided, that nothing contained in this subsection shall be construed as requiring the Lessee to indemnify the City against liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole act or omission of the City, its employees, officers, or agents.

B. Insurance: The Lessee shall secure and maintain during the full term of this Agreement, at no expense to the City, insurance by one or more companies authorized to do business in the State of Washington, as follows:

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(1) A policy of fire and extended coverage, vandalism, malicious mischief, and special extended coverage insurance providing coverage of not less than eighty percent (80%) of the full replacement value of the Premises, including improvements made thereto, and the contents, with no allowance for depreciation, under which policy the City shall be named as an additional insured, as follows:

> "The City of Seattle is an additional insured for all coverages provided by this policy of insurance and shall be fully and completely protected by this policy for any claim, suit, damage or loss of any sort sustained by any person, organization, or corporation and arising out of a covered occurrence under this policy. The coverages provided by this policy to the City or any other named insured shall not be terminated, reduced or otherwise changed in any respect without providing written notice thereof to The City of Seattle, Department of Administrative Services, Property Management Section, 400 Yesler Building, Fifth Floor, Seattle, WA 98104, at least thirty (30) days prior to the effective date thereof."

All losses under the policy shall be adjusted jointly by the Lessee and the City. Any loss paid under such insurance to the Lessee shall be held by the Lessee in trust for application to the cost of rebuilding, repairing, replacing, or restoring the Premises; and the City shall be paid such portion of the insurance proceeds as is equal to the true value of the Premises including all improvements made thereto as of the expiration or termination date specified in Part A, hereof, whichever is earlier (excluding removable trade fixtures and personal property), assuming no damage or loss other than normal wear and tear had occurred. Such payment shall be made to the City within seven (7) days after receipt by the Lessee of the insurance proceeds.

(2) A primary policy of general comprehensive liability insurance, under which (a) the City shall be named as an additional insured in the following manner:

> "The City of Seattle is an additional insured for all coverages provided by this policy of insurance and shall be fully and completely protected by this policy for any claim, suit, injury, death, damage or loss of any sort sustained by any person, organization or corporation in connection with activity upon or use or occupancy of the Premises, as well as any activity performed by the principal insured therein.
>
> "The coverages provided by this policy to the City, or any other named insured, shall not be terminated, reduced or otherwise changed in any respect without providing written notice thereof to The City of Seattle, Department of Administrative Services, Property Management Section, 400 Yesler Building, Fifth Floor, Seattle, WA 98104; at least thirty (30) days prior to the effective date thereof."

(b) Liability limits shall be at least the amounts set forth in Part A of this Lease; Provided, that in the event the Director of Administrative Services deems such insurance to be inadequate to fully protect the Lessee and the City, the Lessee shall increase said liability limits to such amounts as the Director of Administrative Services shall deem reasonably adequate to provide said protection, which increase shall be completed within sixty (60) days after the date of notice that the Lessee's insurance is deemed to be inadequate.

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(c) Coverage shall include, but not be limited to, the following types (described in insurance industry terminology):

(1) Premises Operations Liability;

(2) Blanket Contractual Liability;

(3) Broad Form Property Damage;

(4) Independent Contractor;

(5) Automobile Liability for owned, leased, hired or non-owned, if there will be any use of vehicles on the Premises by or on behalf of the Lessee;

(6) Products and/or Completed Operations;

(7) Personal Injury, Coverages A, B, and C (Exclusion "C" to be removed).

C. Contractor's Insurance and Bond: The Lessee shall require each contractor used by the Lessee to perform any demolition or construction work in connection with any improvement, alteration, or addition to be made to the Premises, to secure and maintain, at no cost to the City, the following:

(1) A contract bond or performance bond payable to the Lessee and the City in the full and just sum of the total amount of the contract, conditioned that all the provisions of the contract shall be faithfully performed by the contractor, or the surety if so required, and indemnifying the Lessee and the City against any direct or indirect damages that shall be suffered or claimed for injuries to persons or property during the carrying out of the work of the contract, and conditioned as required by law for the payment of all laborers, mechanics, subcontractors and materialmen, and all persons who shall supply such person or persons or subcontractors with provisions or supplies for the carrying on of such work.

(2) A policy of primary comprehensive general liability and automobile liability insurance with $1,000,000 Combined Single Limits per occurrence and annual aggregate, providing the following coverages:

- Premises/Operations Liability (N & C);
- Owners and Contractors Protective Liability;
- Products and Completed Operations Liability;
- Blanket Contractual Liability;
- Broad Form Property Damage Liability;
- Personal Injury, including coverages A, B, and C;
- Stop Gap or Employers Contingent Liability;
- Explosion, collapse, underground damage (referred to as "X, C, U");
- Automobile Liability, including coverage for owned, non-owned, leased or hired vehicles.

and under which insurance The City of Seattle shall be named an additional insured in the same manner as that specified in Subsection 4.B(2) (a), hereof.

D. Evidence of Insurance: A copy of such policy(ies) and all endorsements thereto or other evidence to the reasonable satisfaction of the Director of Administrative Services that the Lessee has secured and is maintaining insurance as required by this section shall be delivered to the Property Management Section at the address specified in Part A, hereof, on or before the effective date of this Lease, and shall be delivered thereafter within five (5) City business days after the Lessee's receipt of

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a written request therefor, for review by the City Attorney and the City's Risk Manager, and filing with the City Clerk. In the event that the "ACORD" form of a Certificate of Insurance is submitted, it will be returned for correction if it does not comply with the following:

The wording at top of form: "This certificate is issued as a matter of information only and confers no rights upon the certificate holder." - Shall be deleted in its entirety.

The wording at bottom of form: "Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail thirty (30) days written notice to the below named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon the company." - Shall be changed to read - "Should any of the above described policies be cancelled, reduced as to coverage, or otherwise changed before the expiration date thereof, the issuing company will provide written notice of such action to the below named certificate holder/City of Seattle at least thirty (30) days prior to the effective date of such change or cancellation."

E. Assumption of Risk: The placement and storage of personal property on said Premises shall be the responsibility, and at the sole risk, of the Lessee.

F. Adjustments of Claims: The Lessee shall provide for the prompt and efficient handling of all claims for bodily injury, property damage or theft arising out of the activities of the Lessee under this Lease. The Lessee shall ensure that all such claims, whether processed by the Lessee or Lessee's insurer, either directly or by means of an agent, will be handled by a person with a permanent office in the Seattle area.

G. Termination upon Lessee's Failure to Comply with Requirements: Notwithstanding any provision herein to the contrary, the failure of the Lessee to comply with the provisions of this section shall subject this Lease to immediate termination without notice and without recourse by any person in order to protect the public interest.

5. USES AND CARE OF PREMISES

A. General Condition: The Premises shall at all times be kept in a neat, clean, safe and sanitary condition, and kept and used in accordance with the laws of the State of Washington and Charter and ordinances of The City of Seattle, and in accordance with all authorized rules and regulations of the Health Officer, Fire Marshal, Director of Construction and Land Use and other appropriate officers of The City of Seattle at the sole cost and expense of the Lessee. The Lessee shall not permit any waste, damage, or injury to the Premises; use or permit on said Premises anything that will increase the rate of fire insurance thereon; maintain anything on the Premises that may be dangerous to life or limb; overload the floors; permit any objectionable noise or odor to escape or to be emitted from said Premises; permit anything to come done upon said Premises that in any way will tend to create a nuisance or, in the event of multiple occupancy, to disturb any other tenants of the building; or to use or permit the use of said Premises for lodging or sleeping purposes.

B. Maintenance-Repairs: The Premises have been inspected by both parties and are accepted by Lessee in their existing condition as of the commencement date of this Lease, without reservation except for latent defects or faulty construction of the Premises not discoverable by inspection at the time of taking possesison. All normal repairs to roof, walls and foundations, existing utility connections to and from the Premises and major electrical, plumbing, and heating systems necessary to maintain the Premises in a tenantable condition shall be done by or under the direction of the City and at the City's expense, except repair work necessitated by an act or omission of the Lessee, or any of the Lessee's officers, employees, agents or invitees, which repairs shall be made at the sole expense of the Lessee. All other maintenance and repairs to the Premises shall be the responsibility and at the sole expense of the Lessee; Provided, that such maintenance and repairs shall be subject to the prior written approval of and shall be undertaken at the direction of the City.

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C. Alterations:

(1) The Lessee shall not make, or cause to be made, any alteration, addition or improvement in said Premises without first obtaining the written consent of the Director of Administrative Services for such work. All alterations, additions and improvements made shall be at the sole cost and expense of the Lessee, and shall become the property of the City, and unless otherwise agreed in writing by the Director of Administrative Services, shall remain in and be surrendered with the Premises as a part thereof at the expiration or termination of this Lease, without disturbance, molestation or injury.

(2) The City reserves an unqualified right to make alterations to the Premises or to the building in which the Premises are situated (a) where conditions deemed by the Director of Administrative Services to constitute an emergency exist, or (b) in order to correct Code-deficiencies. The City also reserves the right to make general alterations to the Premises or to the building in which the Premises are situated where such general alterations will not unreasonably interfere with the ordinary operation of the Premises by the Lessee.

D. Access: The City reserves for itself, its officers, employees, agents and contractors, free access to said Premises at all reasonable times for the purposes of inspecting, cleaning, or making repairs, additions or alterations to the Premises or any other property owned by or under the control of City, but this right shall not be construed as an agreement on the part of the City to make said inspections, clean or make repairs, additions or alterations. The Lessee shall have reasonable access to other property of the City where necessary to provide utility services to or make repairs, alterations, additions, or improvements to the Premises; all of the Lessee's work on such other City property shall be at the Lessee's sole expense.

E. Signs: The Lessee shall not display, inscribe, paint or affix to any part of the Premises any sign except such as shall have been approved in writing by the Director of Administrative Services prior to such placement. The City shall have the right to place and maintain "For Rent" signs in conspicuous places on said Premises and to show the Premises to prospective tenants during the thirty (30) days prior to the expiration of this lease.

F. Keys: Any change in locks must be requested, in writing, by the Lessee and approved by the Director of Administrative Services prior to installation. Said lock change shall be at the sole expense of the Lessee. If a lock change is approved, Lessee shall provide the Director of Administrative Services with one (1) key for each lock changed immediately after such change has been completed.

G. Equipment; Personal Property: Special purpose equipment and all major appliances such as dishwashers, stoves, refrigerators, washers, and dryers located on the Premises shall be maintained and repaired by the Lessee at no cost to the City.

6. DAMAGE OR DESTRUCTION

In the event the Premises are damaged by fire, earthquake, act of war, or other extraordinary casualty, to such an extent as to render the same untenantable in whole or in substantial part thereof, or are destroyed, it shall be optional with the City to repair or rebuild the same; and within forty-eight (48) hours after the happening of any such event, the Lessee shall give the City or City's agent notice thereof. The City shall have not more than sixty (60) days after the date of such notification to notify the Lessee of the City's intentions to repair or rebuild said Premises, or any part so damaged. If the City elects to repair or rebuild said Premises, the City shall prosecute the work of such repairing or rebuilding without unreasonable delay, in accordance with the then existing City procedures, and during such period the rent for said Premises shall be abated in the same ratio that the portion of the Premises rendered for the time being unfit for occupancy bears to the whole of the Premises; upon the completion of said rebuilding, the Lessee shall immediately reoccupy the Premises and pay the rent as aforesaid. In the event the building in which the Premises are located shall be substantially destroyed or damaged even though the

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Premises shall not be damaged thereby, if in the opinion of the Director of Administrative Services it shall not be practical to repair or rebuild, then it shall be optional with the City to terminate this Lease by providing notice of termination to the Lessee within sixty (60) days after such damage or destruction has been determined to be irreparable. If the City fails to give the Lessee timely notice of the City's intentions, as provided in this section the Lessee shall have the right to declare this Lease terminated by providing notice to the City of such termination prior to the effective date thereof.

Notwithstanding any other provision herein, no party to this Lease shall be liable in damages to any other party for termination of this Lease in the manner described in this section, because of the damage or destruction of the Premises or the building in which the Premises form a part.

7. SUSPENSION OF LESSEE'S OPERATIONS AND OBLIGATIONS TO PAY RENT

In the event any City inspection, repair, alteration, addition, or improvement work necessitates the temporary suspension of the Lessee's business or operations in, on or from the Premises for a period of thirty (30) days or less, the City shall notify the Lessee of such necessity and the anticipated beginning and ending dates of such suspension. The rent due the City shall be prorated during each month in which the Lessee's business or operations are required by the City to be suspended pursuant to this section, and the obligation of the Lessee to pay such prorated rent shall be cancelled during the period that the Lessee's business or operations are suspended. Such cancellation of the obligation to pay rent shall constitute the totality of relief provided hereunder, and the Lessee waives all claims for damages and for any injury to and interference with its operations or business and losses occasioned by any such suspension.

8. COMPLIANCE WITH LAW

A. General Requirement: The Lessee, at its sole cost and expense, shall perform and comply with all applicable laws of the United States and the State of Washington; the Charter and ordinances of The City of Seattle; and rules, regulations, orders, and directives of their administrative agencies and the officers thereof.

B. Licenses and Similar Authorizations: The Lessee, at no expense to the City, shall secure and maintain in full force and effect during the term of this Agreement, all required licenses, permits, and similar legal authorizations, and comply with all requirements thereof.

C. Taxes: The Lessee shall pay, before delinquency, all taxes, levies, and assessments arising from its activities on or occupancy of the Premises, including, but not limited to taxes arising out of the activity or business conducted on the Premises such as the rental or sale of goods or services; taxes levied on its property, equipment, and improvements on the Premises; and taxes on the Lessee's interest in this Agreement and any leasehold interest deemed to have been created thereby under Ch. 82.29A RCW. In the event the State of Washington makes any demand upon the City for payment of leasehold excise taxes resulting from the Lessee's occupation of the Premises or withholds funds due to the City to enforce collection of leasehold excise taxes, the Lessee shall, at its sole expense, contest such action and indemnify the City for all sums expended by, or withheld by the State from, the City in connection with such taxation.

D. Nondiscrimination and Affirmative Action.

(1) The Lessee agrees to and shall comply with all Federal, State and local laws and ordinances prohibiting discrimination with regard to race, color, national origin, ancestry, creed, religion, political ideology, sex, sexual orientation, marital status, or the presence of any sensory, mental or physical handicap.

(2) In the event the Lessee has three (3) or more employees, the following provision shall be deemed a part of this lease:

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"During the performance of this Lease, the Lessee agrees as follows:

"The Lessee will not discriminate against any employee or applicant for employment because of creed, religion, race, color, sex, marital status, sexual orientation, political ideology, ancestry, national origin, or the presence of any sensory, mental, or physical handicap unless based upon a bona fide occupational qualification. The Lessee will take affirmative action to ensure that applicants are employed, and that employees are treated during the employment without regard to their creed, religion, race, color, sex, national origin or the presence of any sensory, mental or physical handicap. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Lessee agrees to post in conspicuous places available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this non-discrimination clause. The Lessee will take affirmative action to ensure that all of its employees, agents and subcontractors adhere to these provisions; Provided, nothing herein shall prevent an employer from giving preference in employment to members of his/her immediate family.

"The Lessee will, upon the request of the Director (as used herein, Director means the Director of the City's Human Rights Department, or his/her designee) furnish to the Director on such form as may be provided therefor, a report of the affirmative action taken by the Lessee in implementing the terms of this provision, and will permit access to the Lessee's records of employment, employment advertisements, application forms, other pertinent data and records requested by the Director for the purpose of investigation to determine compliance with this provision.

"If, upon investigation, the Director determines that there is a probable cause to believe that the Lessee has failed to comply with any of the terms of this provision, the Lessee shall be so notified in writing. The contracting authority shall give the Lessee an opportunity to be heard after ten (10) days' notice. If the contracting authority concurs in the findings of the Director, it may suspend or terminate this Lease and evict the Lessee in accordance with law.

"Failure to comply with any of the terms of this provision shall be a material breach of this Lease."

The foregoing provision will be inserted in all subleases entered into under this Lease.

(3) Women's and Minority Business Enterprise Utilization:

(a) Reference: The provisions of Seattle Ordinance 109113 (Women's and Minority Business Enterprise Utilization Ordinance), as amended, are hereby incorporated by reference and made a part hereof as if fully set forth herein.

(b) Compliance: During the term of this Agreement, the Lessee shall:

1. Continue to make every effort to utilize MBEs and WBEs;

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2. Require every subcontractor utilized by the Lessee for work in fulfillment of the Lessee's obligations under this Lease, to make every effort to utilize WBEs and MBEs; and

3. Maintain records reasonably necessary for monitoring compliance with the provisions of Ordinance 109113, as amended.

Any substitutions for or other failure to utilize the WBEs or MBEs projected for use in this Lease on the commitment forms must be approved in writing by the Seattle Human Rights Department and the Director of Administrative Services.

Inasmuch as the Seattle Human Rights Department is authorized and empowered by Ordinance 109113 to monitor compliance with the Lessee's Women's and Minority enterprise utilization commitment during the term of this Lease, the Lessee shall furnish to such department within a reasonable time after a request has been made for the same, whatever reports or other information is reasonably necessary to determine compliance.

The failure of the Lessee to comply with applicable provisions of the Women's and Minority Business Enterprise Ordinance (Seattle Municipal Code Ch. 20.46 - Ordinance 109113, as amended) shall be a material breach of contract.

9. RENT CALCULATION AND PAYMENT PROCEDURE

A. That portion of the annual rent to be paid in legal tender of the United States of America shall at least equal the sum of (a) two and one half percent (2½) of the cost of one position of "Real Property Agent" or its successor, as computed in Part B, Subsection 9.B, hereof, plus (b) two and one-half percent (2.5%) of the then-current fair market improvements value of the property of which the Premises form a part (as specified in Part A, hereof, and as adjusted in accordances with Part B, Subsection 9.C, hereof) all multiplied by a fraction in which the numerator equals the particular year of the Lease for which such computation is to be made and rent is to be paid and the denominator equals the total number of years in the Lease term (e.g., 2/5 for the second year of a five year term). In any year when the Lessee receives Community Development Block Grant (CDBG) funds for maintenance and/or repairs to the Premises, the then current fair market improvements value will be reduced by the amount of the CDBG, prior to the calculation of the major maintenance costs.

B. "Costs of a Real Property Agent's position": The cost of a Real Property Agent's position shall be computed by multiplying the sum of 1343 chargeable hours by the then-prevailing hourly rate for such position or its successor, as published in the Department of Administrative Services' annual Rate & Services Directory or its successor; Provided, that the City reserves the right to modify, annually or more frequently, such rate or the number of chargeable hours as deemed appropriate by the Director of Administrative Services; Provided, further, that under no circumstances shall the Lessee be charged a higher rate than that established for City departments that desire to obtain property management services from the Department of Administrative Services or its successor.

C. "Fair Market Improvements Value": For the first year of the Lease term, the fair market improvements value of the property of which the Premises forms a part shall be the most recent City-appraised value of such property. For the second and following years of the Lease term, such value shall be adjusted upwards by multiplying the preceding year's value by the sum of 100% and the percentage increase (if any) in construction costs associated with the type of building of which the Premises forms a part, as indicated by the BOECKH Index for the preceding year; Provided, that in the event the aforementioned index is discontinued, the parties hereto shall select another, similar index that reflects increases in building maintenance and construction costs.

D. Time and Place of Payment: The annual minimum monetary rental calculated as described in Part A and Part B, Subsections 9B & C, hereof, shall be prorated and paid on a monthly basis, in advance, on or before the first day of every month, without separate invoice from the City. All such payments shall be delivered or mailed to the City Treasurer, c/o Property Management Section addressed as specified for notices, pursuant to Section 14, hereof. In-kind services in lieu of monetary rent shall be provided according to the schedule included in the annual supplements(s) comprising Part C, hereof.

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E. Delinquent Rent: Monetary rent shall be delinquent if not paid on or by the date specified in Part B, Subsection 9D, hereof. Delinquent monetary rent shall bear interest at a rate of Fifteen Percent (15%) per annum from the date of delinquency until paid. Services to be provided in lieu of monetary rent shall be delinquent if not provided according to the schedule(s) included in the appropriate annual supplement comprising a portion in Part C, hereof.

10. TERMINATION

A. For Breach by Lessee: In the event that the Lessee defaults in the performance of any of the terms, provisions, covenants and conditions to be kept, observed and performed by the Lessee, and such default is not corrected within thirty (30) days after the receipt of notice thereof from the City, or such shorter period as may be reasonable under the circumstances; or if the Lessee shall abandon, desert, vacate or remove from the Premises; or if the Lessee shall file a petition in bankruptcy; or if the Lessee shall be adjudicated as bankrupt after the filing of an involuntary petition in bankruptcy; or if the Lessee shall take or receive the advantage or benefit of any insolvency; or if the Lessee shall enter into an agreement of composition with the Lessee's creditors; then, in such event, the City, at its option at any time thereafter, may terminate this Lease together with all of the estate, right, and title thereby granted to or vested in the Lessee, by giving notice of such election at least twenty (20) days prior to the effective date thereof, and as of such effective date, this Lease and all of the estate, right, title and interest thereby granted to or vested in the Lessee shall then cease and terminate, and the City may re-enter the Premises using such force as may be required. Notwithstanding such re-entry by the City and anything to the contrary in this Lease, the liability of the Lessee for the rent provided for herein for the balance of the term of this Lease shall not be extinguisehd. The Director of Administrative Services shall have the right to determine on the City's behalf the existence of any default in performance or other breach or violation of the terms and conditions hereof on the part of the Lessee.

B. For Breach by City: The City shall not be in breach of any obligation to perform under this Lease unless the City fails to perform such obligation within a reasonable time, which time shall not extend more than thirty (30) days after notice by the Lessee to the City specifying the particular obligation that the City has failed to perform; Provided, however, that if the nature of the City's obligation is such that more than thirty (30) days are reasonably required for performance, then the City shall not be in breach if the City commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion.

C. Upon Notice by Lessee: This Lease may be terminated by the Lessee, without cause, by providing notice of such termination to the City not less than sixty (60) days prior to the effective date thereof.

11. SURRENDER OF PREMISES

Upon the expiration or termination of this Lease, including any extensions thereof, whichever is earlier, the Lessee shall quit and surrender said Premises and all keys thereto, without notice and in as good condition as received at commencement of the term, except for changes due to ordinary wear and tear, damage or destruction by fire or other casualty or circumstances uncontrollable by the Lessee, and alterations, additions, and improvements made with the consent of the Director of Administrative Services. On or before the termination or expiration date, whichever is earlier, the Lessee shall remove all furniture, equipment, supplies and other materials owned and controlled by Lessee.

12. WAIVER OF DEFAULT

The City does not waive full compliance with the terms and conditions of this Lease by acceptance of rent. No waiver of default by either party of any of the terms, covenants and conditions hereof shall be construed or operate as a waiver of any subsequent default of any of the terms, covenants and conditions hereon.

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13. AMENDMENTS

The parties hereto expressly reserve the right to amend this Lease, from time to time, as may be necessary; Provided, that no alteration or modification of the terms or conditions hereof shall be valid and binding unless made in writing and signed by an authorized representative of each of the parties hereto.

14. NOTICES

All notices to be given by either of the parties hereto to the other party, shall be in writing and may either be delivered personally or may be deposited in the United States Mail, postage prepaid, addressed as specified in Part A hereof, or to such other respective address as the receiving party shall have designated in writing. Notices sent by mail shall be deemed to have been given when properly mailed; the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

15. NO RELATIONSHIP

In no event shall the City be construed or held to have become in any way or for any purpose a partner, associate, or joint venturer of the Lessee or any party associated with the Lessee in the conduct of the Lessee's business or otherwise. This Lease does not constitute the Lessee the agent or legal representative of the City for any purposes whatsoever.

16. DIRECTOR OF ADMINISTRATIVE SERVICES

The term "Director of Administrative Services" as used throughout this Agreement in regard to permission, warrant, consent, approval, rights, interpretation, and discretionary matters shall mean the Director of Administrative Services or his designee; Provided, that the action of the Director of Administrative Services pursuant to or in implementation of this Lease does not constitute any official action by any other City Department or official that may be required by law, ordinance, rule or regulation before the Lessee may rightfully commence, suspend, enlarge, or terminate any particular undertaking or may obtain or exercise any particular right or privilege under this Lease. Decisions to be made by the Director of Administrative Services shall be left to his/her reasonable discretion. Any approval, consent, or permission of the Director of Administrative Services required by this Lease shall not be unreasonably withheld.

17. ADJUDICATION

This Lease shall be construed under all of the applicable laws, statutes, ordinances, rules and regulations of the United States, the State of Washington the The City of Seattle. In the case of a dispute between the parties, jurisdiction over such dispute shall be with the Superior Court of King County, Washington.

18. BINDING EFFECT

This Lease shall be binding upon the heirs, successors, assigns and all other parties legally empowered with signatory rights of any or all of the parties hereto.

19. INVALIDITY OF PROVISIONS

Should any term, provision, condition or other portion of this Lease be held to be inoperative, invalid or void, the same shall not affect any other term, provision, condition or other portion of this Lease, and the remainder of this Lease shall be effective as if such term, provision, condition or portion had not been contained herein.

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MUTUAL AND OFFSETTING LEASE AGREEMENT
PART C - - CONTRACT EXHIBIT
STATEMENT OF GOALS

The goal of the Mutual and Offsetting Lease Agreement is to document that members of the Central Area Senior Center will provide sufficient hours of service to the center and, therefore, to the community to offset the monetary rental due and payable for each year of the Lease term.

CONTRACT EXHIBIT
PROGRAM PERFORMANCE STANDARDS

Based on the amount of Volunteer services provided thus far in 1983, it is projected that the Central Area Senior Center will provide a minimum of 8,000 hours of services to the Seniors of Central and Southeast Seattle.

Category	Frequency
Bridge Class	3 times weekly
Macrame Class	1/wk
Nutrition (Meals and Education)	5/wk
Food Cooperative	3/wk
Lapidary Class	3/wk
Gift Shop	5/wk
Bazaar (Annual Fundraising Event)	Variable (including year-long preparation and event)
Thrift Shop	1/wk
Newsletter	1/mo
Aerobics	2/wk
Sewing Room	5/wk
Nursing Service (Blood Pressure)	2/wk
Painting Class	1/wk
Bowling	1/wk
Quilting	Occasional
Bible Group	1/wk
Receptionists	5/wk
Guitar Class	1/wk
Transportation	Occasional
Entertainment	Occasional
Dramatics	1/wk
Dancing	1/wk
Photography	1/wk
Oral History	2/wk
Choral	1/wk
Visitation (Sick)	Occasional
Clerical	Occasional
Table Pool	5/wk
Grounds Maintenance	Occasional
Thanksgiving Dinner (including Food Preparation, Serving, Transportation)	1/yr
Foster Grandparent	2/wk
Special Events (Pancake Breakfasts, Plant Sale, Luncheons, Dinner Theatre, Senior Week, Rock-A-Thon, Hydro Races)	Occasional

Per the accepted formula for market value of Volunteer service ($3.35) per hour), Volunteers will provide at least $26,762.04 of services to the Seniors of these communities.

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CONTRACT EXHIBIT

Budget

BASIS FOR COMPUTATION OF UNIT COST

Unit: A unit is equal to one hour of volunteer service provided by participants at the Central Area Senior Center.
Each hour of service will be computed at the rate of $3.35 per hour (minimum wage).

Unit: Volunteer service is defined as assistance in the following areas: socialization, recreation, and education; health and nutritionl administration; and maintenance of the facility and grounds.

APPROVED QUARTERLY PROJECT SPENDING RATE

The approved quarterly services delivery rate shall be established at $6,690.51, and may exceed that amount by a maximum of 10% in the first three quarters without prior approval of the City. The annual amount of the delivered services usable as offset to rent is $26,762.04.

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REC'D OMB DEC 2 2 1983 825291

Your
Seattle
Department of Administrative Services

Frank Doolittle, Director
Charles Royer, Mayor

December 14, 1983

City Council
City of Seattle

VIA: Mayor Royer

ATTENTION: Gary Zarker, Budget Director

Honorable Members:

SUBJECT: Legislative Request - Mutual and Offsetting Benefit Lease Agreements - Greenwood and Central Area Senior Centers

The Department of Administrative Services (DAS), as lead agency in negotiating and administering Mutual and Offsetting Benefit (MOB) lease agreements, hereby requests enactment of the necessary legislation to authorize the Mayor to execute two MOB leases with Senior Services and Centers.

Senior Services and Centers is the administrative agency which operates the Central Area and Greenwood Senior Centers. They are a nonprofit corporation which provides social, recreation, educational, health and nutritional programs for senior citizens at these two facilities. They have occupied the facilities under various MOB leases since 1978. These lease agreements will establish their occupancy under the new MOB rules in effect this year. In 1983 they will be required to pay $182.25 in cash each month for the Greenwood Senior Center and $299.83 per month for the Central Area Senior Center. These amounts are equal to 40 percent of the City's administrative and maintenance costs for these facilities.

There are two basic premises in the establishment of MOB leases. First, that the City will be better able to provide useful and appropriate community services through the purchase of services from MOB agencies and, second, the agencies will be better able to provide the services because a substantial part of the fair market rent for which they are responsible is offset by the value of those services. The services provided by the senior centers to offset the fair market rent in 1983 will amount to $2,230.17 per month for the Central Area Senior Center and $1,198.92 per month for the Greenwood Senior Center.

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It is this department's recommendation that the attached legislation is in acceptable form and we respectfully request that it be approved providing the authorization for the execution of two MOB lease agreements with Senior Services and Centers.

If you have any questions regarding this matter, please contact Warren Eckstrom of our Property Management Section at 5164.

Sincerely,

George Pernsteiner
Director

GP:we:bcm

Attachments

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THE CITY OF SEATTLE

LAW DEPARTMENT

MUNICIPAL BUILDING . SEATTLE, WASHINGTON 98104

AREA CODE 206 TELEPHONE 625-2402

DOUGLAS N. JEWETT, CITY ATTORNEY

December 13, 1985

Honorable Members
City Council
The City of Seattle

Re: "Mutual and Offsetting Benefit" Lease Agreements

Dear Councilmembers:

In late 1983, this office received four proposed ordinances requesting authorization to execute "Mutual and Offsetting Benefit" lease agreements with Senior Services and Centers, Inc. (for the Central Area and Greenwood Senior Centers), Country Doctor Clinic, First AME Child Development Center, and Central Area Citizens Committee, Inc. (for C.A.M.P.). In the course of our review of the above-mentioned lease agreements, we discovered inadequate descriptions of the in-kind services to be provided to the City by the various lessees and other problems associated with such documents.

To resolve those problems, the staff of the Department of Human Resources and the Department of Administrative Services were contacted. Through the efforts of D.H.R., D.A.S., and Law Department staff work the past several years, these problems have been resolved in negotiations with the various lessees. Our concerns regarding the ability of these subject leases to withstand review by the State Auditor have now been satisfied and we are assured by Department of Human Resources staff that documentation of the provided in-kind services is available.

We transmit herewith to you the following leases together with proposed legislation authorizing their execution on behalf of the City:

* with Senior Services and Centers, Inc. for 500-30th Ave. So. (Central Area Senior Center) and 525 No. 85th St. (Greenwood Senior Center)

* with Country Doctor Clinic for a portion of the building at 402-15th Ave. E.

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* with the First AME Child Development Center for a portion of the building at 172-20th Ave.

* with Central Area Citizens Committee, Inc. for 722-18th Ave.

Sincerely yours,

For the Law Department

GORDON B. DAVIDSON
Assistant City Attorney

GBD:bb

encs.

cc: Robert Liston, HRD
Warren Ekstrom, DAS
Mary Wing, DAS

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City of Seattle

Executive Department-Office of Management and Budget
Gary Zarker, Director
Charles Royer, Mayor

COPY OF WITHIN RECEIVED

5834

December 27, 1983

DEC 28 1983

Douglas N. Jewett
CITY ATTORNEY

Honorable Douglas Jewett
City Attorney
City of Seattle

Dear Mr. Jewett:

The Mayor is proposing to the City Council that the enclosed legislation be adopted.

REQUESTING DEPARTMENT: Administrative Services

SUBJECT: M.O.B. leases with the Greenwood and Central Area Senior Centers

Pursuant to the City Council's S.O.P. 100-014, the Executive Department is forwarding this request for legislation directly to your office for review and drafting.

After reviewing this request and drafting appropriate legislation:

(X) File the legislation with the City Clerk for formal introduction to the City Council as an Executive Request.

( ) Do not file with City Council but return the proposed legislation to OMB for our review. Return to _____.

Sincerely,

Charles Royer
Mayor

By

GARY ZARKER
Budget Director

GZ/KC/na

Enclosure

cc: George Pernsteiner, Director, DAS

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City of Seattle

ORDINANCE 112740

AN ORDINANCE relating to the Department of Administrative Services; authorizing the establishment of Mutual and Offsetting Benefit (MOB) lease agreements with Senior Services and Centers.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Mayor is authorized to execute and the City Comptroller to attest for and on behalf of the City of Seattle, two Mutual and Offsetting Benefit (MOB) lease agreements, substantially in the form of Exhibits "A" and "B", attached hereto and identified as "Lease Agreement", with Senior Services and Centers for lease of the buildings commonly known as the Central Area Senior Center, 500 30th Avenue South, and the Greenwood Senior Center, 525 North 85th Street, to operate programs for senior citizens.

Section 2. The consideration for the leases will be fair market rental value as determined by a current real property appraisal. However, as MOB tenants, Senior Services and Centers will pay only a portion of the fair market rent in the form of cash, while the remainder will be paid for by providing a predetermined amount of services to the public for the City.

Section 3. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and confirmed.

Section 4. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 10th day of March, 1986, and signed by me in open session in authentication of its passage this 10th day of March, 1986.

President of the City Council.

Approved by me this 20th day of March, 1986.

Charles Royer
Mayor.

Filed by me this 20th day of March, 1986.

Norward J. Brooks
Attest: City Comptroller and City Clerk.

(SEAL)

By Frances Dunbar
Deputy Clerk.

Publication orderd by NORWARD J. BROOKS, Comptroller and City Clerk.

Date of official publication in Daily Journal of Commerce, Seattle, March 25, 1986. (C-153-X)

NOTICE: IF THE DOCUMENT IN THIS FRAME IS LESS CLEAR THAN THIS NOTICE IT IS DUE TO THE QUALITY OF THE DOCUMENT.

C-153-X

Affidavit of Publication

STATE OF WASHINGTON
KING COUNTY—SS.

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter refered to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a Ordinance No. 112740

was published on March 25, 1986

L. Blair

Subscribed and sworn to before me on

March 25, 1986

Yvonne Sammons

Notary Public for the State of Washington, residing in Seattle.

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