

Ordinance No. 120501

Council Bill No. 113776

AN ORDINANCE relating to the Seattle Center; authorizing the Seattle Center Director to execute a lease with Seattle School District No. 1 for improvements to and use of space in the Seattle Center House for a high school.

CF No. \_\_\_\_\_

Date Introduced:	JUL 30 2001		
Date 1st Referred:	JUL 30 2001	To: (committee)	CULTURE, ARTS & PARKS
Date Re - Referred:		To: (committee)	
Date Re - Referred:		To: (committee)	
Date of Final Passage:	9-4-01	Full Council Vote:	8-0
Date Presented to Mayor:	9-4-01	Date Approved:	9/10/01
Date Returned to City Clerk:	9/4/01	Date Published:	2 PR
Date Vetoes by Mayor:		Date Veto Published:	
Date Passed Over Veto:		Veto Sustained:	

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: \_\_\_\_\_

Committee Action:

8-22-01 PASS NL

9-4-01 Passed 8-0

(Excused: Wills)

This file is complete and ready for presentation to Full Council. Co

LAW DEPT.

*Michael L. Smith*

Law Dept. Review

OMP  
Review

City Clerk  
Review

*me*  
The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: LICATA  
Councilmember

**Committee Action:**

8-22-01 PASS NL, JN

9-11-01 Passed 8-0

(Excused: Wills)

This file is complete and ready for presentation to Full Council. Committee: \_\_\_\_\_ (Initials/Date)

**LAW DEPT.**

*Richard L. Smith*

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site map - not  
approved @  
Council  
Note: unable to  
load attachment  
in Search*

Law Dept. Review

OMP  
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ORDINANCE 120501

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4 AN ORDINANCE relating to the Seattle Center; authorizing the Seattle Center Director to  
5 execute a lease with Seattle School District No. 1 for improvements to and use of  
6 space in the Seattle Center House for a high school.

7  
8 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

9  
10 Section 1. As requested by the Seattle Center Director and recommended by the  
11 Mayor, the Seattle Center Director is authorized to execute, for and on behalf of The City of  
12 Seattle, a lease with Seattle School District No. 1 for improvements to and use of space in  
13 the Seattle Center House for a high school, substantially in the form of the agreement  
14 attached hereto and identified as "LEASE by and between THE CITY OF SEATTLE and  
15 SEATTLE SCHOOL DISTRICT No. 1."

16 Section 2. Any act consistent with the authority and prior to the effective date of this  
17 ordinance is hereby ratified and confirmed.

18 Section 3. This ordinance shall take effect and be in force thirty (30) days from and  
19 after its approval by the Mayor, but if not approved and returned by the Mayor within ten  
20 (10) days after presentation, it shall take effect as provided by Municipal Code Section  
21 1.04.020.  
22

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1 Passed by the City Council the 4<sup>th</sup> day of September, 2001, and signed by  
2 me in open session in authentication of its passage this 4<sup>th</sup> day of September,  
3 2001.

4 Margaret E. Rogers  
5 President of the City Council

6 Approved by me this 10<sup>th</sup> day of SEPTEMBER, 2001.

7 Paul Schell  
8 Paul Schell, Mayor

9 Filed by me this 11<sup>th</sup> day of September, 2001.

10 Judith E. Rogers  
11 City Clerk

12 (SEAL)

13 Attachments:

14 LEASE by and between THE CITY OF SEATTLE and SEATTLE SCHOOL DISTRICT  
15 No. 1

16 Exhibit A – Site Plan of Premises

17 Exhibit B – List of Plans and Specifications for Improvements to Third Floor West and to  
18 Premises.

19 Exhibit C – List of Restricted Construction Times and Activities From January 1, 2002 to  
20 July 31, 2002





PAUL SCHELL, Mayor  
VIRGINIA ANDERSON, Director



July 20, 2001

The Honorable Margaret Pageler  
President, Seattle City Council  
1100 Municipal Building  
Seattle, Washington 98104

Via: Mayor Paul Schell

Attention: Dwight Dively, Director, Executive Services Department

SUBJECT: LEASE WITH THE SEATTLE SCHOOL DISTRICT FOR A  
HIGH SCHOOL IN CENTER HOUSE

Dear Councilmember Pageler:

I am very pleased to bring to the City Council legislation authorizing a lease with the Seattle School District for the improvement and use of space in Center House for a small high school to be called **The Center School**. Since we were approached by the School District last fall about a high school on our campus, we have worked closely and cooperatively with the District to see if a high school could be included at Seattle Center in a way that worked for both the District, the City and our existing tenants.

After months of studying potential school sites, resolving code issues and negotiating lease terms, we are bringing a lease agreement to the City Council for use of space on the third and fourth floors of Center House for The Center School. The lease also includes the terms and conditions for the School District to construct improvements in Center House for The Center School, including the relocation of Seattle Center staff and other program elements displaced by the school.

The Center School will begin this fall in a temporary location at the former Sacred Heart School, across the street from the Seattle Center campus. Construction work in Center House will begin in January 2002, following completion of detailed design and bidding by the District. The initial elements of the construction will be for the relocation of Seattle Center public programs staff from the east to the westside of the 3<sup>rd</sup> floor of Center House. Construction of the school space itself will begin in January 2002 on the 4<sup>th</sup> floor eastside and be completed by the end of July 2002. The

HOME TO...

THE ARTS

Intiman Theatre  
KCTS/Channel 9  
Northwest Craft Center  
Pacific Northwest Ballet  
Pottery Northwest  
Seattle Arts Commission  
Seattle Center Academy  
Seattle Children's Theatre  
Seattle Opera  
Seattle Repertory Theatre

SPORTS TEAMS

Seattle Storm  
Seattle SuperSonics  
Seattle Thunderbirds

ATTRACTIONS

Experience Music Project  
Fun Forest Amusement Park  
International Fountain  
Pacific Science Center  
Seattle Center House  
Seattle Center Monorail  
Space Needle  
The Children's Museum

FESTIVALS

artsEdge  
Bite of Seattle  
Bumbershoot  
Festál Cultural Festivals  
KING 5 Winterfest  
Northwest Folklife Festival  
Seattle International Children's Festival  
Whirligig

305 HARRISON STREET  
SEATTLE, WA 98109-4645  
TEL: 206.684.7200  
FAX: 206.684.7342  
www.seattlecenter.com



Accommodations for people with disabilities provided on request (206) 684-7200

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## MEMO

**To:** Judith Pippin, City Clerk  
**From:** Irene Perry, Contracts & Concessions *Irene*  
**Subject:** Seattle Center Files  
**Date:** 12/10/2001

FILED  
CITY OF SEATTLE  
01 DEC 12 AM 10:30  
CITY CLERK

Attached please find the following Agreement:

**ORDINANCE NO.:** 120501  
**NAME:** Seattle School District No. 1  
The Center School  
**NAME OF AGREEMENT:** LEASE AGREEMENT  
for East Wing, 3<sup>rd</sup> & 4<sup>th</sup> Floors, Center House  
**MAILING ADDRESS:** Seattle School District No. 1  
Property Management Office  
4141 Fourth Ave. S  
Seattle, WA 98134

**cc:** Phung Bui - Accounts Receivable  
Seattle School District No. 1 (hand-delivered 11/16/01)  
Judy Peterson, Principal, The Center School

(TRANSLTR.DOC)

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LEASE  
by and between  
THE CITY OF SEATTLE  
and  
SEATTLE SCHOOL DISTRICT No. 1

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## LEASE

THIS LEASE (the "Lease") is made and entered into this 16<sup>th</sup> day of November, 2001, by and between THE CITY OF SEATTLE, a first-class city of the State of Washington (the "City"), acting through its Seattle Center Director (the "Director"), and SEATTLE SCHOOL DISTRICT No. 1, a Washington municipal corporation (the "District").

## RECITALS

WHEREAS, the District is qualified and willing to lease, rehabilitate and improve a portion of the Seattle Center House to provide a location for the educational and administrative activities of The Center School; and

WHEREAS, the City and the District recognize that the District's use of the premises must be coordinated with other uses of Seattle Center and must comply with the reasonable rules and regulations established by the Director for use of Seattle Center; and

WHEREAS, the District and the City intend that the construction and operation of the high school result in no net additional costs to the City.

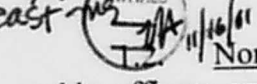
NOW, THEREFORE, in consideration of the rents to be paid and the covenants and agreements hereinafter provided which the City and the District agree to keep and perform, the City and the District as hereby agree as follows:

### 1. PREMISES.

1.1. Lease to District. The City hereby leases to the District and the District hereby leases from the City certain portions of the Building at Seattle Center commonly known as "Seattle Center House" and located on the following real property:

Lot 1-12, Block 46, D.T. Denny's Third Addition to North Seattle, according to plat recorded in Vol. 1 of Plats, Page 145, Records of King County, Washington.

Those portions of the Seattle Center House subject to this Lease (collectively, "the Premises") are depicted on the site plan attached Exhibit A, and are identified as Center House, west wing, third and fourth floors, consisting of approximately 17,500 square feet.

*east wing*  Nonexclusive License to Use Common Areas. The City hereby grants to the District, and its officers, employees, agents, and invitees the nonexclusive right during the Term of this Lease to use the Seattle Center Common Areas as from time to time constituted, which use shall be in common with all other visitors and users of the Seattle Center and subject to such rules and regulations as the Director may promulgate.



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1.3. Right of Access for Construction. Except as approved by the Director, it is a condition precedent to the District's use and occupancy of the Premises for any school purpose that it entirely complete the construction of the improvements to the third floor of the Building depicted on Exhibit B. Such improvements include the build-out of the Seattle Center Production staff offices; the relocation of the Family Room, Play Area, and Command Center, and Gallery lighting. The City hereby grants the District a license to construct said improvements and to store related construction materials in the staging area shown on Exhibit A. The District agrees to finally complete the third floor west improvements by March 31, 2002, to substantially complete all other improvements outside the Premises by May 20, 2002 (with final completion on or before May 17, 2002), and to substantially complete all improvements to the Premises by July 31, 2002 (with final completion on or before August 28, 2002). The improvements shown in Exhibit B are collectively referred to herein as the "Initial Improvements".

Before commencing construction of the Initial Improvements, the District shall provide the Seattle Center project manager with a copy of the anticipated construction schedule. As the work proceeds, the District shall promptly supply the project manager with a copy of any revised construction schedule and shall immediately notify the project manager of any circumstances that may result in a delay in any of the above completion dates. The parties acknowledge that any delay in the final completion date for the third floor west improvements or substantial completion dates for the other Initial Improvements outside the Premises will inconvenience the public and interfere with the governmental functions of the City resulting in loss and damage to the City. From the nature of this agreement, it would be impracticable and extremely difficult to fix the actual damages sustained as a result of such delays. The City and the District therefore agree that in the event of any such delay that is not caused by the actions or inaction of the City, the District shall pay the City as liquidated damages and not as a penalty, the sum of Five Hundred dollars (\$500) per day for the first fourteen (14) days of any such delay, and One Thousand dollars (\$1,000) per day for each day of delay thereafter.

The District agrees that no material change shall be made to the approved plans and specifications for the Initial Improvements without the Director's consent. The District shall provide the City with a complete set of as-built drawings for the Initial Improvements as soon as possible following completion of construction.

1.4. Condition of the Premises. The District has had an opportunity to and has conducted an investigation of the Premises and is generally knowledgeable and familiar with the present condition and state of repair of the Premises and the Building. The District acknowledges that the Seattle Center House was built in 1937 and that many of the building systems do not comply with current codes and regulations. The District acknowledges that, except to the extent expressly set forth in this Lease, neither the City nor any agent of the City has made any representation or warranty with respect to the Building or the Premises or with respect to the suitability or fitness of the Building or the Premises for the conduct of District's business or any other purposes. Except as otherwise provided in Section 1.5 of this Lease, the District shall take possession of the Premises in their current "AS IS" condition and state of repair, and the parties agree that the City shall not be responsible for performing any alterations or improvements to the Premises which may be required as a result of the District's use and occupancy of the Premises, including, but not limited to, any alterations or improvements to the Premises required to comply with The Americans with

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Disabilities Act of 1990, nor shall City be required to make any other alterations, repairs or improvements to the Premises except as the parties may expressly agree from time to time. The taking of possession or use of the Premises by the District for the conduct of its business shall conclusively establish that the Premises were at such time in satisfactory condition and state of repair, and without any representation or warranty by the City, express or implied, and expressly without recourse to the City as to the physical condition or suitability of the Premises for the District's intended purposes. The City covenants to maintain and operate the common areas so as not to obstruct access to and from the Premises.

1.5. Work to be Performed at City Expense. The City agrees to pay the District its actual costs for design and construction work necessary to anchor the Building's wood roof and diaphragms to the surrounding walls and installing four City-furnished gate valves and two variable air volume boxes on the fourth floor of the Building, consistent with the plans shown in Exhibit B, to a maximum total payment of \$300,000. The District shall require its design consultant and contractor to separately invoice for services related to that element of the work, to a level of detail reasonably required by the Director. The City will reimburse the District for the costs of said design and construction work within 30 days of receiving an approved form of invoice therefor. The parties acknowledge that the City may wish to undertake, at City expense, additional design and/or capital improvement work for the Building that would benefit both the City and the Center School. In such event, the District agrees to cooperate with Seattle Center to determine the most efficient way of accomplishing the improvements, which may involve change orders to District construction contracts.

## 2. USE OF THE PREMISES.

2.1. Use. The District may use and occupy the Premises solely to provide educational instruction to high school students, storage, administrative uses and related ancillary functions in support of and consistent with its primary function as a school (collectively, the "Permitted Use") and for no other purpose without the prior consent of the Director. The District agrees that it has determined to its satisfaction that the Premises can be used for the Permitted Use.

2.2. Compliance with Laws. The District, at its expense, shall promptly comply with all applicable federal, state and local laws, ordinances and regulations and other governmental rules, orders and determinations now or hereafter in effect, whether or not presently contemplated, applicable to the Premises, or its ownership, operation, use or possession (collectively, "Legal Requirements"), including, without limitation, all those relating to equal employment opportunity and nondiscrimination (notably SMC chapter 20.44), building codes, zoning or other land use matters, The Americans with Disabilities Act of 1990, as amended, life safety requirements, environmental compliance with respect to the handling, treatment, storage, disposal, discharge, use and transportation of Hazardous Substances and shall not allow the Premises to be used for any unlawful purpose. If any governmental license or permit shall be required for the proper and lawful use of the Premises, the District shall at its expense obtain and thereafter maintain such license or permit in full force and effect and in compliance with all conditions or requirements set forth therein.

2.3. Uses Prohibited. Unless approved by the Director, in such official's sole discretion, the District shall not use, operate or maintain any apparatus, machinery, equipment or device

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(including, without limitation, computer equipment, data processing machines or telecommunications equipment) in or about the Premises that will cause any noise beyond the levels permitted by law, increase the amount of ventilation, air exchange, gas, steam, electricity or water beyond the existing capacity of the Building or the Premises, or cause vibration of or structural damage to the Building. In the event of any such use or operation, upon notice from the Director, the District shall cease operating such apparatus, machinery, equipment or device until it has taken such action as the Director shall reasonably require to eliminate or minimize the disturbance or potential damage. The Director hereby approves the District's plans and specifications, as described in Exhibit B.

2.4. Exterior Fixtures. The District shall not install exterior lighting fixtures, shades or awnings or do any exterior decoration or paint, or make any structural alterations to the Building or the Premises, without the prior consent of the Director. The Director hereby approves the exterior features noted in Exhibit B.

2.5. Signs. The District shall not display, inscribe, paint or affix any sign, advertising or printed material to any part of the Premises, which is visible outside the Premises, or elsewhere on Seattle Center grounds without the prior consent of the Director. Unauthorized material shall be removed by the District at its sole expense, upon notice from the Director. Signage identifying the school or directional signage to the school shall conform to the Seattle Center and Center House site and design and guidelines. The District hereby consents to the signage as noted in Exhibit B.

2.6. Seattle Center Rules and Regulations. The District shall observe and cause other persons allowed by it onto the Premises to observe, such reasonable rules and regulations governing the Building or the Premises as the Director may promulgate from time to time provided such rules do not conflict with the express terms of this Lease.

2.7. Deliveries. All deliveries shall be made to a delivery location or entrance designated by the Center House Manager. Unless special arrangements have been made with the Center House Manager and except during major festivals, deliveries shall be completed prior to 11:00 a.m. The Center House Manager shall have the right to modify or limit delivery times during major festivals, including the festival move-in and move-out periods.

2.8. District's Representative. The District hereby designates the Center School principal as its representative for routine day-to-day contracts between the District and the Center House staff.

### 3. TERM.

3.1. Term. This Lease shall be for a term of fifteen (15) years ("Term") commencing on the 1st day of January, 2002 ("Commencement Date") and shall terminate on the last day of June, 2016, unless sooner terminated as provided in this Lease, subject to the District's right to extend the Term in accordance with the provisions of Section 3.2.

3.2. Options to Extend. Provided the District is not in default, and there is no event that with the giving of notice, the passage of time or both would constitute an Event of Default under this Lease, the District shall have two (2) options to renew the Term of this Lease for additional terms of five (5) years each (each, an "Option Period"), on the same terms and conditions as this

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Lease except for Fixed Rent which shall be determined as set forth in Section 4.6. The District may extend the Lease Term by giving the City written notice of its intent to extend the Term of this Lease at least six (6) months before the expiration of the then Term of this Lease. The District shall also give the City at least six (6) month's notice if the District has elected not to extend the Term of this Lease. Option rights are personal to the District and are not assignable or transferable separate and apart from this Lease.

#### 4. RENT.

Commencing on January 1, 2002, the District shall pay the City without deduction, prior notice or demand, in advance on the first day of each month during the term hereof, Fixed Rent and Additional Rent, each as defined below, in lawful money of the United States, to the Seattle Center Accounting Office at 305 Harrison Street, Seattle, WA 98109 or as the City may from time to time otherwise designate in writing. Fixed Rent and Additional Rent for any partial month shall be prorated on a daily basis at the rate of 1/30 of the Fixed Rent or any Rent then due. "Rent" shall mean Fixed Rent, Additional Rent and any other monetary sum required to be paid by the District to the City under this Lease.

4.1. Fixed Rent. The District shall pay the City Fixed Rent for the Premises annually, at the rate of \$4.86 per square foot. For the first year of this Lease, the total annual Fixed Rent shall be \$85,050, payable in monthly installments of \$7,087.50, in advance, on the first day of each month.

Commencing on the first day of January 2003 and on the first day of each January thereafter until the expiration of the Term of this Lease, the annual Fixed Rent shall be adjusted each year by the percentage increase that occurred during the preceding calendar year ("Adjustment Percentage") in the Consumer Price Index for all Urban Consumers ("CPI-U" / 1982-84 = 100) Seattle-Tacoma-Bremerton Metropolitan Area ("Index"), using the base 1982-84 = 100, as published by the Bureau of Labor Statistics, United States Department of Labor, or its successor (the "CPI Increase"). Should any year's CPI percentage change be less than zero, the change to the Fixed Rent for that year shall be set at zero percent (0%). Therefore, in no case shall any year's Fixed Rent be less than the prior year's amount. In the event of such a negative change in the CPI, the rent shall not be increased until the cumulative increase completely offsets the prior negative change. In the event of any change in the Index base (1982-84=100) or other modification of the CPI Index, or in the event the CPI is discontinued, the Director shall select a similar index of comparable statistics on the cost of living for King County as shall be computed by an agency of the United States or by a responsible financial periodical or other recognized authority.

The City agrees to notify the District not later than June 30 of each year of its computation of the annual CPI adjustment in the Fixed Rent effective the prior January 1. Until the City notifies the District of the amount of the annual CPI adjustment in the Fixed Rent, the District shall continue to remit the then-current Fixed Rent (less the Rental Offset in Section 4.2 below) as a partial payment. Within thirty (30) days after the date the City's notifies the District of a CPI-adjusted change in the amount of Fixed Rent due hereunder, the District shall remit any retroactive rent and thereafter remit on a monthly basis the newly adjusted Fixed Rent.

4.2. Rental Offset. For the initial Term of this Lease, the District shall be entitled to an offset against Fixed Rent, only, for the total amount of the District's capital expenditures for



improvements that benefit the Building as a whole. The parties agree that this amount is \$285,000. The offset shall be credited against the Fixed Rent in 180 monthly installments of \$1,583.33 each.

4.3. Operating Expenses. In addition to the Fixed Rent and commencing on the earlier of the District's occupancy or the execution of this Lease, the District shall pay to the City monthly and in advance the Operating Expenses for the Premises. On or before the first day of December during the Term of this Lease, the City shall provide the District with a statement of the anticipated monthly amount of the Operating Expenses for the succeeding calendar year, and the District shall pay the same and all subsequent monthly payments concurrently with the payment of Fixed Rent or if no Fixed Rent is due, payment of the Operating Expenses shall be due and payable on or before the first day of each month, in advance without adjustment or offset. The District shall continue to make said monthly payments until notified by the City of any change thereof. Each year when available, the City shall give the District a statement showing the total Operating Expenses and other charges, if any, for the Premises actually incurred for the prior calendar year. If the term of this Lease does not begin or end coincident with the calendar year, the statement for such year shall be prorated appropriately. If the total of the monthly payments which the District has made for the prior calendar year is less than the actual Operating Expenses, then the District shall pay the difference in a lump sum within thirty (30) days after receipt of an invoice from the City when the final determination is made of the Operating Expenses, even though the Term may have expired or been terminated. Any overpayment made shall be refunded to the District within thirty (30) days. In the event of any adjustment by the City of the estimated amount of the Operating Expenses, the District shall immediately commence paying the adjusted estimated amount.

4.4. Additional Rent. All amounts that the District is required to pay to the City pursuant to this Lease (other than Fixed Rent) shall constitute additional rent ("Additional Rent") whether or not the same be designated as Additional Rent. The District shall perform all its obligations under this Lease at its sole cost and expense, and shall promptly pay to the City all Additional Rent within 30 days after receipt of City's invoice therefor. The District shall also promptly pay to all third parties any other sums required to be paid by the District under this Lease, when the same shall be due and payable and in all events prior to delinquency, without notice or demand, deduction or offset, except as otherwise expressly provided in this Lease.

4.5. No Offset. Except as provided in Section 4.2, it is understood that City shall receive the Rent set forth in Section 4.1 hereof free and clear of any and all impositions, Taxes, liens, charges or expenses of any nature whatsoever in connection with the operation, use, maintenance and repair of the Premises. In addition to the Rent specified in Section 4, the District shall pay to the parties respectively entitled thereto all impositions, insurance premiums, utilities, Taxes, Operating Expenses, maintenance charges, repair costs, and any other charges, costs and expenses which arise or may be contemplated under any provisions of this Lease during the Term hereof; provided, however, that where this Lease provides payment shall be in the form of reimbursement to City, that procedure shall apply. All of such charges, costs and expenses shall constitute Additional Rent and upon the failure of District to pay any of such costs, charges or expenses, City shall have the same rights and remedies as otherwise provided in this Lease for the failure of District to pay Rent.

4.6. Determination of Fixed Rent during Option Period(s). Fixed Rent for the first year of each Option Period shall be the greater of the Fixed Rent that was payable under this Lease



during the last year of the then Term, adjusted to reflect increases in the CPI as provided in Section 4.1, or any current nonprofit rental rate established by City ordinance for the Seattle Center House. Once Fixed Rent has been determined for any Option Period, Fixed Rent shall thereafter be increased on the first day of each January thereafter during the Option Period in accordance with Section 4.1 of this Lease by an amount equal to the percentage change in the CPI from the CPI last published for the preceding Lease Year.

## **5. TAXES, UTILITIES AND SERVICES.**

5.1. Taxes. The District shall pay, before delinquency, all taxes, levies, and assessments that may arise 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; taxes levied on its property, equipment, and improvements on the Premises; and taxes on the District's interest under this Lease and any leasehold interest deemed to have been created thereby under Ch. 82.29A RCW (collectively, "Taxes."). In the event the State of Washington makes any demand upon the City for payment of leasehold excise taxes resulting from the District's occupancy of the Premises or withholds funds due the City to enforce collection of such leasehold excise taxes, the District shall remit the taxes demanded together with any interest and penalties associated therewith or, at no expense to the City, contest such collection action and indemnify the City for all sums reasonably expended by, or withheld by the State of Washington from the City, in connection with such taxes.

5.2. Building Utilities. Electricity, the cooling, heating and ventilating system (HVAC), water and sewer shall be available at the Premises at all times. The District shall cause electricity to the Premises to be separately metered and shall pay when due and directly to the appropriate utility company all bills for electricity. The actual or allocated costs of all other utilities provided to the Premises (including garbage and recycling) shall be included in the Operating Expenses for which the District shall reimburse the City. Utility cost allocations shall be based on the percentage of square footage that the Premises bear to the entire Building, *i.e.*, 17,500 square feet divided by 247,000 square feet, or 7.1%, discounted to reflect only those days the high school is in operation, *e.g.*, 180 days out of 365, or 49.3%. Accordingly, the District agrees to pay 3.5% of the Building HVAC, solid waste, recycling, water and sewer costs. The foregoing percentages shall be adjusted for any changes that may occur in the academic year.

5.3. Additional Utility Capacity. If the District has mechanical, cooling, heating, ventilation, electrical or other requirements for utility services in excess of the existing electrical, HVAC, mechanical, plumbing or other building systems presently installed in the Premises or in the event that any existing building or utility systems presently installed on the Premises, including, but not limited to, the fire sprinkler system, needs to be relocated or modified to accommodate any improvement the District elects to make to the Premises in accordance with Section 7.4 of this Lease, then the cost of furnishing, installing, relocating, upgrading, renovating, operating the equipment and appurtenances thereto shall be borne by the District unless such utility service or system is integrated into an existing Building system, in which event the City shall maintain and operate the same and the any costs associated therewith shall be included in the Operating Expenses. Before installing lights or equipment or making use of the Premises in excess of the capacity or design of existing building systems, the District shall obtain the prior approval of the Director. The Director may refuse to grant such permission unless the District shall agree to pay all costs to install supplementary air conditioning capacity or electrical systems or other upgrades, relocation,

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renovation or revisions to Building systems as necessitated by such equipment or lights or if the equipment or lights requested by the District will, in the City's reasonable judgment, overburden the Building's structure or mechanical, HVAC, plumbing or electrical system(s), even if supplemented at the District's expense. The Director hereby approves all lighting and equipment described in Exhibit B.

5.4. Telephone and Data Transmission. With the prior approval of the Director, the District shall have the right to install telephone and data communication systems to secure service to the Premises for District use. The District shall pay for such services directly to the appropriate telephone or data processing company or other service provider.

5.5. No City Liability. The City shall not be liable for any loss or damage caused by or resulting from any variation, interruption or failure of any utility services due to any cause whatsoever except for loss or damage directly caused by the willful misconduct of the City, its agents or employees, and no temporary interruption or failure of such services incident to the making of repairs, alterations or improvements or due to accident or strike conditions shall be deemed an eviction of the District or relieve the District from any of its obligations hereunder. In the event of such failure not directly caused by the willful misconduct of the City, its agents or employees, the District shall not be entitled to any damages, abatement or reduction of Rent. The District shall have the right to take all steps it reasonably deems necessary at the District's sole cost to obtain the resumption of interrupted utility services or to obtain alternative sources of utility services.

5.6. No Charges for Service to Other Property. Nothing contained herein shall require the District to pay any charge for utility service furnished to those portions of Seattle Center controlled by the City and not subject to this Lease.

5.7. The District's Right To Contest. The District shall have the right to contest or review by legal proceedings or in such other manner as may be legal, any tax, assessment, non-allocated utility charge or other governmental imposition and to pay such items under protest; provided, that nothing in this Section shall be construed to restrain the exercise of any remedy by any City utility for nonpayment, and provided further that notwithstanding any protest or challenge, the District shall timely pay such amounts as are necessary to avoid interruption in service, including any interruption that would occur from application of the normal policy or procedure of any City utility.

5.8. No Parking. Parking is not provided at the Premises and the Rent payable under this Lease does not include any right to parking spaces either at the Premises or elsewhere.

5.9. Security. The District shall provide all security services necessary for the operation of the high school.

## 6. POSSESSION AND OCCUPANCY.

Upon the commencement of this Lease, the District shall have possession of the Premises subject to the rights reserved by the City herein. However, the Premises shall not be occupied until any required certificate of occupancy has been obtained by the District from the appropriate



governmental authorities and all improvements have been completed in accordance with approved plans and specifications.

## **7. MAINTENANCE AND REPAIRS.**

7.1. Cleaning and Maintenance. If requested by the District, the City shall maintain, clean and repair the Common Areas and the Premises to the ordinary standards provided to other commercial Building tenants, or as otherwise agreed upon by the parties, and shall keep the same in good condition, normal wear and tear and damage and destruction by fire and other extraordinary casualty excepted. The cost of maintaining, cleaning and repairing the Premises as well any extraordinary costs of cleaning, repairing or maintaining the Common Areas or the Building, occasioned by the District's use and occupancy of the Premises, shall be included in the Operating Expenses for which the District shall reimburse the City. The District waives all claims for damages resulting from City maintenance, cleaning and repair work except to the extent of the City's gross negligence or the City's unreasonable interference with the District's use of the Premises.

7.2. Recycling of Waste Materials. The District shall adhere to any recycling program employed by Seattle Center on a general basis for all Center House tenants, and shall collect, sort and separate all solid waste products and deposit the same in receptacles provided by the City.

7.3. District's Obligations. The District shall not cause or permit any waste, damage, or injury to the Premises; use or permit on the 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, odor, dust, vibration or similar substance or condition to remain on or to be emitted from said Premises; or permit anything to be done upon said Premises that in any way will tend to create a nuisance, or interfere with access to and from the Seattle Center or any part thereof. If the Director has a good faith belief that any activity occurring on the Premises presents an imminent threat to public health or safety, then after consultation with the school principal, the Director (but no other official) may order such activity to immediately cease, without liability to the City for such interruption, until such threat has been adequately evaluated or remedied, as the case may be.

Subject to the terms of Section 10 relating to damage and destruction, upon expiration or earlier termination of the Term of this Lease, whether by lapse of time or otherwise (including any holdover period), the District at its expense shall: (a) remove all of the District's moveable personal property, goods and effects and those of all persons claiming under the District from the Premises; (b) remove all telecommunications and computer network wiring and cabling, to the extent required by the City, (c) remove all signs, symbols, advertising and printed material, and (d) promptly and peacefully surrender the Premises (including surrender of all the District improvements and other attached equipment and/or other alterations, additions or improvements installed in the Premises by the City or the District). Any property left on the Premises more than thirty (30) days after the expiration or termination of the Lease Term shall be deemed to have been abandoned and to have become the property of the City to dispose of as the City deems expedient and the District shall be liable for all costs associated with the disposal of such property. The District hereby waives all claims for damages that may be caused by the City re-entering and taking possession of the Premises or removing and storing the District's property as herein provided, and the District shall



indemnify and hold the City harmless therefrom. No such reentry shall be considered or construed to be a forcible entry.

The District agrees to repair any damage to the Premises caused by or in connection with the removal of any articles of personal property, business or trade fixtures, signs or advertising, machinery, equipment, furniture or movable partitions including, without limitation thereto, repairing the floor and patching and painting the walls where required by the City to the City's reasonable satisfaction all at the District's sole cost and expense. The District shall indemnify the City against any loss or liability resulting from delay by the District in so surrendering the Premises, including, without limitation, any claims made by any tenant succeeding the District based on such delay.

7.4. Modifications, Alterations and Additions.

(a) Throughout the Term of this Lease the District shall have the right, at its own expense and without the prior consent of the Director, to install such of its own machinery and equipment, to make such minor improvements and additions, and to attach such removable fixtures in or upon the Premises as may be necessary to conduct its permitted operations, and to remove same at any time prior to the expiration or termination hereof. As used in this Lease, "minor improvements and additions" is defined as ordinary repairs and any non-structural alteration of any portion of the Premises that, individually, cost less than \$15,000 or together with all other items of a similar or related nature during the calendar year, cost less than \$50,000.00, and emergency repairs immediately necessary for the usual and customary usage of the Premises. The foregoing figures shall be adjusted to reflect changes in the CPI in accordance with the methodology described in Section 4.1. The District agrees that it will not divide any project into units of work to circumvent the dollar restrictions stated above.

(b) Except for the Initial Improvements shown in Exhibit B, the District shall make no modifications, alterations, additions or improvements to the Premises or any part thereof the estimated cost of which exceeds the limitations set forth in Section 7.4 (a) (a "Major Alteration"), without first obtaining the prior consent of the Director, which consent shall not be unreasonably withheld. In exercising discretion, the Director shall take into account any proposed alteration or improvement that affects (a) any structural portions of the Building including exterior walls, roof, foundation and core of the Building; (b) the exterior of the Building or which are visible from outside the Building or which are likely to increase insurance costs (unless the District agrees to pay such increased insurance costs; or (c) any of the Building systems, including elevator, plumbing, air conditioning, heating, electrical, security, life safety and power. In seeking the Director's approval, the District shall provide the Director with interim plans and specifications at the end of the design development and at the 50% construction document stage. Prior to any Major Alteration other than an emergency repair, the District shall provide the Director final plans and specifications to which architects and engineers have affixed their professional seals and signatures and such other information concerning the nature and cost of the alterations as may be reasonably requested by the Director. As a condition to giving such consent, the Director may require the District, among other things, to undertake the work in a manner determined by the Director to reasonably minimize disruption to other tenants, occupants, employees and users of Seattle Center, to remove any such modification, alteration, improvement or addition at the expiration of the Lease Term and to restore the Premises to their prior condition. All such modifications, alterations,



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additions and/or improvements shall be constructed at the District's sole cost and expense and shall be performed in a good and workmanlike manner in accordance with Director-approved plans and specifications and by a contractor and under a construction contract, the terms and conditions of which have been approved by the Director (such approval not to be unreasonably withheld). Once approved, no material changes shall be made to any plans and specifications without the Director's consent. If the Director consents to any proposed modification, alteration, addition or improvement to the Premises, the same shall not be a warranty as to the adequacy of the design, workmanship or quality of materials and the City hereby expressly disclaims any responsibility or liability for the same. If any improvement is constructed in violation of this paragraph, the District shall either promptly make it consistent with approved plans and specifications, or cease using the improvement and remove it from the Premises. Except as expressly agreed by the parties, the City shall under no circumstances have any obligation to repair, maintain or replace all or any portion of such modifications, alterations, additions or improvements to the Premises. The District agrees to pay as Additional Rent a reasonable sum for project management costs necessarily incurred by the City with respect to Major Alterations, such sum to be agreed upon by the parties as part of any approval of the Major Alteration.

(c) Before commencing any work under this Section 7, the District, regardless of whether Director consent is required or not, shall notify the Director in writing of the expected date of commencement thereof and shall require its contractor to secure, at no cost to the City, a payment and performance bond as required by statute, naming the City as joint obligee and insurance at least equivalent to that required pursuant to Exhibit B. The City shall then have the right at any time and from time to time to post and maintain on the Premises such notices as the City reasonably deems necessary to protect the Premises and the City from mechanics' liens, materialmen's liens or any other liens. Any such modification, alteration, improvement or addition shall be expeditiously completed in a good and workmanlike manner and in compliance with all applicable Legal Requirements and the requirements of all insurance policies applicable to the Premises. The District shall provide the Director with "as-built" plans showing any change in the Premises or the Building. The District shall require its contractors to maintain a safe working environment at all times, including the continuation of all fire and security protection devices, including fire sprinkler systems and availability and operation of fire water supply lines during any such construction. All damage or injury done to the Premises, the Building, or any private property in the vicinity of the Building during the construction of such work by the District or by any persons who may be in or upon the Premises or the Building with the express or implied consent of the District or which is caused by acts or omissions of the District or the District's officers, contractors, subcontractors, agents, invitees, licensees, employees, successors or assigns shall be paid by the District. The District shall pay, when due, all claims for labor or materials furnished to or for the District at or for use in the Premises.

(d) All such modifications, alterations, additions or improvements shall at the expiration or earlier termination of the Lease become the property of the City and remain upon and be surrendered with the Premises.

(e) All articles of personal property, furniture and movable partitions owned by the District or installed by the District at its expense in the Premises shall be and remain the property of the District and may be removed by the District at any time during the Term of this

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Lease provided that the District shall, at its sole cost and expense, repair any damage to the Premises caused by such removal.

(f) In undertaking any repairs, modifications, alterations, additions or improvements, the District shall ensure that it and each of its contractors and agents protects from damage or destruction private and public property on or in the vicinity of the Premises that is not scheduled for repair, replacement or removal. Any property damaged by the District or its contractors or agents in the course of any repair, modification, alteration, addition or improvement shall be promptly repaired or replaced at District expense.

(g) No change shall be made to electrical wiring or plumbing in the Premises or to and from the Premises other than by a properly licensed electrician or plumber.

7.5. Coordination. The parties shall cooperate to the maximum extent possible to ensure that all construction work undertaken by or on behalf of the District is coordinated with the work of other contractors working at Seattle Center, Seattle Center tenants and with routinely scheduled events and activities. No construction work of any kind shall commence unless and until the parties have agreed upon a coordination plan addressing the hours, terms and conditions under which such construction may occur. The District shall work closely with Seattle Center project manager to schedule construction activity to minimize construction impacts such as noise, dust and fumes.

7.6. City's Right to Stop Work. Exhibit C contains a list of dates and times for the period from January 1, 2002, through July 31, 2002, when construction may not occur, or when activities must be limited to quiet activities. The Director reserves the right to modify this list without consequence to the City by written notice to the District, through September 15, 2001. Thereafter, the Director and the District will consult regarding any adverse impact on Seattle Center events that may result from construction-related activity. If, after consultation between the Director and the District regarding the adverse impact that construction-related activity is likely to have or is actually having on one or more Seattle Center events and their joint effort to modify or reschedule such construction-related activity so as to minimize such adverse effect, the Director determines, in the exercise of such official's discretion, that a material adverse impact is still likely to occur or is occurring, the District, upon notice from the Director, shall order the immediate suspension or cessation of the construction-related activity specified in such notice for the duration identified in such notice. The City will compensate the District for the cost of any such work stoppages that are not shown on Exhibit C, and are not the result of actions by the District or its contractors.

If, after consultation with the District, the Director determines that any work being performed upon the Premises is materially inconsistent with approved construction documents or any other required plan, program or rule, the Director shall so notify the District, in writing, and the parties shall endeavor to resolve the situation. If the parties are unable to devise a plan to resolve the inconsistency, the District, upon notice from Director (and no other official), may order the immediate suspension of the affected portion of the work until the matter has been corrected. The notice shall state the required action to cure the nonconformity. Except in cases affecting public health and safety, the Director will provide the District with at least 72 hours' advance written notice that it intends to issue a suspension notice and provide the District an opportunity to cure the nonconformity. The District shall not be entitled to damages from the City as a consequence of any



increased cost or time of performance attributable to any such suspension, unless it is determined that the Director issued a suspension notice without a reasonable basis.

**8. BUILDING ACCESS; PREMISES USE AND ENTRY BY LANDLORD.**

The District shall be provided with one key to the Building for use by the principal at all reasonable times. Access by others shall be available during normal Center House business hours. If District staff wish to use the Premises outside the established Building hours, it shall so notify the Center House Manager, in advance. The Center House Manager shall inform the school principal of any changes in the Building hours.

In accordance with the District's policy allowing other governmental agencies use of District facilities, the District will allow Seattle Center to use classrooms (other than the chemistry laboratory) on an intermittent basis for Seattle Center-sponsored public programs such as the Seattle Center Arts and Sciences Academy and other similar programs when the Center School is not in session for periods of seven (7) calendar days or more. The Director shall provide adequate supervision of any such use, and will arrange for cleaning all areas used, repairing any damage and replacing any missing items as appropriate promptly after use. Upon advance written request by the Director, the District shall approve each such use, which approval shall not be unreasonably withheld. The District reserves the right to refuse to allow programs for which rent is paid to the Seattle Center. Rent and Additional Rent will be waived on a pro rata basis for the time and space used.

The City reserves for itself, its officers, employees, agents and contractors, free access to the Premises, at all reasonable times for purposes of inspecting, cleaning, or making repairs, to the Premises or any other property owned by or under the control of the City, including additions or alterations to City property other than the Premises, but this right shall not be construed as an agreement on the part of the City to make inspections, clean or make repairs, additions or alterations except as specifically provided elsewhere in this Lease. In addition, the City shall have a right of access to and through the portions of the Premises located on the third and fourth floors of the Building before and after school hours to deliver materials and supplies to other portions of the Building. For each of the aforesaid purposes, the City shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, excluding the District's files, vaults and safes. The District shall be responsible for installing and changing locks for any doors to the Premises, and shall provide the City with two (2) keys for each lock installed or changed immediately after such installation or change has been completed.

If it is necessary to protect the public health and safety, or to make repairs, alterations, additions or improvements in order for the Premises or any portion of the Building to remain in operation, the City may erect barricades and scaffolding in and outside of the Premises, may enter the Premises and may otherwise interfere with the conduct of the District's business and operations where such action is reasonably required by the nature of the City's work. If any such work necessitates the temporary suspension of the District's business or operations in, on or from the Premises, the Director shall notify the District of such necessity and the anticipated beginning and ending dates of such suspension. Rent due to the City pursuant to Section 4 hereof shall be prorated during each month in which the District's business or operations are required by the City to be suspended pursuant to this section, and the District shall have no obligation to pay such prorated

rent during the suspension. The cancellation of the obligation to pay the prorated Rent shall constitute the totality of relief available, and the District waives all claims for damages and for any injury to and interference with its operations or business and losses occasioned by any such suspension. The City agrees when exercising the rights hereunder, to take every reasonable step to keep interruptions in the District's operation of the school to a minimum

## **9. COMPLIANCE WITH ENVIRONMENTAL LAWS.**

9.1. Compliance with Environmental Laws and Regulations. The District hereby represents, warrants, covenants and agrees to and with the City that all operations or activities upon, or any use or occupancy of the Premises, or any portion thereof, by the District or any occupant of the Premises shall throughout the Term of this Lease be in compliance in all material respects with all state, federal and local Environmental Laws and regulations governing or in any way relating to the generation, handling, storage, use, transportation, discharge or disposal (whether legal or illegal, accidental or intentional) of any Hazardous Substances (as hereinafter defined).

9.2. Asbestos Removal or Abatement. The City has advised the District that the Premises may be constructed of or contain asbestos-containing materials. The District shall conduct an asbestos survey of the Premises prior to commencement of any demolition or construction of tenant improvements or any other alterations, modifications or additions to the Premises. If the District discovers any asbestos or asbestos-containing materials, such materials shall be removed by a properly certified asbestos contractor and removed and disposed of in compliance with all Environmental Laws.

9.3. Indemnification; Remedial Work. The District shall not cause or knowingly permit any Hazardous Substances to be brought upon, kept or used in or about the Premises by the District, its agents, employees, contractors, sublessees or invitees, except in compliance with all Environmental Laws. If the District breaches its obligations set forth above or if the presence of Hazardous Substances on or about the Premises caused or permitted by the District results in contamination of the Premises or if contamination of the Premises or surrounding area by Hazardous Substances otherwise occurs for which the District is legally liable, then the District shall protect, defend, indemnify and hold the City harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses, damages for the loss or restrictions on use of any space in the Premises, damages arising from any adverse impact on marketability of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees which arise during or after the Term of this Lease as a result of such contamination. This indemnification of the City by the District includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Substances present in the soil or ground water on, under or about the Premises, the Building or the surrounding area. If the presence of any Hazardous Substance on or about the Premises caused or permitted by the District results in any contamination of the Premises or surrounding area, or causes the Premises or surrounding area to be in violation of any Environmental Laws, the District shall promptly take at its sole cost and expense all actions necessary to return the Premises and surrounding area to the condition existing prior to the introduction of such Hazardous Substance; provided that the City's approval shall first be had and obtained, which approval shall not be unreasonably withheld so long as such actions would not

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potentially have any material adverse long-term or short-term effect on the Premises or surrounding area. If the City causes any Hazardous Substances to be released on or about the Premises resulting in contamination of the Premises or for which the City is legally liable, then the City shall protect, defend, indemnify and hold the District harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses, damages for the loss or restrictions on use of any space in the Premises and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees which arise as a result of such contamination. This indemnification of the City by the District includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Substances present in the soil or ground water on, under or about the Premises or the surrounding area.

9.4. Breach as Material Default. The District hereby specifically acknowledges and agrees that (a) each of the Districts covenants, obligations, agreements, representations and warranties set forth in this Section 9 is a material inducement to the City to enter into this Lease, and (b) breach by the District of any of the District's covenants, obligations, agreements, representations and warranties set forth in this Section 9 shall constitute a material breach of this Lease by the District entitling the City to all of the rights and remedies provided to Landlord under this Lease or under applicable law.

9.5. Survival. Each of the covenants, agreements, obligations, representations and warranties of Tenant set forth in this Section 9 shall survive the expiration or earlier termination of this Lease.

#### 10. DAMAGE TO BUILDING.

10.1. Damage; Extent of Obligation to Restore. In the event that there is any material damage or destruction to the Building (for purposes of this Lease, material damage or destruction shall mean damage or destruction which costs \$250,000 or more to repair or replace), then if the City decides not to repair or replace the damaged portion of the Building and the Premises thereby become unusable, the City shall have the option, upon written notice to the District, which option shall be exercised within thirty (30) days of the date of such damage or destruction, to terminate the Lease. If the City does not elect to terminate the Lease it shall continue in full force and effect and the City shall proceed as promptly as is practicable to restore the Building to an architectural unit as nearly comparable in form, fit and function as is reasonable to the unit existing just prior to such damage. If the City elects to terminate this Lease, such notice of termination shall specify the date for termination of this Lease, which date shall not be more than 30 days after the giving of such notice, and upon the date so specified the Term of this Lease shall expire as fully and completely as if such date were the date hereinabove set forth for the end of the Term of this Lease and the District shall thereupon vacate the Premises, without prejudice to any rights and remedies accrued to the City under this Lease prior to such termination and any Rent paid or payable by the District shall be adjusted as of the date of such termination. Should the City elect to rebuild and be delayed or prevented from completing the repairs or restoration of the damage to the Building after the occurrence of such damage or destruction by reason of force majeure, the time for the City to commence or complete repairs shall be extended for the period of force majeure. In the event of repair, reconstruction and restoration as herein provided, the Fixed Rent provided to be paid under

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this Lease shall be abated proportionately based upon the extent to which the District's use of the Premises is impaired during the period for such repair, reconstruction or restoration.

10.2. Extent of City's Obligation to Restore. If the City is required or elects to restore the Building or such portion thereof which has been destroyed as provided in this Section 10, the City shall not be required to restore the District's personal property, machinery, furniture or equipment, such excluded items being the sole responsibility of the District to restore. The District shall not be entitled to any compensation or damages from the City for the loss of the use of the whole or any part of the Premises, its tenant improvements, alterations, modifications or additions made to the Premises or the District's personal property, or any inconvenience or annoyance occasioned by such damage, repair, reconstruction or restoration, except as may be otherwise provided in Section 10.1 above.

10.3. Damage Near End of Term. Notwithstanding anything to the contrary contained in this Section 10, the City shall not have any obligation whatsoever to repair, reconstruct or restore the Premises (a) when the damage occurs during the last twelve (12) months of the Term, (b) to the extent that insurance proceeds are not available therefore, or (c) to the extent Landlord is unable to obtain necessary permits for the construction thereof.

#### 11. LIENS.

The District shall keep the Premises and the Building of which the Premises are a part, free from any liens out of work performed, materials furnished, or obligations incurred by the District and shall protect, indemnify, hold harmless and defend the City from and against any and all liabilities, losses, damages, expenses and costs (including reasonable attorneys' fees and costs) incurred in connection with any such any liens and encumbrances arising out of any work performed or services, materials or equipment furnished by or at the direction of the District. The District's obligations pursuant to this Section 11 shall survive the expiration or earlier termination of this Lease. The District shall cause any lien filed pursuant to Chapter 60.28 RCW, applicable to work performed on public property and providing for retainage, bonds and releases thereof, to be released of record in accordance with Chapter 60.28 RCW. If the District receives notice of the filing of any lien pursuant to a provision other than Chapter 60.28 RCW, the District shall, within 30 days thereafter, either cause the lien to be released, or provide written assurances reasonably satisfactory to the City that the District shall indemnify the City for all costs and expenses resulting from such lien. The District's position is that such liens are of no force or effect. However, the District acknowledges that if the District fails to take such action, the City shall have, in addition to all other remedies provided herein and by law, the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including payment of the claim giving rise to such lien without investigation as to the validity thereof or of any offsets or defense thereto. The City shall have the right to collect from the District, as Additional Rent, all amounts so paid and all costs and expenses paid or incurred in connection therewith, including reasonable attorneys' fees and disbursements, together with interest thereon at the rate of twelve percent (12%) per annum from the date such cost or expense was incurred until paid in full. Nothing contained in this Lease shall be construed as the consent or request of the City, express or implied, for the performance of any labor or services or for the furnishing of any materials or equipment for any construction, alteration, addition, repair or demolition of or to the Premises (or any part thereof).



## 12. INDEMNITY.

12.1. District's Indemnity. The District shall protect, defend, indemnify and hold the City harmless from and against any and all claims (including, but not limited to employee claims) and from any costs, attorneys' fees, expenses and liabilities incurred in connection with such claim, arising from the District's use of the Building and Premises (including any use of the Building or Premises by the District's agents, contractors or employees) or the conduct of its business or from any activity, work or thing done, permitted or suffered by the District in or about the Premises and shall further protect, defend, indemnify and hold the City harmless from and against any and all claims arising from any breach or default in the performance of any obligation on the District's part to be performed under the terms of this Lease. The District, upon notice from the City, shall defend the same at the District's expense.

12.2. City's Indemnity. The City shall protect, defend, indemnify and hold the District harmless from and against any and all claims (including, but not limited to employee claims) and from any costs, attorneys' fees, expenses and liabilities incurred in connection with such claim, arising from the City's use of the Building (including any use of the Premises by the City, its agents, contractors or employees) and shall further protect, defend, indemnify and hold the District harmless from and against any and all claims arising from any breach or default in the performance of any obligation on the City's part to be performed under the terms of this Lease. The City, upon notice from the District, shall defend the same at the City's expense.

12.3. Joint or Concurrent Negligence. In the event of any concurrent negligence of the District, its agents, employees or contractors on the one hand, and that of the City, its agents, employees or contractors on the other hand, which concurrent negligence results in injury or damage to persons or property, then the District's and the City's obligation to indemnify the other as set forth in this Section 12 shall be limited to the extent of the indemnifying party's negligence, and that of their respective agents, employees or contractors, including the indemnifying party's proportional share of costs, attorneys' fees and expenses incurred in connection with any claim, action or proceeding brought with respect to such injury or damage.

12.4. Waiver of Immunity. Solely with respect to claims for indemnification under this Lease, each party waives as to the other, only, its immunity under Title 51 RCW. The City and the District acknowledge that the indemnification provisions of this Section 12 were specifically negotiated and agreed upon by them.

12.5. Survival of Provisions. The provisions of this Section 12 shall survive the termination or expiration of this Lease.

12.6. Assumption of Risk. The placement and storage of personal property on the Premises shall be the responsibility, and at the sole risk, of the District.

## 13. INSURANCE.

13.1. Liability Insurance. Except as provided in Section 13.4, the District shall, at the District's sole cost and expense, but for the mutual benefit of the City and the District, obtain and keep in force throughout the Term of this Lease (1) Commercial General Liability written on an



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insurance industry standard occurrence form (ISO form CG 00 01) or equivalent, including premises/operations; products/completed operations; personal/advertising injury; contractual liability; independent contractors liability, and fire damage legal liability. The minimum limits of liability for bodily injury and property damage shall be \$1,000,000 each occurrence and \$2,000,000 general, products/completed operations aggregate and \$100,000 for Fire Legal Liability; (2) if any vehicle is used in the conduct of the District's business, a policy of Business Automobile Liability written on an insurance industry standard form (ISO form CA 00 01) or equivalent, to include coverage for owned, non-owned, leased or hired vehicles. The minimum limits of liability for Bodily injury and property damage shall be \$1,000,000 per accident and (3) Worker's Compensation for the State of Washington ("Industrial Insurance") as required by Title 51 of the Revised Code of Washington. Such insurance shall be in form and with deductibles satisfactory to the City. Commercial General Liability insurance shall be endorsed to include The City of Seattle, its officers, elected officials, employees, agents and volunteers as additional insured (on ISO form CG2010 11/85 or equivalent), and the District's policy shall be primary and non-contributory to any coverage maintained by the City. The limits of such insurance shall not, however, limit the liability of the District hereunder.

13.2. Indemnification and Waivers. The parties agree to mutually waive all right of recovery against the other for any loss or damage covered by their respective first party commercial insurance policies for all perils insured thereunder and in the event of any commercially insured loss, neither party's insurance carrier shall have a subrogation claim against the other party; provided, however, that this waiver of subrogation shall not apply if the effect is to void such insurance coverage.

13.3. Insurance During Construction. The District shall ensure that whenever any construction work is undertaken in or about the Premises each of its contractors maintains continuously throughout the period of such work, at no cost to the City, liability insurance (including worker's compensation) with limits at least equivalent to those provided in Exhibit B to the benefit of the City.

13.4. Self-Insurance. The District represents that it is self-insured for exposures considered a part of commercial general liability coverage up to \$1,000,000, and fire legal liability up to \$100,000. Automobile coverage of at least \$1,000,000 per accident will be provided by coverage through participation in a multi-district school district pool. Accordingly, for as long as the District self-insures, the District will not be providing any insurance or proof of insurance as provided in paragraphs 13.1 and 13.5. The District agrees to notify the City promptly if it ceases self-insurance at least equal to the requirements of 13.1.

13.5. Insurance Policies. All insurance required under this Lease shall (i) be issued by insurance companies authorized to do business in the state of Washington with an A-VII Best rating or other rating reasonably satisfactory to the City; (ii) be issued as a primary policy; and (iii) contain an endorsement requiring forty-five (45) days prior written notice from the insurance company to the City before cancellation, except in cases of nonpayment, in which case notice shall be ten (10) days. The District shall notify the City of any change in the coverage, scope or amount of any policy. The following documents must be provided as evidence of insurance coverage: (i) a copy of the policy's declarations pages, showing the policy effective dates, limits of liability and the Schedule of Forms and Endorsements; (ii) a copy of the endorsement naming the City of Seattle as

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an additional insured, showing the policy number and signed by an authorized representative, on Form CG2026 (ISO) or equivalent' (iii) A copy of any endorsements to the policy which are not issued on standard (ISO) forms, such as company-specific or manuscript endorsements; and (iv) a "Separation of Insureds" or "severability of interests" clause indicating essentially that "except with respect to the limits of insurance, and any rights or duties specifically assigned to the first named insured, this insurance applies as if each named insured were the only named insured, and separately to each insured against whom claim is made or suit is brought."

#### 14. DEFAULT; REMEDIES.

14.1. District Default. The occurrence of any of the following shall constitute a material default and breach of this Lease by the District:

- (a) any failure by the District to pay Rent, Additional Rent or any other monetary sums required to be paid hereunder within ten (10) days of the date when due;
- (b) the abandonment or vacation of the Premises by the District for a period of thirty (30) days;
- (c) the failure by the District to provide security appropriate to its operations;
- (d) a failure by the District to observe or perform any material covenant, condition or provision of this Lease not already specifically mentioned in this Section 14, where such failure continues for thirty (30) days after written notice thereof by the City to the District; provided, however, that if the nature of the default is such that the same cannot reasonably be cured within said thirty (30) day period, the District shall not be deemed to be in default if the District shall within such period commence such cure and thereafter diligently prosecute the same to completion within ninety (90) days thereafter.

14.2. City Default. The City's failure to observe or perform any material covenant, condition or provision of this Lease, where such failure continues for thirty (30) days after written notice thereof by the District to the City shall be a default; provided, however, that if the nature of the default is such that the same cannot reasonably be cured within said thirty (30) day period, the City shall not be deemed to be in default if the City shall within such period commence such cure and thereafter diligently prosecute the same to completion within ninety (90) days thereafter.

14.3. Remedies. In the event of a default, the party not in default shall have the right to terminate this Lease or any extension of it by giving to the party in default at least ninety (90) days notice in writing of said termination. Upon the expiration of the date and time fixed in the notice of termination, the District shall immediately surrender to the City the Premises and all improvements thereto.

14.4. Remedies Cumulative. The remedies under this Section 14 are in addition to, and not in limitation of, any other remedies provided in this Lease.

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**15. INSTALLATION OR INTEGRATION OF VISUAL ART WORKS PROHIBITED**

The District shall not install or integrate or permit any other person or entity to install or integrate into, on or in the Premises any "work of visual art," as that term is defined in the Visual Artists Rights Act of 1990, as now existing or as later amended, without the prior, express, consent of the Director. The Director's consent to the installation of any such artwork shall not be required under the following three (3) circumstances:

(a) If such art work (i) weighs less than fifty (50) pounds; and (ii) is of a size and has such dimensions and material composition that makes its passage through an open 32" x 78" or larger doorway a simple and easy maneuver; and (iii) is to be installed on the floor, a piece of furniture, or similar surface without further anchoring of any kind or nature, or on a wall using no more than two (2) simple picture hooks and wire; all so that the easy removability from the Premises of such art work without its destruction, distortion, mutilation or other modification by reason of such removal is undeniable; or

(b) If the District delivers to the Director a waiver appropriately executed by the art work creator, for the benefit of the City and its successors and assigns as the owner of the Premises, of the creator's right of integrity regarding such art work, in a form of waiver that satisfies both the Director and the requirements of 17 U.S.C. §106A(e), as the same now exists or is hereafter modified; or

(c) If the Director executes with the creator of a work of visual art to be installed in the Premises a consent agreement of the type contemplated by 17 U.S.C. §113(d)(1), as the same now exists or is hereafter amended, and in the form and manner specified by the Director.

If the creator of any work of visual art installed in the Premises by or for the District has not executed a waiver, or such creator and the City have not executed a consent agreement, each as described herein, the District shall ensure that, prior to removing or allowing the removal from the Premises of any such art work, such creator is given both notice, as contemplated in 17 U.S.C. §113(d)(2), of the intended removal of such art work, and the time required by that statutory provision to respond to such notice, and that the District takes whatever other action(s) may be required by such legislation to ensure that no claim, action or suit alleging a violation of the Visual Artists Rights Act of 1990, as now existing or hereafter amended, and arising out of any act or omission of or for the District or any of its officers, employees, or agents, is filed or lodged against the City in its capacity as the Premises owner.

**16. RIGHTS RESERVED BY CITY.**

Notwithstanding any other provision of this Lease, the City, without liability of any kind, may:

(a) increase, reduce, and change in any manner whatsoever the number, appearance, dimensions, and locations of Seattle Center walks, buildings, landscaping, parking, and service areas, and may also make improvements, alterations, and additions to the common areas of any Seattle Center building;



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- (b) regulate all traffic within and adjacent to Seattle Center;
- (c) erect, display and remove promotional exhibits and material and permit special events on Seattle Center grounds, buildings and facilities;
- (d) promulgate, from time to time, reasonable rules and regulations regarding the use and occupancy of any area of Seattle Center;
- (e) restrict or prohibit the parking on City-owned or leased property of motor vehicles, including motor vehicles owned or operated by the District and any of its officers, employees, agents, suppliers, or invitees;
- (f) determine the days and hours Seattle Center and any building or facility thereon will be open to the public, including the Building in which the Premises are located;
- (g) change the size, number and type and identity of other concessions, stores, businesses, and operations being conducted or undertaken at Seattle Center;
- (h) exercise any other power or right authorized by law or ordinance.

The rights reserved hereunder shall be exercised in such manner as does not unreasonably interfere with the District's access to and use of the Premises as a school. The rights reserved hereunder may be transferred by the City wholly or in part to any private or public parties, whether or not in connection with the transfer of a fee interest in the Premises or any part thereof.

#### 17. ASSIGNMENT AND SUBLETTING.

17.1. City's Consent Required. The District shall not enter into any sublease of the Premises or any portion thereof or any assignment of any interest in this Lease, whether long- or short-term in nature, without the prior consent of the Director, which consent may be refused or conditioned in the Director's sole discretion.

17.2. No Waiver of Consent. No consent by the Director to any assignment, sublease or other transfer shall release the District from liability under this Lease or of any obligation to be performed by the District under this Lease, whether occurring before or after such consent, assignment, sublease or other transfer unless such consent expressly provides to the contrary. The consent by the Director to any assignment, sublease or other transfer shall not relieve the District from its obligation to obtain the Director's express consent to any other assignment, sublease or other transfer. The acceptance of Fixed Rent or Additional Rent by the City from any other person shall not be deemed to be a waiver by the City of any provision of this Lease or be construed or constitute a consent to any such assignment, sublease or other transfer. Consent to one assignment, sublease or other transfer shall not be deemed to constitute consent to any subsequent assignment, sublease or other transfer.

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#### 18. DISPUTES.

The parties shall make their best efforts to resolve disputes as expeditiously as possible through negotiations between the Center House Manager and the high school principal. If those negotiations are unsuccessful, the matter shall be referred in the first instance to the Seattle Center Deputy Director and the District's Chief Operations Officer and, finally, to the Seattle Center Director and the District's Superintendent. If the parties cannot resolve any dispute arising under this Lease, they agree to participate in mediation using a mediator selected by the Judicial Arbitration and Mediation Service, Seattle office, or such other mediator as the parties may agree upon. Such mediation shall occur within 30 days after the meeting between the Seattle Center Director and the District Superintendent. Litigation shall not be filed relating to this Lease, except for injunctive relief, until at least 30 days after the conclusion of said mediation.

#### 19. ANNUAL OPERATIONAL REVIEW.

On or before August 1 of each year during the Term hereof, representatives of the parties shall meet to review the operational impacts of the District's program on Seattle Center operations and activities. To the extent reasonably practicable, the District shall promptly implement reasonable modifications to its program requested by the Director that are intended to mitigate demonstrable adverse affects that the District's program is having upon Seattle Center operations.

#### 20. SURRENDER OF PREMISES.

20.1. Subleases. The voluntary or other surrender of this Lease by the District, or a mutual cancellation thereof shall, at the option of the City, terminate all or any existing subleases or subtenancies, or may, at the option of the City, operate as an assignment to it of any or all such subleases or subtenancies.

20.2. Condition of Premises Upon Surrender. Upon the expiration of this Lease or its prior termination, the District shall surrender the Premises, including all improvements, alterations, changes and additions thereto, in good repair, good order and in a clean and safe condition. On or before such date the District shall deliver to the City (a) all keys to any doors, fixtures or personal property on the Premises and all Building keys; (b) all plans, blueprints, surveys, diagrams, subleases, contracts and documents relating to the Premises or the improvements; and (c) all security deposits, prepaid rent and any other deposits from sublessees still in possession (but nothing herein shall be construed as the City's consent to any such continued possession).

20.3. Holding Over. If the District remains in possession of all or any part of the Premises after the expiration of the Term hereof (including any Option Periods), with or without the express or implied consent of the City, such tenancy shall be from month to month only, and not a renewal hereof or an extension for any further term, and in such case the District shall pay the City rent in an amount equal to One Hundred Fifty Percent (150%) of the then current Fixed Rent for the entire time the District thus remains in possession and the District shall hold the City harmless from all damages resulting from the District's failure to surrender the Premises or any portion thereof, including, without limitation, claims made by a succeeding tenant resulting from the District's failure to surrender the Premises or any portion thereof. All provisions of this Lease, except those

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pertaining to the amount of Fixed Rent payable and Term, shall apply to such month-to-month tenancy.

**21. MISCELLANEOUS.**

**21.1. Waiver of Right to Object to Liquor Licenses.**

(a) The District acknowledges that (i) the Building in which the Center School is to be located is a public establishment, and that other tenants of the Building and of Seattle Center include businesses that have liquor licenses, (ii) from time to time Seattle Center allows incidental, temporary events within the Building or on the Seattle Center grounds that include the sale of alcoholic beverages, (iii) the District has conducted such inquiries and any investigation it deems necessary or appropriate regarding such activities and has concluded that the location of the Center School within the Building is an appropriate location for the Center School, and (iv) the District has no objection to continuation of the present level or type of activities involving alcoholic beverages on the Seattle Center grounds or within the Building. The District further acknowledges that Seattle Center will undergo continual changes such as new facilities, renovation of existing ones, or site enhancements, which may mean that new alcoholic beverage licenses are desirable for activities that are aligned with Seattle Center's goal of being a family-oriented gathering place.

(b) In consideration of the foregoing, the District hereby waives its right to object pursuant to RCW 60.24.010(9) or any successor statute, to the issuance of any liquor license (i) to an establishment on Seattle Center grounds outside of the Building; (ii) to an establishment within the Building in a location that is the same or substantially similar to one that is licensed as of the effective date of this Lease and where liquor sales are confined within a discrete leasehold area; or (iii) to a Seattle Center tenant or licensee for any intermittent use, such as festivals or special events, provided such use does not occur within the Building during the hours of 9:00 a.m. and 4:00 p.m. Furthermore, provided the overall family orientation of the Building is not changed thereby, the District agrees not to object to the issuance of new alcoholic beverage licenses to any establishment within the Building that is of a character similar to those presently licensed and where liquor sales are confined to within a discrete leasehold area.

(c) The City agrees to consult with the District prior to finally approving any new use of the Building that would entail the serving of alcoholic beverages, and the District agrees to consult with the City prior to the District's objecting to the issuance of any liquor license. Any dispute regarding the application of this Section to the issuance of a proposed liquor license shall be subject to the dispute resolution mechanism described in Section 18.

**21.2. Notice of Potential Labor Actions.** The parties agree to immediately notify one another if either learns of any threatened labor action or other labor-related issue that is governed by or affects this Agreement or the parties' use of the Building or the Premises. Promptly after such notification, the parties shall meet to discuss mutually satisfactory methods of resolving the issue so as to avoid or minimize any disruption to the parties' operations.

21.3. Report of Damage or Destruction. The District shall notify the Center House manager of any damage to the Premises within twenty-four (24) hours after its discovery.

21.4. Objectionable Merchandise or Material. The District shall not display or offer for sale or rent, or allow to be displayed or offered for sale or rent, on the Premises, any merchandise or other material that is unsafe; that portrays the City or Seattle Center or any aspect thereof in an incorrect, misleading or unfavorable manner; that depicts or suggests in words, symbols, illustrations or other forms, any act of violence, or any lewd, immoral or obscene activity; or that is inconsistent with the image of a first-class family-oriented retail and entertainment development, or is otherwise inappropriate for a family-oriented recreation and entertainment facility such as Seattle Center; or that may create a substantial litter or other maintenance problem at Seattle Center, all of which shall be determined by the Director in the exercise of such official's sole discretion.

21.5. Director's Consent or Approval.

(a) Whenever the Director's consent or approval in writing to any act to be performed by the District is required under the Lease (a) the District must obtain a consent or approval in writing expressly for purposes of this Lease, regardless of whether a consent or approval shall have been granted by the City in its regulatory, public utility, or other capacity; and (b) unless otherwise expressly stated herein, such consent or approval may be withheld in the Director's sole and absolute discretion.

(b) No permission, consent, or approval of the Director contained herein or given pursuant to this Lease is, or shall be construed as, a representation or assurance that the matter consented to or approved complies with applicable laws, regulations, ordinances or Codes, nor shall any such consent or approval be construed to authorize any failure to comply with any of the foregoing.

21.6. 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 District or any party associated with the District in the conduct of the District's business or otherwise. This Lease does not make the District the agent or legal representative of the City for any purpose whatsoever.

21.7. Amendments. No modification or amendment of this Lease may be made except by written agreement signed by the Director and an authorized representative of the District.

21.8. Interest on Past Due Obligations. Except as expressly herein provided, any amount due to the City not paid when due shall bear interest at the rate of twelve percent (12%) per annum from the date due until paid. In addition, in the event of any delinquency, the District shall owe the City a service charge of Fifty Dollars (\$50.00), or such larger sum as is established by ordinance, for each month the delinquency continues. Payment of such interest or service charge shall not excuse or cure any default by the District under this Lease.

21.9. Notices. All notices or requests required or permitted under this Lease shall be in writing, shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid, or by facsimile transmission and shall be deemed to have been given when so delivered mailed or faxed (provided that the fax machine has issued a printed confirmation of receipt)

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irrespective of whether such notice or request is actually received by the addressee. All notices or requests shall be sent as follows:

If to the City: Seattle Center Director  
305 Harrison St.  
Seattle, WA 98109

If to the District: Seattle School District No. 1  
Property Management Office  
4141 Fourth Avenue South  
Seattle, WA 98134

with a copy to the Center School principal.

Either party may change the address to which notices shall be sent by notice to the other party.

21.10. Captions; Attachments.

(a) The captions of the paragraphs of this Lease are for convenience only and shall not be deemed to be relevant in resolving any question of interpretation or construction of any section of this Lease.

(b) Exhibits attached hereto are deemed by attachment to constitute part of this Lease and are incorporated herein.

21.11. Entire Agreement. This instrument along with any exhibits and attachments hereto constitutes the entire agreement between the City and the District relative to the Premises. The City and the District agree hereby that all prior or contemporaneous oral agreements between and among themselves and their agents or representatives relative to the leasing of the Premises are merged in or revoked by this Lease.

21.12. Severability. If any term or provision of this Lease shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforceable to the fullest extent permitted by law.

21.13. Binding Effect; Choice of Law. Subject to any provisions hereof restricting assignment or subletting by the District, all of the provisions hereof shall bind and inure to the benefit of the parties hereto and their respective successors and assigns. The laws of the State of Washington shall govern this Lease.

21.14. Waiver. No covenant, term or condition or the breach thereof shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any covenant, term or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term or condition. Acceptance by one party of any performance by the other after the time the same shall have become due shall

not constitute a waiver by the non-breaching party of the breach or default of any covenant, term or condition unless otherwise expressly agreed to by the non-breaching party in writing.

21.15. Fair Construction. The provisions of this Lease shall be construed as a whole according to their common meaning, not strictly for or against any party, and consistent with the provisions contained herein in order to achieve the objectives and purposes of this Lease. Each party hereto and its counsel has reviewed and revised this Lease and agrees that the normal roles of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Lease.

21.16. Authority. Each party represents to the other that the person signing this Lease on its behalf is properly authorized to do so.

## 22. DEFINITIONS.

The following capitalized terms used in this Lease shall have the following meanings unless the context otherwise requires:

"Additional Rent" means all amounts, which the District is required to pay the City pursuant to this Lease (other than Fixed Rent).

"Building" means a four-story building in which the Premises are located, commonly known as Seattle Center House, consisting of approximately 247,000 square feet of office, retail and public assembly space. The real estate and improvements including the Building are located in Seattle, King County, Washington. The Building has a street address of 305 Harrison Street, Seattle, Washington 98109.

"Codes" include all land use, building, housing, fire, electrical, mechanical, plumbing and other codes applicable under City ordinances or State law, and all interpretations thereof issued by the agencies responsible for the administration thereof.

"Commencement Date" means the day the Lease Term commences as set forth in Section 3.1.

"Common Areas" means any Seattle Center area designated by the City as being for the general use of tenants, licensees, concessionaires, patrons, employees, and invitees of the Seattle Center and not within the exclusive control of any tenant, licensee, or concessionaire, and shall include but not be limited to parking areas, landscaped areas, areaways, roads, walks, corridors, malls, public toilets, public stairs, ramps, elevators, escalators, and shelters.

"Environmental Law" means, as amended from time to time, the Federal Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901 et seq., Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 9601 et seq., Federal Hazardous Materials Transportation Control Act of 1980, 42 U.S.C. Section 1801 et seq., Federal Clean Air Act, 42 U.S.C. Section 7401 et seq., Federal Water Pollution Control Act, Federal Water Act of 1977, 93 U.S.C. Section 1251 et seq., Federal Insecticide, Fungicide and Rodenticide Act, Federal Pesticide Act of 1978, 7 U.S.C. Section 136 et seq., Federal Toxic Substances Control



Act, 15 U.S.C. Section 2601 et seq., Federal Safe Drinking Water Act, 42 U.S.C. Section 300f et seq., Washington Water Pollution Control Act, RCW Chapter 90.48, Washington Clean Air Act, RCW Chapter 70.94, Washington Solid Waste Management Recovery and Recycling Act, RCW Chapter 70.95, Washington Hazardous Waste Management Act, RCW Chapter 70.105, Washington Hazardous Waste Fees Act, RCW Chapter 70.95E, Washington Model Toxics Control Act, RCW Chapter 70.105D, Washington Nuclear Energy and Radiation Act, RCW Chapter 70.98, Washington Radioactive Waste Storage and Transportation Act, RCW Chapter 70.99, Washington Underground Petroleum Storage Tanks Act, RCW Chapter 70.148, and any regulations promulgated thereunder from time to time.

"Hazardous Substance" means any matter including petroleum products and by-products, asbestos, infectious waste and any other materials, which is now or hereafter designated as a hazardous substance pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq., or that is now or hereafter regulated by applicable Environmental Laws.

"Law" means any constitution, statute, ordinance, regulation, rule, resolution, judicial decision, administrative order or other requirement of federal, state, county, municipal or other governmental agency or authority having jurisdiction over the parties or the Premises, or both, in effect either at the time of execution of this Lease or at any time during the Term, including without limitation, any regulation or order of a quasi-official entity or body (e.g., board of fire examiners or public utilities); all rules, laws and regulations arising under The Americans with Disabilities Act and the regulations issued thereunder by the United States Department of Justice.

"Legal Requirements" means all applicable federal, state and local laws, ordinances and regulations and other governmental rules, orders and determinations now or hereafter in effect, whether or not presently contemplated, applicable to the Premises, or its ownership, operation, use or possession, including (without limitation), all those relating to building codes, zoning or other land use matters, The Americans With Disabilities Act of 1990, as amended, life safety requirements and environmental compliance with respect to the handling, treatment, storage, disposal, discharge, use and transportation of Hazardous Substances.

"Operating Expenses" means any and all costs and expenses paid or incurred by the City in connection with the repair, operation, use and maintenance of the Premises including, but not limited to:

(a) The repair, replacement, operation and maintenance of the Premises including, without limitation, interior maintenance, interior perimeter and interior partition walls and finishes (including periodic painting thereof), floors, floor coverings, elevators, HVAC, exhaust system, mechanical, electrical, plumbing and other building systems, equipment and machinery to the extent located in or serving the Premises.

(b) All costs of utilities furnished to the Premises, including, without limitation, refuse collection, water, sewer, gas and other public utilities to service the Premises, fire protection, security services, janitorial and cleaning services (including trash collection, cleaning and window washing), pest control (including vermin and insects) and costs of supplies, materials, equipment and tools used in connection with the operation, maintenance and repair of the Premises;

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(c) All license, permit and inspection fees, and any applicable sales, use and excise taxes on goods and services purchased by the City or the District in connection with the operation, maintenance or repair of the Premises;

(d) All costs of complying with governmental laws now or hereafter constituted applicable to the Premises (including Environmental Laws), and any applicable hazardous waste remediation rules or regulations resulting from District use, occupancy or contamination of the Premises;

(e) Taxes;

(f) Any other costs required to maintain the Premises in a safe, sound and attractive condition and state of repair; and

(g) Improvements to the Premises, or in repair or replacement of building systems or equipment or which are required by Laws enacted after the date of this Lease, and any other expense or charge whether or not hereinabove described, which would be considered an expense of maintaining, operating or repairing the Premises.

### 23. LIST OF EXHIBITS.

Exhibit A – Site Plan of Premises

Exhibit B – Plans and Specifications for Improvements to Third Floor West and to Premises.

Exhibit C – List of Restricted Construction Times and Activities From January 1, 2002 to July 31, 2002

Signed:

THE CITY OF SEATTLE

By: Virginia Anderson  
Signature  
Virginia Anderson  
Director, Seattle Center

Date: 11/16/01

THE SEATTLE SCHOOL DISTRICT

By: Joseph Olchefske  
Signature  
Joseph Olchefske  
Superintendent of the Seattle Schools

Date: Nov 16, 01

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CITY ACKNOWLEDGMENT

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

On this 16<sup>th</sup> day of November, 2001, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared VIRGINIA ANDERSON, to me known to be the Director of Seattle Center for The City of Seattle, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.



Irene F. Perry  
NOTARY PUBLIC in and for the State  
of Washington, residing at Lynnwood  
My commission expires: 5-2-02  
Print Name: Irene F. Perry

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SEATTLE SCHOOL DISTRICT ACKNOWLEDGMENT

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

RAT  
MANHATAS

On this 16th day of November, 2001, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared JOSEPH OLCHEFSKE, to me known to be the Superintendent of the Seattle Public Schools Seattle, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.



Carole S. Rusimovic  
NOTARY PUBLIC in and for the State  
of Washington, residing at Auburn, WA  
My commission expires: 3/19/04  
Print Name: Carole S. Rusimovic

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EXHIBIT A  
SITE PLAN OF PREMISES

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EXHIBIT B

The following documents dated October 1, 2001 are the construction bid documents for The Center School. These listed documents are hereby incorporated into this lease by this reference.

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- 00400 BID FORM
  - BID PRICE FORM – ATTACHMENT 1
  - CONTRACTOR'S BID BOND – ATTACHMENT 2
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- 00630 AFFIDAVIT OF PREVAILING WAGES PAID
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- 00660 INDEMNIFICATION CERTIFICATE
- 00700 GENERAL CONDITIONS
- 00800 SUPPLEMENTAL CONDITIONS
- 00804 SAFETY PROCEDURES
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- 00820 WAGE RATES
  - DOL&I WASHINGTON STATE PREVAILING WAGE RATES FOR PUBLIC WORK CONTRACTS (KING COUNTY 8/31/01)
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EXHIBIT B

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EXHIBIT B

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**ADDENDA**

Addendum No. 1 Dated 10/17/01  
Addendum No. 2 Dated 10/24/01

END OF EXHIBIT B

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## **EXHIBIT C**

### **Center High School List of Restricted Construction Times and Activities From January 1, 2002 to July 31, 2002**

#### **Summary:**

- Outside Premises:
  - 11:00 p.m. – 7:30 a.m., all work ok at all times
  - No work before 11:00 p.m. on Fridays
  - No work before 11:00 p.m. on Saturdays
  - No work before 8:00 p.m. Sunday – Thursday; work earlier than 11:00 p.m. must be limited to quiet activities.
- Inside Premises:
  - In addition to the above, quiet activities may occur any time inside the Premises.

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In limited situations, the Seattle Center House Manager shall have the authority to grant an exception to these times.

The District shall ensure that building systems in non-construction areas of the Seattle Center House are operational by 7:30 a.m. each day. This will include, but not be limited to, electrical, HVAC and water. Any interruption of service, which will cut off refrigeration to vendor kitchens, shall be worked out with the Seattle Center House Manager at least 48 hours in advance of the interruption of service.

The District shall complete clean up of all public areas impacted by construction work before 7:30 a.m. each day.

July 30, 2001

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LEASE  
by and between  
THE CITY OF SEATTLE  
and  
SEATTLE SCHOOL DISTRICT No. 1

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## LEASE

THIS LEASE (the "Lease") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2001, by and between THE CITY OF SEATTLE, a first-class city of the State of Washington (the "City"), acting through its Seattle Center Director (the "Director"), and SEATTLE SCHOOL DISTRICT No. 1, a Washington municipal corporation (the "District").

## RECITALS

WHEREAS, the District is qualified and willing to lease, rehabilitate and improve a portion of the Seattle Center House to provide a location for the educational and administrative activities of The Center School; and

WHEREAS, the City and the District recognize that the District's use of the premises must be coordinated with other uses of Seattle Center and must comply with the reasonable rules and regulations established by the Director for use of Seattle Center; and

WHEREAS, the District and the City intend that the construction and operation of the high school result in no net additional costs to the City.

NOW, THEREFORE, in consideration of the rents to be paid and the covenants and agreements hereinafter provided which the City and the District agree to keep and perform, the City and the District as hereby agree as follows:

### 1. PREMISES.

1.1. Lease to District. The City hereby leases to the District and the District hereby leases from the City certain portions of the Building at Seattle Center commonly known as "Seattle Center House" and located on the following real property:

Lot 1-12, Block 46, D.T. Denny's Third Addition to North Seattle, according to plat recorded in Vol. 1 of Plats, Page 145, Records of King County, Washington.

Those portions of the Seattle Center House subject to this Lease (collectively, "the Premises") are depicted on the site plan attached Exhibit A, and are identified as Center House, west wing, third and fourth floors, consisting of approximately 17,500 square feet.

1.2. Nonexclusive License to Use Common Areas. The City hereby grants to the District, and its officers, employees, agents, and invitees the nonexclusive right during the Term of this Lease to use the Seattle Center Common Areas as from time to time constituted, which use shall be in common with all other visitors and users of the Seattle Center and subject to such rules and regulations as the Director may promulgate.

1.3. Right of Access for Construction. Except as approved by the Director, it is a condition precedent to the District's use and occupancy of the Premises for any school purpose that it entirely complete the construction of the improvements to the third floor of the Building depicted

July 27, 2001

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on Exhibit B. Such improvements include the build-out of the Seattle Center Production staff offices; the relocation of the Family Room, Play Area, and Command Center, and Gallery lighting. The City hereby grants the District a license to construct said improvements and to store related construction materials in the staging area shown on Exhibit A. The District agrees to finally complete the third floor west improvements by March 31, 2002, to substantially complete all other improvements outside the Premises by May 20, 2002 (with final completion on or before May 17, 2002), and to substantially complete all improvements to the Premises by July 31, 2002 (with final completion on or before August 28, 2002). The improvements shown in Exhibit B are collectively referred to herein as the "Initial Improvements".

Before commencing construction of the Initial Improvements, the District shall provide the Seattle Center project manager with a copy of the anticipated construction schedule. As the work proceeds, the District shall promptly supply the project manager with a copy of any revised construction schedule and shall immediately notify the project manager of any circumstances that may result in a delay in any of the above completion dates. The parties acknowledge that any delay in the final completion date for the third floor west improvements or substantial completion dates for the other Initial Improvements outside the Premises will inconvenience the public and interfere with the governmental functions of the City resulting in loss and damage to the City. From the nature of this agreement, it would be impracticable and extremely difficult to fix the actual damages sustained as a result of such delays. The City and the District therefore agree that in the event of any such delay that is not caused by the actions or inaction of the City, the District shall pay the City as liquidated damages and not as a penalty, the sum of Five Hundred dollars (\$500) per day for the first fourteen (14) days of any such delay, and One Thousand dollars (\$1,000) per day for each day of delay thereafter.

The District agrees that no material change shall be made to the approved plans and specifications for the Initial Improvements without the Director's consent. The District shall provide the City with a complete set of as-built drawings for the Initial Improvements as soon as possible following completion of construction.

1.4. Condition of the Premises. The District has had an opportunity to and has conducted an investigation of the Premises and is generally knowledgeable and familiar with the present condition and state of repair of the Premises and the Building. The District acknowledges that the Seattle Center House was built in 1937 and that many of the building systems do not comply with current codes and regulations. The District acknowledges that, except to the extent expressly set forth in this Lease, neither the City nor any agent of the City has made any representation or warranty with respect to the Building or the Premises or with respect to the suitability or fitness of the Building or the Premises for the conduct of District's business or any other purposes. Except as otherwise provided in Section 1.5 of this Lease, the District shall take possession of the Premises in their current "AS IS" condition and state of repair, and the parties agree that the City shall not be responsible for performing any alterations or improvements to the Premises which may be required as a result of the District's use and occupancy of the Premises, including, but not limited to, any alterations or improvements to the Premises required to comply with The Americans with Disabilities Act of 1990, nor shall City be required to make any other alterations, repairs or improvements to the Premises except as the parties may expressly agree from time to time. The taking of possession or use of the Premises by the District for the conduct of its business shall conclusively establish that the Premises were at such time in satisfactory condition and state of

July 27, 2001

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repair, and without any representation or warranty by the City, express or implied, and expressly without recourse to the City as to the physical condition or suitability of the Premises for the District's intended purposes. The City covenants to maintain and operate the common areas so as not to obstruct access to and from the Premises.

1.5. Work to be Performed at City Expense. The City agrees to pay the District its actual costs for design and construction work necessary to anchor the Building's wood roof and diaphragms to the surrounding walls and installing four City-furnished gate valves and two variable air volume boxes on the fourth floor of the Building, consistent with the plans shown in Exhibit B, to a maximum total payment of \$300,000. The District shall require its design consultant and contractor to separately invoice for services related to that element of the work, to a level of detail reasonably required by the Director. The City will reimburse the District for the costs of said design and construction work within 30 days of receiving an approved form of invoice therefor. The parties acknowledge that the City may wish to undertake, at City expense, additional design and/or capital improvement work for the Building that would benefit both the City and the Center School. In such event, the District agrees to cooperate with Seattle Center to determine the most efficient way of accomplishing the improvements, which may involve change orders to District construction contracts.

## 2. USE OF THE PREMISES.

2.1. Use. The District may use and occupy the Premises solely to provide educational instruction to high school students, storage, administrative uses and related ancillary functions in support of and consistent with its primary function as a school (collectively, the "Permitted Use") and for no other purpose without the prior consent of the Director. The District agrees that it has determined to its satisfaction that the Premises can be used for the Permitted Use.

2.2. Compliance with Laws. The District, at its expense, shall promptly comply with all applicable federal, state and local laws, ordinances and regulations and other governmental rules, orders and determinations now or hereafter in effect, whether or not presently contemplated, applicable to the Premises, or its ownership, operation, use or possession (collectively, "Legal Requirements"), including, without limitation, all those relating to equal employment opportunity and nondiscrimination (notably SMC chapter 20.44), building codes, zoning or other land use matters, The Americans with Disabilities Act of 1990, as amended, life safety requirements, environmental compliance with respect to the handling, treatment, storage, disposal, discharge, use and transportation of Hazardous Substances and shall not allow the Premises to be used for any unlawful purpose. If any governmental license or permit shall be required for the proper and lawful use of the Premises, the District shall at its expense obtain and thereafter maintain such license or permit in full force and effect and in compliance with all conditions or requirements set forth therein.

2.3. Uses Prohibited. Unless approved by the Director, in such official's sole discretion, the District shall not use, operate or maintain any apparatus, machinery, equipment or device (including, without limitation, computer equipment, data processing machines or telecommunications equipment) in or about the Premises that will cause any noise beyond the levels permitted by law, increase the amount of ventilation, air exchange, gas, steam, electricity or water beyond the existing capacity of the Building or the Premises, or cause vibration of or structural

July 27, 2001

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damage to the Building. In the event of any such use or operation, upon notice from the Director, the District shall cease operating such apparatus, machinery, equipment or device until it has taken such action as the Director shall reasonably require to eliminate or minimize the disturbance or potential damage. The Director hereby approves the District's plans and specifications, as described in Exhibit B.

2.4. Exterior Fixtures. The District shall not install exterior lighting fixtures, shades or awnings or do any exterior decoration or paint, or make any structural alterations to the Building or the Premises without the prior consent of the Director. The Director hereby approves the exterior features noted in Exhibit B.

2.5. Signs. The District shall not display, inscribe, paint or affix any sign, advertising or printed material to any part of the Premises, which is visible outside the Premises, or elsewhere on Seattle Center grounds without the prior consent of the Director. Unauthorized material shall be removed by the District at its sole expense, upon notice from the Director. Signage identifying the school or directional signage to the school shall conform to the Seattle Center and Center House site and design and guidelines. The District hereby consents to the signage as noted in Exhibit B.

2.6. Seattle Center Rules and Regulations. The District shall observe and cause other persons allowed by it onto the Premises to observe, such reasonable rules and regulations governing the Building or the Premises as the Director may promulgate from time to time provided such rules do not conflict with the express terms of this Lease.

2.7. Deliveries. All deliveries shall be made to a delivery location or entrance designated by the Center House Manager. Unless special arrangements have been made with the Center House Manager and except during major festivals, deliveries shall be completed prior to 11:00 a.m. The Center House Manager shall have the right to modify or limit delivery times during major festivals, including the festival move-in and move-out periods.

2.8. District's Representative. The District hereby designates the Center School principal as its representative for routine day-to-day contracts between the District and the Center House staff.

### 3. TERM.

3.1. Term. This Lease shall be for a term of fifteen (15) years ("Term") commencing on the 1st day of January, 2002 ("Commencement Date") and shall terminate on the last day of June, 2016, unless sooner terminated as provided in this Lease, subject to the District's right to extend the Term in accordance with the provisions of Section 3.2.

3.2. Options to Extend. Provided the District is not in default, and there is no event that with the giving of notice, the passage of time or both would constitute an Event of Default under this Lease, the District shall have two (2) options to renew the Term of this Lease for additional terms of five (5) years each (each, an "Option Period"), on the same terms and conditions as this Lease except for Fixed Rent which shall be determined as set forth in Section 4.6. The District may extend the Lease Term by giving the City written notice of its intent to extend the Term of this Lease at least six (6) months before the expiration of the then Term of this Lease. The District shall also give the City at least six (6) month's notice if the District has elected not to extend the Term of

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this Lease. Option rights are personal to the District and are not assignable or transferable separate and apart from this Lease.

#### 4. RENT.

Commencing on January 1, 2002, the District shall pay the City without deduction, prior notice or demand, in advance on the first day of each month during the term hereof, Fixed Rent and Additional Rent, each as defined below, in lawful money of the United States, to the Seattle Center Accounting Office at 305 Harrison Street, Seattle, WA 98109 or as the City may from time to time otherwise designate in writing. Fixed Rent and Additional Rent for any partial month shall be prorated on a daily basis at the rate of 1/30 of the Fixed Rent or any Rent then due. "Rent" shall mean Fixed Rent, Additional Rent and any other monetary sum required to be paid by the District to the City under this Lease.

4.1. Fixed Rent. The District shall pay the City Fixed Rent for the Premises annually, at the rate of \$4.86 per square foot. For the first year of this Lease, the total annual Fixed Rent shall be \$85,050, payable in monthly installments of \$7,087.50, in advance, on the first day of each month.

Commencing on the first day of January 2003 and on the first day of each January thereafter until the expiration of the Term of this Lease, the annual Fixed Rent shall be adjusted each year by the percentage increase that occurred during the preceding calendar year ("Adjustment Percentage") in the Consumer Price Index for all Urban Consumers ("CPI-U" / 1982-84 = 100) Seattle-Tacoma-Bremerton Metropolitan Area ("Index"), using the base 1982-84 = 100, as published by the Bureau of Labor Statistics, United States Department of Labor, or its successor (the "CPI Increase"). Should any year's CPI percentage change be less than zero, the change to the Fixed Rent for that year shall be set at zero percent (0%). Therefore, in no case shall any year's Fixed Rent be less than the prior year's amount. In the event of such a negative change in the CPI, the rent shall not be increased until the cumulative increase completely offsets the prior negative change. In the event of any change in the Index base (1982-84=100) or other modification of the CPI index, or in the event the CPI is discontinued, the Director shall select a similar index of comparable statistics on the cost of living for King County as shall be computed by an agency of the United States or by a responsible financial periodical or other recognized authority.

The City agrees to notify the District not later than June 30 of each year of its computation of the annual CPI adjustment in the Fixed Rent effective the prior January 1. Until the City notifies the District of the amount of the annual CPI adjustment in the Fixed Rent, the District shall continue to remit the then-current Fixed Rent (less the Rental Offset in Section 4.2 below) as a partial payment. Within thirty (30) days after the date the City's notifies the District of a CPI-adjusted change in the amount of Fixed Rent due hereunder, the District shall remit any retroactive rent and thereafter remit on a monthly basis the newly adjusted Fixed Rent.

4.2. Rental Offset. For the initial Term of this Lease, the District shall be entitled to an offset against Fixed Rent, only, for the total amount of the District's capital expenditures for improvements that benefit the Building as a whole. The parties agree that this amount is \$285,000. The offset shall be credited against the Fixed Rent in 180 monthly installments of \$1,583.33 each.

4.3. Operating Expenses. In addition to the Fixed Rent and commencing on the earlier of the District's occupancy or the execution of this Lease, the District shall pay to the City monthly and

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in advance the Operating Expenses for the Premises. On or before the first day of December during the Term of this Lease, the City shall provide the District with a statement of the anticipated monthly amount of the Operating Expenses for the succeeding calendar year, and the District shall pay the same and all subsequent monthly payments concurrently with the payment of Fixed Rent or if no Fixed Rent is due, payment of the Operating Expenses shall be due and payable on or before the first day of each month, in advance without adjustment or offset. The District shall continue to make said monthly payments until notified by the City of any change thereof. Each year when available, the City shall give the District a statement showing the total Operating Expenses and other charges, if any, for the Premises actually incurred for the prior calendar year. If the term of this Lease does not begin or end coincident with the calendar year, the statement for such year shall be prorated appropriately. If the total of the monthly payments which the District has made for the prior calendar year is less than the actual Operating Expenses, then the District shall pay the difference in a lump sum within thirty (30) days after receipt of an invoice from the City when the final determination is made of the Operating Expenses, even though the Term may have expired or been terminated. Any overpayment made shall be refunded to the District within thirty (30) days. In the event of any adjustment by the City of the estimated amount of the Operating Expenses, the District shall immediately commence paying the adjusted estimated amount.

4.4. Additional Rent. All amounts that the District is required to pay to the City pursuant to this Lease (other than Fixed Rent) shall constitute additional rent ("Additional Rent") whether or not the same be designated as Additional Rent. The District shall perform all its obligations under this Lease at its sole cost and expense, and shall promptly pay to the City all Additional Rent within 30 days after receipt of City's invoice therefor. The District shall also promptly pay to all third parties any other sums required to be paid by the District under this Lease, when the same shall be due and payable and in all events prior to delinquency, without notice or demand, deduction or offset, except as otherwise expressly provided in this Lease.

4.5. No Offset. Except as provided in Section 4.2, it is understood that City shall receive the Rent set forth in Section 4.1 hereof free and clear of any and all impositions, Taxes, liens, charges or expenses of any nature whatsoever in connection with the operation, use, maintenance and repair of the Premises. In addition to the Rent specified in Section 4, the District shall pay to the parties respectively entitled thereto all impositions, insurance premiums, utilities, Taxes, Operating Expenses, maintenance charges, repair costs, and any other charges, costs and expenses which arise or may be contemplated under any provisions of this Lease during the Term hereof; provided, however, that where this Lease provides payment shall be in the form of reimbursement to City, that procedure shall apply. All of such charges, costs and expenses shall constitute Additional Rent and upon the failure of District to pay any of such costs, charges or expenses, City shall have the same rights and remedies as otherwise provided in this Lease for the failure of District to pay Rent.

4.6. Determination of Fixed Rent during Option Period(s). Fixed Rent for the first year of each Option Period shall be the greater of the Fixed Rent that was payable under this Lease during the last year of the then Term, adjusted to reflect increases in the CPI as provided in Section 4.1, or any current nonprofit rental rate established by City ordinance for the Seattle Center House. Once Fixed Rent has been determined for any Option Period, Fixed Rent shall thereafter be increased on the first day of each January thereafter during the Option Period in accordance with

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Section 4.1 of this Lease by an amount equal to the percentage change in the CPI from the CPI last published for the preceding Lease Year.

#### 5. TAXES, UTILITIES AND SERVICES.

5.1. Taxes. The District shall pay, before delinquency, all taxes, levies, and assessments that may arise 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; taxes levied on its property, equipment, and improvements on the Premises; and taxes on the District's interest under this Lease and any leasehold interest deemed to have been created thereby under Ch. 82.29A RCW (collectively, "Taxes."). In the event the State of Washington makes any demand upon the City for payment of leasehold excise taxes resulting from the District's occupancy of the Premises or withholds funds due the City to enforce collection of such leasehold excise taxes, the District shall remit the taxes demanded together with any interest and penalties associated therewith or, at no expense to the City, contest such collection action and indemnify the City for all sums reasonably expended by, or withheld by the State of Washington from the City, in connection with such taxes.

5.2. Building Utilities. Electricity, the cooling, heating and ventilating system (HVAC), water and sewer shall be available at the Premises at all times. The District shall cause electricity to the Premises to be separately metered and shall pay when due and directly to the appropriate utility company all bills for electricity. The actual or allocated costs of all other utilities provided to the Premises (including garbage and recycling) shall be included in the Operating Expenses for which the District shall reimburse the City. Utility cost allocations shall be based on the percentage of square footage that the Premises bear to the entire Building, i.e., 17,500 square feet divided by 247,000 square feet, or 7.1%, discounted to reflect only those days the high school is in operation, e.g., 180 days out of 365, or 49.3%. Accordingly, the District agrees to pay 3.5% of the Building HVAC, solid waste, recycling, water and sewer costs. The foregoing percentages shall be adjusted for any changes that may occur in the academic year.

5.3. Additional Utility Capacity. If the District has mechanical, cooling, heating, ventilation, electrical or other requirements for utility services in excess of the existing electrical, HVAC, mechanical, plumbing or other building systems presently installed in the Premises or in the event that any existing building or utility systems presently installed on the Premises, including, but not limited to, the fire sprinkler system, needs to be relocated or modified to accommodate any improvement the District elects to make to the Premises in accordance with Section 7.4 of this Lease, then the cost of furnishing, installing, relocating, upgrading, renovating, operating the equipment and appurtenances thereto shall be borne by the District unless such utility service or system is integrated into an existing Building system, in which event the City shall maintain and operate the same and the any costs associated therewith shall be included in the Operating Expenses. Before installing lights or equipment or making use of the Premises in excess of the capacity or design of existing building systems, the District shall obtain the prior approval of the Director. The Director may refuse to grant such permission unless the District shall agree to pay all costs to install supplementary air conditioning capacity or electrical systems or other upgrades, relocation, renovation or revisions to Building systems as necessitated by such equipment or lights or if the equipment or lights requested by the District will, in the City's reasonable judgment, overburden the Building's structure or mechanical, HVAC, plumbing or electrical system(s), even if supplemented

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at the District's expense. The Director hereby approves all lighting and equipment described in Exhibit B.

5.4. Telephone and Data Transmission. With the prior approval of the Director, the District shall have the right to install telephone and data communication systems to secure service to the Premises for District use. The District shall pay for such services directly to the appropriate telephone or data processing company or other service provider.

5.5. No City Liability. The City shall not be liable for any loss or damage caused by or resulting from any variation, interruption or failure of any utility services due to any cause whatsoever except for loss or damage directly caused by the willful misconduct of the City, its agents or employees, and no temporary interruption or failure of such services incident to the making of repairs, alterations or improvements or due to accident or strike conditions shall be deemed an eviction of the District or relieve the District from any of its obligations hereunder. In the event of such failure not directly caused by the willful misconduct of the City, its agents or employees, the District shall not be entitled to any damages, abatement or reduction of Rent. The District shall have the right to take all steps it reasonably deems necessary at the District's sole cost to obtain the resumption of interrupted utility services or to obtain alternative sources of utility services.

5.6. No Charges for Service to Other Property. Nothing contained herein shall require the District to pay any charge for utility service furnished to those portions of Seattle Center controlled by the City and not subject to this Lease.

5.7. The District's Right To Contest. The District shall have the right to contest or review by legal proceedings or in such other manner as may be legal, any tax, assessment, non-allocated utility charge or other governmental imposition and to pay such items under protest; provided, that nothing in this Section shall be construed to restrain the exercise of any remedy by any City utility for nonpayment, and provided further that notwithstanding any protest or challenge, the District shall timely pay such amounts as are necessary to avoid interruption in service, including any interruption that would occur from application of the normal policy or procedure of any City utility.

5.8. No Parking. Parking is not provided at the Premises and the Kent payable under this Lease does not include any right to parking spaces either at the Premises or elsewhere.

5.9. Security. The District shall provide all security services necessary for the operation of the high school.

## 6. POSSESSION AND OCCUPANCY.

Upon the commencement of this Lease, the District shall have possession of the Premises subject to the rights reserved by the City herein. However, the Premises shall not be occupied until any required certificate of occupancy has been obtained by the District from the appropriate governmental authorities and all improvements have been completed in accordance with approved plans and specifications.

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## 7. MAINTENANCE AND REPAIRS.

7.1. Cleaning and Maintenance. If requested by the District, the City shall maintain, clean and repair the Common Areas and the Premises to the ordinary standards provided to other commercial Building tenants, or as otherwise agreed upon by the parties, and shall keep the same in good condition, normal wear and tear and damage and destruction by fire and other extraordinary casualty excepted. The cost of maintaining, cleaning and repairing the Premises as well any extraordinary costs of cleaning, repairing or maintaining the Common Areas or the Building, occasioned by the District's use and occupancy of the Premises, shall be included in the Operating Expenses for which the District shall reimburse the City. The District waives all claims for damages resulting from City maintenance, cleaning and repair work except to the extent of the City's gross negligence or the City's unreasonable interference with the District's use of the Premises.

7.2. Recycling of Waste Materials. The District shall adhere to any recycling program employed by Seattle Center on a general basis for all Center House tenants, and shall collect, sort and separate all solid waste products and deposit the same in receptacles provided by the City.

7.3. District's Obligations. The District shall not cause or permit any waste, damage, or injury to the Premises; use or permit on the 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, odor, dust, vibration or similar substance or condition to remain on or to be emitted from said Premises; or permit anything to be done upon said Premises that in any way will tend to create a nuisance, or interfere with access to and from the Seattle Center or any part thereof. If the Director has a good faith belief that any activity occurring on the Premises presents an imminent threat to public health or safety, then after consultation with the school principal, the Director (but no other official) may order such activity to immediately cease, without liability to the City for such interruption, until such threat has been adequately evaluated or remedied, as the case may be.

Subject to the terms of Section 10 relating to damage and destruction, upon expiration or earlier termination of the Term of this Lease, whether by lapse of time or otherwise (including any holdover period), the District at its expense shall: (a) remove all of the District's moveable personal property, goods and effects and those of all persons claiming under the District from the Premises; (b) remove all telecommunications and computer network wiring and cabling, to the extent required by the City, (c) remove all signs, symbols, advertising and printed material, and (d) promptly and peacefully surrender the Premises (including surrender of all the District improvements and other attached equipment and/or other alterations, additions or improvements installed in the Premises by the City or the District). Any property left on the Premises more than thirty (30) days after the expiration or termination of the Lease Term shall be deemed to have been abandoned and to have become the property of the City to dispose of as the City deems expedient and the District shall be liable for all costs associated with the disposal of such property. The District hereby waives all claims for damages that may be caused by the City re-entering and taking possession of the Premises or removing and storing the District's property as herein provided, and the District shall indemnify and hold the City harmless therefrom. No such reentry shall be considered or construed to be a forcible entry.

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The District agrees to repair any damage to the Premises caused by or in connection with the removal of any articles of personal property, business or trade fixtures, signs or advertising, machinery, equipment, furniture or movable partitions including, without limitation thereto, repairing the floor and patching and painting the walls where required by the City to the City's reasonable satisfaction all at the District's sole cost and expense. The District shall indemnify the City against any loss or liability resulting from delay by the District in so surrendering the Premises, including, without limitation, any claims made by any tenant succeeding the District based on such delay.

7.4. Modifications, Alterations and Additions.

(a) Throughout the Term of this Lease the District shall have the right, at its own expense and without the prior consent of the Director, to install such of its own machinery and equipment, to make such minor improvements and additions, and to attach such removable fixtures in or upon the Premises as may be necessary to conduct its permitted operations, and to remove same at any time prior to the expiration or termination hereof. As used in this Lease, "minor improvements and additions" is defined as ordinary repairs and any non-structural alteration of any portion of the Premises that, individually, cost less than \$15,000 or together with all other items of a similar or related nature during the calendar year, cost less than \$50,000.00, and emergency repairs immediately necessary for the usual and customary usage of the Premises. The foregoing figures shall be adjusted to reflect changes in the CPI in accordance with the methodology described in Section 4.1. The District agrees that it will not divide any project into units of work to circumvent the dollar restrictions stated above.

(b) Except for the Initial Improvements shown in Exhibit B, the District shall make no modifications, alterations, additions or improvements to the Premises or any part thereof the estimated cost of which exceeds the limitations set forth in Section 7.4 (a) (a "Major Alteration"), without first obtaining the prior consent of the Director, which consent shall not be unreasonably withheld. In exercising discretion, the Director shall take into account any proposed alteration or improvement that affects (a) any structural portions of the Building including exterior walls, roof, foundation and core of the Building; (b) the exterior of the Building or which are visible from outside the Building or which are likely to increase insurance costs (unless the District agrees to pay such increased insurance costs; or (c) any of the Building systems, including elevator, plumbing, air conditioning, heating, electrical, security, life safety and power. In seeking the Director's approval, the District shall provide the Director with interim plans and specifications at the end of the design development and at the 50% construction document stage. Prior to any Major Alteration other than an emergency repair, the District shall provide the Director final plans and specifications to which architects and engineers have affixed their professional seals and signatures and such other information concerning the nature and cost of the alterations as may be reasonably requested by the Director. As a condition to giving such consent, the Director may require the District, among other things, to undertake the work in a manner determined by the Director to reasonably minimize disruption to other tenants, occupants, employees and users of Seattle Center, to remove any such modification, alteration, improvement or addition at the expiration of the Lease Term and to restore the Premises to their prior condition. All such modifications, alterations, additions and/or improvements shall be constructed at the District's sole cost and expense and shall be performed in a good and workmanlike manner in accordance with Director-approved plans and

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specifications and by a contractor and under a construction contract, the terms and conditions of which have been approved by the Director (such approval not to be unreasonably withheld). Once approved, no material changes shall be made to any plans and specifications without the Director's consent. If the Director consents to any proposed modification, alteration, addition or improvement to the Premises, the same shall not be a warranty as to the adequacy of the design, workmanship or quality of materials and the City hereby expressly disclaims any responsibility or liability for the same. If any improvement is constructed in violation of this paragraph, the District shall either promptly make it consistent with approved plans and specifications, or cease using the improvement and remove it from the Premises. Except as expressly agreed by the parties, the City shall under no circumstances have any obligation to repair, maintain or replace all or any portion of such modifications, alterations, additions or improvements to the Premises. The District agrees to pay as Additional Rent a reasonable sum for project management costs necessarily incurred by the City with respect to Major Alterations, such sum to be agreed upon by the parties as part of any approval of the Major Alteration.

(c) Before commencing any work under this Section 7, the District, regardless of whether Director consent is required or not, shall notify the Director in writing of the expected date of commencement thereof and shall require its contractor to secure, at no cost to the City, a payment and performance bond as required by statute, naming the City as joint obligee and insurance at least equivalent to that required pursuant to Exhibit B. The City shall then have the right at any time and from time to time to post and maintain on the Premises such notices as the City reasonably deems necessary to protect the Premises and the City from mechanics' liens, materialmen's liens or any other liens. Any such modification, alteration, improvement or addition shall be expeditiously completed in a good and workmanlike manner and in compliance with all applicable Legal Requirements and the requirements of all insurance policies applicable to the Premises. The District shall provide the Director with "as-built" plans showing any change in the Premises or the Building. The District shall require its contractors to maintain a safe working environment at all times, including the continuation of all fire and security protection devices, including fire sprinkler systems and availability and operation of fire water supply lines during any such construction. All damage or injury done to the Premises, the Building, or any private property in the vicinity of the Building during the construction of such work by the District or by any persons who may be in or upon the Premises or the Building with the express or implied consent of the District or which is caused by acts or omissions of the District or the District's officers, contractors, subcontractors, agents, invitees, licensees, employees, successors or assigns shall be paid by the District. The District shall pay, when due, all claims for labor or materials furnished to or for the District at or for use in the Premises.

(d) All such modifications, alterations, additions or improvements shall at the expiration or earlier termination of the Lease become the property of the City and remain upon and be surrendered with the Premises.

(e) All articles of personal property, furniture and movable partitions owned by the District or installed by the District at its expense in the Premises shall be and remain the property of the District and may be removed by the District at any time during the Term of this Lease provided that the District shall, at its sole cost and expense, repair any damage to the Premises caused by such removal.

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(f) In undertaking any repairs, modifications, alterations, additions or improvements, the District shall ensure that it and each of its contractors and agents protects from damage or destruction private and public property on or in the vicinity of the Premises that is not scheduled for repair, replacement or removal. Any property damaged by the District or its contractors or agents in the course of any repair, modification, alteration, addition or improvement shall be promptly repaired or replaced at District expense.

(g) No change shall be made to electrical wiring or plumbing in the Premises or to and from the Premises other than by a properly licensed electrician or plumber.

7.5. Coordination. The parties shall cooperate to the maximum extent possible to ensure that all construction work undertaken by or on behalf of the District is coordinated with the work of other contractors working at Seattle Center, Seattle Center tenants and with routinely scheduled events and activities. No construction work of any kind shall commence unless and until the parties have agreed upon a coordination plan addressing the hours, terms and conditions under which such construction may occur. The District shall work closely with Seattle Center project manager to schedule construction activity to minimize construction impacts such as noise, dust and fumes.

7.6. City's Right to Stop Work. Exhibit C contains a list of dates and times for the period from January 1, 2002, through July 31, 2002, when construction may not occur, or when activities must be limited to quiet activities. The Director reserves the right to modify this list without consequence to the City by written notice to the District, through September 15, 2001. Thereafter, the Director and the District will consult regarding any adverse impact on Seattle Center events that may result from construction-related activity. If, after consultation between the Director and the District regarding the adverse impact that construction-related activity is likely to have or is actually having on one or more Seattle Center events and their joint effort to modify or reschedule such construction-related activity so as to minimize such adverse effect, the Director determines, in the exercise of such official's discretion, that a material adverse impact is still likely to occur or is occurring, the District, upon notice from the Director, shall order the immediate suspension or cessation of the construction-related activity specified in such notice for the duration identified in such notice. The City will compensate the District for the cost of any such work stoppages that are not shown on Exhibit C, and are not the result of actions by the District or its contractors.

If, after consultation with the District, the Director determines that any work being performed upon the Premises is materially inconsistent with approved construction documents or any other required plan, program or rule, the Director shall so notify the District, in writing, and the parties shall endeavor to resolve the situation. If the parties are unable to devise a plan to resolve the inconsistency, the District, upon notice from Director (and no other official), may order the immediate suspension of the affected portion of the work until the matter has been corrected. The notice shall state the required action to cure the nonconformity. Except in cases affecting public health and safety, the Director will provide the District with at least 72 hours' advance written notice that it intends to issue a suspension notice and provide the District an opportunity to cure the nonconformity. The District shall not be entitled to damages from the City as a consequence of any increased cost or time of performance attributable to any such suspension, unless it is determined that the Director issued a suspension notice without a reasonable basis.

## 8. BUILDING ACCESS; PREMISES USE AND ENTRY BY LANDLORD.

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The District shall be provided with one key to the Building for use by the principal at all reasonable times. Access by others shall be available during normal Center House business hours. If District staff wish to use the Premises outside the established Building hours, it shall so notify the Center House Manager, in advance. The Center House Manager shall inform the school principal of any changes in the Building hours.

In accordance with the District's policy allowing other governmental agencies use of District facilities, the District will allow Seattle Center to use classrooms (other than the chemistry laboratory) on an intermittent basis for Seattle Center-sponsored public programs such as the Seattle Center Arts and Sciences Academy and other similar programs when the Center School is not in session for periods of seven (7) calendar days or more. The Director shall provide adequate supervision of any such use, and will arrange for cleaning all areas used, repairing any damage and replacing any missing items as appropriate promptly after use. Upon advance written request by the Director, the District shall approve each such use, which approval shall not be unreasonably withheld. The District reserves the right to refuse to allow programs for which rent is paid to the Seattle Center. Rent and Additional Rent will be waived on a pro rata basis for the time and space used.

The City reserves for itself, its officers, employees, agents and contractors, free access to the Premises, at all reasonable times for purposes of inspecting, cleaning, or making repairs, to the Premises or any other property owned by or under the control of the City, including additions or alterations to City property other than the Premises, but this right shall not be construed as an agreement on the part of the City to make inspections, clean or make repairs, additions or alterations except as specifically provided elsewhere in this Lease. In addition, the City shall have a right of access to and through the portions of the Premises located on the third and fourth floors of the Building before and after school hours to deliver materials and supplies to other portions of the Building. For each of the aforesaid purposes, the City shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, excluding the District's files, vaults and safes. The District shall be responsible for installing and changing locks for any doors to the Premises, and shall provide the City with two (2) keys for each lock installed or changed immediately after such installation or change has been completed.

If it is necessary to protect the public health and safety, or to make repairs, alterations, additions or improvements in order for the Premises or any portion of the Building to remain in operation, the City may erect barricades and scaffolding in and outside of the Premises may enter the Premises and may otherwise interfere with the conduct of the District's business and operations where such action is reasonably required by the nature of the City's work. If any such work necessitates the temporary suspension of the District's business or operations in, on or from the Premises, the Director shall notify the District of such necessity and the anticipated beginning and ending dates of such suspension. Rent due to the City pursuant to Section 4 hereof shall be prorated during each month in which the District's business or operations are required by the City to be suspended pursuant to this section, and the District shall have no obligation to pay such prorated rent during the suspension. The cancellation of the obligation to pay the prorated Rent shall constitute the totality of relief available, and the District waives all claims for damages and for any injury to and interference with its operations or business and losses occasioned by any such

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suspension. The City agrees when exercising the rights hereunder, to take every reasonable step to keep interruptions in the District's operation of the school to a minimum

**9. COMPLIANCE WITH ENVIRONMENTAL LAWS.**

9.1. Compliance with Environmental Laws and Regulations. The District hereby represents, warrants, covenants and agrees to and with the City that all operations or activities upon, or any use or occupancy of the Premises, or any portion thereof, by the District or any occupant of the Premises shall throughout the Term of this Lease be in compliance in all material respects with all state, federal and local Environmental Laws and regulations governing or in any way relating to the generation, handling, storage, use, transportation, discharge or disposal (whether legal or illegal, accidental or intentional) of any Hazardous Substances (as hereinafter defined).

9.2. Asbestos Removal or Abatement. The City has advised the District that the Premises may be constructed of or contain asbestos-containing materials. The District shall conduct an asbestos survey of the Premises prior to commencement of any demolition or construction of tenant improvements or any other alterations, modifications or additions to the Premises. If the District discovers any asbestos or asbestos-containing materials, such materials shall be removed by a properly certified asbestos contractor and removed and disposed of in compliance with all Environmental Laws.

9.3. Indemnification; Remedial Work. The District shall not cause or knowingly permit any Hazardous Substances to be brought upon, kept or used in or about the Premises by the District, its agents, employees, contractors, sublessees or invitees, except in compliance with all Environmental Laws. If the District breaches its obligations set forth above or if the presence of Hazardous Substances on or about the Premises caused or permitted by the District results in contamination of the Premises or if contamination of the Premises or surrounding area by Hazardous Substances otherwise occurs for which the District is legally liable, then the District shall protect, defend, indemnify and hold the City harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses, damages for the loss or restrictions on use of any space in the Premises, damages arising from any adverse impact on marketability of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees which arise during or after the Term of this Lease as a result of such contamination. This indemnification of the City by the District includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Substances present in the soil or ground water on, under or about the Premises, the Building or the surrounding area. If the presence of any Hazardous Substance on or about the Premises caused or permitted by the District results in any contamination of the Premises or surrounding area, or causes the Premises or surrounding area to be in violation of any Environmental Laws, the District shall promptly take at its sole cost and expense all actions necessary to return the Premises and surrounding area to the condition existing prior to the introduction of such Hazardous Substance; provided that the City's approval shall first be had and obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises or surrounding area. If the City causes any Hazardous Substances to be released on or about the Premises resulting in contamination of the Premises or for which the City is legally liable, then the City shall protect,



defend, indemnify and hold the District harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses, damages for the loss or restrictions on use of any space in the Premises and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees which arise as a result of such contamination. This indemnification of the City by the District includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Substances present in the soil or ground water on, under or about the Premises or the surrounding area.

9.4. Breach as Material Default. The District hereby specifically acknowledges and agrees that (a) each of the District's covenants, obligations, agreements, representations and warranties set forth in this Section 9 is a material inducement to the City to enter into this Lease, and (b) breach by the District of any of the District's covenants, obligations, agreements, representations and warranties set forth in this Section 9 shall constitute a material breach of this Lease by the District entitling the City to all of the rights and remedies provided to Landlord under this Lease or under applicable law.

9.5. Survival. Each of the covenants, agreements, obligations, representations and warranties of Tenant set forth in this Section 9 shall survive the expiration or earlier termination of this Lease.

#### 10. DAMAGE TO BUILDING.

10.1. Damage; Extent of Obligation to Restore. In the event that there is any material damage or destruction to the Building (for purposes of this Lease, material damage or destruction shall mean damage or destruction which costs \$250,000 or more to repair or replace), then if the City decides not to repair or replace the damaged portion of the Building and the Premises thereby become unusable, the City shall have the option, upon written notice to the District, which option shall be exercised within thirty (30) days of the date of such damage or destruction, to terminate the Lease. If the City does not elect to terminate the Lease it shall continue in full force and effect and the City shall proceed as promptly as is practicable to restore the Building to an architectural unit as nearly comparable in form, fit and function as is reasonable to the unit existing just prior to such damage. If the City elects to terminate this Lease, such notice of termination shall specify the date for termination of this Lease, which date shall not be more than 30 days after the giving of such notice, and upon the date so specified the Term of this Lease shall expire as fully and completely as if such date were the date hereinabove set forth for the end of the Term of this Lease and the District shall thereupon vacate the Premises, without prejudice to any rights and remedies accrued to the City under this Lease prior to such termination and any Rent paid or payable by the District shall be adjusted as of the date of such termination. Should the City elect to rebuild and be delayed or prevented from completing the repairs or restoration of the damage to the Building after the occurrence of such damage or destruction by reason of force majeure, the time for the City to commence or complete repairs shall be extended for the period of force majeure. In the event of repair, reconstruction and restoration as herein provided, the Fixed Rent provided to be paid under this Lease shall be abated proportionately based upon the extent to which the District's use of the Premises is impaired during the period for such repair, reconstruction or restoration.





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10.2. Extent of City's Obligation to Restore. If the City is required or elects to restore the Building or such portion thereof which has been destroyed as provided in this Section 10, the City shall not be required to restore the District's personal property, machinery, furniture or equipment, such excluded items being the sole responsibility of the District to restore. The District shall not be entitled to any compensation or damages from the City for the loss of the use of the whole or any part of the Premises, its tenant improvements, alterations, modifications or additions made to the Premises or the District's personal property, or any inconvenience or annoyance occasioned by such damage, repair, reconstruction or restoration, except as may be otherwise provided in Section 10.1 above.

10.3. Damage Near End of Term. Notwithstanding anything to the contrary contained in this Section 10, the City shall not have any obligation whatsoever to repair, reconstruct or restore the Premises (a) when the damage occurs during the last twelve (12) months of the Term, (b) to the extent that insurance proceeds are not available therefore, or (c) to the extent Landlord is unable to obtain necessary permits for the construction thereof.

#### 11. LIENS.

The District shall keep the Premises and the Building of which the Premises are a part, free from any liens out of work performed, materials furnished, or obligations incurred by the District and shall protect, indemnify, hold harmless and defend the City from and against any and all liabilities, losses, damages, expenses and costs (including reasonable attorneys' fees and costs) incurred in connection with any such any liens and encumbrances arising out of any work performed or services, materials or equipment furnished by or at the direction of the District. The District's obligations pursuant to this Section 11 shall survive the expiration or earlier termination of this Lease. The District shall cause any lien filed pursuant to Chapter 60.28 RCW, applicable to work performed on public property and providing for retainage, bonds and releases thereof, to be released of record in accordance with Chapter 60.28 RCW. If the District receives notice of the filing of any lien pursuant to a provision other than Chapter 60.28 RCW, the District shall, within 30 days thereafter, either cause the lien to be released, or provide written assurances reasonably satisfactory to the City that the District shall indemnify the City for all costs and expenses resulting from such lien. The District's position is that such liens are of no force or effect. However, the District acknowledges that if the District fails to take such action, the City shall have, in addition to all other remedies provided herein and by law, the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including payment of the claim giving rise to such lien without investigation as to the validity thereof or of any offsets or defense thereto. The City shall have the right to collect from the District, as Additional Rent, all amounts so paid and all costs and expenses paid or incurred in connection therewith, including reasonable attorneys' fees and disbursements, together with interest thereon at the rate of twelve percent (12%) per annum from the date such cost or expense was incurred until paid in full. Nothing contained in this Lease shall be construed as the consent or request of the City, express or implied, for the performance of any labor or services or for the furnishing of any materials or equipment for any construction, alteration, addition, repair or demolition of or to the Premises (or any part thereof).

#### 12. INDEMNITY.

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12.1. District's Indemnity. The District shall protect, defend, indemnify and hold the City harmless from and against any and all claims (including, but not limited to employee claims) and from any costs, attorneys' fees, expenses and liabilities incurred in connection with such claim, arising from the District's use of the Building and Premises (including any use of the Building or Premises by the District's agents, contractors or employees) or the conduct of its business or from any activity, work or thing done, permitted or suffered by the District in or about the Premises and shall further protect, defend, indemnify and hold the City harmless from and against any and all claims arising from any breach or default in the performance of any obligation on the District's part to be performed under the terms of this Lease. The District, upon notice from the City, shall defend the same at the District's expense.

12.2. City's Indemnity. The City shall protect, defend, indemnify and hold the District harmless from and against any and all claims (including, but not limited to employee claims) and from any costs, attorneys' fees, expenses and liabilities incurred in connection with such claim, arising from the City's use of the Building (including any use of the Premises by the City, its agents, contractors or employees) and shall further protect, defend, indemnify and hold the District harmless from and against any and all claims arising from any breach or default in the performance of any obligation on the City's part to be performed under the terms of this Lease. The City, upon notice from the District, shall defend the same at the City's expense.

12.3. Joint or Concurrent Negligence. In the event of any concurrent negligence of the District, its agents, employees or contractors on the one hand, and that of the City, its agents, employees or contractors on the other hand, which concurrent negligence results in injury or damage to persons or property, then the District's and the City's obligation to indemnify the other as set forth in this Section 12 shall be limited to the extent of the indemnifying party's negligence, and that of their respective agents, employees or contractors, including the indemnifying party's proportional share of costs, attorneys' fees and expenses incurred in connection with any claim, action or proceeding brought with respect to such injury or damage.

12.4. Waiver of Immunity. Solely with respect to claims for indemnification under this Lease, each party waives as to the other, only, its immunity under Title 51 RCW. The City and the District acknowledge that the indemnification provisions of this Section 12 were specifically negotiated and agreed upon by them.

12.5. Survival of Provisions. The provisions of this Section 12 shall survive the termination or expiration of this Lease.

12.6. Assumption of Risk. The placement and storage of personal property on the Premises shall be the responsibility, and at the sole risk, of the District.

### 13. INSURANCE.

13.1. Liability Insurance. Except as provided in Section 13.4, the District shall, at the District's sole cost and expense, but for the mutual benefit of the City and the District, obtain and keep in force throughout the Term of this Lease (1) Commercial General Liability written on an insurance industry standard occurrence form (ISO form CG 00 01) or equivalent, including premises/operations; products/completed operations; personal/advertising injury; contractual

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liability; independent contractors liability, and fire damage legal liability. The minimum limits of liability for bodily injury and property damage shall be \$1,000,000 each occurrence and \$2,000,000 general, products/completed operations aggregate and \$100,000 for Fire Legal Liability; (2) if any vehicle is used in the conduct of the District's business, a policy of Business Automobile Liability written on an insurance industry standard form (ISO form CA 00 01) or equivalent, to include coverage for owned, non-owned, leased or hired vehicles. The minimum limits of liability for Bodily injury and property damage shall be \$1,000,000 per accident and (3) Worker's Compensation for the State of Washington ("Industrial Insurance") as required by Title 51 of the Revised Code of Washington. Such insurance shall be in form and with deductibles satisfactory to the City. Commercial General Liability insurance shall be endorsed to include The City of Seattle, its officers, elected officials, employees, agents and volunteers as additional insured (on ISO form CG2010 11/85 or equivalent), and the District's policy shall be primary and non-contributory to any coverage maintained by the City. The limits of such insurance shall not, however, limit the liability of the District hereunder.

13.2. Indemnification and Waivers. The parties agree to mutually waive all right or recovery against the other for any loss or damage covered by their respective first party commercial insurance policies for all perils insured thereunder and in the event of any commercially insured loss, neither party's insurance carrier shall have a subrogation claim against the other party; provided, however, that this waiver of subrogation shall not apply if the effect is to void such insurance coverage.

13.3. Insurance During Construction. The District shall ensure that whenever any construction work is undertaken in or about the Premises each of its contractors maintains continuously throughout the period of such work, at no cost to the City, liability insurance (including worker's compensation) with limits at least equivalent to those provided in Exhibit B to the benefit of the City.

13.4. Self-Insurance. The District represents that it is self-insured for exposures considered a part of commercial general liability coverage up to \$1,000,000, and fire legal liability up to \$100,000. Automobile coverage of at least \$1,000,000 per accident will be provided by coverage through participation in a multi-district school district pool. Accordingly, for as long as the District self-insures, the District will not be providing any insurance or proof of insurance as provided in paragraphs 13.1 and 13.5. The District agrees to notify the City promptly if it ceases self-insurance at least equal to the requirements of 13.1.

13.5. Insurance Policies. All insurance required under this Lease shall (i) be issued by insurance companies authorized to do business in the state of Washington with an A-VII Best rating or other rating reasonably satisfactory to the City; (ii) be issued as a primary policy; and (iii) contain an endorsement requiring forty-five (45) days prior written notice from the insurance company to the City before cancellation, except in cases of nonpayment, in which case notice shall be ten (10) days. The District shall notify the City of any change in the coverage, scope or amount of any policy. The following documents must be provided as evidence of insurance coverage: (i) a copy of the policy's declarations pages, showing the policy effective dates, limits of liability and the Schedule of Forms and Endorsements; (ii) a copy of the endorsement naming the City of Seattle as an additional insured, showing the policy number and signed by an authorized representative, on Form CG2026 (ISO) or equivalent; (iii) A copy of any endorsements to the policy which are not

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issued on standard (ISO) forms, such as company-specific or manuscript endorsements; and (iv) a "Separation of Insureds" or "severability of interests" clause indicating essentially that "except with respect to the limits of insurance, and any rights or duties specifically assigned to the first named insured, this insurance applies as if each named insured were the only named insured, and separately to each insured against whom claim is made or suit is brought."

#### 14. DEFAULT; REMEDIES.

14.1. District Default. The occurrence of any of the following shall constitute a material default and breach of this Lease by the District:

- (a) any failure by the District to pay Rent, Additional Rent or any other monetary sums required to be paid hereunder within ten (10) days of the date when due;
- (b) the abandonment or vacation of the Premises by the District for a period of thirty (30) days;
- (c) the failure by the District to provide security appropriate to its operations;
- (d) a failure by the District to observe or perform any material covenant, condition or provision of this Lease not already specifically mentioned in this Section 14, where such failure continues for thirty (30) days after written notice thereof by the City to the District; provided, however, that if the nature of the default is such that the same cannot reasonably be cured within said thirty (30) day period, the District shall not be deemed to be in default if the District shall within such period commence such cure and thereafter diligently prosecute the same to completion within ninety (90) days thereafter.

14.2. City Default. The City's failure to observe or perform any material covenant, condition or provision of this Lease, where such failure continues for thirty (30) days after written notice thereof by the District to the City shall be a default; provided, however, that if the nature of the default is such that the same cannot reasonably be cured within said thirty (30) day period, the City shall not be deemed to be in default if the City shall within such period commence such cure and thereafter diligently prosecute the same to completion within ninety (90) days thereafter.

14.3. Remedies. In the event of a default, the party not in default shall have the right to terminate this Lease or any extension of it by giving to the party in default at least ninety (90) days notice in writing of said termination. Upon the expiration of the date and time fixed in the notice of termination, the District shall immediately surrender to the City the Premises and all improvements thereto.

14.4. Remedies Cumulative. The remedies under this Section 14 are in addition to, and not in limitation of, any other remedies provided in this Lease.

#### 15. INSTALLATION OR INTEGRATION OF VISUAL ART WORKS PROHIBITED

The District shall not install or integrate or permit any other person or entity to install or integrate into, on or in the Premises any "work of visual art," as that term is defined in the Visual

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Artists Rights Act of 1990, as now existing or as later amended, without the prior, express, consent of the Director. The Director's consent to the installation of any such artwork shall not be required under the following three (3) circumstances:

(a) If such art work (i) weighs less than fifty (50) pounds; and (ii) is of a size and has such dimensions and material composition that makes its passage through an open 32" x 78" or larger doorway a simple and easy maneuver; and (iii) is to be installed on the floor, a piece of furniture, or similar surface without further anchoring of any kind or nature, or on a wall using no more than two (2) simple picture hooks and wire; all so that the easy removability from the Premises of such art work without its destruction, distortion, mutilation or other modification by reason of such removal is undeniable; or

(b) If the District delivers to the Director a waiver appropriately executed by the art work creator, for the benefit of the City and its successors and assigns as the owner of the Premises, of the creator's right of integrity regarding such art work, in a form of waiver that satisfies both the Director and the requirements of 17 U.S.C. §106A(e), as the same now exists or is hereafter modified; or

(c) If the Director executes with the creator of a work of visual art to be installed in the Premises a consent agreement of the type contemplated by 17 U.S.C. §113(d)(1), as the same now exists or is hereafter amended, and in the form and manner specified by the Director.

If the creator of any work of visual art installed in the Premises by or for the District has not executed a waiver, or such creator and the City have not executed a consent agreement, each as described herein, the District shall ensure that, prior to removing or allowing the removal from the Premises of any such art work, such creator is given both notice, as contemplated in 17 U.S.C. §113(d)(2), of the intended removal of such art work, and the time required by that statutory provision to respond to such notice, and that the District takes whatever other action(s) may be required by such legislation to ensure that no claim, action or suit alleging a violation of the Visual Artists Rights Act of 1990, as now existing or hereafter amended, and arising out of any act or omission of or for the District or any of its officers, employees, or agents, is filed or lodged against the City in its capacity as the Premises owner.

#### 16. RIGHTS RESERVED BY CITY.

Notwithstanding any other provision of this Lease, the City, without liability of any kind, may:

(a) increase, reduce, and change in any manner whatsoever the number, appearance, dimensions, and locations of Seattle Center walks, buildings, landscaping, parking, and service areas, and may also make improvements, alterations, and additions to the common areas of any Seattle Center building;

(b) regulate all traffic within and adjacent to Seattle Center;

(c) erect, display and remove promotional exhibits and material and permit special events on Seattle Center grounds, buildings and facilities;

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(d) promulgate, from time to time, reasonable rules and regulations regarding the use and occupancy of any area of Seattle Center;

(e) restrict or prohibit the parking on City-owned or leased property of motor vehicles, including motor vehicles owned or operated by the District and any of its officers, employees, agents, suppliers, or invitees;

(f) determine the days and hours Seattle Center and any building or facility thereon will be open to the public, including the Building in which the Premises are located;

(g) change the size, number and type and identity of other concessions, stores, businesses, and operations being conducted or undertaken at Seattle Center;

(h) exercise any other power or right authorized by law or ordinance.

The rights reserved hereunder shall be exercised in such manner as does not unreasonably interfere with the District's access to and use of the Premises as a school. The rights reserved hereunder may be transferred by the City wholly or in part to any private or public parties, whether or not in connection with the transfer of a fee interest in the Premises or any part thereof.

#### 17. ASSIGNMENT AND SUBLETTING.

17.1. City's Consent Required. The District shall not enter into any sublease of the Premises or any portion thereof or any assignment of any interest in this Lease, whether long- or short-term in nature, without the prior consent of the Director, which consent may be refused or conditioned in the Director's sole discretion.

17.2. No Waiver of Consent. No consent by the Director to any assignment, sublease or other transfer shall release the District from liability under this Lease or of any obligation to be performed by the District under this Lease, whether occurring before or after such consent, assignment, sublease or other transfer unless such consent expressly provides to the contrary. The consent by the Director to any assignment, sublease or other transfer shall not relieve the District from its obligation to obtain the Director's express consent to any other assignment, sublease or other transfer. The acceptance of Fixed Rent or Additional Rent by the City from any other person shall not be deemed to be a waiver by the City of any provision of this Lease or be construed or constitute a consent to any such assignment, sublease or other transfer. Consent to one assignment, sublease or other transfer shall not be deemed to constitute consent to any subsequent assignment, sublease or other transfer.

#### 18. DISPUTES.

The parties shall make their best efforts to resolve disputes as expeditiously as possible through negotiations between the Center House Manager and the high school principal. If those negotiations are unsuccessful, the matter shall be referred in the first instance to the Seattle Center Deputy Director and the District's Chief Operations Officer and, finally, to the Seattle Center Director and the District's Superintendent. If the parties cannot resolve any dispute arising under this Lease, they agree to participate in mediation using a mediator selected by the Judicial

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Arbitration and Mediation Service, Seattle office, or such other mediator as the parties may agree upon. Such mediation shall occur within 30 days after the meeting between the Seattle Center Director and the District Superintendent. Litigation shall not be filed relating to this Lease, except for injunctive relief, until at least 30 days after the conclusion of said mediation.

#### 19. ANNUAL OPERATIONAL REVIEW.

On or before August 1 of each year during the Term hereof, representatives of the parties shall meet to review the operational impacts of the District's program on Seattle Center operations and activities. To the extent reasonably practicable, the District shall promptly implement reasonable modifications to its program requested by the Director that are intended to mitigate demonstrable adverse affects that the District's program is having upon Seattle Center operations.

#### 20. SURRENDER OF PREMISES.

20.1. Subleases. The voluntary or other surrender of this Lease by the District, or a mutual cancellation thereof shall, at the option of the City, terminate all or any existing subleases or subtenancies, or may, at the option of the City, operate as an assignment to it of any or all such subleases or subtenancies.

20.2. Condition of Premises Upon Surrender. Upon the expiration of this Lease or its prior termination, the District shall surrender the Premises, including all improvements, alterations, changes and additions thereto, in good repair, good order and in a clean and safe condition. On or before such date the District shall deliver to the City (a) all keys to any doors, fixtures or personal property on the Premises and all Building keys; (b) all plans, blueprints, surveys, diagrams, subleases, contracts and documents relating to the Premises or the improvements; and (c) all security deposits, prepaid rent and any other deposits from sublessees still in possession (but nothing herein shall be construed as the City's consent to any such continued possession).

20.3. Holding Over. If the District remains in possession of all or any part of the Premises after the expiration of the Term hereof (including any Option Periods), with or without the express or implied consent of the City, such tenancy shall be from month to month only, and not a renewal hereof or an extension for any further term, and in such case the District shall pay the City rent in an amount equal to One Hundred Fifty Percent (150%) of the then current Fixed Rent for the entire time the District thus remains in possession and the District shall hold the City harmless from all damages resulting from the District's failure to surrender the Premises or any portion thereof, including, without limitation, claims made by a succeeding tenant resulting from the District's failure to surrender the Premises or any portion thereof. All provisions of this Lease, except those pertaining to the amount of Fixed Rent payable and Term, shall apply to such month-to-month tenancy.

#### 21. MISCELLANEOUS.

##### 21.1. Waiver of Right to Object to Liquor Licenses.

(a) The District acknowledges that (i) the Building in which the Center School is to be located is a public establishment, and that other tenants of the Building and of Seattle



Center include businesses that have liquor licenses, (ii) from time to time Seattle Center allows incidental, temporary events within the Building or on the Seattle Center grounds that include the sale of alcoholic beverages, (iii) the District has conducted such inquiries and any investigation it deems necessary or appropriate regarding such activities and has concluded that the location of the Center School within the Building is an appropriate location for the Center School, and (iv) the District has no objection to continuation of the present level or type of activities involving alcoholic beverages on the Seattle Center grounds or within the Building. The District further acknowledges that Seattle Center will undergo continual changes such as new facilities, renovation of existing ones, or site enhancements, which may mean that new alcoholic beverage licenses are desirable for activities that are aligned with Seattle Center's goal of being a family-oriented gathering place.

(b) In consideration of the foregoing, the District hereby waives its right to object pursuant to RCW 60.24.010(9) or any successor statute, to the issuance of any liquor license (i) to an establishment on Seattle Center grounds outside of the Building; (ii) to an establishment within the Building in a location that is the same or substantially similar to one that is licensed as of the effective date of this Lease and where liquor sales are confined within a discrete leasehold area; or (iii) to a Seattle Center tenant or licensee for any intermittent use, such as festivals or special events, provided such use does not occur within the Building during the hours of 9:00 a.m. and 4:00 p.m. Furthermore, provided the overall family orientation of the Building is not changed thereby, the District agrees not to object to the issuance of new alcoholic beverage licenses to any establishment within the Building that is of a character similar to those presently licensed and where liquor sales are confined to within a discrete leasehold area.

(c) The City agrees to consult with the District prior to finally approving any new use of the Building that would entail the serving of alcoholic beverages, and the District agrees to consult with the City prior to the District's objecting to the issuance of any liquor license. Any dispute regarding the application of this Section to the issuance of a proposed liquor license shall be subject to the dispute resolution mechanism described in Section 18.

21.2. Notice of Potential Labor Actions. The parties agree to immediately notify one another if either learns of any threatened labor action or other labor-related issue that is governed by or affects this Agreement or the parties' use of the Building or the Premises. Promptly after such notification, the parties shall meet to discuss mutually satisfactory methods of resolving the issue so as to avoid or minimize any disruption to the parties' operations.

21.3. Report of Damage or Destruction. The District shall notify the Center House manager of any damage to the Premises within twenty-four (24) hours after its discovery.

21.4. Objectionable Merchandise or Material. The District shall not display or offer for sale or rent, or allow to be displayed or offered for sale or rent, on the Premises, any merchandise or other material that is unsafe; that portrays the City or Seattle Center or any aspect thereof in an incorrect, misleading or unfavorable manner; that depicts or suggests in words, symbols, illustrations or other forms, any act of violence, or any lewd, immoral or obscene activity; or that is inconsistent with the image of a first-class family-oriented retail and entertainment development, or





is otherwise inappropriate for a family-oriented recreation and entertainment facility such as Seattle Center; or that may create a substantial litter or other maintenance problem at Seattle Center, all of which shall be determined by the Director in the exercise of such official's sole discretion.

21.5. Director's Consent or Approval.

(a) Whenever the Director's consent or approval in writing to any act to be performed by the District is required under the Lease (a) the District must obtain a consent or approval in writing expressly for purposes of this Lease, regardless of whether a consent or approval shall have been granted by the City in its regulatory, public utility, or other capacity; and (b) unless otherwise expressly stated herein, such consent or approval may be withheld in the Director's sole and absolute discretion.

(b) No permission, consent, or approval of the Director contained herein or given pursuant to this Lease is, or shall be construed as, a representation or assurance that the matter consented to or approved complies with applicable laws, regulations, ordinances or Codes, nor shall any such consent or approval be construed to authorize any failure to comply with any of the foregoing.

21.6. 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 District or any party associated with the District in the conduct of the District's business or otherwise. This Lease does not make the District the agent or legal representative of the City for any purpose whatsoever.

21.7. Amendments. No modification or amendment of this Lease may be made except by written agreement signed by the Director and an authorized representative of the District.

21.8. Interest on Past Due Obligations. Except as expressly herein provided, any amount due to the City not paid when due shall bear interest at the rate of twelve percent (12%) per annum from the date due until paid. In addition, in the event of any delinquency, the District shall owe the City a service charge of Fifty Dollars (\$50.00), or such larger sum as is established by ordinance, for each month the delinquency continues. Payment of such interest or service charge shall not excuse or cure any default by the District under this Lease.

21.9. Notices. All notices or requests required or permitted under this Lease shall be in writing, shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid, or by facsimile transmission and shall be deemed to have been given when so delivered mailed or faxed (provided that the fax machine has issued a printed confirmation of receipt) irrespective of whether such notice or request is actually received by the addressee. All notices or requests shall be sent as follows:

If to the City: Seattle Center Director  
305 Harrison St.  
Seattle, WA 98109

If to the District: Seattle School District No. 1  
Property Management Office

July 27, 2001

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4141 Fourth Avenue South  
Seattle, WA 98134

with a copy to the Center School principal.

Either party may change the address to which notices shall be sent by notice to the other party.

21.10. Captions; Attachments.

(a) The captions of the paragraphs of this Lease are for convenience only and shall not be deemed to be relevant in resolving any question of interpretation or construction of any section of this Lease.

(b) Exhibits attached hereto are deemed by attachment to constitute part of this Lease and are incorporated herein.

21.11. Entire Agreement. This instrument along with any exhibits and attachments hereto constitutes the entire agreement between the City and the District relative to the Premises. The City and the District agree hereby that all prior or contemporaneous oral agreements between and among themselves and their agents or representatives relative to the leasing of the Premises are merged in or revoked by this Lease.

21.12. Severability. If any term or provision of this Lease shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforceable to the fullest extent permitted by law.

21.13. Binding Effect; Choice of Law. Subject to any provisions hereof restricting assignment or subletting by the District, all of the provisions hereof shall bind and inure to the benefit of the parties hereto and their respective successors and assigns. The laws of the State of Washington shall govern this Lease.

21.14. Waiver. No covenant, term or condition or the breach thereof shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any covenant, term or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term or condition. Acceptance by one party of any performance by the other after the time the same shall have become due shall not constitute a waiver by the non-breaching party of the breach or default of any covenant, term or condition unless otherwise expressly agreed to by the non-breaching party in writing.

21.15. Fair Construction. The provisions of this Lease shall be construed as a whole according to their common meaning, not strictly for or against any party, and consistent with the provisions contained herein in order to achieve the objectives and purposes of this Lease. Each party hereto and its counsel has reviewed and revised this Lease and agrees that the normal roles of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Lease.

July 27, 2001

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ACTING  
CITY  
CLERK

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21.16. Authority. Each party represents to the other that the person signing this Lease on its behalf is properly authorized to do so.

## 22. DEFINITIONS.

The following capitalized terms used in this Lease shall have the following meanings unless the context otherwise requires:

"Additional Rent" means all amounts, which the District is required to pay the City pursuant to this Lease (other than Fixed Rent).

"Building" means a four-story building in which the Premises are located, commonly known as Seattle Center House, consisting of approximately 247,000 square feet of office, retail and public assembly space. The real estate and improvements including the Building are located in Seattle, King County, Washington. The Building has a street address of 305 Harrison Street, Seattle, Washington 98109.

"Codes" include all land use, building, housing, fire, electrical, mechanical, plumbing and other codes applicable under City ordinances or State law, and all interpretations thereof issued by the agencies responsible for the administration thereof.

"Commencement Date" means the day the Lease Term commences as set forth in Section 3.1.

"Common Areas" means any Seattle Center area designated by the City as being for the general use of tenants, licensees, concessionaires, patrons, employees, and invitees of the Seattle Center and not within the exclusive control of any tenant, licensee, or concessionaire, and shall include but not be limited to parking areas, landscaped areas, araways, roads, walks, corridors, malls, public toilets, public stairs, ramps, elevators, escalators, and shelters.

"Environmental Law" means, as amended from time to time, the Federal Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901 et seq., Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 9601 et seq., Federal Hazardous Materials Transportation Control Act of 1980, 42 U.S.C. Section 1801 et seq., Federal Clean Air Act, 42 U.S.C. Section 7401 et seq., Federal Water Pollution Control Act, Federal Water Act of 1977, 93 U.S.C. Section 1251 et seq., Federal Insecticide, Fungicide and Rodenticide Act, Federal Pesticide Act of 1978, 7 U.S.C. Section 136 et seq., Federal Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., Federal Safe Drinking Water Act, 42 U.S.C. Section 300f et seq., Washington Water Pollution Control Act, RCW Chapter 90.48, Washington Clean Air Act, RCW Chapter 70.94, Washington Solid Waste Management Recovery and Recycling Act, RCW Chapter 70.95, Washington Hazardous Waste Management Act, RCW Chapter 70.105, Washington Hazardous Waste Fees Act, RCW Chapter 70.95E, Washington Model Toxics Control Act, RCW Chapter 70.105D, Washington Nuclear Energy and Radiation Act, RCW Chapter 70.98, Washington Radioactive Waste Storage and Transportation Act, RCW Chapter 70.99, Washington Underground Petroleum Storage Tanks Act, RCW Chapter 70.148, and any regulations promulgated thereunder from time to time.





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"Hazardous Substance" means any matter including petroleum products and by-products, asbestos, infectious waste and any other materials, which is now or hereafter designated as a hazardous substance pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq., or that is now or hereafter regulated by applicable Environmental Laws.

"Law" means any constitution, statute, ordinance, regulation, rule, resolution, judicial decision, administrative order or other requirement of federal, state, county, municipal or other governmental agency or authority having jurisdiction over the parties or the Premises, or both, in effect either at the time of execution of this Lease or at any time during the Term, including without limitation, any regulation or order of a quasi-official entity or body (e.g., board of fire examiners or public utilities); all rules, laws and regulations arising under The Americans with Disabilities Act and the regulations issued thereunder by the United States Department of Justice.

"Legal Requirements" means all applicable federal, state and local laws, ordinances and regulations and other governmental rules, orders and determinations now or hereafter in effect, whether or not presently contemplated, applicable to the Premises, or its ownership, operation, use or possession, including (without limitation), all those relating to building codes, zoning or other land use matters, The Americans With Disabilities Act of 1990, as amended, life safety requirements and environmental compliance with respect to the handling, treatment, storage, disposal, discharge, use and transportation of Hazardous Substances.

"Operating Expenses" means any and all costs and expenses paid or incurred by the City in connection with the repair, operation, use and maintenance of the Premises including, but not limited to:

(a) The repair, replacement, operation and maintenance of the Premises including, without limitation, interior maintenance, interior perimeter and interior partition walls and finishes (including periodic painting thereof), floors, floor coverings, elevators, HVAC, exhaust system, mechanical, electrical, plumbing and other building systems, equipment and machinery to the extent located in or serving the Premises.

(b) All costs of utilities furnished to the Premises, including, without limitation, refuse collection, water, sewer, gas and other public utilities to service the Premises, fire protection, security services, janitorial and cleaning services (including trash collection, cleaning and window washing), pest control (including vermin and insects) and costs of supplies, materials, equipment and tools used in connection with the operation, maintenance and repair of the Premises;

(c) All license, permit and inspection fees, and any applicable sales, use and excise taxes on goods and services purchased by the City or the District in connection with the operation, maintenance or repair of the Premises;

(d) All costs of complying with governmental laws now or hereafter constituted applicable to the Premises (including Environmental Laws), and any applicable hazardous waste remediation rules or regulations resulting from District use, occupancy or contamination of the Premises;

July 27, 2001

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(e) Taxes;

(f) Any other costs required to maintain the Premises in a safe, sound and attractive condition and state of repair; and

(g) Improvements to the Premises, or in repair or replacement of building systems or equipment or which are required by Laws enacted after the date of this Lease, and any other expense or charge whether or not hereinabove described, which would be considered an expense of maintaining, operating or repairing the Premises.

### 23. LIST OF EXHIBITS.

Exhibit A - Site Plan of Premises

Exhibit B - List of Plans and Specifications for Improvements to Third Floor West and to Premises.

Exhibit C - List of Restricted Construction Times and Activities From January 1, 2002 to July 31, 2002

Signed:

THE CITY OF SEATTLE

THE SEATTLE SCHOOL DISTRICT

By:

*Signature*  
Virginia Anderson  
Director, Seattle Center

By:

*Signature*  
Joseph Olchefske  
Superintendent of the Seattle Schools

Date:

Date:

July 27, 2001

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CITY ACKNOWLEDGMENT

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2001, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared VIRGINIA ANDERSON, to me known to be the Director of Seattle Center for The City of Seattle, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

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

July 27, 2001

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SEATTLE SCHOOL DISTRICT ACKNOWLEDGMENT

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared JOSEPH OLCHEFSKE, to me known to be the Superintendent of the Seattle Public Schools Seattle, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

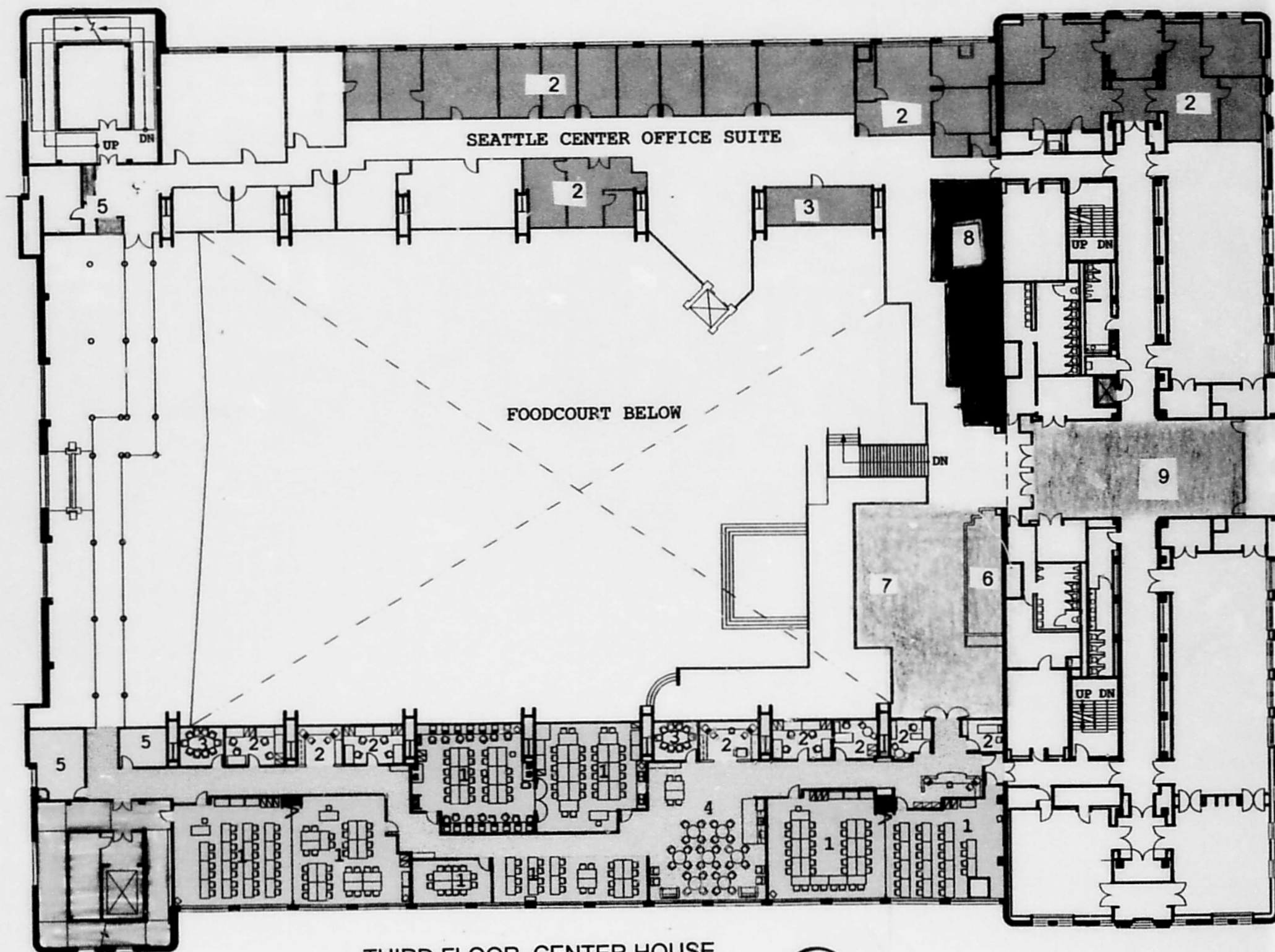
WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

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

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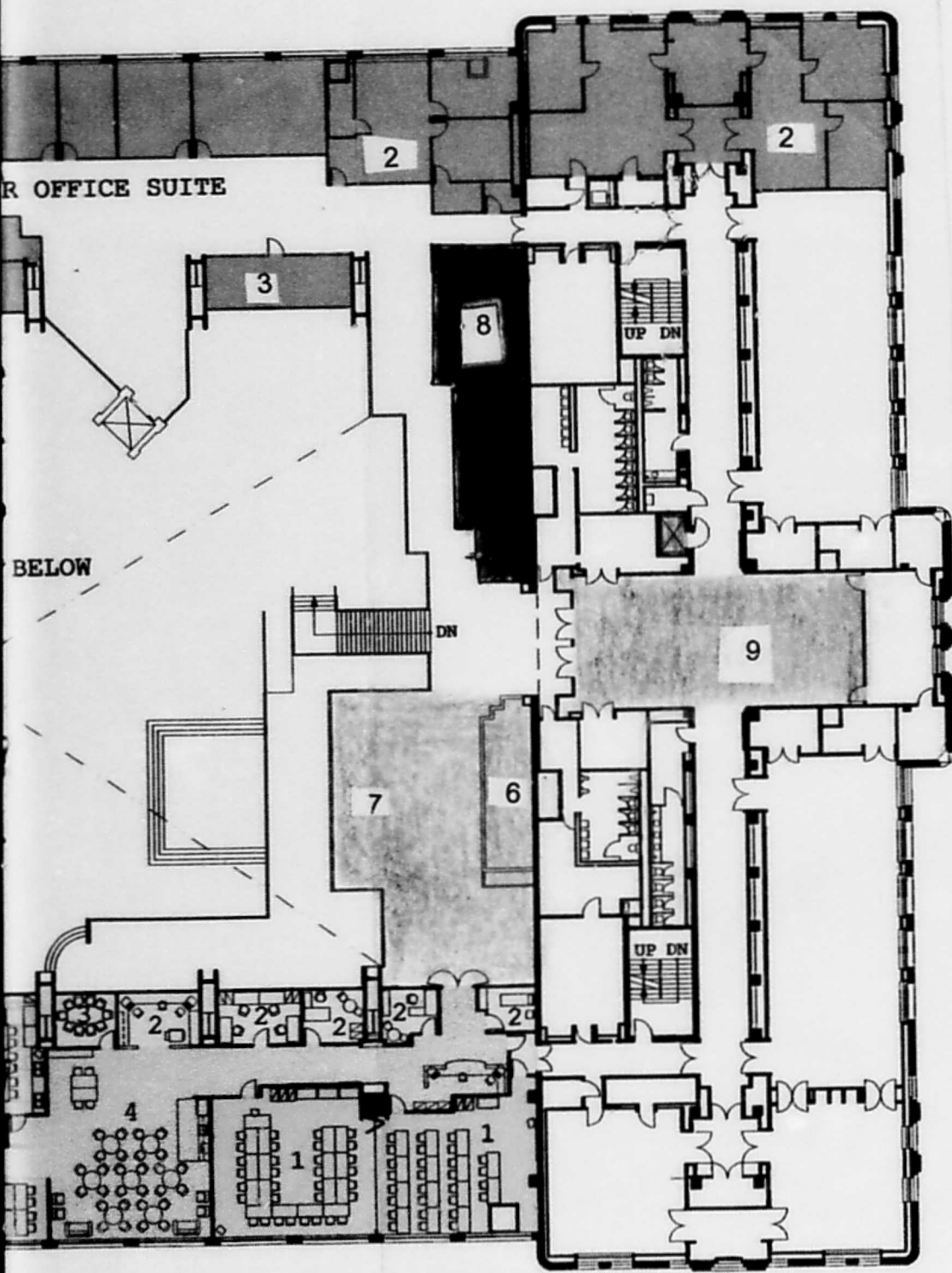
**EXHIBIT A – CENTER SCHOOL LEASE**  
Site Plan of Premises



THIRD FLOOR, CENTER HOUSE

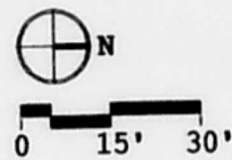






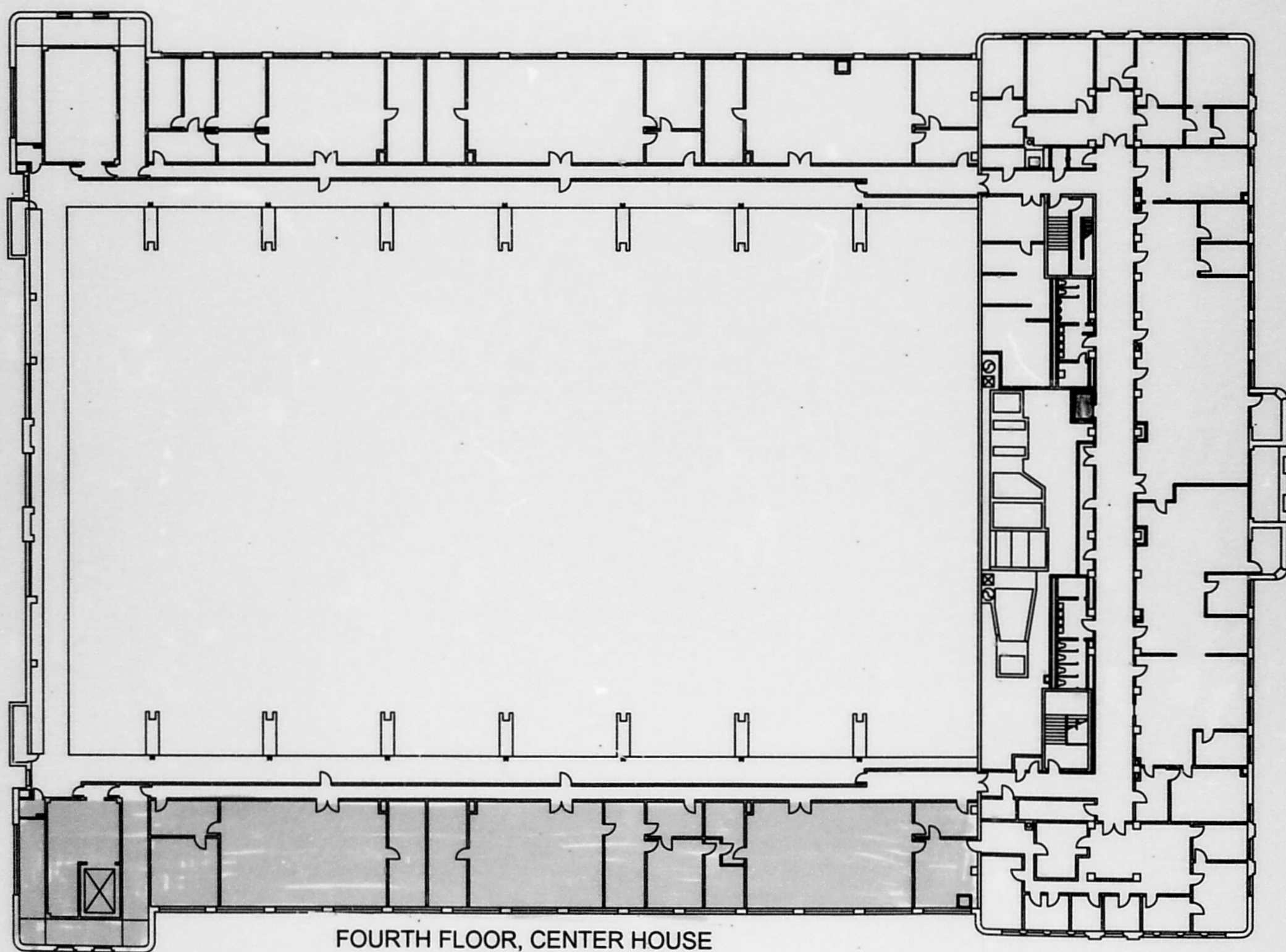
- BUILD-OUT BY SC STAFF
- BUILD-OUT BY SCHOOL DISTRICT SCHOOL SPACES
- BUILD-OUT BY SCHOOL DISTRICT SEATTLE CENTER OFFICES/ TENANT IMPROVEMENTS

- 1 CLASSROOM
- 2 OFFICE
- 3 CONFERENCE
- 4 LOUNGE
- 5 STORAGE
- 6 FAMILY ROOM
- 7 PLAY AREA
- 8 CUSTOMER SERVICE/ OFFICES
- 9 GALLERY



ACTING  
CITY  
CLERK

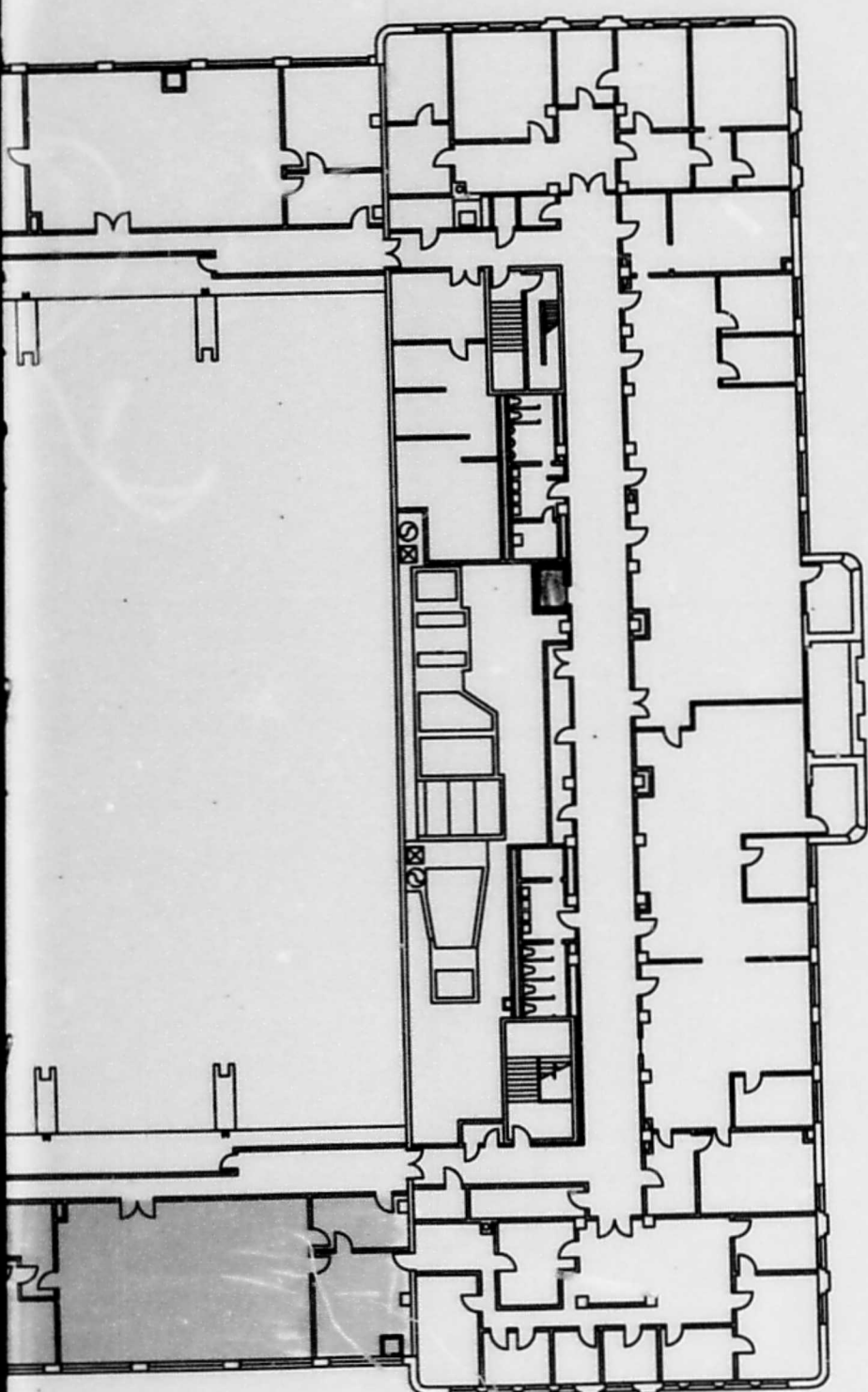
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FOURTH FLOOR, CENTER HOUSE

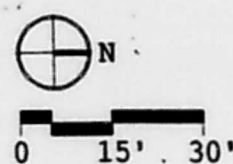


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 BUILD-OUT BY SCHOOL DISTRICT  
SCHOOL SPACES

- 1 CLASSROOMS
- 2 STORAGE



**FISCAL NOTE – THE CENTER SCHOOL LEASE**

<b>Department:</b> Seattle Center	<b>Contact Person/Phone:</b> Robert Nellams 4-7334 Ned Dunn 4-7212	<b>CBO Analyst/Phone:</b> Sara Levin 4-8691
--------------------------------------	--	--

**Legislation Title:**

AN ORDINANCE relating to the Seattle Center; authorizing the Seattle Center Director to execute a lease with Seattle School District No. 1 for improvements to and use of space in the Seattle Center House for a high school.

**Summary of the Legislation:**

This legislation authorizes the Seattle Center Director to execute a lease with the Seattle School District for the improvement and use of space in Center House for a small high school to be called The Center School.

**Background (Include justification for the legislation and any funding history, if applicable):**

Seattle Center was approached by the School District last fall about housing a high school on the Seattle Center campus. Since that time, Seattle Center has worked closely and cooperatively with the District to determine whether a high school could be included at Seattle Center in a way that worked for both the District, the City and existing Seattle Center tenants.

After months of studying potential school sites, resolving code issues and negotiating lease terms, a lease agreement is now ready to be presented to the City Council for use of 17,500 square feet of space on the third and fourth floors of Center House for The Center School. The lease also includes the terms and conditions for the School District to construct improvements in Center House for the Center School, including the relocation of Seattle Center staff displaced by the school.

The Center School will begin this fall in a temporary location at the former Sacred Heart School, across the street from the Seattle Center campus. Construction work in Center House will begin this fall and be completed in June 2002. The Center School will begin its second year in Center House in September 2002.

The key provisions of the lease are as follows:

- 15-year term, with two five-year options
- The School District will pay the non-profit space rental rate in Center House, currently \$4.86 per square foot for an initial annual rent of \$85,050, based on 17,500 square feet. Rent will commence January 1, 2002, when construction





of the school space begins. The non-profit rental rate is adjusted for the CPI each year.

- The School District will receive a credit against rent for capital improvements made by the School District that benefit Center House as a whole, rather than just the Center School. These improvements include upgrades to the current fire alarm system, seismic upgrades, and ADA improvements to the main elevator. For these improvements, the School District will receive a rent credit of \$285,000 over the 15-year initial term of the lease, or \$19,000 per year.
- The School District will pay for its utility usage in addition to its base rent. Where utilities are not separately metered, an allocation formula to reflect estimated school usage is included in the lease.
- The School District will provide its own security for The Center School.
- To the extent required by the District, Seattle Center staff will provide janitorial services for the school, and the School District will reimburse Seattle Center for the cost.
- Seattle Center will be able to use The Center School space when school is not in session for public program purposes such as the Seattle Center Academy. The School District will be credited a prorated share of rent for the period that Seattle Center occupies the school space.
- The Center School will be constructed by the School District on the third and fourth floors of Center House; the School District will also pay the costs of relocating programs and uses displaced by the Center School site.
- All plans and specifications must be approved by the Seattle Center Director prior to construction.

**Sustainability Issues (related to grant awards):** n/a

***Estimated Expenditure Impacts:***

Operating Expense

There will be no net operating cost to Seattle Center as a result of operations of The Center School:

- With regard to utilities, electricity will be separately metered and paid directly by the District. For all other utilities, the District will reimburse the Center for

Fiscal Note – The Center School Lease  
July 27, 2001  
Page 2



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the school's pro rata share of usage. The allocation formula is specified in the lease.

- If the District uses janitorial service of the Center for routine cleaning within the school premises, the School District will reimburse Seattle Center for janitorial services provided by Center employees. Seattle Center has added 0.5 FTE Intermittent labor capacity (\$18,230) to its 2002 budget in anticipation of providing janitorial services for The Center School. The actual amount expended, and the offsetting revenue (reimbursement) from the School District will depend on the level of service requested by the School District.
- The School District will bear all security costs for the School.
- Seattle Center Project Management time in support of the planning, design, and construction of The Center School for 2001 and 2002 is projected to be \$20,000. This one-time cost will be offset by the \$34,000 increase in rental revenue noted below.

#### Capital Expense

##### 1. Planned CIP Project Moved Forward:

Using the School District's design team and contractor, Seattle Center will carry out early implementation of Phase 1 of the Center House Roof Seismic project in 2002, using Seattle Center capital funds (estimated cost of \$200,000; note - original concept estimate was \$300,000 and this figure is incorporated in the lease as the outside number). This work was originally planned as part of Center House roof replacement in 2004-5, but Seattle Center is moving this work ahead as required for the permit for The Center School. Seattle Center is discussing with CBO moving up capital funds into 2002 to accomplish this work. The School District will also do some small repairs to the Center House HVAC valve system to update controls.

##### 2. Seattle Center Initiated Improvements in Center House Funded From Existing Resources

Seattle Center will undertake additional Center House office and program space improvements to coincide with the changes occasioned by the School. These include relocation of Seattle Center Customer Services and Center House Management offices, and new facilities for the Very Special Arts studio space and relocated gallery. These improvements will improve both the accessibility and visibility of the Very Special Arts space, and will allow Seattle Center customer service staff to provide better service to the public by moving them farther away from the noise of the Center House stage. The cost of this work is estimated to be \$50,000. Seattle Center will pay for these costs from existing



capital balances and by using its own labor to the extent possible to minimize the budget impact.

FUND Seattle Center Operating Fund	2001	2002	2003
Project Management Time	\$10,000	\$10,000	\$0
Janitorial Labor (to be reimbursed by the School District)	\$0	\$18,230	\$18,230
<b>TOTAL</b>	<b>\$10,000</b>	<b>\$28,230</b>	<b>\$18,230</b>

**Estimated Revenue Impacts:**

The Center School will result in net additional annual revenue to Seattle Center over 2001 revenues of \$34,000, as follows:

\$ 85,050	2002 base rental revenue from the School District for 17,500 square feet at \$4.86 per square foot (escalates annually by CPI)
(24,000)	Rent previously paid by Seattle Opera for use of 4 <sup>th</sup> floor space for their costume shop (Opera moved their own facilities in January 2001)
( 8,000)	Annual rent from two small conference rooms that are being converted to office space as a result of the school project.
(19,000)	Annual offset to School District's rent as a credit for building-wide life-safety improvements, based on a 15 year straight-line amortization of \$285,000 in capital improvement to Center House made by the District (this makes the net rent paid by the District \$66,050).
<b>\$ 34,050</b>	<b>Net annual revenue to Seattle Center</b>



FUND Seattle Center Operating Fund	2001	2002	2003
Added Rental Revenue	\$0	\$34,050	\$34,050
School District reimbursement for Seattle Center janitorial services.		\$18,230	\$18,230
<b>TOTAL</b>	<b>\$0</b>	<b>\$52,280</b>	<b>\$52,280</b>

**Net Impact on Seattle Center Operating Fund:**

	2001	2002	2003	TOTAL
Expense	\$10,000	\$28,230	\$18,230	\$56,460
Revenue	\$0	\$52,280	\$52,280	\$104,560
Net	(\$10,000)	\$24,050	\$34,050	\$48,100

**Estimated FTE Impacts:**

Seattle Center will add 0.5 FTE Intermittent labor for janitorial services at The Center School. The cost of this labor will be reimbursed by the School District.

Do positions sunset in the future? n/a If so, when? n/a

**Other Issues (including long-term implications of the legislation):**

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**EXHIBIT B --- CENTER SCHOOL LEASE**  
**List of Plans and Specifications for Improvements to Third Floor West and to Premises**

REV DATE	DOCUMENT NUMBER - TITLE
	INTRODUCTORY INFORMATION
8/1/01	10 Table of Contents
	BIDDING REQUIREMENTS
8/1/01	100 Advertisement for Bids
8/1/01	200 Instructions to Bidders
8/1/01	400 Bid Form
	Bid Price Form - Attachment 1
	Contractor's Bid Bond - Attachment 2
	Bid Form Alternates - Attachment 3
	Subcontractor Work Listing - Attachment 4
	CONTRACTING REQUIREMENTS
8/1/01	500 Agreement Between Owner and Contractor
8/1/01	610 Performance and Payment Bond
8/1/01	620 Intent to Pay Prevailing Wages
8/1/01	630 Affidavit of Prevailing Wages Paid
8/1/01	650 Retainage Option Form
8/1/01	655 Escrow Agreement
8/1/01	660 Indemnification Certificate
8/1/01	700 General Conditions for Seattle School District Project
8/1/01	800 Supplemental Conditions
8/1/01	804 Safety Procedures
8/1/01	810 Supplemental Conditions Asbestos Abatement
8/1/01	820 Wage Rates
	- DOL&I Washington State Prevailing Wage Rates for Public Work Contracts (King County 03-03-01)
	- Benefit Code Key - Effective 03-03-01
8/1/01	850 Drawing Index
8/1/01	A0.00 COVER SHEET
8/1/01	A0.01 CODE ANALYSIS
8/1/01	DA1.01 DEMOLITION THIRD WEST SIDE PLAN
8/1/01	DA1.02 DEMOLITION THIRD EAST SIDE PLAN
8/1/01	DA1.03 DEMOLITION FOURTH EAST SIDE PLAN
8/1/01	A2.00 THIRD FLOOR OVERALL PLAN
8/1/01	A2.01 THIRD FLOOR WEST PLAN
8/1/01	A2.02 THIRD FLOOR EAST PLAN
8/1/01	A2.03 FOURTH FLOOR EAST PLAN
8/1/01	A3.00 INTERIOR ELEVATIONS
8/1/01	A3.01 INTERIOR ELEVATIONS
8/1/01	A3.02 INTERIOR ELEVATIONS
8/1/01	A3.03 BUILDING SECTION
8/1/01	A6.01 INTERIOR DETAILS
8/1/01	A8.01 THIRD FLOOR WEST REFLECTED CEILING PLAN
8/1/01	A8.02 THIRD FLOOR EAST REFLECTED CEILING PLAN
8/1/01	A8.03 FOURTH FLOOR EAST REFLECTED CEILING PLAN
8/1/01	A9.01 WALL TYPES & DETAILS
8/1/01	A9.02 DETAILS
8/1/01	A9.03 WINDOW - DOOR SCHEDULES & DETAILS
8/1/01	A9.04 FINISH SCHEDULES & DETAILS
8/1/01	A10.01 THIRD FLOOR SIGNAGE PLAN
8/1/01	A10.02 FOURTH FLOOR SIGNAGE PLAN
8/1/01	S1.0 General Structural Notes
8/1/01	S2.1 Third Floor SE Framing Plan
8/1/01	S2.2 Third Floor NE Framing Plan
8/1/01	S2.3 Not Used
8/1/01	S2.4 Not Used
8/1/01	S2.5 Fourth Floor SE Framing Plan



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# EXHIBIT B --- CENTER SCHOOL LEASE

## List of Plans and Specifications for Improvements to Third Floor West and to Premises

8/1/01	S2.6	Fourth Floor NE Framing Plan
8/1/01	S2.7	Fourth Floor SW Framing Plan
8/1/01	S2.8	Fourth Floor NW Framing Plan
8/1/01	S2.9	Roof SE Framing Plan
8/1/01	S2.10	Roof NE Framing Plan
8/1/01	S2.11	Roof SW Framing Plan
8/1/01	S2.12	Roof NW Framing Plan
8/1/01	S3.0	Details
8/1/01	S3.1	Details
8/1/01	M0.1	Legend & Schedules
8/1/01	M0.2	Schedules
8/1/01	M1.1	Third Floor Demolition Plan
8/1/01	M1.1A	Fourth Floor Demolition Plan
8/1/01	M1.2	Partial Second Floor Reference Plan
8/1/01	M1.3	Partial Third Floor Reference Plan
8/1/01	M1.4	Partial Fourth Floor Reference Plan
8/1/01	M1.5	Partial Fourth Floor Reference Plan
8/1/01	M2.1	NE First Floor Plumbing Plan
8/1/01	M2.2	NE Second Floor Plumbing Plan
8/1/01	M2.3	SE Second Floor Plumbing Plan
8/1/01	M2.4	NE Third Floor Plumbing Plan
8/1/01	M2.5	SE Third Floor Plumbing Plan
8/1/01	M2.6	SW Third Floor Plumbing Plan
8/1/01	M2.7	NW Third Floor Plumbing Plan
8/1/01	M2.8	NE Fourth Floor Plumbing Plan
8/1/01	M2.9	SE Fourth Floor Plumbing Plan
8/1/01	M3.1	NE Third Floor HVAC Plan
8/1/01	M3.2	SE Third Floor HVAC Plan
8/1/01	M3.3	SW Third Floor HVAC Plan
8/1/01	M3.4	NW Third Floor HVAC Plan
8/1/01	M3.5	NE Fourth Floor HVAC Plan
8/1/01	M3.6	SE Fourth Floor HVAC Plan
8/1/01	M3.7	SW Fourth Floor Mechanical Plan
8/1/01	M3.8	NW Fourth Floor Mechanical Plan
8/1/01	M4.1	Isometric Piping Diagram & Sections
8/1/01	M4.2	Details
8/1/01	M4.3	Details
8/1/01	E1.0	LEGEND & ABBREVIATIONS
8/1/01	E2.1	THIRD FLOOR LIGHTING EAST
8/1/01	E2.2	THIRD FLOOR LIGHTING WEST
8/1/01	E2.3	FOURTH FLOOR LIGHTING EAST
8/1/01	E3.1	THIRD FLOOR POWER PLAN EAST
8/1/01	E3.2	THIRD FLOOR POWER PLAN WEST
8/1/01	E3.3	FOURTH FLOOR ELECTRICAL PLAN EAST
8/1/01	E4.1	THIRD FLOOR COMM PLAN EAST
8/1/01	E4.2	THIRD FLOOR COMM PLAN WEST
8/1/01	E5.1	BASEMENT FLOOR PLAN FIRE ALARM
8/1/01	E5.2	FIRST FLOOR PLAN FIRE ALARM
8/1/01	E5.3	SECOND FLOOR PLAN FIRE ALARM
8/1/01	E5.4	THIRD FLOOR PLAN FIRE ALARM
8/1/01	E5.5	FOURTH FLOOR PLAN FIRE ALARM
8/1/01	E6.1	THIRD FLOOR DEMO PLAN
8/1/01	E6.2	FOURTH FLOOR DEMO PLAN
8/1/01	E7.1	SCHEDULES
8/1/01	E7.2	DIAGRAMS
8/1/01	HZ-01	Hazardous Building Materials Abatement - Third Floor West Side
8/1/01	HZ-02	Hazardous Building Materials Abatement - Third Floor East Side

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





**EXHIBIT B --- CENTER SCHOOL LEASE**  
**List of Plans and Specifications for Improvements to Third Floor West and to Premises**

8/1/01      HZ-03    Hazardous Building Materials Abatement - Fourth Floor East Side

**DIVISION 1 GENERAL REQUIREMENTS**

8/1/01      1100 Summary of Work  
8/1/01      1110 Summary of Hazardous Materials Work  
8/1/01      1120 Good Faith Inspection Letter  
8/1/01      1291 Allowances  
8/1/01      1311 Applications for Payment  
8/1/01      1312 Project Coordination  
8/1/01      1325 Meetings  
8/1/01      1330 Schedules and Reports  
8/1/01      1331 Submittals  
8/1/01      1332 Certificate of Compliance  
8/1/01      1370 Certification of No Hazardous Materials  
8/1/01      1410 Schedules of Values  
8/1/01      1422 Regulatory Requirements  
8/1/01      1423 Definitions  
8/1/01      1457 Reference Standards  
8/1/01      1500 Testing Laboratory Services  
8/1/01      1611 Construction Facilities and Temporary Controls  
8/1/01      1631 Materials and Equipment  
                Approval for Substitution and Product Option  
8/1/01      1651 Substitution Request Form  
8/1/01      1723 Delivery, Storage and Handling  
8/1/01      1732 Utility Location Requirements  
8/1/01      1740 Cutting and Patching  
8/1/01      1770 Cleaning  
8/1/01      1778 Contract Closeout  
8/1/01      1779 Warranties and Bonds  
8/1/01      1785 Warranty of Work After Final Payment  
8/1/01      1789 Operating and Maintenance Data

**Project Record Documents**

**DIVISION 2 SITEWORK**

8/1/01      2226 Selective Site Demolition

**DIVISION 3 CONCRETE**

8/1/01      3451 Cementations Underlayment

**DIVISION 4 MASONRY**

(Not Used)

**DIVISION 5 METALS**

8/1/01      5061 Welding  
8/1/01      5500 Metal Fabrications

**DIVISION 6 WOOD AND PLASTICS**

8/1/01      6200 Finish Carpentry and Millwork

**DIVISION 7 THERMAL AND MOISTURE PROTECTION**

8/1/01      7211 Batt and Blanket Insulation  
8/1/01      7812 Spray Applied Waterproofing  
8/1/01      7840 Firestopping  
8/1/01      7900 Joint Sealers

**DIVISION 8 DOORS AND WINDOWS**

8/1/01      8100 Steel Doors and Frames  
8/1/01      8212 Flush Wood Doors  
8/1/01      8710 Finish Hardware  
8/1/01      8800 Glazing

**DIVISION 9 FINISHES**

8/1/01      9110 Non-Load Bearing Metal Wall Framing

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**EXHIBIT B --- CENTER SCHOOL LEASE**  
**List of Plans and Specifications for Improvements to Third Floor West and to Premises**

8/1/01	9131 Acoustical Suspension Systems
8/1/01	9210 Gypsum Plaster
8/1/01	9250 Gypsum Board
8/1/01	9511 Acoustical Lay-In Panel Ceilings
8/1/01	9651 Resilient Base and Accessories
8/1/01	9680 Carpet
8/1/01	9900 Paints and Coatings
	DIVISION 10 SPECIALTIES
8/1/01	10524 Fire Extinguisher Cabinets
	DIVISION 11 EQUIPMENT
	(Not Used)
	DIVISION 12 FURNISHINGS
8/1/01	12492 Horizontal Louver Blinds
	DIVISION 13 SPECIAL CONSTRUCTION
8/1/01	13280 Asbestos Abatement
8/1/01	13282 PCB Related Activities
8/1/01	13283 Fugitive and Silica Dust Control Procedures
8/1/01	13284 Lead Handling Procedures
	DIVISION 14 CONVEYING SYSTEMS
	(Not used)
	DIVISION 15 MECHANICAL
8/1/01	15010 General Provisions
8/1/01	15020 Vibration Isolation
8/1/01	15030 Mechanical Painting and Identification
8/1/01	15040 Balancing Air and Water Systems
8/1/01	15060 Pipe and Fittings
8/1/01	15070 Mechanical Systems Insulation
8/1/01	15090 Mechanical Supporting Devices
8/1/01	15100 Valves
8/1/01	15400 Plumbing Fixtures
8/1/01	15500 Automatic Fire Protection Systems
8/1/01	15650 Heating Water System
8/1/01	15670 HVAC Systems Water Treatment
8/1/01	15800 Air Distribution Systems
8/1/01	15825 Air Terminal Equipment
8/1/01	15850 Air Filtration
8/1/01	15900 Automatic Temperature Controls
	DIVISION 16 ELECTRICAL
8/1/01	16010 Electrical Work, General
8/1/01	16010A Progress Draw Request
8/1/01	16100 Basic Materials
8/1/01	16400 Distribution Equipment
8/1/01	16500 Lighting
8/1/01	16700 Data and Telephone Cabling System
8/1/01	16721 Fire Alarm System
8/1/01	16727 Security System

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## **EXHIBIT C**

### **Center High School List of Restricted Construction Times and Activities From January 1, 2002 to July 31, 2002**

#### **Summary:**

- Outside Premises:
  - 11:00 p.m. – 7:30 a.m., all work ok at all times
  - No work before 11:00 p.m. on Fridays
  - No work before 11:00 p.m. on Saturdays
  - No work before 8:00 p.m. Sunday – Thursday; work earlier than 11:00 p.m. must be limited to quiet activities.
- Inside Premises:
  - In addition to the above, quiet activities may occur any time inside the Premises.

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In limited situations, the Seattle Center House Manager shall have the authority to grant an exception to these times.

The District shall ensure that building systems in non-construction areas of the Seattle Center House are operational by 7:30 a.m. each day. This will include, but not be limited to, electrical, HVAC and water. Any interruption of service, which will cut off refrigeration to vendor kitchens, shall be worked out with the Seattle Center House Manager at least 48 hours in advance of the interruption of service.

The District shall complete clean up of all public areas impacted by construction work before 7:30 a.m. each day.

July 30, 2001



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STATE OF WASHINGTON -- KING COUNTY

--SS.

136089  
City of Seattle, Clerk's Office

No. ORDINANCE TITLE ONLY

**Affidavit of Publication**

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 referred 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 12<sup>th</sup> 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

CTOT:120498-120501

was published on

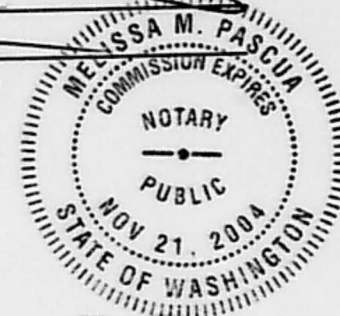
09/19/01

*John J. Walker*  
Subscribed and sworn to before me on

09/19/01

*Melissa M. Pascua*  
Notary public for the State of Washington,  
residing in Seattle

Affidavit of Publication





State of Washington, King County

**City of Seattle**

**TITLE-ONLY PUBLICATION**

The full text of the following ordinances, passed by the City Council on September 4, 2001, and published here by title only, will be mailed upon request, or can be accessed electronically at <http://clerk.ci.seattle.wa.us>. For further information, contact the Seattle City Clerk at 684-8344.

**ORDINANCE NO. 120498**

AN ORDINANCE relating to Seattle Transportation Department; accepting deed(s) for Street Purposes from the Housing authority of the City of Seattle for street purposes located in the Rainier Vista Housing Campus, Section 16, Township 24 North, range 4 East, Seattle, King County, Washington.

**ORDINANCE NO. 120499**

AN ORDINANCE relating to the Fleets and Facilities Department; transferring jurisdiction of certain property identified in the South Lake Union Park Master Plan from the Fleets and Facilities Department of Parks and Recreation.

**ORDINANCE NO. 120500**

AN ORDINANCE relating to the Department of Parks and Recreation; authorizing the acquisition of certain real property located in the West Duwamish Greenbelt at 4601 16th Avenue SW for open space, park, and recreation purposes; authorizing acceptance of the deed; and making an appropriation from the 2000 Parks Levy Fund for acquisition and related costs, all by a three-fourths vote of the City Council.

**ORDINANCE NO. 120501**

AN ORDINANCE relating to the Seattle Center; authorizing the Seattle Center Director to execute a lease with Seattle School District No. 1 for improvements to and use of space in the Seattle Center House for a high school.

Publication ordered by JUDITH PIPPIN, City Clerk.

Date of official publication in Daily Journal of Commerce, Seattle, September 19, 2001. 9/19/2001ACT

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