



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

September 20, 2016

Ordinance 18362

Proposed No. 2016-0338.1

Sponsors Upthegrove

1 AN ORDINANCE authorizing the execution of a new lease
2 to support the operations of superior court.

3 STATEMENT OF FACTS:

4 1. The facilities management division received a request for space on
5 August 15, 2015, from superior court.

6 2. Superior court needed space for the purpose of juvenile probation
7 services.

8 3. The facilities management division determined on August 15, 2015,
9 that there was not an appropriate county-owned option.

10 4. The facilities management division determined, through consultation
11 with the department, that leasing was the most cost-effective option for the
12 county.

13 5. The facilities management division successfully negotiated to lease
14 space from John C. Radovich, LLC, located at 451 SW 10th Street,
15 Renton, Washington, within council district five.

16 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

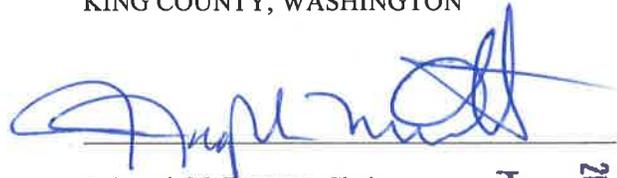
17 SECTION 1. The executive is authorized to execute a lease for the property
18 located at 451 SW 10th Street, Renton, Washington with John C. Radovich, LLC,

19 substantially in the form of Attachment A to this ordinance, and to take all actions
20 necessary to implement the terms of the lease.
21

Ordinance 18362 was introduced on 7/11/2016 and passed by the Metropolitan King County Council on 9/19/2016, by the following vote:

Yes: 9 - Mr. von Reichbauer, Mr. Gossett, Ms. Lambert, Mr. Dunn,
Mr. McDermott, Mr. Dembowski, Mr. Upthegrove, Ms. Kohl-Welles
and Ms. Balducci
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



J. Joseph McDermott, Chair

ATTEST:



Anne Noris, Clerk of the Council

RECEIVED
2016 SEP 28 PM 1:16
KING COUNTY COUNCIL CLERK

APPROVED this 27 day of SEPTEMBER 2016.



Dow Constantine, County Executive

Attachments: A. Lease Agreement

ATTACHMENT A:
LEASE AGREEMENT

LEASE

THIS LEASE AGREEMENT (“Lease”) is made and entered into between John C. Radovich, LLC, a Washington Limited Liability Company (“Landlord”), and KING COUNTY, a political subdivision of the State of Washington (“Tenant”).

1. Basic Lease Information

1.1 Lease Date: April 22, 2016 (for reference purposes only)

1.2 Landlord: John C. Radovich, LLC

1.3 Tenant: King County, a political subdivision of the State of Washington

1.4 Building: Located at: 451 S.W. 10th, Renton, Washington 98057 on that certain real property that is legally described on the attached Exhibit A.

Project: 451 Plaza

1.5 Premises: The area depicted on the attached Exhibit B, containing approximately 3,474 rentable square feet

Tenant’s Pro Rata Share: Not-Applicable

1.6 Permitted Use: Administrative and counseling offices, and other uses related to support the Juvenile Court and/or any other legally permissible use

1.7 Initial Term: Five (5) years

1.8 Extended Term(s): Two (2) options to extend for five (5) years per option term.

1.9 Commencement Date: See Section 3

1.10 Rent Commencement Date: Same as Commencement Date

1.11 Expiration Date: See Section 3

1.12 Rent:

Months	Rent per rentable square foot per annum	Rent per month
1-12	\$20.00	\$5,790.00
13-24	\$20.50	\$5,934.75
25-36	\$21.00	\$6,079.50
37-48	\$21.50	\$6,224.25
49-60	\$22.00	\$6,369.00

- 1.13 Security Deposit: Not-Applicable
- 1.14 Landlord's Address for Notices: JCR Development
2835 82nd Avenue SE, S-1
Mercer Island, WA 98040
- 1.15 Tenant's Address for Notices: King County Real Estate Services Section
830 King County Administration Building
500 - 4th Avenue
Seattle, WA 98104

2. Premises; Tenant Improvements.

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

Landlord warrants that the Premises shall be delivered (i) in good operating condition, including but not limited to all mechanical, electrical, plumbing, and other systems serving the Premises; (ii) in compliance with all applicable laws, codes, ordinances and regulations; and (iii) free of any Hazardous Material. To the extent that the Premises fails to comply with the prior sentence as of the Commencement Date (without limiting any other rights or remedies that Tenant may have under this Lease and/or at law), Landlord shall promptly correct the same at its sole cost and expense.

Landlord also grants Tenant a nonexclusive license to use those portions of the Building or Project made available from time to time by Landlord for the common use and enjoyment of Tenant, Landlord, and other tenants of the Building or Project and their guests and invitees, including the zoned parking lot as depicted in Exhibit A (the "Common Areas"). Landlord shall have the right to do and perform all such acts in and to the Common Areas as Landlord shall determine in its reasonable discretion, including without limitation reconfiguring and temporarily closing the same from time to time, so long as Landlord does not adversely affect Tenant's use and enjoyment of the Premises.

2.2 Tenant Improvements. Landlord, at Landlord's sole cost and expense shall perform the Tenant Improvements as defined in Exhibit C.

3. Term.

3.1 Commencement Date. This Lease shall commence on the date this Lease is mutually executed by Landlord and Tenant ("Commencement Date"). Within thirty

(30) days after the Commencement Date is established, Landlord shall confirm and reiterate said Commencement Date to Tenant in writing.

3.2 Expiration Date. This Lease shall expire on the last day of the calendar month that is 60 months after the Commencement Date ("Expiration Date").

3.3 Extension Options. Tenant is hereby granted the option to extend the initial Term for two (2) additional successive periods of five (5) years apiece (each one an "Extended Term"). Each Extended Term may be exercised by Tenant only by giving Landlord written notice of at least one-hundred and twenty (120) days prior to the last day of the then current term. Tenant's Extended Term options shall apply to all of the Premises then leased by Tenant under this Lease. From and after the commencement of the Extended Term, all of the terms, covenants, and conditions of this Lease shall continue in full force and effect as written, except that Rent for the first (1st) year of each Extended Terms shall be ninety-five percent (95%) of the then-prevailing Fair Market Rent (defined below), and the Rent for years two through five (2-5) of each Extended Term shall increase by fifty cents (\$.50) per rentable square foot per year. The term "Fair Market Rent" for the purposes of this Lease shall mean the annual amount per rentable square foot that a willing, comparable, new, non-expansion, non-renewal, non-equity tenant would pay, and a willing, comparable landlord of a comparable building in the Renton, Washington market would accept under the transaction as further defined above, for new leases of similar space in the same geographic area as the Premises, considering, size, use type, and creditworthiness of tenant on or about the date on which the Fair Market Rent is being determined hereunder.

Within thirty (30) days of Tenant notifying Landlord that it intends to exercise an Extended Term option under this Section 3.3, Landlord will advise Tenant in writing of its proposed Fair Market Rent. If Landlord and Tenant are unable to agree on a mutually acceptable Fair Market Rent not later than ninety (90) days prior to the expiration of the then current term, then Landlord and Tenant, within five (5) days after such date, shall each simultaneously submit to the other, in a sealed envelope, its good faith estimate of the Fair Market Rent for the Premises (collectively referred to as the "Estimates"). If the higher of such Estimates is not more than one hundred five percent (105%) of the lower of such Estimates, then the Fair Market Rent shall be the average of the two Estimates. If the Fair Market Rent is not established by the exchange of Estimates, then, within ten (10) days after the exchange of Estimates, Landlord and Tenant shall each select a licensed commercial real estate appraiser to determine which of the two Estimates most closely reflects the Fair Market Rent for the Premises. Each appraiser shall have had at least seven (7) years' experience within the previous ten (10) years of his/her work experience as a commercial real estate appraiser working in Renton, Washington with working knowledge of current rental rates and practices. Landlord's and Tenant's appraisers shall work together in good faith to agree upon which of the two Estimates most closely reflects the Fair Market Rent for the Premises. The Estimates chosen by such appraisers shall be binding on both Landlord and Tenant. If the two appraisers cannot agree upon which of the two Estimates most closely reflects the Fair Market Rent within twenty (20) days after their appointment, then, within ten (10) days after the

expiration of such twenty (20) day period, the appraisers shall select a third appraiser meeting the aforementioned criteria. Once the third appraiser (the "Arbitrator") has been selected as provided for above, then, as soon thereafter as practicable but in any case within fourteen (14) days, the Arbitrator shall make his or her determination of which of the two Estimates most closely reflects the Fair Market Rent and such Estimate shall be binding on both Landlord and Tenant as the Fair Market Rent. If the Arbitrator believes that expert advice would materially assist him or her, he or she may retain one or more qualified persons to provide such expert advice. Landlord and Tenant shall share equally in the costs of the Arbitrator and of any experts retained by the Arbitrator. Any fees of any appraiser, counsel or experts engaged directly by Landlord or Tenant, however, shall be borne by the party retaining such appraiser, counsel or expert.

If the Fair Market Rent has not been determined by the commencement date of the Extended Term, Tenant shall pay Rent upon the terms and conditions in effect during the last month of the initial Term (or preceding Extended Term, as applicable) until such time as the Fair Market Rent has been determined. Upon such determination, the Rent shall be retroactively adjusted to the commencement of the Extended Term.

4. Permitted Use. The Premises may be used by Tenant for the uses set forth in Section 1.6 above. Landlord represents and warrants to Tenant that the Premises may lawfully be used for the uses set forth in Section 1.6 above.

5. Rent. Tenant covenants and agrees to pay Landlord, at Landlord's Notice Address set forth in Section 1.14 above, without deduction or offset except as otherwise set forth in this Lease, monthly rent in the amounts set forth in Section 1.12, payable in advance, without prior notice or demand, on or before the first day of each month of the Term (the "Rent"). Rent for any fractional calendar month at the beginning or end of the Term shall be prorated.

6. Security Deposit. None.

7. Utilities and Services. Landlord shall, at its sole cost and expense, at all times furnish the Premises with: (i) water at those points of supply provided for general use of tenants of the Building; (ii) heated and refrigerated air conditioning as appropriate, at such temperatures and in such amounts as are required by governmental authority or as are reasonably appropriate for the Building; (iii) janitorial service, recycling and trash removal on weekdays, other than national holidays, and such carpet cleaning and window washing as may from time to time be reasonably required; (iv) elevators for ingress and egress to the floor on which the Premises are located; (v) replacement of Building-standard light bulbs and fluorescent tubes in the Premises; and (vi) electrical current reasonably sufficient for Tenant's use. Tenant shall furnish its own telephone, internet and cable service to the Premises. No interruption or failure of any utilities or services from any cause whatsoever shall be deemed an eviction of Tenant, provided that Landlord shall use commercially reasonable efforts to repair, replace or restore the same as quickly as possible. To the extent any interruption of services occurs due to Landlord's negligence, intentional misconduct or breach of Lease, then Rent shall be abated

for the period of interruption in the proportion of the square footage rendered unusable in addition to, and without limiting, Tenant's other rights and remedies available at law and/or under this Lease.

8. Operating Costs. Tenant shall pay no operating costs as part of this Lease. This agreement is a full-service Lease, meaning that the cost of all services, utilities, maintenance, repairs provided by Landlord, and Landlord's other operating costs are included in the monthly Rent.

9. Maintenance and Repairs. Landlord be responsible for all maintenance and repairs to the Premises, and shall maintain, repair and replace, if necessary, the Building; all Building systems, including but not limited to interior lighting (including replacement of ballasts and starters as required with the exception of light bulb replacement which shall be the responsibility of the Tenant); plumbing, heating, ventilating and air-conditioning systems (including replacement of filters as recommended in equipment service manuals); floor coverings; window coverings; elevators (including communications systems); inside and outside walls (including windows and entrance and exit doors); all structural portions of the Building (including the roof and the watertight integrity of same); porches, stairways; sidewalks; exterior lighting; parking lot (including snow removal, cleaning and restriping as required); wheel bumpers; drainage; landscaping and continuous satisfaction of all governmental requirements (example: fire, building energy codes, indoor air quality and requirements to provide architecturally barrier-free premises for persons with disabilities, etc.).

10. Sublease and Assignment. Tenant may assign this Lease in whole or in part, or sublet all or any portion of the Premises, with the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed.

11. Alterations and Improvements. Tenant shall be entitled to perform alterations and/or improvements to the Premises (including, without limitation, the installation of fixtures and signs) subject to Landlord's consent, which shall not be unreasonably withheld, conditioned or delayed. Upon Tenant's request, Landlord agrees to perform such alterations or improvements on Tenant's behalf, subject to reimbursement from Tenant for Landlord's actual and reasonable costs. Tenant may from time to time remove any fixtures, alterations or improvements installed by Tenant in or to the Premises; provided that Tenant agrees to repair any damage caused by such removal.

Notwithstanding the foregoing, Tenant may perform alterations and/or improvements to the Premises without obtaining Landlord's prior consent so long as such alterations and/or improvements: (i) do not exceed \$25,000 per project, (ii) are not visible from the exterior of the Premises, (iii) do not adversely affect any Building system or the structural strength of the Building, and (iv) do not require penetrations into the roof of the Building.

12. Damage and Destruction. In the event the Premises or Building are destroyed or damaged by fire, earthquake or other casualty so as to render the Premises or Building, in Tenant's sole judgment, unfit for occupancy or Tenant's intended purpose, and the

Landlord neglects or refuses to restore the Premises to its former condition within ninety (90) days of such damage or destruction, Tenant may terminate this Lease upon thirty (30) days written notice to Landlord. In the event of such termination, Landlord and Tenant shall have no further obligations hereunder, except those obligations that expressly survive the expiration or earlier termination of the Lease. In the event the Premises are damaged by any of the aforesaid events, the Rent shall be abated in proportion to the percentage of untenable space in the Premises as relates to the total square footage of the Premises until such time that Landlord restores the Premises to its pre-casualty condition. If, in the sole discretion of Tenant, the untenable portion of the Premises or the Building renders the Premises unusable for the Permitted Use, Tenant may unilaterally terminate this Lease upon thirty (30) days written notice to Landlord.

13. Condemnation. If any portion of the Premises, Building or real property upon which the same are situated (including, without limitation, any parking areas associated with the Premises and/or Building) which is necessary, in Tenant's sole judgment, for Tenant's occupancy or intended use of the Premises, or fifty percent (50%) or more of the rentable area of the Building, is made untenable by eminent domain or conveyed under a threat of condemnation, this Lease shall terminate at the option of either Landlord or Tenant as of the earlier of the date title vests in the condemning authority or the condemning authority first has possession of the Premises, Building, or the portion of the underlying real property taken by the condemning authority. All Rents and other payments shall be paid to that date. If the condemning authority takes a portion of the Premises or of the Building or the underlying real property necessary for Tenant's occupancy or intended use that does not render them, in Tenant's sole judgment, untenable, then this Lease shall continue in full force and effect and the Rent shall be proportionately reduced based on the percentage by which the floor area of the Premises is reduced. The reduction in Rent shall be effective on the earlier of the date the condemning authority first has possession of such portion or title vests in the condemning authority. If the Tenant, in its sole judgment, determines that the condemnation has rendered the Premises unsuitable for the Permitted Use, Tenant shall be entitled to terminate this Lease upon thirty (30) days advance written notice to Landlord. Landlord shall be entitled to the entire award from the condemning authority attributable to the value of the Premises or the Building and Tenant shall make no claim for the value of its leasehold. Tenant shall be permitted to make a separate claim against the condemning authority for moving expenses if Tenant terminates the Lease under this section, provided that in no event shall Tenant's claim reduce Landlord's reward.

14. Indemnity and Hold Harmless. Each party shall defend, indemnify and hold the other harmless from and against any claims, suits, causes of action, judgments, damage, loss or liability for injuries to persons or property (excluding consequential damages such as lost profits) (collectively, "Claims") to the extent caused by the negligent acts or omissions of their respective agents, officers and employees acting in the scope of their employment. Where such Claims result from the concurrent negligence of the parties, the indemnity provisions provided herein shall be valid and enforceable only to the extent of each party's negligence. Each of the parties agrees that its obligations under this Section 14 extend to any claim, demand, cause of action and judgment brought by, or on behalf of,

any of its employees or agents. For this purpose, each of the parties, by mutual negotiation, hereby waives, with respect to each of the other party's only, any immunity that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW. In the event that any of the parties incurs any judgment, award, and/or cost arising therefrom, including attorney fees, expenses, and costs shall be recoverable from the responsible party to the extent of that party's negligence.

15. Insurance.

15.1 Landlord acknowledges that Tenant, a Charter County Government under the Constitution of the State of Washington, maintains a fully funded self-insurance program as defined in King County Code 2.21 for the protection and handling of the Tenant's liabilities, including injuries to persons and damage to property. Tenant shall, at its own expense, maintain, through its self-funded program, coverage sufficient for all of its liability exposures for this Lease. Tenant shall provide Landlord with at least thirty (30) days prior written notice of any material change in Tenant's self-funded program and shall provide Landlord with a certificate of self-insurance as proof of coverage. Landlord further acknowledges that Tenant does not maintain a commercial General Liability Insurance policy and is a self-insured government entity; therefore, Tenant does not have the ability to add Landlord as an additional insured to such policy. Should Tenant cease self-insuring its liability exposure and purchase a Commercial General Liability Insurance Policy, Tenant shall add Landlord as an additional insured to such policy. Tenant shall at all times maintain its self-funded program or a Commercial General Liability Insurance Policy, each in an amount sufficient to cover its liability exposure under this Lease.

15.2 Landlord shall maintain throughout the Term commercially reasonable policies of property insurance covering loss of or damage to the Building and Project (including tenant improvements and subsequent alterations) in the full amount of its replacement cost with endorsement to cover code changes. Landlord hereby waives and releases any right of recovery (including by way of subrogation) against Tenant, its officers, employees and agents, for any loss or damage sustained by Landlord with respect to the Building, Project, or Premises or any portion thereof or the contents of the same or any operation therein, to the extent such loss or damage is actually insured against or is required hereunder to be insured against.

16. Mediation. Non-Applicable.

17. Liens. Landlord and Tenant shall keep the Premises and the Building free from any liens arising out of any work performed, materials furnished, or obligations incurred by Tenant or Landlord and each shall indemnify and hold harmless the other from and against all liabilities, losses, damages and costs (including reasonable attorney fees and costs) incurred in connection with any such lien. Landlord or Tenant may contest the validity or amount of any such lien or encumbrance in good faith provided that, within forty-five (45) days after the filing of such lien or encumbrance, Landlord or Tenant

discharges the same by providing and recording a bond which complies with the requirements of RCW 60.04.161 eliminating said lien and/or encumbrance.

18. Quiet Possession. Landlord covenants that as of the Commencement Date, Landlord will have good right to lease the Premises for the purpose and uses stated herein and Tenant shall have and quietly enjoy the Premises for the Lease Term.

19. Holding Over. If Tenant remains in possession of the Premises after the expiration or termination of this Lease, Tenant's continued possession shall be on the basis of a tenancy at the sufferance of Landlord. In such event, Tenant shall continue to comply with or perform all the terms and obligations of Tenant under this Lease, except that the monthly Rent during Tenant's holding over shall be one hundred twenty-five percent (125%) of the Rent payable in the last full month prior to the expiration or termination hereof. Acceptance by Landlord of rent after such expiration or termination shall not constitute a renewal or extension of this Lease; and nothing contained in this provision shall be deemed to waive Landlord's right of re-entry or any other right hereunder or at law.

20. Non-Discrimination. Landlord shall not discriminate on the basis of race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification, in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Ch. 12.16.125. Landlord shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations that prohibit such discrimination. These laws include, but are not limited to, chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of 1964. Any violation of this provision shall be considered a default of this Lease and shall be grounds for cancellation, termination, or suspension, in whole or in part, of the Lease and may result in ineligibility for further agreements with King County. Notwithstanding anything to the contrary, Tenant shall be entitled to terminate this Lease effective upon written notice to Landlord in the event that Landlord violates the requirements of this Section 20.

21. Default.

21.1 The following occurrences shall each constitute a default by Tenant (an "Event of Default" or "Default"):

A. Failure To Pay. Failure by Tenant to pay any sum, including Rent, due under this Lease following ten (10) business days' notice from Landlord of the failure to pay.

B. Other Non-Monetary Defaults. The breach by Tenant of any agreement, term or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease, which breach continues for a period of thirty (30) days after written notice by Landlord to Tenant of the

breach (provided, if the nature of Tenant's failure is such that more time is reasonably required in order to cure, Tenant shall not be in Default if Tenant commences to cure promptly and thereafter diligently prosecutes such cure to completion).

21.2 Landlord Default: Remedies. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after notice by Tenant to Landlord. If Landlord fails to cure any such default within the allotted time, Tenant may, at its sole discretion and without limiting Tenant's other rights or remedies under this Lease and/or at law, terminate this Lease upon thirty (30) days advance written notice to Landlord. Tenant shall have all remedies available at law or in equity. Nothing herein contained shall relieve Landlord from its duty to perform of any of its obligations to the standard prescribed in this Lease.

22. Remedies. Landlord shall have the following remedies upon an Event of Default. Landlord's rights and remedies under this Lease shall be cumulative, and none shall exclude any other right or remedy allowed by law.

22.1 Termination of Lease. Landlord may terminate Tenant's interest under the Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Tenant will remain liable to Landlord for damages in an amount equal to the Rent and other sums that would have been owing by Tenant under this Lease for the balance of the Lease term, less (i) the net proceeds, if any, of any reletting of the Premises by Landlord subsequent to the termination, after deducting all of Landlord's reasonable, actual reletting expenses or (ii) such amounts as Tenant proves may reasonably be avoided.

22.2 Re-Entry and Reletting. Landlord may continue this Lease in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Tenant from the Premises and anyone claiming through or under the Tenant, and remove the personal property of either. Landlord may relet the Premises, or any part of them, in Landlord's or Tenant's name for the account of Tenant, for such period of time and at such other terms and conditions as Landlord, in its discretion, may determine. Landlord may collect and receive the rents for the Premises. To the fullest extent permitted by law, the proceeds of any reletting shall be applied: first, to pay Landlord its reasonable, actual reletting expenses; second, to pay any indebtedness of Tenant to Landlord other than Rent; third, to the Rent due and unpaid hereunder; and fourth, the residue, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant shall not be entitled to receive any portion of such revenue. Re-entry or taking possession of the Premises by Landlord under this Section shall not be construed as an election on Landlord's part to terminate this Lease, unless a notice of termination is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease. Tenant will pay Landlord the Rent and other sums which would be payable under this Lease if repossession had not occurred, less the net proceeds, if any, after reletting the Premises,

including without limitation, all repossession costs, brokerage commissions and costs for securing new tenants, attorneys' fees, remodeling and repair costs, costs for removing persons or property, costs for storing Tenant's property and equipment, and costs of tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.

23. Costs and Attorney's Fees. If Tenant or Landlord engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Rent or other payments, or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such action, whether in mediation or arbitration, at trial, on appeal, or in any bankruptcy proceeding.

24. Hazardous Material.

24.1 For purposes of this Agreement, the term "Environmental Law" shall mean: any federal, state or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction or common law pertaining in any way to the protection of human health, safety, or the environment, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9602 et. seq. ("CERCLA"); the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq. ("RCRA"); the Washington State Model Toxics Control Act, RCW ch. 70.105D ("MTCA"); the Washington Hazardous Waste Management Act, RCW ch. 70.105; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Washington Water Pollution Control Act, RCW ch. 90.48, and any laws concerning above ground or underground storage tanks. For the purposes of this Agreement, the term "Hazardous Material" shall mean: any waste, pollutant, contaminant, or other material that now or in the future becomes regulated or defined under any Environmental Law.

24.2 Landlord represents and warrants to Tenant that there is no Hazardous Material on, in, or under the Premises, Building or the underlying real property as of the Commencement Date. If there is any Hazardous Material on, in, or under the Premises, Building, or the underlying real property which has been or thereafter becomes released through no fault of Tenant, then Landlord (i) shall be solely responsible, at its sole cost, for promptly remediating the same to the extent required by Environmental Law and (ii) shall indemnify, defend and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred or suffered by Tenant either during or after the Lease term as the result of such release.

24.3 Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises, Building, or the underlying real property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except in strict compliance with all applicable federal, state and local laws, regulations, codes and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then

Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred or suffered by Landlord either during or after the Lease term ("Claims") to the extent that said Claims are a result of said breach. Tenant shall promptly notify Landlord of any inquiry, investigation or notice that Tenant may receive from any third party regarding the actual or suspected presence of Hazardous Material on, in, or under the Premises, Building, or underlying real property.

24.4 Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises, Building, or the underlying real property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any release of any Hazardous Material on the Premises, Building, or the underlying real property, Tenant shall be solely responsible, at its sole cost, for promptly remediating the same to the extent required by Environmental Law. Landlord's approval of such remediation shall first be obtained, which approval shall not be unreasonably withheld, conditioned or delayed, provided, however, that Tenant shall be entitled to respond immediately to an emergency without prior approval from Landlord, including but not limited to taking actions necessary to prevent the release from migrating, leaching or otherwise spreading, and actions necessary to respond to any immediate obligations imposed on Tenant by Environmental Law. To the extent such Hazardous Material becomes comingled with Hazardous Materials released by Landlord or other parties, nothing in this Agreement shall prevent Tenant from seeking to recover costs, expenses or any other damages incurred as a result of the presence of such Hazardous Material that was released by Landlord or other parties.

24.5 The provisions of this Section 24 shall survive expiration or earlier termination of this Lease.

24.6 Scope: Any liability arising under this Section 24 shall be subject to the indemnities in this Section 24, and shall not be subject to Section 14.

25. General.

25.1 Heirs and Assigns. This Lease shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.

25.2 Brokers' Fees. Tenant represents and warrants to Landlord that it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Landlord against any loss, cost, liability or expense incurred by Landlord as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant. Landlord represents and warrants to Tenant that it has not engaged any broker,

finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Tenant against any loss, cost, liability or expense incurred by Tenant as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Landlord.

25.3 Entire Agreement. This Lease contains all of the covenants and agreements between Landlord and Tenant relating to the Premises. No prior or contemporaneous agreements or understandings pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or amended except in writing, signed by Landlord and Tenant.

25.4 Severability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Lease.

25.5 Force Majeure. Time periods for either party's performance under any provisions of this Lease (excluding payment of Rent) shall be extended for periods of time during which the party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war or other strife.

25.6 Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of Washington.

25.7 Addenda/Exhibits. The following exhibits are made a part of this Lease. The terms of any Addendum to Lease and the Exhibits shall control over any inconsistent provision in the sections of this Lease:

- Exhibit A: Legal Description
- Exhibit B: Diagram of the Premises
- Exhibit C: Tenant Improvement Addendum

25.8 Counterparts. This Lease may be executed in counterparts, each of which shall constitute an original and all of which constitute but one original.

26. Signage. Tenant shall obtain Landlord's written consent, which shall not be unreasonably withheld, conditioned, or delayed, as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Premises. Tenant shall install any approved signage at Tenant's sole cost and expense and in compliance with all applicable laws.

27. Self Help. Notwithstanding anything to the contrary, if Landlord fails to make and complete any maintenance or repair obligation of Landlord within twenty-four (24)

hours of notice from Tenant with respect to any item of maintenance or repair that is deemed necessary by Tenant for its use of the Premises, or within thirty (30) days of notice from Tenant with respect to any other Landlord maintenance or repair obligation, then Tenant shall be entitled to take such actions and make such repairs to the Premises, Building or property associated with the same, as Tenant may deem necessary to correct such interruption, and Landlord shall reimburse Tenant for the cost of the same within thirty (30) days of invoice.

28. Subordination, Nondisturbance and Attornment. This Lease shall be subordinate to all existing and future mortgages and/or deeds of trust on the Premises, the Building or the Project, and Tenant agrees to subordinate this Lease to any future mortgage or deed of trust and to attorn to Landlord's successor following any foreclosure, sale or transfer in lieu thereof, provided that the mortgagee, transferee, purchaser, lessor or beneficiary ("Landlord's Successor") agrees in a written instrument in form and substance satisfactory to Tenant that Tenant's use or possession of the Premises shall not be disturbed, nor shall its obligations be enlarged or its rights be abridged hereunder by reason of any such transaction. Notwithstanding any foreclosure or sale under any mortgage or deed of trust (or transfer by deed in lieu thereof), this Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date and year set forth below.

LANDLORD:

JOHN C. RADOVICH LLC

By: 

Name: Nicholas J. Radovich

Title: Manager

Date April 22, 2016

TENANT:

KING COUNTY, a political subdivision of the State of Washington

By: _____

EXHIBIT ~~A~~

PLAZA 451

LEGAL DESCRIPTION

LEGAL:

THAT PORTION OF THE BURLINGTON NORTHERN, INC.'S FORMER 120 FOOT WIDE RIGHT OF WAY IN GOVERNMENT LOT 2 AND THE FRACTIONAL SOUTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 19, TOWNSHIP 23 NORTH, RANGE 5 EAST W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF LIND AVENUE, BEING 40 FEET WEST, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE THEREOF, AND THE NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF GRADY WAY;

THENCE SOUTHWESTERLY ALONG SAID NORTHERLY LINE 400 FEET;
THENCE OF SAID RIGHT OF WAY;
THENCE NORTHEASTERLY ALONG THE SOUTHERLY LINE OF SAID RIGHT-OF-WAY TO SAID WEST LINE OF LIND AVENUE;
THENCE NORTHERLY ALONG SAID WEST LINE OF LIND AVENUE TO THE POINT OF BEGINNING;

SITUATE IN THE CITY OF RENTON, COUNTY OF KING, STATE OF WASHINGTON.

PARCEL B:

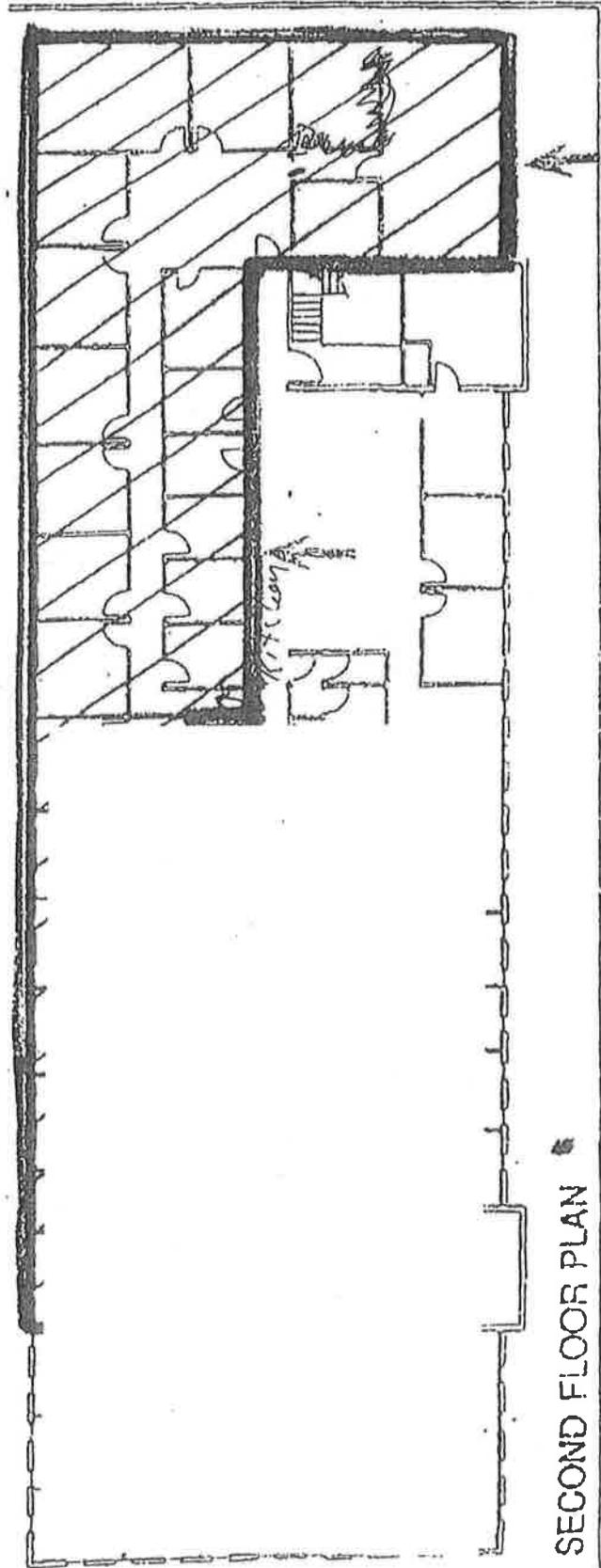
THAT PORTION OF PUGET SOUND POWER AND LIGHT COMPANY RIGHT-OF-WAY (FORMERLY THE PUGET SOUND ELECTRIC RAILWAY RIGHT-OF-WAY, RENTON BRANCH), THE NORTHWEST ¼ OF SECTION 19, TOWNSHIP 23 NORTH, RANGE 5 EAST, W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH MARGIN OF SOUTHWEST GRADY WAY WITH THE WEST MARGIN OF LIND AVENUE SOUTHWEST;

THENCE SOUTHWESTERLY ALONG THE NORTH MARGIN OF THE SOUTHWEST GRADY WAY, A DISTANCE OF 395 FEET;
THENCE NORTHWESTERLY AT RIGHT ANGLES TO SOUTHWEST GRADY WAY, TO THE SOUTHERLY LINE OF THE ABANDONED BURLINGTON NORTHERN RAILROAD RIGHT-OF-WAY;
THENCE NORTHEASTERLY ALONG THE SOUTHERLY LINE OF THE BURLINGTON NORTHERN RAILROAD RIGHT-OF-WAY TO THE WEST MARGIN OF LIND AVENUE SOUTHWEST;
THENCE SOUTHERLY ALONG SAID WEST MARGIN TO THE POINT OF BEGINNING;

SITUATE IN THE CITY OF RENTON, COUNTY OF KING, STATE OF WASHINGTON.

1
19



TOTAL P.G-1

EXHIBIT C WORK LETTER

This Exhibit C ("Work Letter") is part of that certain Lease Agreement ("**Lease**") dated February 25, 2016, by and between John C. Radovich, LLC, a Washington Limited Liability Company ("Landlord"), and KING COUNTY, a political subdivision of the State of Washington ("Tenant"), under which Tenant has leased certain space ("Premises") from Landlord, as more particularly described in the Lease. Capitalized terms not defined herein shall have the meaning assigned to them in the Lease.

1. COMPLETION SCHEDULE.

Within sixty (60) business days following the Commencement Date of the Lease, Landlord shall complete the Landlord's Work described below in Paragraph 2 ("Work Schedule"). Landlord shall be responsible for completing Landlord's Work in accordance with the Work Schedule and shall promptly inform Tenant of any changes to the same, which changes are subject to Tenant's review and approval. In the event Landlord's Work is not complete within sixty (60) days following the Commencement Date of the Lease, the Reduced Rent provisions of Section 2.2 of the Lease shall apply until Landlord's Work is complete.

2. LANDLORD'S WORK.

Reference herein to "Landlord's Work" shall include all work to be done in the Premises pursuant to Landlord's Work Plans described below. Reference in the Lease to "Tenant Improvements" shall mean the "Landlord's Work" as described herein.

The elements of Landlord's Work include the following items:

1. Replacing damaged or stained ceiling tiles throughout the Premises to create a uniform appearance
2. Touching up paint throughout the Premises as needed
3. Having the carpets throughout the Premises professionally cleaned
4. Installation of chair rails in the conference room and lobby
5. Installation of relights next to each private office door which are trimmed and painted to match existing the trim
6. Installation of new blinds to the relights

3. CHANGES.

No further changes to Landlord's Work may be made by either Landlord or Tenant without the prior written approval from the other party, which shall not be unreasonably withheld, conditioned or delayed, and then only after agreement from the requesting party to pay any excess costs resulting from the design and/or construction of such changes. Landlord and Tenant hereby acknowledge that any such changes shall be subject to the terms of Paragraph 4 below.

4. CONSTRUCTION OF LANDLORD'S WORK.

Landlord shall perform the Landlord's Work, or enter into a construction contract with a qualified contractor and supervise the completion of the Landlord's Work and shall secure completion of the work in accordance with the Work Schedule. The cost of such work shall be paid as provided in Paragraph 5 below. Landlord shall be responsible for remedying any defects in Landlord's Work and shall be responsible for any costs related to the negligence or intentional misconduct of the architect or contractor(s). Landlord's obligation to perform or cause completion of the Landlord's Work shall not be fulfilled until Tenant provides written confirmation to Landlord that Tenant is satisfied and considers the Landlord's Work complete and satisfactory.

All of Landlord's Work shall be performed in a manner and at times such that the work does not unreasonably interfere with Tenant's continuing occupancy and quiet enjoyment of the Premises.

5. PAYMENT OF COST OF LANDLORD'S WORK.

Subject to the terms and conditions of this Work Letter, Landlord agrees to pay for the cost of Landlord's Work.

6. DEFAULT

A default or the failure to perform under this Work Letter shall be a default under the Lease, and without limiting the non-defaulting party's other rights, the non-defaulting party shall be entitled to all of its remedies under the Lease with respect to such default.

[End of Work Letter.]