



City of SeaTac

Council Study Session Agenda

March 25, 2014
4:00 PM

City Hall
Council Chambers

CALL TO ORDER:

PUBLIC COMMENTS (related to the agenda items listed below): (Speakers must sign up prior to the meeting. Public Comments shall be limited to a total of ten minutes with individual comments limited to three minutes and a representative speaking for a group of four or more persons in attendance shall be limited to ten minutes. However, the Mayor or designee may reduce equally the amount of time each speaker may comment so that the total public comment time does not exceed ten minutes. When recognized by the Mayor or his designee, walk to the podium, state and spell your name, and give your address [optional] for the record.)

1. Agenda Bill #3547; An Ordinance amending Chapter 1.10 of the SeaTac Municipal Code related to Initiative and Referendum Powers (total time: 10 minutes / presentation time: 5 minutes)

By: Senior Assistant City Attorney Mark Johnsen

2. Agenda Bill #3583; A Resolution amending the City Council Administrative Procedures regarding Format for Agendas for Council Meetings as it relates to the ratification of non-represented employee classification and/or compensation adjustments (total time: 10 minutes / presentation time: 5 minutes)

By: Human Resources Director Anh Hoang

3. Agenda Bill #3589; A Motion authorizing the City Manager to enter into a lease agreement with the Refugee Women's Alliance (total time: 10 minutes / presentation time: 5 minutes)

By: Economic Development Manager Jeff Robinson

4. PRESENTATIONS – COUNCIL DIRECTION:

● **Confirmation of Recreational Marijuana Review Schedule (total time: 10 minutes / presentation time: 5 minutes)**

By: Community and Economic Development Director Joe Scorcio

PRESENTATIONS – INFORMATIONAL ONLY:

● **Angle Lake Station Sub-Area Plan Project Update by (total time: 20 minutes / presentation time: 10 minutes)**

By: Community and Economic Development Director Joe Scorcio / Senior Planner Kate Kaehny

● **Public Safety Statistics (total time: 10 minutes / presentation time: 5 minutes)**

By: Police Chief Lisa Mulligan

EXECUTIVE SESSION: To consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price. (10 minutes) (RCW 42.30.110 [1][c])

ADJOURN:



City of SeaTac

Regular Council Meeting Agenda

March 25, 2014
6:30 PM

City Hall
Council Chambers

(Note: The agenda numbering is continued from the Council Study Session [CSS].)

CALL TO ORDER:

ROLL CALL:

FLAG SALUTE:

PUBLIC COMMENTS: (Speakers must sign up prior to the meeting. Individual comments shall be limited to three minutes. A representative speaking for a group of four or more persons in attendance shall be limited to ten minutes. When recognized by the Mayor or his designee, walk to the podium, state and spell your name, and give your address [optional] for the record.)

4. PRESENTATIONS (Continued):

● **Introduction of new City employee: Judicial Support Specialist Jaymie Wilcox** *(total time: 5 minutes)*

By: City Manager Todd Cutts

● **Somali Youth and Family Club** *(total time: 5 minutes)*

By: Program Managers Liban Abdulle and Shirwa Aden

● **2014 Legislative Session** *(total time: 20 minutes / presentation time: 10 minutes)*

By: Assistant City Manager Gwen Voelpel / Vice President Gordon Thomas Honeywell Governmental Affairs
Briahna Taylor

● **Update on Angle Lake Station, Garage and Plaza projects** *(total time: 25 minutes / presentation time: 15 minutes)*

By: CED Director Joe Scorcio / Sound Transit S. 200th Link Project Director Miles Haupt / Scarpa & Brooks Architects, Lead Architect Larry Scarpa

5. CONSENT AGENDA:

● **Approval of claims vouchers** (check no. 106633 - 106807) in the amount of \$1,062,674.61 for the period ended March 20, 2014.

● **Approval of payroll vouchers** (check nos. 52100 – 52120) in the amount of \$146,914.32 for the period ended March 15, 2014.

● **Approval of payroll electronic fund transfers** (check nos. 80568 - 80702) in the amount of \$248,437.25 for the period ended March 15, 2014.

● **Approval of payroll wire transfer** (Medicare and Federal Withholding Tax) in the amount of \$50,634.40 for the period ended March 15, 2014.

● **Pre-approval or final approval of City Council and City Manager travel related expenses** for the period ended March 20, 2014.

Approval of Council Meeting Minutes:

● **Council Study Session** held December 10, 2013

● **Regular Council Meeting** held December 10, 2013

● **Regular Council Meeting** held March 11, 2014

Agenda Items reviewed at the March 11, 2014 Council Study Session and recommended for placement on this Consent Agenda:

Agenda Bill #3590; A Motion authorizing the City Manager to enter into a Park User Agreement with Spark Plug Promotions (Mountain Bike Group) for use of North SeaTac Park

Agenda Bill #3579; A Motion authorizing final acceptance of the South 168th Street Sidewalk Improvements

Agenda Bill #3582; A Motion authorizing final acceptance of the Council Chambers, Courtroom, and Executive Conference Room Audio/Visual modifications

Agenda Bill #3525; A Resolution authorizing the City Manager to execute an Interlocal Agreement with the cities of Des Moines and Tukwila for establishment of a Tourism Promotion Area (TPA)

PUBLIC COMMENTS (related to Action Items and Unfinished Business): (Individual comments shall be limited to one minute and group comments shall be limited to two minutes.)

ACTION ITEM:

UNFINISHED BUSINESS:

NEW BUSINESS:

CITY MANAGER'S COMMENTS:

COMMITTEE UPDATES:

COUNCIL COMMENTS:

EXECUTIVE SESSION:

ADJOURN:

SeaTac City Council
REQUEST FOR COUNCIL ACTION

Department Prepared by: Legal

Agenda Bill #: **3547**

TITLE: An Ordinance amending Chapter 1.10 of the SeaTac Municipal Code, related to Initiative and Referendum Powers.

<i>March 13, 2014</i>	
<input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Info. Only <input type="checkbox"/> Other	
Date Council Action Requested:	<u>RCM 04/08/2014</u>
Ord/Res Exhibits:	
Review Dates:	<u>CSS: 03/25/2014</u>
Prepared By:	<u>Mark S. Johnsen, Senior Assistant City Attorney</u> <i>mj</i>
Director:	<u>Mary Michelle Barolo</u> City Attorney: <u>Mary Michelle Barolo</u> <i>MB</i>
Finance:	<u>N/A</u> BARS #: <u>N/A</u>
City Manager:	<u>Todd Cutler</u> Applicable Fund Name: <u>N/A</u>

SUMMARY: The proposed Ordinance amends SMC 1.10 pertaining to initiative and referendum powers.

DISCUSSION / ANALYSIS / ISSUES: In 1990, the City of SeaTac adopted initiative and referendum powers. When the City adopted these powers, a detailed municipal code chapter was created to establish procedures related to these powers. The City's detailed code, while not improper, is unnecessarily burdensome and in some cases duplicative of state law.

Last year, the Legal Department and City Clerk dealt with various legal issues pertaining to an initiative setting minimum employment standards for hospitality and transportation employers. During the course of litigation pertaining to the validity of signatures for this initiative, several questions were raised regarding the interpretation and the intent behind the City's code. While there were likely good reasons to have a very detailed procedure set forth in the code, doing so has proven to be very unworkable and burdensome.

After a thorough review of Chapter 1.10, the Legal Department determined that the City's Municipal Code can be simplified by eliminating procedures that are not required under State Law. The Legal Department also reviewed the Municipal Code provisions of many jurisdictions in the State who have initiative and referendum powers, and the approach taken in the proposed Ordinance is followed by many jurisdictions including, but not limited to, Bothell, Burien, Issaquah, Kent, Lynnwood, Monroe, Mukilteo, Puyallup, Redmond, Renton, Spokane Valley, Tukwila, Woodinville.

Therefore, the proposed Ordinance amends Chapter 1.10 of the Municipal Code by striking all sections except 1.10.040. This section is amended to state that the powers of initiative and referendum are exercised pursuant to RCW 35A.11.080 through 35A.11.100.

RECOMMENDATION(S): It is recommended that the proposed Ordinance be adopted.

FISCAL IMPACT: None.

ALTERNATIVE(S): Do not adopt the proposed Ordinance.

ATTACHMENTS: None.

ORDINANCE NO. _____

AN ORDINANCE of the City Council of the City of SeaTac, Washington amending Chapter 1.10 of the SeaTac Municipal Code, related to Initiative and Referendum Powers.

WHEREAS, the City of SeaTac has the power of initiative and referendum; and

WHEREAS, it is appropriate to amend Chapter 1.10 of the SeaTac Municipal Code so that such powers are set forth only in accordance State Law, rather than as currently set forth in the Municipal Code;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON, DO ORDAIN as follows:

Section 1. Chapter 1.10 of the SeaTac Municipal Code is hereby amended to read as follows:

1.10.010 Application of referendum.

Every ordinance which:

- ~~A. First imposes upon any business activity a municipal business and occupation tax; or~~
- ~~B. First imposes an additional sales and use tax under authority of RCW 82.14.030(2), or which alters the rate of any such tax; or~~
- ~~C. First imposes the additional local real estate excise tax under authority of RCW 82.46.010(2); shall be subject to the referendum procedures set forth in Sections 1.10.020 and 1.10.030.~~

1.10.020 Procedure.

- ~~A. A referendum petition seeking to repeal any City ordinance made subject to these referendum procedures by Section 1.10.010 shall be filed with the City Clerk within seven (7) days of the passage or publication, whichever is later, of the ordinance sought to be repealed.~~
- ~~B. Within ten days, the City Clerk shall confer with the petitioner concerning the form and style of the petition, issue an identification number for the petition, and cause to be written a ballot title for the measure.~~
- ~~C. The ballot title shall be posed as a question, so that an affirmation answer to the question and an affirmation vote on the measure results in the tax or tax rate increase being imposed, and a negative answer to the question and a negative vote on the measure results in the tax or tax rate increase not being imposed. The petitioner shall be notified of the identification number and ballot title within this ten-day period.~~

~~D. After notification of the identification number and ballot title, the petitioner shall have thirty (30) days in which to secure on petition forms the signatures of not less than fifteen percent of the registered voters of the City and to file the signed petitions with the City Clerk.~~

~~E. Each petition form shall contain the ballot title and the full text of the measure to be referred. The City Clerk shall verify the sufficiency of the signatures on the petitions. If sufficient valid signatures are properly submitted, the City Clerk shall cause the referendum measure to be submitted to the City voters at a general or special election held on one of the dates provided in RCW 29.13.010, as determined by the City Council, which election shall not take place later than one hundred twenty (120) days after the signed petition has been filed with the City Clerk.~~

~~1.10.030 Exclusive procedure.~~

~~The referendum procedures herein adopted shall be exclusive in all instances for any City ordinance first imposing, or increasing the specific taxes designated as subject to referendum as provided in Section 1.10.010 and no other taxes or rates imposed by the City shall be subject to the said referendum procedures. The referendum procedure provided in Chapter 35A.11, RCW is hereby superseded.~~

H. Initiative and Referendum

1.10.040 Grant of powers.

~~The voters of the City are hereby granted the powers of initiative and referendum, subject to the limitations of State law, the general law, and this chapter as provided pursuant to RCW 35A.11.080 through 35A.11.100. Such powers are to be exercised as provided in the above referenced sections of the Revised Code of Washington as they now exist or may be amended said sections are hereby incorporated in full by this reference.~~

~~1.10.050 Effective date of ordinances.~~

~~Ordinances subject to referendum shall not go into effect before thirty (30) days from the time of final passage and shall be subject to referendum during the said interim, except ordinances by general or common law not subject to referendum and except:~~

~~A. Ordinances initiated by petition;~~

~~B. Ordinances necessary for immediate preservation of public peace, health, and safety or for the support of City government and its existing public institutions which contain a statement of urgency and are passed by unanimous vote of the Council;~~

~~C. Ordinances providing for local improvement districts;~~

~~D. Ordinance appropriating money;~~

~~E. Ordinances providing for or approving collective bargaining;~~

~~F. Ordinances providing for the compensation of or working conditions of City employees;~~

~~G. Ordinances authorizing or repealing the levy of taxes; which excepted tax ordinances shall go into effect as provided by the general law or by applicable selections of Title 35A RCW as now or hereafter amended.~~

~~**1.10.060 Initiative and referendum petitions—Content and form.**~~

~~Every initiative and referendum petition shall contain the following essential elements:~~

~~A. A warning which shall read:~~

~~WARNING~~

~~Every person who signs this petition with any other than his or her true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he or she is not a legal voter, or signs a petition when he or she is otherwise not qualified to sign, or who makes herein any false statement, shall be guilty of a misdemeanor.~~

~~B. A clear and concise statement of the action sought by the petitioners;~~

~~C. The title of the ordinance being initiated, or the ordinance sought to be referred;~~

~~D. A true and correct copy of the ordinance being initiated, or the ordinance sought to be referred, which ordinance may be printed upon the face of the petition or may be firmly affixed to the petition;~~

~~E. Numbered lines, not to exceed twenty (20) per sheet, with sufficient space for a signature, printed name, date of signing, and residence address of the signer, on each such line; and~~

~~F. A statement that each signer is a registered voter resident in the City.~~

~~**1.10.070 Form of petition—Requirements.**~~

~~Every initiative and referendum petition shall consist of a single page or group of single pages containing identical text and identical attachments, if any, in compliance with the requirements of content set forth in subsection A of this section, and shall further comply with the following requirements of form:~~

~~A. Petitions shall be printed or typed on single sheets of white paper of good quality measuring not less than eight and one half inches in width and eleven inches in length;~~

~~B. Each sheet shall have a margin of not less than one and three quarters inches at the top for binding;~~

~~C. Printing or typewriting shall be clear, legible and reproducible and shall be of at least 8 point type or, if typewritten, be of pica, or equivalent size with not more than 10 characters per inch, and shall be black in color;~~

~~D. Petitions shall be devoid of any statements for or against the proposition, and any quotations, pictures, logos, symbols or other language intended to, or which might tend to, constitute an endorsement or argument, or which might tend to deceive or to misrepresent any fact; and~~

E. The reverse side of each petition sheet shall be blank.

1.10.080 Form of petition — Proposed ordinance.

~~Every initiative petition initiating a proposed ordinance for submission to the City Council and, in lieu of enactment by the Council, to the voters of the City, shall be substantially in the following form:~~

~~WARNING~~

~~Every person who signs this petition with any other than his or her true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he or she is not a legal voter, or signs a petition when he is otherwise not qualified to sign, or who makes herein any false statement, shall be guilty of a misdemeanor.~~

~~INITIATIVE PETITION FOR SUBMISSION TO THE SEATAC CITY COUNCIL~~

~~TO: The City Council of the City of SeaTac:~~

~~We, the undersigned registered voters of the City of SeaTac, State of Washington, residing at the addresses set forth opposite our respective names, being equal to fifteen percent (15%) of the total number of names of persons listed as registered voters within the City on the day of the last preceding City general election, respectfully request that the following ordinance be enacted by the City Council or, if not so enacted, be submitted to a vote of the residents of the City. The title of the said ordinance is as follows:~~

~~{Here insert the title, ensuring that the proposed ordinance does not contain more than one subject and that the subject is clearly expressed in the title, and then insert one of the two sentences shown below}.~~

~~{The full text of the ordinance is as follows:} or {A full, true and correct copy of the ordinance is attached to this Petition.}~~

~~Each of us for himself or herself says: I have personally signed this petition; I am a registered voter of the City of SeaTac, State of Washington; and my residence address is correctly stated.~~

~~Signature Printed Name Street and Number City Date~~

1. _____

20. _____

1.10.090 Form of petition — Repeal of ordinance.

~~Every referendum petition seeking to refer an enacted ordinance to the City Council for repeal and, in lieu of repeal by the Council, to the voters of the City for approval or rejection, shall be substantially in the following form:~~

~~WARNING~~

~~Every person who signs this petition with any other than his or her true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he or she is not a legal voter, or signs a petition when he is otherwise not qualified to sign, or who makes herein any false statement, shall be guilty of a misdemeanor.~~

PETITION FOR REFERENDUM

TO: The City Council of the City of SeaTac:

~~We, the undersigned registered voters of the City of SeaTac, State of Washington, residing at the addresses set forth opposite our respective names, being equal to fifteen percent (15%) of the total number of names of persons listed as registered voters within the City on the day of the last preceding City general election, respectfully request that Ordinance No. _____ enacted by the City Council on the ____ day of _____, 19____, be repealed by the Council or, if not so repealed, be referred to a vote of the residents of the City for their approval or rejection. The title of the said ordinance is as follows:~~

~~{Here insert the title of the Ordinance as enacted, and then insert one of the two sentences shown below}~~

~~{The full text of the ordinance, as enacted by the City Council, is as follows:} or {A full, true and correct copy of the ordinance as enacted by the City Council is attached to this Petition.}~~

Each of us for himself or herself says:

~~I have personally signed this petition; I am a registered voter of the City of SeaTac, State of Washington; and my residence address is correctly stated.~~

~~Signature Printed Name Street and Number City Date~~

1. _____

20. _____

~~1.10.100 Initiative and referendum petitions — Filing of sample with City Clerk.~~

~~A. No initiative or referendum petition shall be distributed to the public for solicitation of signatures until a sample petition has been submitted to the City Clerk, for the purpose of ensuring that permanent or temporary alterations do not occur during the solicitation process. The sample petition shall be either one of the printed petitions or a galley proof or other accurate specimen of the petition. The City Clerk shall retain the sample petition for comparison with the signed petitions later filed for determination of sufficiency.~~

~~B. The individual or individuals, or entity, sponsoring the petition shall also provide to the City Clerk the name and mailing address of the sponsor.~~

~~C. If requested by the sponsor, the City Clerk may, with advice of the City Attorney, review, require changes, and/or approve the content and format of the petition and, if an initiative petition, the title and text of the proposed ordinance.~~

~~D. If such approval is granted, signed petitions shall, upon filing, be subject only to review for sufficiency of signatures and to ensure that alterations have not been made.~~

~~1.10.110 Required signatures.~~

~~Petitions for initiative or referendum must be signed, in ink or indelible pencil, by the number of registered voters of the City equal to at least fifteen percent (15%) of the total number of names of persons listed as registered voters within the City on the day of the last preceding City general election.~~

~~1.10.120 Filing of signed petitions.~~

~~All signed initiative and referendum petitions must be filed with the City Clerk. A signed initiative petition may be filed at any time. A signed referendum petition must be filed prior to the effective date of the ordinance. Upon timely filing of a referendum petition with the City Clerk, the ordinance sought to be referred to the voters shall be suspended from taking effect until there is a final determination of insufficiency or untimeliness of the referendum petition, or the ordinance so referred is approved by the voters at a referendum election.~~

~~1.10.130 Addition and withdrawal of signatures until terminal date.~~

~~Within three (3) working days after the filing of a signed petition, the City Clerk shall commence the proceeding to determine sufficiency of the petition, and shall file a certificate stating the date upon which such determination was commenced, which date shall be referred to as the terminal date. A copy of the said certificate shall be personally served upon, or mailed to, the sponsor of the petition. Additional pages of signatures may be added to the petition by filing the same with the City Clerk prior to the terminal date. Any signer of a filed petition may withdraw his or her signature by a written request for withdrawal filed with the City Clerk prior to the terminal date. Such written request shall so sufficiently described the petition as to make identification of the person, and the petition, certain. The name of any person seeking to withdraw shall be signed exactly the same as contained on the petition and, after the filing of such request for withdrawal, prior to the terminal date, the signature of any person seeking such withdrawal shall be deemed withdrawn.~~

~~1.10.140 Determination of sufficiency.~~

~~Commencing on the terminal date, and proceeding with reasonable promptness, the City Clerk shall ensure that the petition complies with the requirements of form and content specified in this part, unless approval of the City Clerk shall have been previously granted, and that the filed petition is identical to the sample petition filed with the City Clerk pursuant to Section 1.10.100. If the petition initiates an ordinance, and if approval of the City Clerk was not previously granted, the City Clerk, with advice of the City Attorney, shall determine the legality and sufficiency of the title and text of the proposed ordinance. The City Clerk shall then refer the petition to the Superintendent of Elections of the King County Records and Elections Division, as ex officio supervisor of City elections, pursuant to RCW 35A.29.040, whereupon the sufficiency of signatures shall be determined by the Superintendent and City Clerk in accordance with general law and with the following criteria:~~

~~A. Petitions containing the required number of signatures shall be accepted as prima facie valid until their invalidity has been proved;~~

~~B. A variation on petitions between the signatures on the petition and that on the voter's permanent registration caused by the substitution of initials instead of the first or middle names, or both, shall not invalidate the signature on the petition if the surname and handwriting are the same;~~

~~C. Signatures, including the original, of any person who has signed a petition two or more times shall be stricken;~~

~~D. Signatures followed by a date of signing which is more than six months prior to the date of filing of the petition shall be stricken;~~

~~E. All signatures on any petition which has been temporarily or permanently altered shall be invalid and shall not be counted;~~

~~F. If signatures are found to be insufficient, the City Clerk shall so notify the sponsor by certificate of insufficiency and the sponsor shall have ten (10) days from the date of the certificate in which to amend the petition by filing additional signed petitions;~~

~~G. The Superintendent of Elections and the City Clerk shall determine the sufficiency of such additional signatures and, if found insufficient, the City Clerk shall issue a second certificate of insufficiency and the petition shall be returned to the sponsor without further action; and~~

~~H. If the signatures be found sufficient, the City Clerk shall file a certificate of sufficiency and shall provide a copy thereof to the sponsor.~~

1.10.150 Alteration of petitions declared unlawful.

~~Vigorous political debate concerning the merits of initiatives and referendums is appropriate and to be encouraged. However, initiative and referendum petitions themselves should be documents which inform voters of the issues before them and which record the signatures of voters who wish to support the initiative or referendum. It is necessary to ensure that the language and form of initiative and referendum petitions not be subjected to unapproved alteration by persons desiring to use the petitions as instruments of political debate or to induce voters to sign petitions based upon inaccurate or misleading characterizations of the petitions. Therefore, the following sanctions are declared necessary to discourage alteration of petitions and to uphold the integrity of the initiative and referendum process:~~

~~A. The permanent or temporary alteration of any initiative or referendum petition is hereby declared unlawful; and~~

~~B. Any person who shall intentionally and maliciously alter an initiative or referendum petition, or distribute an altered initiative or referendum petition, shall be guilty of violation of a City ordinance equivalent to a misdemeanor and, upon conviction, shall be subject to a term of imprisonment in jail not to exceed one (1) year or a fine in an amount not to exceed the sum of~~

one thousand dollars (\$1,000.00), or both. The act of intentionally altering a petition shall be a separate crime for each page, sheet or copy of any petition so altered.

1.10.160 Definitions pertaining to alteration of petitions.

For purposes of this chapter, the following definitions are adopted in regard to the alteration of initiative and referendum petitions:

A. "Alter" means to cause alteration.

B. "Alteration" is any change to an initiative or referendum petition which occurs between the time the sample form is filed with the City Clerk and the time when the signed petitions are returned to the City Clerk including, but not limited to, the addition of any unapproved language, either printed or handwritten, the crossing out, covering or obscuring of approved language, the underlining or highlighting of any words or part of the petition, or the physical attachment to the petition by any means (e. g., stapling, taping, gluing or clipping) of any unapproved document, with the exception of:

1. The signatures and other information required of the petition signers;
2. Normal wear and tear, so long as such wear and tear does not make illegible any significant portion of the approved language of the petition.

C. "Permanent alteration" is such alteration as is observable at the time the signed petitions are filed with the City Clerk.

D. "Temporary alteration" is such alteration which occurs at any time during the solicitation of signatures for the petition but which is no longer observable when the signed petitions are filed with the City Clerk.

1.10.170 Petition Review Board created.

There is hereby created a Petition Review Board which shall consist of the Mayor, City Manager, and Police Chief. The Board is authorized to include the King County Superintendent of Elections as a member of the Board, with or without voting rights. The Board shall consider and act upon any evidence or reports of temporary or permanent alteration of petitions, or any other matters relating to initiative and referendum petitions which the Board may determine to warrant investigation, report to the City Council, or legal action.

1.10.180 Action upon indication of permanent alteration.

When signed petitions are filed, the City Clerk shall examine the same to determine whether any permanent alteration shall have occurred. Any apparently altered petitions shall be retained by the City Clerk and shall not be transmitted to the King County Superintendent of Elections, although the Superintendent shall be notified of the withholding of apparently altered petitions. The City Clerk shall immediately report the apparent permanent alteration to the Petition Review Board for consideration and action. The City Clerk shall notify the petition sponsor or sponsors of the apparent permanent alteration and shall make the altered petitions available for inspection. If the Petition Review Board finds that permanent alteration did occur, notice of that finding shall be

forwarded to the King County Superintendent of Elections and to the petition sponsor or sponsors.

~~1.10.190 Action upon indication of temporary alteration.~~

~~At any time before the City Clerk issues a certificate of sufficiency, an initiative petition is acted upon by the City Council by enactment of the proposed ordinance, a referendum petition is acted upon by the City Council by repeal of the challenged ordinance, or an initiative or referendum petition is referred to the voters, whichever is later, any City official or employee, and any registered voter of the City, may allege that a petition or petitions were temporarily altered during the period of solicitation of signatures. Any such allegation shall be made by filing with the City Clerk an affidavit stating the factual basis for the allegation. The City Clerk shall transmit the affidavit to the Petition Review Board, and, if the petition has been transmitted to the King County Superintendent of Elections for determination of sufficiency of signatures, a copy of the affidavit shall be forwarded to the said Superintendent. If the number of signatures determined to be valid, without regard to whether the petition was or was not altered, is insufficient to satisfy the fifteen percent (15%) requirement of initiative or referendum petitions, then the City Clerk shall file a certificate of insufficiency and shall provide a copy thereof to the petition's sponsor or sponsors. The Petition Review Board shall, in that case, consider whether a fact finding hearing should be held for the purpose of preferring criminal charges. If the number of signatures on the questioned petition is determined to be sufficient, if obtained on unaltered petitions, then the Petition Review Board shall convene a fact finding hearing and make final determination.~~

~~1.10.200 Fact finding hearing.~~

~~The members of the Petition Review Board shall convene a fact finding hearing in event of any temporary alteration where petition signatures would otherwise be sufficient, and in event of any permanent alteration which the Board may deem appropriate for investigation. The fact finding hearing shall be conducted in accordance with the following:~~

~~A. Parties to the hearing shall be the petition challenger or challengers and the petition sponsor or sponsors. The challenger shall have the burden of proving the fact, nature and extent of any alteration by a preponderance of the evidence;~~

~~B. The City Attorney shall conduct the hearing on behalf of the Petition Review Board;~~

~~C. The Board shall determine whether alteration took place as alleged and, if so, shall determine whether the number of signatures invalidated by alteration reduces the number of signatures below the requisite fifteen percent (15%) minimum;~~

~~D. The members of the Petition Review Board must agree unanimously in order to invalidate signatures on temporarily or permanently altered petitions;~~

~~E. The hearing shall be electronically recorded;~~

~~F. The Petition Review Board shall make its findings and decision and shall transmit the same to the City Clerk, who shall then file a final certificate of sufficiency or insufficiency, and shall~~

provide a copy thereof to the petition challenger or challengers, if any, and to the petition sponsor or sponsors.

~~1.10.210 Appeal to the Superior Court.~~

~~A certificate of insufficiency may be appealed by the sponsor or sponsors of any petition, or by any signer, and any final certificate of sufficiency or insufficiency, following review by the Petition Review Board, may be appealed by any aggrieved party to the King County Superior Court. Such appeal shall be by writ filed with the Superior Court within ten (10) calendar days following the filing of the certificate of insufficiency, or of the final certificate of sufficiency or insufficiency, and a copy thereof shall be served upon the City Clerk within three (3) days following such filing in the Superior Court.~~

~~1.10.220 Certificate of sufficiency — Action by City Council.~~

~~Within twenty (20) days following the filing by the City Clerk of a certificate of sufficiency as to any initiative or referendum petition, the request by the petitioners shall be placed upon the agenda of the City Council for consideration. The City Council may refer the matter to committee or may otherwise defer the matter for further investigation and study, providing that any such continuance or deferral shall not result in inability to place the initiative or referendum upon the ballot at the next City municipal election. The City Council may enact any ordinance, without alteration, proposed by initiative petition and may repeal any previously enacted ordinance pursuant to request of a referendum petition. If the City Council determines not to take such action in response to a petition, an appropriate ballot title shall be drawn, notice and publication shall be given, and the initiative or referendum measure shall be placed upon the ballot to be voted at the next following general or special City election, pursuant to law.~~

Section 2. This Ordinance shall be in full force and effect thirty (30) days after passage and publication as required by law.

ADOPTED this _____ day of _____, 2014, and signed in authentication thereof on this _____ day of _____, 2014.

CITY OF SEATAC

Mia Gregerson, Mayor

ATTEST:

Kristina Gregg, City Clerk

Approved as to Form:

Mary Mirante Bartolo
Mary E. Mirante Bartolo, City Attorney

[Effective Date: _____]

[Amend SMC 1.10]

SeaTac City Council
REQUEST FOR COUNCIL ACTION

Department Prepared by: Human Resources

Agenda Bill #: 3583

TITLE: A Resolution amending the City Council Administrative Procedures regarding Format for Agendas for Council Meetings as it relates to the ratification of non-represented employee classification and/or compensation adjustments.

March 11, 2014

__Ordinance <input checked="" type="checkbox"/> Resolution __Motion __Info. Only __Other	
Date Council Action Requested: RCM 4/8/2014	
Ord/Res Exhibits: _____	
Review Dates: CSS 2/11/2014, 3/25/2014	
Prepared By: Anh Hoang, Human Resources Director	
Director: <u>Anh Hoang</u>	City Attorney: <u>Maly Mirandk Baroto</u>
Finance: <u>N/A</u>	BARS #: N/A
City Manager: <u>Tom Bello</u>	Applicable Fund Name: N/A

KSA
150

SUMMARY: This Resolution is prepared in accordance with Council's direction to implement the recommendation of the Job Audit process improvement team. This Resolution provides a streamlined process for the City Council's ratification of the City Manager's adjustments to non-represented employees' classification and/or pay grade.

DISCUSSION / ANALYSIS / ISSUES: SMC 2.65.030 states that the City Manager may adjust non-represented employees classification and compensation, subject to ratification of the Administration and Finance Committee. Since the Administration and Finance Committee no longer exists, such ratification has been brought forward to the full Council during Council Study Sessions (CSS).

During the CSS of February 11, 2014, the City provided an update regarding recent efforts within the City to align and improve work processes, specifically the job audit process. The job audit process improvement team asked the Council for direction as to whether the City Council should continue to ratify non-represented employees' classification & pay grade changes when such ratification is not required for Union employees. Council directed staff to bring back an appropriate Ordinance/Resolution removing the need for Council to ratify non-represented employees' classification and/or pay grade changes.

Upon further research and discussion by staff, it is recommended that the Council continue to ratify the City Manager's classification and/or compensation decisions for non-represented employees. Such ratification can occur with placement of these matters on the Consent Agenda. This allows for a balance of maintaining transparency with that of streamlining work processes.

RECOMMENDATION(S): Staff recommends passage of the Resolution.

FISCAL IMPACT: None.

ALTERNATIVE(S): Maintain current status quo and not make the proposed changes as recommended by the job audit process improvement team.

ATTACHMENTS: None.

RESOLUTION NO. _____

A RESOLUTION of the City Council of the City of SeaTac, amending the City Council Administrative Procedures regarding Format for Agendas for Council Meetings as it relates to the ratification of non-represented employee classification and/or compensation adjustments.

WHEREAS, RCW 35A.12.120 requires that the Council shall determine its own rules and order of business and may also establish rules for the conduct of meetings and the maintenance of order; and

WHEREAS, in conformance with these statutes, the Council has previously adopted administrative policies and procedures; and

WHEREAS, the City Council finds it appropriate to amend the City Council Administrative Procedures to allow the City Manager, to make adjustments to non-represented employees' job classification and/or compensation, and provide a procedure for the Council's ratification of such adjustments;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON HEREBY RESOLVES as follows:

Section 1. Section 5 of the City Council Administrative Procedures is hereby amended to read as follows:

Section 5. Format for Agendas for Council Meetings

- (A) The City Manager and the City Clerk will prepare a proposed agenda for all meetings of Council, which shall be approved by the Mayor or designee. After the proposed agenda has been approved, the City Clerk shall prepare the final Council packet, which shall be distributed.
- (B) The City Council shall hold Study Sessions in order to address City business in advance of Regular Council Meetings.
 - (1) Appropriate members of City Commissions or Advisory Committees, or appropriate subject matter experts may provide presentations and be available to answer any questions posed by the City Council.

- (2) Items addressed at a Study Session will be handled in one of the following ways:
 - (i) unanimous consent by the Councilmembers present to place the item on a future Council Meeting Consent Agenda;
 - (ii) a majority of Councilmembers present place the items addressed:
 - On a future Council Agenda as an Action Item;
 - On a future Study Session Agenda; or
 - (iii) a majority of the membership of the City Council determine that the item should no longer be discussed at a Study Session or Regular Council Meeting.
- (3) Ordinarily, items may not be referred to the Regular Council Meeting on the same day as the Study Session in which the item was discussed, unless the Mayor or a majority of the Councilmembers present agree that there are extraordinary or urgent circumstances or that it is in the best interest of the City.
- (4) At the beginning of a Council Study Session, the City Council shall hear Public Comments.
 - (i) Public Comments shall be limited to a total of ten minutes and individual comments shall be limited to three minutes. However, the Mayor or designee may reduce equally the amount of time each speaker may comment so that the total public comment time does not exceed ten minutes.
 - (ii) The Mayor or designee shall be responsible for the allocation of the appropriate time limitations, and any Councilmember may raise a point of order regarding comments that are disrespectful in tone or content, or are otherwise inappropriate.
 - (iii) Public Comments during a Study Session will be limited to Agenda items on the current Study Session.
- (C) The format of the Regular City Council Meeting agenda shall substantially be as follows:
 - (1) Call to Order.
 - (2) Roll Call.
 - (3) Pledge of Allegiance.
 - (4) Public Comments.
 - (a) Individual comments shall be limited to three minutes in duration.

- (b) Group comments shall be limited to ten minutes. To constitute a group, there must be four or more members, including the speaker, at the meeting. Members of the group shall sign in as a group and identify the group's spokesperson. Individuals identified as a part of the group will not be allowed to speak individually.
- (c) The Mayor or designee shall be responsible for the allocation of the appropriate time limitations, and any Councilmember may raise a point of order regarding comments that are disrespectful in tone or content, or are otherwise inappropriate.

(5) Presentations, including introduction of new employees, awards, and Certificates of Appointment, Appreciation, or Recognition.

(6) Consent Agenda.

- (a) Contains items placed on the Consent Agenda by the Mayor or Council including but not limited to:
 - Approval of vouchers.
 - Approval of donations and grant requests to be received by the City.
 - Pre-approval or final approval of City Council and City Manager travel related expenses.
 - Approval of minutes.
 - Enactment of Ordinances, Resolutions, and Motions when placed on the Consent Agenda at a Council Study Session or previous Council Meeting.
 - Ratification of non-represented employee classification and/or compensation adjustments approved by the City Manager.
 - Final Acceptance of Public Works projects valued at under \$50,000 in total cost.
 - Notwithstanding the above, any item may be removed from the Consent Agenda for consideration under unfinished business if so requested by any Councilmember.
- (b) A motion at this time will be in order.
- (c) The Council will vote upon the Consent Agenda.

(7) Public Hearings.

(a) At Public Hearings required by City, State, or Federal law or as Council may direct, where a general audience is in attendance to present input or arguments for or against a public issue:

- The City Manager or designee shall present the issue to the Council and respond to questions.
- Members of the public may speak for no longer than five minutes. No member of the public may speak for a second time until every person who wishes to speak has had an opportunity.
- Councilmembers may ask questions of the speaker and the speaker may respond, but may not engage in further debate.
- The public comments will then be closed but Councilmanic discussion may ensue if the Council so desires. In the alternative, the Public Hearing may be continued by majority vote, or the Council may recess to deliberate and determine findings of fact, if appropriate, and to reach a final decision which may be announced immediately following such deliberations or at a subsequent date.

(b) The following procedure shall apply to quasi-judicial Public Hearings:

- The Hearings Examiner, City Manager, or designee will present a summary of the subject matter and any findings and will respond to Council questions.
- The proponent spokesperson shall speak first and be allowed twenty minutes and Council may ask questions.
- The opponent spokesperson shall be allowed 20 minutes for presentation and Council may ask questions.
- Each side shall then be allowed five minutes for rebuttal.
- After each proponent and opponent has used his/her speaking time, Council may ask further questions of the speakers, who may respond.
- The Mayor may exercise a change in the procedures, but said decision may be overruled by a majority vote of the City Council.

(8) Action Items (as related to a Public Hearing).

(9) Public Comments related to Action Items and Unfinished Business.

(a) Individual comments shall be limited to one minute in duration and group comments shall be limited to two minutes. The Mayor or designee shall

be responsible for the allocation of the appropriate time limitations.

- (10) Action Items. This section of the agenda shall include Ordinances, Resolutions, and Motions. The following procedures shall apply to each item listed on the agenda under this section:
 - (a) The Mayor or designee may read the item by title only, or if requested by any Councilmember, the document may be read in its entirety.
 - (b) The City Manager or designee may give a presentation to provide clarification or to discuss changes in an agenda item from what was discussed at a Study Session. Appropriate Staff, appropriate members of City Commissions or Advisory Committees, or appropriate subject matter experts should be available to answer any questions posed by the City Council.
 - (c) A motion at this time will be in order.
 - (d) The Council may then discuss the item. The City Manager or designee will be available to answer any questions by the Council.
 - (e) The Council will vote upon the item under consideration.
 - (11) Unfinished Business. This section shall include items removed from the Consent Agenda at the same meeting. The procedures that apply during this section shall be the same as those under Section 10, Action Items.
 - (12) New Business. The procedures that apply during this section shall be the same as those under Section 10, Action Items. If the City Council votes on any item under this Section, public comment shall be allowed, with individual comments limited to one minute in duration and group comments limited to two minutes in duration.
 - (13) City Manager Comments. Reports on special interest items from the City Manager.
 - (14) Council Comments.
 - (15) Executive Session, if scheduled or called. However, an Executive Session may be scheduled or called at any time if deemed by the Mayor or by action of the Council to be appropriate at some point in time other than at the end of the meeting. The procedure for conduct of an Executive Session is set forth at Section 12 of these Administrative Procedures.
 - (16) Adjournment. A Motion to Adjourn.
- (D) The format of any Special Meeting shall be as follows:

Special Meetings are meetings in which the date and/or time are set outside of a regular schedule. Only the designated agenda item(s) shall be considered. The format will follow that of a Regular Meeting, as appropriate. Applicable provisions of Section 7 shall govern conduct of Special Meetings.

PASSED this _____ day of _____, 2014 and signed in authentication thereof on this _____ day of _____, 2014.

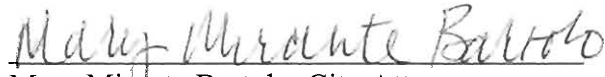
CITY OF SEATAC

Mia Gregerson, Mayor

ATTEST:

Kristina Gregg, City Clerk

Approved as to Form:



Mary Mirante Bartolo, City Attorney




[2014 Amend City Council Administrative Procedures]

SeaTac City Council
REQUEST FOR COUNCIL ACTION

Department Prepared by: Community & Economic Development

Agenda Bill #: 3589

TITLE A Motion authorizing the City Manager to enter into a lease agreement with the Refugee Women's Alliance.

March 5, 2014	
__ Ordinance __ Resolution <u>X</u> Motion __ Info. Only __ Other	
Date Council Action Requested: <u>RCM 04/08/14</u>	
Ord/Res Exhibits: _____	
Review Dates: <u>CSS 03-25-14</u>	
Prepared By: <u>Jeff Robinson, Economic Development Manager</u>	
Director: <u></u>	City Attorney: <u>Mary Suzanne Barolo</u>
Finance: <u></u>	BARS #: <u>108.362.50.00.002</u>
City Manager: <u></u>	Applicable Fund Name: <u>Building Management Fund</u>

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SUMMARY: This Motion authorizes the City Manager to execute a four-year lease with The Refugee Women's Alliance (REWA).

DISCUSSION / ANALYSIS / ISSUES: REWA has been a tenant in the SeaTac Center since March, 2000 with an initial five-year term and has extended the lease for two additional terms and during that period added an additional Suite. Their most current lease will expire on May 25, 2014. This proposed lease will consolidate leases in two locations within the property. The total square footage of the lease is 3,413 for Suites 100 and 202. The monthly lease for the first year is \$4,954.00 and increases to \$5,077.85 in years two through four.

RECOMMENDATION(S): It is recommended that the Motion be carried.

FISCAL IMPACT: The total rent revenue generated by the four-year lease is \$242,256. Triple-net reimbursements for taxes, insurance and common area maintenance total approximately \$85,000. Total gross revenue over the four-year lease totals approximately \$327,260. The leasing commission to the Andover Company is approximately \$9,700 and tenant improvements are estimated at \$25,000 for flooring, paint, ceiling tiles and baseboard in both suites.

ALTERNATIVE(S): Do not carry the Motion and continue with a month-to-month arrangement. However, the City runs the risk of losing the tenant to another location. If REWA vacates the space there would likely be significant tenant improvements to make for the next tenant.

ATTACHMENTS: 1. Lease Agreement



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LEASE AGREEMENT
Multi Tenant Triple Net (NNN Lease)

THIS LEASE AGREEMENT (the "Lease") is entered into and effective as of this 1st day of May, 2014 between City of SeaTac ("Landlord"), and ReWa - Refugee Women's Alliance (Tenant"). Landlord and Tenant agree as follows:

1. LEASE SUMMARY.

a. Leased Premises. The leased commercial real estate i) consists of an agreed area of Approximately 3,413 SF in Suite 202 and 903 SF in Suite 100 rentable square feet and is outlined on the floor plan attached as Exhibit A (the "Premises"); ii) is located on the land legally described on attached Exhibit B; and iii) is commonly known as Suite 202 and Suite 100 (suite number and address). The Premises do not include, and Landlord reserves, the exterior walls and roof of the building in which the Premises are located (the "Building"), the land beneath the Building, the pipes and ducts, conduits, wires, fixtures, and equipment above the suspended ceiling; and the structural elements of the Building. The Building, the land upon which it is situated, all other improvements located on such land, and all common areas appurtenant to the Building are referred to as the "Property." The Building and all other buildings on the Property as of the date of this Lease consist of an agreed area of 66,924 rentable square feet.

b. Lease Commencement Date. The term of this Lease shall be for a period of 48 months and shall commence on June 1, 2014 or such earlier or later date as provided in Section 3 (the "Commencement Date").

c. Lease Termination Date. The term of this Lease shall terminate at midnight on May 31, 2018 or such earlier or later date as provided in Section 3 (the "Termination Date"). Tenant shall have no right or option to extend this Lease, unless otherwise set forth in a rider attached to this Lease (e.g., Option to Extend Rider, CBA Form OR). *REDEVELOPMENT CLAUSE: IN THE EVENT THAT THE LANDLORD WILL BE PURSUING REDEVELOPMENT OF THE PROPERTY, LANDLORD SHALL GIVE NOTICE TO TENANT NO LATER THAN SEPTEMBER 30, 2017 OF THEIR INTENT TO REDEVELOP AND RELOCATE TENANT OR VOID THE LEASE AND OPTION AGREEMENT.*

d. Base Rent. The base monthly rent shall be (check one): \$_____, or according to the Rent Rider attached hereto ("Base Rent"). Rent shall be payable at Landlord's address shown in Section 1(h) below, or such other place designated in writing by Landlord.

e. Prepaid Rent. Upon execution of this Lease, Tenant shall deliver to Landlord the sum of \$_____ as prepaid rent, to be applied to the Rent due for the months _____ through _____ of the Lease. *NO PREPAID RENT.*

f. Security Deposit. Upon execution of this Lease, Tenant shall deliver to Landlord the sum of \$_____ to be held as a security deposit pursuant to Section 5 below. The security deposit shall be in the form of (check one): cash, letter of credit according to the Letter of Credit Rider (CBA Form LCR) attached hereto, or check.

g. Permitted Use. The Premises shall be used only for office use and for no other purpose without the prior written consent of Landlord (the "Permitted Use").

h. Notice and Payment Addresses:



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Multi Tenant Triple Net (NNN Lease)

Landlord: City of SeaTac
4800 South 188th Street
SeaTac, WA 98188-8605

Fax No.: _____

Email: _____

Tenant: ReWa - Refugee Women's Alliance

Fax No.: _____

Email: _____

i. Tenant's Pro Rata Share. Landlord and Tenant agree that Tenant's Pro Rata Share is 6.45 %, based on the ratio of the agreed rentable area of the Premises to the agreed rentable area of the Building and all other buildings on the Property as of the date of this Lease. Any adjustment to the Premises' or Building's rentable floor area measurements will be reflected in an adjustment to Tenant's Base Rent or Pro Rata Share.

2. PREMISES.

a. Lease of Premises. Landlord leases to Tenant, and Tenant leases from Landlord, the Premises upon the terms specified in this Lease.

b. Acceptance of Premises. Except as specified elsewhere in this Lease, Landlord makes no representations or warranties to Tenant regarding the Premises, including the structural condition of the Premises or the condition of all mechanical, electrical, and other systems on the Premises. Except for any tenant improvements to be completed by Landlord as described on attached Exhibit C (the "Landlord's Work"), Tenant shall be responsible for performing any work necessary to bring the Premises into a condition satisfactory to Tenant. By signing this Lease, Tenant acknowledges that it has had an adequate opportunity to investigate the Premises; acknowledges responsibility for making any corrections, alterations and repairs to the Premises (other than the Landlord's Work); and acknowledges that the time needed to complete any such items shall not delay the Commencement Date.

c. Tenant Improvements. Attached Exhibit C sets forth all Landlord's Work, if any, and all tenant improvements to be completed by Tenant (the "Tenant's Work"), if any, that will be performed on the Premises. Responsibility for design, payment and performance of all such work shall be as set forth on attached Exhibit C. If Tenant fails to notify Landlord of any defects in the Landlord's Work within thirty (30) days of delivery of possession to Tenant, Tenant shall be deemed to have accepted the Premises in their then condition. If Tenant discovers any major defects in the Landlord's Work during this 30-day period that would prevent Tenant from using the Premises for the Permitted Use, Tenant shall notify Landlord and the Commencement Date shall be delayed until after Landlord has notified Tenant that Landlord has corrected the major defects and Tenant has had five (5) days to inspect and approve the Premises. The Commencement Date shall not be delayed if Tenant's inspection reveals minor defects in the Landlord's Work that will not prevent Tenant from using the Premises for the Permitted Use. Tenant shall prepare a



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punch list of all minor defects in Landlord's Work and provide the punch list to Landlord, which Landlord shall promptly correct.

3. TERM. The term of this Lease shall commence on the Commencement Date specified in Section 1, or on such earlier or later date as may be specified by notice delivered by Landlord to Tenant advising Tenant that the Premises are ready for possession and specifying the Commencement Date, which shall not be less than _____ days (thirty (30) days if not filled in) following the date of such notice.

a. Early Possession. If Landlord permits Tenant to possess and occupy the Premises prior to the Commencement Date specified in Section 1, then such early occupancy shall not advance the Commencement Date or the Termination Date set forth in Section 1, but otherwise all terms and conditions of this Lease shall nevertheless apply during the period of early occupancy before the Commencement Date.

b. Delayed Possession. Landlord shall act diligently to make the Premises available to Tenant; provided, however, neither Landlord nor any agent or employee of Landlord shall be liable for any damage or loss due to Landlord's inability or failure to deliver possession of the Premises to Tenant as provided in this Lease. If possession is delayed, the Commencement Date set forth in Section 1 shall also be delayed. In addition, the Termination Date set forth in Section 1 shall be modified so that the length of the Lease term remains the same. If Landlord does not deliver possession of the Premises to Tenant within _____ days (sixty (60) days if not filled in) after the Commencement Date specified in Section 1, Tenant may elect to cancel this Lease by giving written notice to Landlord within ten (10) days after such time period ends. If Tenant gives such notice of cancellation, the Lease shall be cancelled, all prepaid rent and security deposits shall be refunded to Tenant, and neither Landlord nor Tenant shall have any further obligations to the other. The first "Lease year" shall commence on the Commencement Date and shall end on the date which is twelve (12) months from the end of the month in which the Commencement Date occurs. Each successive Lease year during the initial term and any extension terms shall be twelve (12) months, commencing on the first day following the end of the preceding Lease year. To the extent that the tenant improvements are not completed in time for the Tenant to occupy or take possession of the Premises on the Commencement Date due to the failure of Tenant to fulfill any of its obligations under this Lease, the Lease shall nevertheless commence on the Commencement Date set forth in Section 1.

4. RENT.

a. Payment of Rent. Tenant shall pay Landlord without notice, demand, deduction or offset, in lawful money of the United States, the monthly Base Rent stated in Section 1 in advance on or before the first day of each month during the Lease term beginning on (check one): the Commencement Date, or _____ (if no date specified, then on the Commencement Date), and shall also pay any other additional payments due to Landlord ("Additional Rent"), including Operating Costs (collectively the "Rent") when required under this Lease. Payments for any partial month at the beginning or end of the Lease shall be prorated. All payments due to Landlord under this Lease, including late fees and interest, shall also constitute Additional Rent, and upon failure of Tenant to pay any such costs, charges or expenses, Landlord shall have the same rights and remedies as otherwise provided in this Lease for the failure of Tenant to pay rent.



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Multi Tenant Triple Net (NNN Lease)

b. Triple Net Lease. This Lease is what is commonly called a "Net, Net, Net" or "triple-net" Lease, which means that, except as otherwise expressly provided herein, Landlord shall receive all Base Rent free and clear of any and all other impositions, taxes, liens, charges or expenses of any nature whatsoever in connection with the ownership and operation of the Premises. In addition to Base Rent, Tenant shall pay to the parties respectively entitled thereto, or satisfy directly, all Additional Rent and other impositions, insurance premiums, repair and maintenance charges, and any other charges, costs, obligations, liabilities, requirements, and expenses, including without limitation the Operating Costs described in Section 8, which arise with regard to the Premises or may be contemplated under any other provision of the Lease during its term, except for costs and expenses expressly made the obligation of Landlord in this Lease.

c. Late Charges; Default Interest. If any sums payable by Tenant to Landlord under this Lease are not received within five (5) business days after their due date, Tenant shall pay Landlord an amount equal to the greater of \$100 or five percent (5%) of the delinquent amount for the cost of collecting and handling such late payment in addition to the amount due and as Additional Rent. All delinquent sums payable by Tenant to Landlord and not paid within five (5) business days after their due date shall, at Landlord's option, bear interest at the rate of fifteen percent (15%) per annum, or the highest rate of interest allowable by law, whichever is less (the "Default Rate"). Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.

d. Less Than Full Payment. Landlord's acceptance of less than the full amount of any payment due from Tenant shall not be deemed an accord and satisfaction or compromise of such payment unless Landlord specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Landlord claims. Any portion that remains to be paid by Tenant shall be subject to the late charges and default interest provisions of this Section 4.

5. SECURITY DEPOSIT. Upon execution of this Lease, Tenant shall deliver to Landlord the security deposit specified in Section 1 above. Landlord's obligations with respect to the security deposit are those of a debtor and not of a trustee, and Landlord may commingle the security deposit with its other funds. If Tenant breaches any covenant or condition of this Lease, including but not limited to the payment of Rent, Landlord may apply all or any part of the security deposit to the payment of any sum in default and any damage suffered by Landlord as a result of Tenant's breach. Tenant acknowledges, however, that the security deposit shall not be considered as a measure of Tenant's damages in case of default by Tenant, and any payment to Landlord from the security deposit shall not be construed as a payment of liquidated damages for Tenant's default. If Landlord applies the security deposit as contemplated by this Section, Tenant shall, within five (5) days after written demand therefore by Landlord, deposit with Landlord the amount so applied. If Tenant complies with all of the covenants and conditions of this Lease throughout the Lease term, the security deposit shall be repaid to Tenant without interest within thirty (30) days after the surrender of the Premises by Tenant in the condition required hereunder by Section 13 of this Lease.

6. USES. The Premises shall be used only for the Permitted Use specified in Section 1 above, and for no other business or purpose without the prior written consent of Landlord. No act shall be done on or around the Premises that is unlawful or that will increase the existing rate of insurance on the Premises, the Building, or the Property, or cause the cancellation of any insurance on the Premises, the Building, or the Property. Tenant shall not commit or allow to be committed any waste upon the Premises, or any



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public or private nuisance. Tenant shall not do or permit anything to be done on the Premises, the Building, or the Property which will obstruct or interfere with the rights of other tenants or occupants of the Property, or their employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees or to injure or annoy such persons.

7. COMPLIANCE WITH LAWS. Tenant shall not cause or permit the Premises to be used in any way which violates any law, ordinance, or governmental regulation or order. Landlord represents to Tenant that, as of the Commencement Date, to Landlord's knowledge, but without duty of investigation, and with the exception of any Tenant's Work, the Premises comply with all applicable laws, rules, regulations, or orders, including without limitation, the Americans With Disabilities Act, if applicable, and Landlord shall be responsible to promptly cure at its sole cost any noncompliance which existed on the Commencement Date. Tenant shall be responsible for complying with all laws applicable to the Premises as a result of the Permitted Use, and Tenant shall be responsible for making any changes or alterations as may be required by law, rule, regulation, or order for Tenant's Permitted Use at its sole cost and expense. Otherwise, if changes or alterations are required by law, rule, regulation, or order unrelated to the Permitted Use, Landlord shall make changes and alterations at its expense.

8. OPERATING COSTS.

a. Definition. As used herein, "Operating Costs" shall mean all costs of operating, maintaining and repairing the Premises, the Building, and the Property, determined in accordance with generally accepted accounting principles, and including without limitation the following: all taxes and assessments (including, but not limited to, real and personal property taxes and assessments, local improvement district assessments and other special purpose assessments, and taxes on rent or gross receipts); insurance premiums paid by Landlord and (to the extent used) deductibles for insurance applicable to the Property; water, sewer and all other utility charges (other than utilities separately metered and paid directly by Tenant or other tenants); janitorial and all other cleaning services; refuse and trash removal; supplies, materials, tools, and equipment used in the operation, repair, and maintenance of the Property; refurbishing and repainting; carpet replacement; to the extent serving areas other than just the Premises, heating, ventilation and air conditioning ("HVAC") service and repair and replacement of HVAC when necessary; elevator service and repair and replacement of elevators when necessary; pest control; lighting systems, fire detection and security services; landscape maintenance; management (fees and/or personnel costs); parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal; repair, maintenance, and, where reasonably required, replacement of signage; amortization of capital improvements as Landlord may in the future install to comply with governmental regulations and rules or undertaken in good faith with a reasonable expectation of reducing operating costs (the useful life of which shall be a reasonable period of time as determined by Landlord); costs of legal services (except those incurred directly relating to a particular occupant of the Building); and accounting services, labor, supplies, materials and tools. Landlord and Tenant agree that if the Building is not ninety percent (90%) occupied during any calendar year (including the Base Year, if applicable), on a monthly average, then those portions of the Operating Costs that are driven by occupancy rates, as reasonably determined by Landlord, shall be increased to reflect the Operating Costs of the Building as though it were ninety percent (90%) occupied and Tenant's Pro Rata Share of Operating Costs shall be based upon Operating Costs as so adjusted. Operating Costs shall not include: Landlord's income tax or general corporate overhead; depreciation on the Building or equipment therein; loan payments; real estate broker's commissions; capital improvements to or major repairs of the Building shell (i.e., the Building structure, exterior walls, roof, and structural floors



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and foundations), except as described above; or any costs regarding the operation, maintenance and repair of the Premises, the Building, or the Property paid directly by Tenant or other tenants in the Building, or otherwise reimbursed to Landlord. If Tenant is renting a pad separate from any other structures on the Property for which Landlord separately furnishes the services described in this paragraph, then the term "Operating Costs" shall not include those costs of operating, repairing, and maintaining the enclosed mall which can be separately allocated to the tenants of the other structures. Operating Costs which cannot be separately allocated to the tenants of other structures may include but are not limited to: insurance premiums; taxes and assessments; management (fees and/or personnel costs); exterior lighting; parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal; and costs of legal services and accounting services.

b. Type of Payment. Options one and two below address the manner in which Operating Costs are paid under this Lease. To select the pure triple net option, check option 1. To select the base year option, check option 2.

OPTION ONE: TRIPLE NET. As additional Rent, Tenant shall pay to Landlord on the first of each month with payment of Tenant's base Rent one-twelfth of Tenant's Pro Rata Share of Operating Costs.

OPTION TWO: BASE YEAR. The Base Rent paid by Tenant under this Lease includes Tenant's Pro Rata Share of Operating Costs for the calendar year in which the Commencement Date occurs (the "Base Year"). As additional Rent, Tenant shall pay to Landlord on the first day of each month commencing on the first day of the first year after the Commencement Date, with Tenant's payment of Base Rent, one-twelfth of the amount, if any, by which Tenant's Pro Rata Share of Operating Costs exceeds Tenant's annualized Pro Rata Share of Operating Costs for the Base Year.

c. Method of Payment. Tenant shall pay to Landlord Operating Costs pursuant to the following procedure:

(i) Landlord shall provide to Tenant, at or before the Commencement Date, a good faith estimate of annual Operating Costs for the calendar year in which the Commencement Date occurs. Landlord shall also provide to Tenant, as soon as possible following the first day of each succeeding calendar year, a good faith estimate of Tenant's annual Pro Rata Share of Operating Costs for the then-current year.

(ii) Each estimate of Tenant's annual Pro Rata Share of Operating Costs determined by Landlord, as described above, shall be divided into twelve (12) equal monthly installments. If Tenant pays Operating Costs under Option One, Tenant shall pay to Landlord such monthly installment of Operating Costs with each monthly payment of Base Rent. If Tenant pays Operating Costs under Option Two, Tenant shall pay to Landlord with each monthly payment of Base Rent the amount, if any, by which such monthly installments of Operating Costs exceed one twelfth of Tenant's annualized Pro Rate Share of Operating Costs for the Base Year. In the event the estimated amount of Tenant's Pro Rata Share of Operating Costs has not yet been determined for any calendar year, Tenant shall pay the monthly installment in the estimated amount determined for the preceding calendar year until the estimate for the current calendar



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year has been provided to Tenant. When the estimate for the current calendar year is received, Tenant shall then pay any shortfall or receive a credit for any surplus for the preceding months of the current calendar year and shall, thereafter, make the monthly installment payments in accordance with the current estimate.

(iii) As soon as reasonably possible following the end of each calendar year of the Lease term, Landlord shall determine and provide to Tenant a statement (the "Operating Costs Statement") setting forth the amount of Operating Costs actually incurred and the amount of Tenant's Pro Rata Share of Operating Costs actually payable by Tenant with respect to such calendar year. In the event the amount of Tenant's Pro Rata Share of Operating Costs exceeds the sum of the monthly installments actually paid by Tenant for such calendar year, Tenant shall pay to Landlord the difference within thirty (30) days following receipt of the Operating Costs Statement. In the event the sum of the monthly installments actually paid by Tenant for such calendar year exceeds the amount of Tenant's Pro Rata Share of Operating Costs actually due and owing, the difference shall be applied as a credit to Tenant's future Pro Rata Share of Operating Costs payable by Tenant pursuant to this Section, or if the term has expired, the excess shall be refunded to Tenant within thirty (30) days after delivery of such Operating Costs Statement.

(iv) Should Tenant dispute any amount shown on the Operating Costs Statement, Tenant may audit Landlord's books and records for the calendar year covered by such Operating Costs Statement upon written notice to Landlord given within ninety (90) days after Tenant's receipt of such Operating Costs Statement. If Tenant fail to provide notice of dispute within such ninety (90) day period, the Operating Costs Statement shall be final and conclusive. Any audit conducted by Tenant shall be completed within sixty (60) days after Tenant's request therefor. In the event the amount of Tenant's Pro Rata Share of Operating Costs exceeds the sum of the monthly installments actually paid by Tenant for such calendar year, Tenant shall pay to Landlord the difference within thirty (30) days following completion of the audit. In the event the sum of the monthly installments actually paid by Tenant for such calendar year exceeds the amount of Tenant's Pro Rata Share of Operating Costs actually due and owing, the difference shall be applied as a credit to Tenant's future Pro Rata Share of Operating Costs payable by Tenant pursuant to this Section, or if the term has expired, the excess shall be refunded to Tenant within thirty (30) days after completion of the audit. Landlord and Tenant shall cooperate as may be reasonably necessary in order to facilitate the timely completion of any audit. Nothing in this section shall in any manner modify Tenant's obligations to make payments as and when provided under this Lease.

9. UTILITIES AND SERVICES. Landlord shall provide the Premises the following services, the cost of which shall be included in the Operating Costs, to the extent not separately metered to the Premises: water and electricity for the Premises seven (7) days per week, twenty-four (24) hours per day, and HVAC from ____ a.m. to ____ p.m. Monday through Friday; ____ a.m. to ____ p.m. on Saturday; and ____ a.m. to ____ p.m. on Sunday. Landlord shall provide janitorial service to the Premises and Building five (5) nights each week, exclusive of holidays, the cost of which shall also be included in Operating Costs. HVAC services will also be provided by Landlord to the Premises during additional hours on reasonable notice to Landlord, at Tenant's sole cost and expense, at an hourly rate reasonably established by Landlord from time to time and payable by Tenant, as and when billed, as Additional Rent. Notwithstanding the foregoing, if Tenant's use of the Premises incurs utility service charges which are above those usual and customary for the Permitted Use, Landlord reserves the right to require Tenant to



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pay a reasonable additional charge for such usage. Landlord shall not be liable for any loss, injury or damage to person or property caused by or resulting from any variation, interruption, or failure of utilities due to any cause whatsoever, and Rent shall not abate as a result thereof.

Tenant shall furnish all other utilities (including, but not limited to, telephone, Internet, and cable service if available) and other services which Tenant requires with respect to the Premises, and shall pay, at Tenant's sole expense, the cost of all utilities separately metered to the Premises, and of all other utilities and other services which Tenant requires with respect to the Premises, except those to be provided by Landlord and included in Operating Expenses as described above.

10. TAXES. Tenant shall pay all taxes, assessments, liens and license fees ("Taxes") levied, assessed or imposed by any authority having the direct or indirect power to tax or assess any such liens, related to or required by Tenant's use of the Premises as well as all Taxes on Tenant's personal property located on the Premises. Landlord shall pay all taxes and assessments with respect to the Property, including any taxes resulting from a reassessment of the Building or the Property due to a change of ownership or otherwise, all of which shall be included in Operating Costs and subject to partial reimbursement by Tenant as set forth in Section 8.

11. COMMON AREAS.

a. Definition. The term "Common Areas" means all areas, facilities and building systems that are provided and designated from time to time by Landlord for the general non-exclusive use and convenience of Tenant with other tenants and which are not leased or held for the exclusive use of a particular tenant. To the extent that such areas and facilities exist within the Property, Common Areas include hallways, entryways, stairs, elevators, driveways, walkways, terraces, docks, loading areas, restrooms, trash facilities, parking areas and garages, roadways, pedestrian sidewalks, landscaped areas, security areas, lobby or mall areas, common heating, ventilating and air conditioning systems, common electrical service, equipment and facilities, and common mechanical systems, equipment and facilities. Tenant shall comply with reasonable rules and regulations concerning the use of the Common Areas adopted by Landlord from time to time. Without advance notice to Tenant and without any liability to Tenant, Landlord may change the size, use, or nature of any Common Areas, erect improvements on the Common Areas or convert any portion of the Common Areas to the exclusive use of Landlord or selected tenants, so long as Tenant is not thereby deprived of the substantial benefit of the Premises. Landlord reserves the use of exterior walls and the roof, and the right to install, maintain, use, repair and replace pipes, ducts, conduits, and wires leading through the Premises in areas which will not materially interfere with Tenant's use thereof.

b. Use of the Common Areas. Tenant shall have the non-exclusive right, in common with such other tenants to whom Landlord has granted or may grant such rights, to use the Common Areas. Tenant shall abide by rules and regulations adopted by Landlord from time to time and shall use its best efforts to cause its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees to comply with those rules and regulations, and not interfere with the use of Common Areas by others.

c. Maintenance of Common Areas. Landlord shall maintain the Common Areas in good order, condition and repair. This maintenance cost shall be an Operating Cost chargeable to



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Tenant pursuant to Section 8. In performing such maintenance, Landlord shall use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises.

12. ALTERATIONS. Tenant may make alterations, additions or improvements to the Premises, including any Tenant Work identified on attached Exhibit C (the "Alterations"), only with the prior written consent of Landlord, which, with respect to Alterations not affecting the structural components of the Premises or utility systems therein, shall not be unreasonably withheld, conditioned, or delayed. Landlord shall have thirty (30) days in which to respond to Tenant's request for any Alterations so long as such request includes the name of Tenant's contractors and reasonably detailed plans and specifications therefor. The term "Alterations" shall not include the installation of shelves, movable partitions, Tenant's equipment, and trade fixtures that may be performed without damaging existing improvements or the structural integrity of the Premises, the Building, or the Property, and Landlord's consent shall not be required for Tenant's installation or removal of those items. Tenant shall perform all work at Tenant's expense and in compliance with all applicable laws and shall complete all Alterations in accordance with plans and specifications approved by Landlord, using contractors approved by Landlord, and in a manner so as not to unreasonably interfere with other tenants. Tenant shall pay, when due, or furnish a bond for payment (as set forth in Section 20) all claims for labor or materials furnished to or for Tenant at or for use in the Premises, which claims are or may be secured by any mechanics' or materialmen's liens against the Premises or the Property or any interest therein. Tenant shall remove all Alterations at the end of the Lease term unless Landlord conditioned its consent upon Tenant leaving a specified Alteration at the Premises, in which case Tenant shall not remove such Alteration, and it shall become Landlord's property. Tenant shall immediately repair any damage to the Premises caused by removal of Alterations.

13. REPAIRS AND MAINTENANCE; SURRENDER. Tenant shall, at its sole expense, maintain the entire Premises in good condition and promptly make all non-structural repairs and replacements necessary to keep the Premises safe and in good condition, including all HVAC components and other utilities and systems to the extent exclusively serving the Premises. Landlord shall maintain and repair the Building structure, foundation, subfloor, exterior walls, roof structure and surface, and HVAC components and other utilities and systems serving more than just the Premises, and the Common Areas, the costs of which shall be included as an Operating Cost. Tenant shall not damage any demising wall or disturb the structural integrity of the Premises, the Building, or the Property and shall promptly repair any damage or injury done to any such demising walls or structural elements caused by Tenant or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. Notwithstanding anything in this Section to the contrary, Tenant shall not be responsible for any repairs to the Premises made necessary by the negligence or willful misconduct of Landlord or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees therein. If Tenant fails to perform Tenant's obligations under this Section, Landlord may at Landlord's option enter upon the Premises after ten (10) days' prior notice to Tenant and put the same in good order, condition and repair and the cost thereof together with interest thereon at the default rate set forth in Section 4 shall be due and payable as additional rent to Landlord together with Tenant's next installment of Base Rent. Upon expiration of the Lease term, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises, together with all keys, to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable wear and tear and insured casualty excepted.

14. ACCESS AND RIGHT OF ENTRY. After twenty-four (24) hours' notice from Landlord (except in cases of emergency, when no notice shall be required), Tenant shall permit Landlord and its agents, employees and contractors to enter the Premises at all reasonable times to make repairs, inspections,



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alterations or improvements, provided that Landlord shall use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises. This Section shall not impose any repair or other obligation upon Landlord not expressly stated elsewhere in this Lease. After reasonable notice to Tenant, Landlord shall have the right to enter the Premises for the purpose of (a) showing the Premises to prospective purchasers or lenders at any time, and to prospective tenants within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term; and (b) posting "for lease" signs within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term.

15. SIGNAGE. Tenant shall obtain Landlord's written consent 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 expense and in compliance with all applicable laws. Tenant shall not damage or deface the Premises in installing or removing signage and shall repair any injury or damage to the Premises caused by such installation or removal.

16. DESTRUCTION OR CONDEMNATION.

a. Damage and Repair. If the Premises or the portion of the Building or the Property necessary for Tenant's occupancy are partially damaged but not rendered untenable, by fire or other insured casualty, then Landlord shall diligently restore the Premises and the portion of the Property necessary for Tenant's occupancy to the extent required below and this Lease shall not terminate. Tenant may, however, terminate the Lease if Landlord is unable to restore the Premises within six (6) months of the casualty event by giving twenty (20) days written notice of termination.

The Premises or the portion of the Building or the Property necessary for Tenant's occupancy shall not be deemed untenable if twenty-five percent (25%) or less of each of those areas are damaged. If insurance proceeds are not available or are not sufficient to pay the entire cost of restoring the Premises, or if Landlord's lender does not permit all or any part of the insurance proceeds to be applied toward restoration, then Landlord may elect to terminate this Lease and keep the insurance proceeds, by notifying Tenant within sixty (60) days of the date of such casualty.

If the Premises, the portion of the Building or the Property necessary for Tenant's occupancy, or fifty percent (50%) or more of the rentable area of the Property are entirely destroyed, or partially damaged and rendered untenable, by fire or other casualty, Landlord may, at its option: (a) terminate this Lease as provided herein, or (b) restore the Premises and the portion of the Property necessary for Tenant's occupancy to their previous condition to the extent required below; provided, however, if such casualty event occurs during the last six (6) months of the Lease term (after considering any option to extend the term timely exercised by Tenant) then either Tenant or Landlord may elect to terminate the Lease. If, within sixty (60) days after receipt by Landlord from Tenant of written notice that Tenant deems the Premises or the portion of the Property necessary for Tenant's occupancy untenable, Landlord fails to notify Tenant of its election to restore those areas, or if Landlord is unable to restore those areas within six (6) months of the date of the casualty event, then Tenant may elect to terminate the Lease upon twenty (20) days' notice to Landlord unless Landlord, within such twenty (20) day period, notifies Tenant that it will in fact restore the Premises or actually completes such restoration work to the extent required below, as applicable.



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If Landlord restores the Premises or the Property under this Section, Landlord shall proceed with reasonable diligence to complete the work, and the Rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole Premises, provided that there shall be a Rent abatement only if the damage or destruction of the Premises or the Property did not result from, or was not contributed to directly or indirectly by the act, fault or neglect of Tenant, or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. No damages, compensation or claim shall be payable by Landlord for inconvenience, loss of business or annoyance directly, incidentally or consequentially arising from any repair or restoration of any portion of the Premises or the Property. Landlord shall have no obligation to carry insurance of any kind for the protection of Tenant; any alterations or improvements paid for by Tenant; any Tenant's Work identified in Exhibit C (regardless of who may have completed them); Tenant's furniture; or on any fixtures, equipment, improvements or appurtenances of Tenant under this Lease, and Landlord's restoration obligations hereunder shall not include any obligation to repair any damage thereto or replace the same.

b. Condemnation. If the Premises, the portion of the Building or the Property necessary for Tenant's occupancy, or 50% or more of the rentable area of the Property are 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 or the portion of the 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 Property necessary for Tenant's occupancy that does not render them untenable, then this Lease shall continue in full force and effect and the Rent shall be equitably reduced based on the proportion by which the floor area of any structures 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. The Premises or the portion of the Building or the Property necessary for Tenant's occupancy shall not be deemed untenable if twenty-five percent (25%) or less of each of those areas are condemned. Landlord shall be entitled to the entire award from the condemning authority attributable to the value of the Premises or the Building or the Property 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 may terminate the Lease under this Section, provided that in no event shall Tenant's claim reduce Landlord's award.

17. INSURANCE.

a. Tenant's Liability Insurance. During the Lease term, Tenant shall pay for and maintain commercial general liability insurance with broad form property damage and contractual liability endorsements. This policy shall name Landlord, its property manager (if any), and other parties designated by Landlord as additional insureds using an endorsement form acceptable to Landlord, and shall insure Tenant's activities and those of Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees with respect to the Premises against loss, damage or liability for personal injury or bodily injury (including death) or loss or damage to property with a combined single limit of not less than \$2,000,000, and a deductible of not more than \$10,000. Tenant's insurance will be primary and



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noncontributory with any liability insurance carried by Landlord. Landlord may also require Tenant to obtain and maintain business income coverage for at least six (6) months, business auto liability coverage, and, if applicable to Tenant's Permitted Use, liquor liability insurance and/or warehouseman's coverage.

b. Tenant's Property Insurance. During the Lease term, Tenant shall pay for and maintain special form clauses of loss coverage property insurance (with coverage for earthquake if required by Landlord's lender and, if the Premises are situated in a flood plain, flood damage) for all of Tenant's personal property, fixtures and equipment in the amount of their full replacement value, with a deductible of not more than \$10,000.

c. Miscellaneous. Tenant's insurance required under this Section shall be with companies rated A-/VII or better in Best's Insurance Guide, and which are admitted in the State in which the Premises are located. No insurance policy shall be cancelled or reduced in coverage and each such policy shall provide that it is not subject to cancellation or a reduction in coverage except after thirty (30) days prior written notice to Landlord. Tenant shall deliver to Landlord upon commencement of the Lease and from time to time thereafter, copies of the insurance policies or evidence of insurance and copies of endorsements required by this Section. In no event shall the limits of such policies be considered as limiting the liability of Tenant under this Lease. If Tenant fails to acquire or maintain any insurance or provide any policy or evidence of insurance required by this Section, and such failure continues for three (3) days after notice from Landlord, Landlord may, but shall not be required to, obtain such insurance for Landlord's benefit and Tenant shall reimburse Landlord for the costs of such insurance upon demand. Such amounts shall be Additional Rent payable by Tenant hereunder and in the event of non-payment thereof, Landlord shall have the same rights and remedies with respect to such non-payment as it has with respect to any other non-payment of Rent hereunder.

d. Landlord's Insurance. Landlord shall carry special form clauses of loss coverage property insurance of the Building shell and core in the amount of their full replacement value, liability insurance with respect to the Common Areas, and such other insurance of such types and amounts as Landlord, in its discretion, shall deem reasonably appropriate. The cost of any such insurance shall be included in the Operating Costs, and if such insurance is provided by a "blanket policy" insuring other parties or locations in addition to the Building, then only the portion of the premiums allocable to the Building and Property shall be included in the Operating Costs.

e. Waiver of Subrogation. Landlord and Tenant hereby release each other and any other tenant, their agents or employees, from responsibility for, and waive their entire claim of recovery for any loss or damage arising from any cause covered by property insurance required to be carried or otherwise carried by each of them. Each party shall provide notice to the property insurance carrier or carriers of this mutual waiver of subrogation, and shall cause its respective property insurance carriers to waive all rights of subrogation against the other. This waiver shall not apply to the extent of the deductible amounts to any such property policies or to the extent of liabilities exceeding the limits of such policies.

18. INDEMNIFICATION.

a. Indemnification by Tenant. *Except for the sole negligence of the Landlord or its property manager,* Tenant shall defend, indemnify, and hold Landlord and its property manager (if



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any) harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Tenant or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises or the Property, or arising from any breach of this Lease by Tenant. Tenant shall use legal counsel reasonably acceptable to Landlord in defense of any action within Tenant's defense obligation.

~~b. — Indemnification by Landlord. Landlord shall defend, indemnify and hold Tenant harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Landlord or Landlord's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises or the Property, or arising from any breach of this Lease by Landlord. Landlord shall use legal counsel reasonably acceptable to Tenant in defense of any action within Landlord's defense obligation.~~

~~e.b. Waiver of Immunity.~~ Landlord and Tenant each specifically and expressly waives any immunity that each may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. ~~Neither party's~~ The indemnity obligations under this Lease shall *not* be limited by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under the Worker Compensation Acts, Disability Benefit Acts or other employee benefit acts.

~~d.c. Exemption of Landlord from Liability.~~ Except to the extent of claims arising out of Landlord's gross negligence or intentional misconduct, Landlord shall not be liable for injury to Tenant's business or assets or any loss of income therefrom or for damage to any property of Tenant or of its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, or any other person in or about the Premises or the Property.

~~e.d. Survival.~~ The provisions of this Section 18 shall survive expiration or termination of this Lease.

19. ASSIGNMENT AND SUBLETTING. Tenant shall not assign, sublet, mortgage, encumber or otherwise transfer any interest in this Lease (collectively referred to as a "Transfer") or any part of the Premises, without first obtaining Landlord's written consent, which shall not be unreasonably withheld, conditioned, or delayed. No Transfer shall relieve Tenant of any liability under this Lease notwithstanding Landlord's consent to such Transfer. Consent to any Transfer shall not operate as a waiver of the necessity for Landlord's consent to any subsequent Transfer. In connection with each request for consent to a Transfer, Tenant shall pay the reasonable cost of processing same, including attorneys' fees, upon demand of Landlord, up to a maximum of \$1,250.

If Tenant is a partnership, limited liability company, corporation, or other entity, any transfer of this Lease by merger, consolidation, redemption or liquidation, or any change in the ownership of, or power to vote, which singularly or collectively represents a majority of the beneficial interest in Tenant, shall constitute a Transfer under this Section.



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As a condition to Landlord's approval, if given, any potential assignee or sublessee otherwise approved by Landlord shall assume all obligations of Tenant under this Lease and shall be jointly and severally liable with Tenant and any guarantor, if required, for the payment of Rent and performance of all terms of this Lease. In connection with any Transfer, Tenant shall provide Landlord with copies of all assignments, subleases and assumption agreement or documents.

20. LIENS. Tenant shall not subject the Landlord's assets to any liens or claims of lien. Tenant shall keep the Premises free from any liens created by or through Tenant. Tenant shall indemnify and hold Landlord harmless from liability for any such liens including, without limitation, liens arising from any Alterations. If a lien is filed against the Premises by any person claiming by, through or under Tenant, Tenant shall, within ten (10) days after Landlord's demand, at Tenant's expense, either remove the lien or furnish to Landlord a bond in form and amount and issued by a surety satisfactory to Landlord, indemnifying Landlord and the Premises against all liabilities, costs and expenses, including attorneys' fees, which Landlord could reasonably incur as a result of such lien.

21. DEFAULT. The following occurrences shall each constitute a default by Tenant (an "Event of Default"):

a. Failure To Pay. Failure by Tenant to pay any sum, including Rent, due under this Lease following five (5) days' notice from Landlord of the failure to pay.

b. Vacation/Abandonment. Vacation by Tenant of the Premises (defined as an absence for at least fifteen (15) consecutive days without prior notice to Landlord), or abandonment by Tenant of the Premises (defined as an absence of five (5) days or more while Tenant is in breach of some other term of this Lease). Tenant's vacation or abandonment of the Premises shall not be subject to any notice or right to cure.

c. Insolvency. Tenant's insolvency or bankruptcy (whether voluntary or involuntary); or appointment of a receiver, assignee or other liquidating officer for Tenant's business; provided, however, that in the event of any involuntary bankruptcy or other insolvency proceeding, the existence of such proceeding shall constitute an Event of Default only if such proceeding is not dismissed or vacated within sixty (60) days after its institution or commencement.

d. Levy or Execution. The taking of Tenant's interest in this Lease or the Premises, or any part thereof, by execution or other process of law directed against Tenant, or attachment of Tenant's interest in this Lease by any creditor of Tenant, if such attachment is not discharged within fifteen (15) days after being levied.

e. 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 notice by Landlord to Tenant of the breach.

f. Failure to Take Possession. Failure by Tenant to take possession of the Premises on the Commencement Date or failure by Tenant to commence any Tenant Improvement in a timely fashion.



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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's sole remedy shall be to seek actual money damages (but not consequential or punitive damages) for loss arising from Landlord's failure to discharge its obligations under this Lease. Nothing herein contained shall relieve Landlord from its duty to perform of any of its obligations to the standard prescribed in this Lease.

Any notice periods granted herein shall be deemed to run concurrently with and not in addition to any default notice periods required by law.

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.

a. Termination of Lease. Landlord may terminate Tenant's interest under the Lease, but no act by Landlord other than notice of termination from Landlord to Tenant shall terminate this 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 the net proceeds, if any, of any reletting of the Premises by Landlord subsequent to the termination, after deducting all of Landlord's Reletting Expenses (as defined below). Landlord shall be entitled to either collect damages from Tenant monthly on the days on which rent or other amounts would have been payable under the Lease, or alternatively, Landlord may accelerate Tenant's obligations under the Lease and recover from Tenant: (i) unpaid rent which had been earned at the time of termination; (ii) the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of rent loss that Tenant proves could reasonably have been avoided; (iii) the amount by which the unpaid rent for the balance of the term of the Lease after the time of award exceeds the amount of rent loss that Tenant proves could reasonably be avoided (discounting such amount by the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%); and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under the Lease, or which in the ordinary course would be likely to result from the Event of Default, including without limitation Reletting Expenses described below.

b. 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 all Reletting Expenses (defined below); 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



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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 and after deducting Landlord's Reletting Expenses. "Reletting Expenses" is defined to include all expenses incurred by Landlord in connection with 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.

c. Waiver of Redemption Rights. Tenant, for itself, and on behalf of any and all persons claiming through or under Tenant, including creditors of all kinds, hereby waives and surrenders all rights and privileges which they may have under any present or future law, to redeem the Premises or to have a continuance of this Lease for the Lease term, or any extension thereof.

d. Nonpayment of Additional Rent. All costs which Tenant is obligated to pay to Landlord pursuant to this Lease shall in the event of nonpayment be treated as if they were payments of Rent, and Landlord shall have the same rights it has with respect to nonpayment of Rent.

e. Failure to Remove Property. If Tenant fails to remove any of its property from the Premises at Landlord's request following an uncured Event of Default, Landlord may, at its option, remove and store the property at Tenant's expense and risk. If Tenant does not pay the storage cost within five (5) days of Landlord's request, Landlord may, at its option, have any or all of such property sold at public or private sale (and Landlord may become a purchaser at such sale), in such manner as Landlord deems proper, without notice to Tenant. Landlord shall apply the proceeds of such sale: (i) to the expense of such sale, including reasonable attorneys' fees actually incurred; (ii) to the payment of the costs or charges for storing such property; (iii) to the payment of any other sums of money which may then be or thereafter become due Landlord from Tenant under any of the terms hereof; and (iv) the balance, if any, to Tenant. Nothing in this Section shall limit Landlord's right to sell Tenant's personal property as permitted by law or to foreclose Landlord's lien for unpaid rent.

23. MORTGAGE SUBORDINATION AND ATTORNMENT. This Lease shall automatically be subordinate to any mortgage or deed of trust created by Landlord which is now existing or hereafter placed upon the Premises including any advances, interest, modifications, renewals, replacements or extensions ("Landlord's Mortgage"). Tenant shall attorn to the holder of any Landlord's Mortgage or any party acquiring the Premises at any sale or other proceeding under any Landlord's Mortgage provided the acquiring party assumes the obligations of Landlord under this Lease. Tenant shall promptly and in no event later than fifteen (15) days after request execute, acknowledge and deliver documents which the holder of any Landlord's Mortgage may reasonably require as further evidence of this subordination and attornment. Notwithstanding the foregoing, Tenant's obligations under this Section to subordinate in the future are conditioned on the holder of each Landlord's Mortgage and each party acquiring the Premises at any sale or other proceeding under any such Landlord's Mortgage not disturbing Tenant's occupancy and other rights under this Lease, so long as no uncured Event of Default by Tenant exists.

24. NON-WAIVER. Landlord's waiver of any breach of any provision contained in this Lease shall not be deemed to be a waiver of the same provision for subsequent acts of Tenant. The acceptance by



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Landlord of Rent or other amounts due by Tenant hereunder shall not be deemed to be a waiver of any previous breach by Tenant.

25. HOLDOVER. If Tenant shall, without the written consent of Landlord, remain in possession of the Premises and fail to return them to Landlord after the expiration or termination of this Lease, the tenancy shall be a holdover tenancy and shall be on a month-to-month basis, which may be terminated according to Washington law. During such tenancy, Tenant agrees to pay to Landlord 150% of the rate of rental last payable under this Lease, unless a different rate is agreed upon by Landlord. All other terms of the Lease shall remain in effect. Tenant acknowledges and agrees that this Section does not grant any right to Tenant to holdover, and that Tenant may also be liable to Landlord for any and all damages or expenses which Landlord may have to incur as a result of Tenant's holdover.

26. NOTICES. All notices under this Lease shall be in writing and effective (i) when delivered in person or via overnight courier to the other party, (ii) three (3) days after being sent by registered or certified mail to the other party at the address set forth in Section 1; or (iii) upon confirmed transmission by facsimile to the other party at the facsimile numbers set forth in Section 1. The addresses for notices and payment of rent set forth in Section 1 may be modified by either party only by written notice delivered in conformance with this Section.

27. COSTS AND ATTORNEYS' 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.

28. ESTOPPEL CERTIFICATES. Tenant shall, from time to time, upon written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement specifying the following, subject to any modifications necessary to make such statements true and complete: (i) the total rentable square footage of the Premises; (ii) the date the Lease term commenced and the date it expires; (iii) the amount of minimum monthly Rent and the date to which such Rent has been paid; (iv) that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way; (v) that this Lease represents the entire agreement between the parties; (vi) that all obligations under this Lease to be performed by either party have been satisfied; (vii) that there are no existing claims, defenses or offsets which the Tenant has against the enforcement of this Lease by Landlord; (viii) the amount of Rent, if any, that Tenant paid in advance; (ix) the amount of security that Tenant deposited with Landlord; (x) if Tenant has sublet all or a portion of the Premises or assigned its interest in the Lease and to whom; (xi) if Tenant has any option to extend the Lease or option to purchase the Premises; and (xii) such other factual matters concerning the Lease or the Premises as Landlord may reasonably request. Tenant acknowledges and agrees that any statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or assignee of any mortgage or new mortgagee of Landlord's interest in the Premises. If Tenant shall fail to respond within ten (10) days to Landlord's request for the statement required by this Section, Landlord may provide the statement and Tenant shall be deemed to have admitted the accuracy of the information provided by Landlord.

29. TRANSFER OF LANDLORD'S INTEREST. This Lease shall be assignable by Landlord without the consent of Tenant. In the event of any transfer or transfers of Landlord's interest in the Premises, other than a transfer for collateral purposes only, upon the assumption of this Lease by the transferee,



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Landlord shall be automatically relieved of obligations and liabilities accruing from and after the date of such transfer, including any liability for any retained security deposit or prepaid rent, for which the transferee shall be liable, and Tenant shall attorn to the transferee.

30. LANDLORD'S LIABILITY. Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants, undertakings and agreements for the purpose of binding Landlord personally or the assets of Landlord but are made and intended for the purpose of binding only the Landlord's interest in the Premises, as the same may from time to time be encumbered. In no event shall Landlord or its partners, shareholders, or members, as the case may be, ever be personally liable hereunder.

31. RIGHT TO PERFORM. If Tenant shall fail to timely pay any sum or perform any other act on its part to be performed hereunder, Landlord may make any such payment or perform any such other act on Tenant's behalf. Tenant shall, within ten (10) days of demand, reimburse Landlord for its expenses incurred in making such payment or performance. Landlord shall (in addition to any other right or remedy of Landlord provided by law) have the same rights and remedies in the event of the nonpayment of sums due under this Section as in the case of default by Tenant in the payment of Rent.

32. HAZARDOUS MATERIAL. As used herein, the term "Hazardous Material" means any hazardous, dangerous, toxic or harmful substance, material or waste including biomedical waste which is or becomes regulated by any local governmental authority, the State of Washington or the United States Government, due to its potential harm to the health, safety or welfare of humans or the environment. Landlord represents and warrants to Tenant that, to Landlord's knowledge without duty of investigation, there is no Hazardous Material on, in, or under the Premises as of the Commencement Date except as may otherwise have been disclosed to Tenant in writing before the execution of this Lease. If there is any Hazardous Material on, in, or under the Premises as of the Commencement Date which has been or thereafter becomes unlawfully released through no fault of Tenant, then Landlord 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 contamination.

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 or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except with Landlord's prior consent and then only upon 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, diminution in the value of the Premises or the Property; damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises or the Property, or elsewhere; damages arising from any adverse impact on marketing of space at the Premises or the Property; and 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. These indemnifications by Landlord and Tenant include, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work, whether or not required by any federal, state or local governmental agency or political subdivision, because of Hazardous Material present in the Premises, or in soil or ground water on or under the Premises. Tenant shall immediately notify Landlord of any inquiry, investigation or notice that Tenant



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may receive from any third party regarding the actual or suspected presence of Hazardous Material on the Premises.

Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any unlawful release of any Hazardous Materials on the Premises or the Property, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Premises or the Property to the condition existing prior to the release of any such Hazardous Material; provided that Landlord's approval of such actions shall first be obtained, which approval may be withheld at Landlord's sole discretion. The provisions of this Section 32 shall survive expiration or termination of this Lease.

33. QUIET ENJOYMENT. So long as Tenant pays the Rent and performs all of its obligations in this Lease, Tenant's possession of the Premises will not be disturbed by Landlord or anyone claiming by, through or under Landlord.

34. MERGER. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.

35. GENERAL.

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

b. Brokers' Fees. Tenant represents and warrants to Landlord that except for Tenant's Broker, if any, described and disclosed in Section 37 of this Lease, 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 except for Landlord's Broker, if any, described and disclosed in Section 37 of this Lease, 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.

c. 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.

d. 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.



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e. 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.

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

g. Memorandum of Lease. Neither this Lease nor any memorandum or "short form" thereof shall be recorded without Landlord's prior consent.

h. Submission of Lease Form Not an Offer. One party's submission of this Lease to the other for review shall not constitute an offer to lease the Premises. This Lease shall not become effective and binding upon Landlord and Tenant until it has been fully signed by both of them.

i. No Light, Air or View Easement. Tenant has not been granted an easement or other right for light, air or view to or from the Premises. Any diminution or shutting off of light, air or view by any structure which may be erected on or adjacent to the Building shall in no way effect this Lease or the obligations of Tenant hereunder or impose any liability on Landlord.

j. Authority of Parties. Each party signing this Lease represents and warrants to the other that it has the authority to enter into this Lease, that the execution and delivery of this Lease has been duly authorized, and that upon such execution and delivery, this Lease shall be binding upon and enforceable against the party on signing.

k. Time. "Day" as used herein means a calendar day and "business day" means any day on which commercial banks are generally open for business in the state where the Premises are situated. Any period of time which would otherwise end on a non-business day shall be extended to the next following business day. Time is of the essence of this Lease.

36. EXHIBITS AND RIDERS. The following exhibits and riders are made a part of this Lease, and the terms thereof shall control over any inconsistent provision in the sections of this Lease:

Exhibit A: Floor Plan Outline of the Premises
Exhibit B: Legal Description of the Property
Exhibit C: Tenant Improvement Schedule

CHECK THE BOX FOR ANY OF THE FOLLOWING THAT WILL APPLY. CAPITALIZED TERMS USED IN THE RIDERS SHALL HAVE THE MEANING GIVEN TO THEM IN THE LEASE.

- Rent Rider
- Arbitration Rider
- Letter of Credit Rider
- Guaranty of Tenant's Lease Obligations Rider
- Parking Rider
- Option to Extend Rider



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[] Rules and Regulations

37. AGENCY DISCLOSURE. At the signing of this Lease, Landlord is represented by Connie Boyle and Mike Ewing of The Andover Company (insert both the name of the Broker and the Firm as licensed) (the "Landlord's Broker"), and Tenant is represented by Connie Boyle and Mike Ewing of The Andover Company (insert both the name of the Broker and the Firm as licensed) (the "Tenant's Broker").

This Agency Disclosure creates an agency relationship between Landlord, Landlord's Broker (if any such person is disclosed), and any managing brokers who supervise Landlord's Broker's performance (collectively the "Supervising Brokers"). In addition, this Agency Disclosure creates an agency relationship between Tenant, Tenant's Broker (if any such person is disclosed), and any managing brokers who supervise Tenant's Broker's performance (also collectively the "Supervising Brokers"). If Tenant's Broker and Landlord's Broker are different real estate licensees affiliated with the same Firm, then both Tenant and Landlord confirm their consent to that Firm and both Tenant's and Landlord's Supervising Brokers acting as dual agents. If Tenant's Broker and Landlord's Broker are the same real estate licensee who represents both parties, then both Landlord and Tenant acknowledge that the Broker, his or her Supervising Brokers, and his or her Firm are acting as dual agents and hereby consent to such dual agency. If Tenants' Broker, Landlord's Broker, their Supervising Brokers, or their Firm are dual agents, Landlord and Tenant consent to Tenant's Broker, Landlord's Broker and their Firm being compensated based on a percentage of the rent or as otherwise disclosed on the attached addendum. Neither Tenant's Broker, Landlord's Broker nor either of their Firms are receiving compensation from more than one party to this transaction unless otherwise disclosed on an attached addendum, in which case Landlord and Tenant consent to such compensation. Landlord and Tenant confirm receipt of the pamphlet entitled "The Law of Real Estate Agency."

38. COMMISSION AGREEMENT. If Landlord has not entered into a listing agreement (or other compensation agreement with Landlord's Broker), Landlord agrees to pay a commission to Landlord's Broker (as identified in the Agency Disclosure paragraph above) as follows:

- [] \$ _____
[] _____% of the gross rent payable pursuant to the Lease
[] \$ _____ per square foot of the Premises
[X] Other Equal to 4% of the total rent consideration for the first four (4) years of the lease term. Said commission shall be payable upon mutual lease execution.

Landlord's Broker [] shall [] shall not (shall not if not filled in) be entitled to a commission upon the extension by Tenant of the Lease term pursuant to any right reserved to Tenant under the Lease calculated [] as provided above or [] as follows _____ (if no box is checked, as provided above). Landlord's Broker [X] shall [] shall not (shall not if not filled in) be entitled to a commission upon any expansion of Premises pursuant to any right reserved to Tenant under the Lease, calculated [] as provided above or [] as follows _____ (if no box is checked, as provided above).

Any commission shall be earned upon execution of this Lease, and paid one-half upon execution of the Lease and one-half upon occupancy of the Premises by Tenant. Landlord's Broker shall pay to Tenant's Broker (as identified in the Agency Disclosure paragraph above) the amount stated in a separate agreement between them or, if there is no agreement, \$ _____ or _____% (complete only one) of any commission paid to Landlord's Broker, within five (5) days after receipt by Landlord's Broker.



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If any other lease or sale is entered into between Landlord and Tenant pursuant to a right reserved to Tenant under the Lease, Landlord shall shall not (shall not if not filled in) pay an additional commission according to any commission agreement or, in the absence of one, according to the commission schedule of Landlord's Broker in effect as of the execution of this Lease. Landlord's successor shall be obligated to pay any unpaid commissions upon any transfer of this Lease and any such transfer shall not release the transferor from liability to pay such commissions.

39. BROKER PROVISIONS.

LANDLORD'S BROKER, TENANT'S BROKER AND THEIR FIRMS HAVE MADE NO REPRESENTATIONS OR WARRANTIES CONCERNING THE PREMISES; THE MEANING OF THE TERMS AND CONDITIONS OF THIS LEASE; LANDLORD'S OR TENANT'S FINANCIAL STANDING; ZONING OR COMPLIANCE OF THE PREMISES WITH APPLICABLE LAWS; SERVICE OR CAPACITY OF UTILITIES; OPERATING COSTS; OR HAZARDOUS MATERIALS. LANDLORD AND TENANT ARE EACH ADVISED TO SEEK INDEPENDENT LEGAL ADVICE ON THESE AND OTHER MATTERS ARISING UNDER THIS LEASE.

IN WITNESS WHEREOF this Lease has been executed the date and year first above written.

_____	_____
LANDLORD:	TENANT:
_____	_____
LANDLORD:	TENANT:
_____	_____
BY:	BY:
_____	_____
ITS:	ITS:



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STATE OF WASHINGTON

COUNTY OF _____

ss.

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

Dated this _____ day of _____, 20__.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington,

residing at _____

My appointment expires _____

STATE OF WASHINGTON

COUNTY OF _____

ss.

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

Dated this _____ day of _____, 20__.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington,

residing at _____

My appointment expires _____



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STATE OF WASHINGTON

COUNTY OF _____

ss.

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

Dated this _____ day of _____, 20__.

 (Signature of Notary)

 (Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington,
 residing at _____
 My appointment expires _____

STATE OF WASHINGTON

COUNTY OF _____

ss.

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

Dated this _____ day of _____, 20__.

 (Signature of Notary)

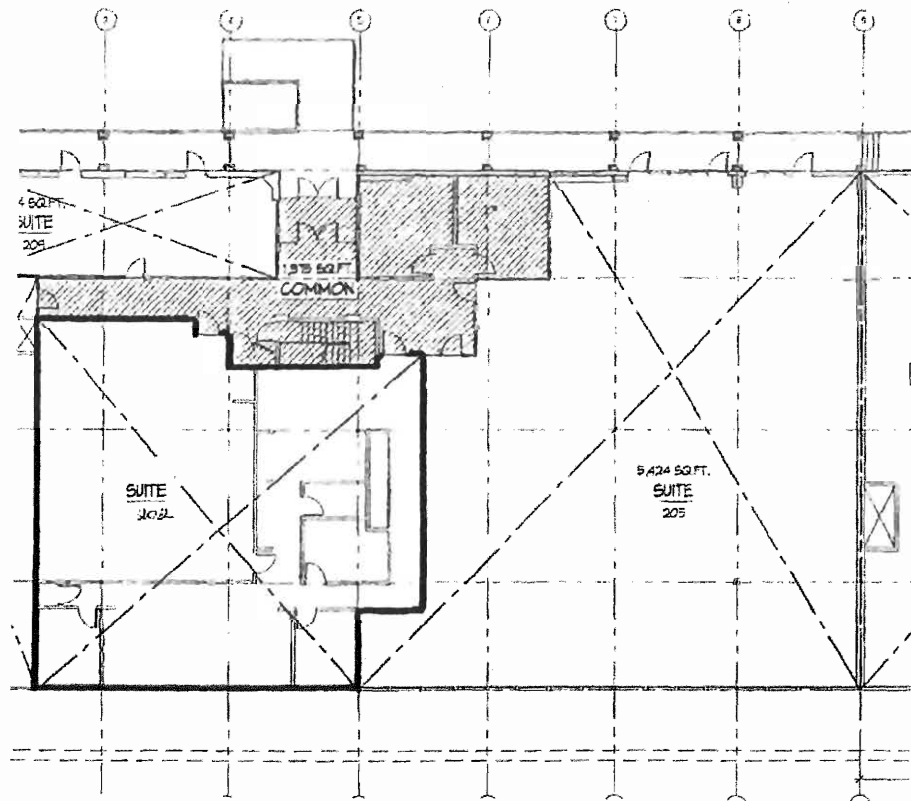
 (Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington,
 residing at _____
 My appointment expires _____

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Multi Tenant Triple Net (NNN Lease)

EXHIBIT A

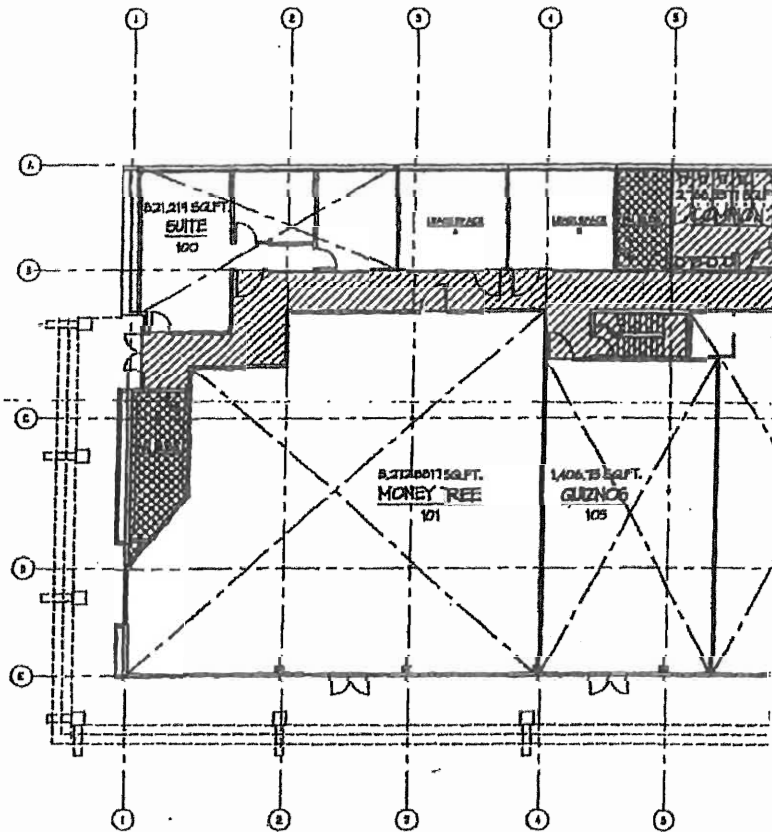
[Outline of the Premises]



LEASE AGREEMENT
Multi Tenant Triple Net (NNN Lease)

EXHIBIT A (2)

[OUTLINE OF THE PREMISES]



① MAIN FLOOR PLAN



The Andover Company, Inc.
415 Baker Boulevard, Suite 200
Tukwila, WA 98188
Phone: (206) 244-0770
Fax: (206) 246-9229

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CBA Form MT-NNN
Multi-Tenant NNN Lease
Rev. 3/2011
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LEASE AGREEMENT
Multi Tenant Triple Net (NNN Lease)

EXHIBIT B

[Legal Description of the Property]

PARCEL A

Lots 6, 7 and 8, Block 1, Third Addition to the Adams Homes Tracts, according to the plat thereof recorded in Volume 15 of Plats, page 17, in King County, Washington,
EXCEPT the north 2 feet of the east 175 8 feet of said Lot 6,
AND EXCEPT those portions of Lots 6, 7 and 8 lying easterly of the west margin of Primary State Highway Number 1;
AND EXCEPT that portion of Lot 8 conveyed to the state of Washington for highway purposes by deed recorded under Recording Number 5133875.

PARCEL B

Lots 4, 9 and 10, and the east 66 feet of the south 104 9 feet of Lot 3, Block 1, Third Addition to Adams Homes Tracts, according to the plat thereof recorded in Volume 15 of Plats, page 17, in King County, Washington;
EXCEPT the north 200 feet of that portion of said Lot 4, lying west of the west line of the east 60 feet thereof;
AND EXCEPT the west 56 feet of said Lot 10,
AND EXCEPT that portion of said Lots 9 and 10 conveyed to the state of Washington for highway purposes by deed recorded under Recording Number 5133875



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LEASE AGREEMENT
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EXHIBIT C

[Tenant Improvement Schedule]

1. Tenant Improvements to be Completed by Landlord

Landlord shall in both Suites;

- a. Replace the existing carpet and base
- b. Paint all walls
- c. Replace damaged ceiling tiles up to one box
- d. Install one chair rub rail by one wall of existing classroom.

2. Tenant Improvements to be Completed by Tenant



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CBA Form RR
 Rent Rider
 Rev. 1/2011
 Page 1 of 1

RENT RIDER

CBA Text Disclaimer: Text deleted by licensee indicated by strike.
 New text inserted by licensee indicated by small capital letters.

This Rent Rider ("Rider") is a part of the lease agreement dated May 1, 2014 (the "Lease") between City of SeaTac ("Landlord") and ReWa - Refugee Women's Alliance ("Tenant") concerning the space commonly known as Suite 202 and Suite 100 of SeaTac Center (the "Premises"), located at the property commonly known as SeaTac Center (the "Property").

- 1. BASE MONTHLY RENT SCHEDULE.** Tenant shall pay Landlord base monthly rent during the Lease Term according to the following schedule:

Lease Year (Stated in Years or Months)	Base Monthly Rent Amount
<u>Year 1</u>	<u>\$4,954.00 monthly plus NNN</u>
<u>Years 2-4</u>	<u>\$5,077.85 monthly plus NNN</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____

- ~~**2. CONSUMER PRICE INDEX ADJUSTMENT ON BASE MONTHLY RENT.** The base monthly rent shall be increased on the first day of the second year of the Lease and on the first day of each year of the Lease thereafter (each, an "Adjustment Date") during the term of this Lease (but not during any extension term(s) unless specifically set forth elsewhere in the Lease or another Rider attached thereto). The increase shall be determined in accordance with the increase in the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers (all items for the geographical statistical area in which the Premises is located on the basis of 1982-1984 equals 100) (the "Index"). The base monthly rent payable immediately prior to the applicable adjustment date shall be increased by the percentage that the Index published for the date nearest preceding the applicable Adjustment Date has increased over the Index published for the date nearest preceding the first day of the Lease Year from which the adjustment is being measured. Upon the calculation of each increase, Landlord shall notify Tenant of the new base monthly rent payable hereunder. Within twenty (20) days of the date of Landlord's notice, Tenant shall pay to Landlord the amount of any deficiency in Rent paid by Tenant for the period following the subject Adjustment Date, and shall thereafter pay the increased Rent until receiving the next notice of increase from Landlord. If the components of the Index are materially changed after the Commencement Date, or if the Index is discontinued during the Lease term, Landlord shall notify Tenant of a substitute published index which, in Landlord's reasonable discretion, approximates the Index, and shall use the substitute index to make subsequent adjustments in base monthly rent. In no event shall base monthly rent be decreased pursuant to this Rider.~~

INITIALS: LANDLORD _____ DATE _____ TENANT _____ DATE _____
 LANDLORD _____ DATE _____ TENANT _____ DATE _____

4. PRESENTATIONS – COUNCIL DIRECTION:

- **Confirmation of Recreational Marijuana Review Schedule** (*total time: 10 minutes / presentation time: 5 minutes*)

By: Community and Economic Development Director Joe Scorcio

PRESENTATIONS – INFORMATIONAL ONLY:

- **Angle Lake Station Sub-Area Plan Project Update** by (*total time: 20 minutes / presentation time: 10 minutes*)

By: Community and Economic Development Director Joe Scorcio / Senior Planner Kate Kaehny

- **Public Safety Statistics** (*total time: 10 minutes / presentation time: 5 minutes*)

By: Police Chief Lisa Mulligan

RCM PRESENTATIONS:

- **Introduction of new City employee: Judicial Support Specialist Jaymie Wilcox** (*total time: 5 minutes*)

By: City Manager Todd Cutts

- **Somali Youth and Family Club** (*total time: 5 minutes*)

By: Program Managers Liban Abdulle and Shirwa Aden

- **2014 Legislative Session** (*total time: 20 minutes / presentation time: 10 minutes*)

By: Assistant City Manager Gwen Voelpel / Vice President Gordon Thomas Honeywell
Governmental Affairs Briahna Taylor

- **Update on Angle Lake Station, Garage and Plaza projects** (*total time: 25 minutes / presentation time: 15 minutes*)

By: CED Director Joe Scorcio / Sound Transit S. 200th Link Project Director Miles Haupt / Scarpa & Brooks Architects, Lead Architect Larry Scarpa

**PAYROLL/CLAIMS VOUCHERS WERE SENT
ELECTRONICALLY TO THE CITY COUNCIL**

**A HARD COPY OF THE VOUCHERS
CAN BE VIEWED IN THE CITY CLERK'S OFFICE**

**PAYROLL/CLAIMS VOUCHERS ARE ALSO
AVAILABLE ON OUR CITY WEBSITE**

www.ci.seatac.wa.us

**Pre-approval or final approval of City Council and
City Manager travel related expenses**

Consent Agenda Date: 3.25.14

*NLC Conference, Washington D.C.
Pre-Approved 1.14.14 \$2570
Exp. 2.25.14 \$425*

Mastercard Statement paid 3.20.25

Name: Kathryn Campbell	City Mastercard
Lodging	
Meals	
Transportation-airfare, baggage fee	765
Registration	
Total	\$765

Receipts from trip; Mastercard statement will arrive in April

Name: Kathryn Campbell	City Mastercard	Reimbursement
Lodging (5 nights, conference hotel)	1499.95	
Meals	200.48	13.05
Transportation-taxis, baggage	53.00	
Registration-pre-conf workshop	135.00	
Total	\$1888.43	\$13.05

*NLC Conference, Washington D.C.
Pre-Approved 1.14.14 \$2570
Exp. 2.25.14 \$971*

Name: Tony Anderson	Reimbursement
Lodging - 5 nights (non-conf hotel)	624.05
Meals	183.91
Transportation	90.00
Registration	
Total	\$897.96

City of SeaTac

Council Study Session Minutes Synopsis

December 10, 2013
4:00 PM

City Hall
Council Chambers

CALL TO ORDER: The SeaTac City Council Study Session (CSS) was called to order by Mayor Anthony (Tony) Anderson at 4:01 p.m.

COUNCIL PRESENT: Mayor Anthony (Tony) Anderson, Deputy Mayor (DM) Mia Gregerson, Councilmembers (CMs) Barry Ladenburg (*arrived at 4:10 p.m.*), Rick Forschler, Terry Anderson, Dave Bush, and Pam Fernald.

STAFF PRESENT: City Manager Todd Cutts, Senior Assistant City Attorney Mark Johnsen, City Clerk Kristina Gregg, Assistant City Manager (ACM) Gwen Voelpel, Community & Economic Development (CED) Director Joe Scorcio, Parks & Recreation (P&R) Director Kit Ledbetter, Finance & Systems Director Aaron Antin, Assistant Fire Chief Brian Wiwel, and Police Chief Lisa Mulligan.

PUBLIC COMMENTS (related to the agenda items listed below): There were no public comments.

Agenda Bill #3566; A Resolution authorizing the execution of the Growing Transit Communities (GTC) Compact on behalf of the City of SeaTac

Summary: The GTC Compact is a non-binding commitment to work together with other jurisdictions and agencies to realize the goals of the GTC Partnership consistent with the regional growth strategy, Vision 2040.

From late 2011 to early 2013 a diverse coalition of cities, counties, transit agencies, non-profit agencies, colleges, and others worked together as the GTC Partnership, under the leadership of the Puget Sound Regional Council (PSRC), to develop the GTC Strategy. The Strategy seeks to leverage the region's investment in public transit infrastructure to foster the development of transit communities that help implement regionally adopted goals: attract residential and employment growth; provide affordable housing choices; and increase access to opportunity.

To that end, the Strategy provides options and recommendations to aid local governments in planning for and realizing sustainable, equitable development around the stations in their communities. The options and recommendations for actions are not mandatory, but are tools that local governments can use in developing their station areas, and to partner with transit agencies, nonprofit agencies, the development community, and others.

The Council was briefed on this work in February and May of 2013, and the City provided comments on the Draft GTC Strategy document in June.

The GTC Partnership was supported by a grant from the Partnership for Sustainable Communities, an interagency partnership of federal agencies (Housing and Urban Development, US Department of Transportation, and the Environmental Protection Agency).

CED Director Scorcio and PSRC Principal Planner Michael Hubner reviewed the agenda bill summary.

Mr. Hubner provided background on the GTC and what they've accomplished.

CM Ladenburg arrived at this point during the meeting.

Mr. Hubner detailed the non-binding compact.

PSRC Implementation Work Plan includes the following: (1) compact, (2) transit oriented development (TOD), and (3) housing work plan.

Council discussion ensued regarding the compact.

CM Forschler requested this item be moved to the January 14, 2014 Regular Council Meeting (RCM) as an Action Item.

Council consensus: Refer this to the 1/14/14 RCM Action Item

Agenda Bill #3567; A Motion approving an Interlocal Joint Use Agreement between Highline School District (HSD) 401 and the cities of Burien, Des Moines, Normandy Park, and SeaTac

Summary: At the October 9, 2012 RCM Agenda Bill #3449 was approved to promote the development of a Joint Use Agreement between the HSD and the cities of Burien, Des Moines, Normandy Park, and SeaTac. This agenda bill completes that task. Staff has been working on a Joint Use Agreement with the HSD as far back as 1997. This agreement isn't only about the use of school district facilities by the cities, but also the cities sharing each other's resources for the betterment of the quality of life of our residents and ease of access to open play spaces.

Agenda Bill #3567 (Continued): In late 2010, a small group of elected officials comprised of representatives from the HSD and the cities of Burien, Des Moines, Normandy Park, and SeaTac came together for the purpose of supporting and facilitating the completion of the cities Communities Putting Prevention to Work (CPPW) grant. The mission was to develop policies that support sustainable relationships, maximize resources, and services to support thriving families, schools, and communities. One of these deliverables was to support the development of a Joint Use Agreement that would apply to the HSD and the cities of SeaTac, Burien, Normandy Park, and Des Moines.

P&R Director Ledbetter reviewed the agenda bill summary.

Council discussion ensued regarding the contract and arbitration. Mr. Cutts clarified that any changes would require approval by all of the stakeholders.

Council consensus: Refer this to the 1/14/14 RCM Action Item

Agenda Bill #3568; A Motion authorizing use of Angle Lake Park 2013/2014 Budget Funds to construct a Lifeguard Building, New Fishing Dock, and Boat Dock

Summary: At the February 12, 2013 RCM, the low bidder for the Angle Lake Park Phase II project was approved by the City Council. At that meeting the City Council discussed that if there were savings available after Phase II has been completed, could those savings be used to complete the remaining items of the Master Plan for Angle Lake Park. These additional items are: the new fishing dock, lifeguard building, and boat launch improvements.

After closing out the Angle Lake Park Phase II construction the project has remaining funds of \$291,138 to complete the Master Plan. It is possible to complete the Master Plan that includes the new dock, lifeguard building, and boat launch improvements with the remaining project funds in 2014. We would need to start the design process in January 2014 to complete the project by the end of June 2014. If these additional project elements are authorized the normal bidding and contracting process would be followed.

The P&R Department has a total of \$291,138 for construction in the 2013/ 2014 Capital Budget for the Angle Lake Park project improvements.

P&R Director Ledbetter reviewed the agenda bill summary.

Council discussion ensued regarding the existing dock. Mr. Ledbetter stated that if possible, staff will use the existing dock with some repairs and upgrades.

Council consensus: Refer this to the 1/14/14 RCM Consent Agenda

Agenda Bill #3569; A Resolution finalizing the 2013 unclaimed property report to the State of Washington

Summary: This annual process is designed to allow the City to cancel stale dated checks and unclaimed deposits as required by state law. The Finance Department has made every reasonable attempt to resolve these outstanding checks and unclaimed deposits and has been successful in some cases. The Finance Department regularly follows this process to have outstanding, stale dated checks and unclaimed deposits declared cancelled by Resolution.

It is recommended that the City Council pass this Resolution declaring the cancellation of municipal checks and unclaimed deposits.

Once the City cancels these outstanding items, the amounts will be returned to the respective funds they were originally drawn against or receipted into. The total amount of these cancelled checks and unclaimed deposits is \$2,470.34.

Finance & Systems Director Antin reviewed the agenda bill summary.

Council consensus: Refer this to the 1/14/14 RCM Consent Agenda

PRESENTATIONS:

•Public Safety Statistics

Assistant Fire Chief Wiwel presented the statistics for November 2013. He also commented on the following: (1) recent training events; (2) December 21 - annual Santa run to local schools and fire stations; and (3) grant award - Emergency Management Performance Grant through the Washington State Military Department for \$4,537. It will be used to fund emergency management functions that are not currently in the budget.

PRESENTATIONS (Continued):

Public Safety Statistics (Continued): Mr. Cutts stated that as of January 1, 2014, Assistant Fire Chief Wiwel will become Deputy Chief Wiwel in the Logistics section of the Kent Regional Fire Authority (RFA). Mr. Cutts thanked Mr. Wiwel for his service to the City.

Council discussion ensued regarding the changes with the transition to the Kent RFA.

ADJOURNED: Mayor A. Anderson adjourned the CSS at 5:11 p.m.

City of SeaTac

Regular Council Meeting Minutes

December 10, 2013
6:30 PM

City Hall
Council Chambers

CALL TO ORDER: The SeaTac City Council Regular Meeting was called to order by Mayor Anthony (Tony) Anderson at 6:30 p.m.

COUNCIL PRESENT: Mayor Anthony (Tony) Anderson, Deputy Mayor (DM) Mia Gregerson, Councilmembers (CMs) Barry Ladenburg, Rick Forschler, Terry Anderson, Dave Bush, and Pam Fernald.

STAFF PRESENT: City Manager Todd Cutts, City Attorney Mary Mirante Bartolo, City Clerk Kristina Gregg, Assistant City Manager (ACM) Gwen Voelpel, Police Chief Lisa Mulligan, Human Services (HS) Program Manager Colleen Brandt-Schluter, Finance & Systems Director Aaron Antin, Community & Economic Development (CED) Director Joe Scorcio, Economic Development (ED) Manager Jeff Robinson, Planning Manager Steve Pilcher, and Records Management (RM) Coordinator Rosemary Darrough.

FLAG SALUTE: Mayor A. Anderson led the Council, audience, and staff in the Pledge of Allegiance.

PUBLIC COMMENTS: Kathryn Campbell commended the City for permitting a march through the City, showing the City's support of the 1st amendment right.

Vicki Lockwood stated that someone needs to be responsible for events and products sponsored by the City (i.e., entertainment and advertisements).

Kathleen Brave commented on parking on South 34th Avenue South.

Cheryl Forbes reiterated her comments regarding the no left turn sign at South 178th Street and 51st Avenue South during certain hours. She questioned the need for the sign as no one seems to pay attention to it.

Jon Ancell stated that he is considering moving out of SeaTac because of Proposition No. 1.

PRESENTATIONS (Continued):

•Distinguished Budget Award for 2013-2014 Biennial Budget

Finance & Systems Director Antin presented the following awards to the City for the 2013-2014 Biennial Budget: (1) Washington Finance Officers Association (WFOA) for 2013-2014 Biennial Budget; and (2) Government Financers Officers Association (GFOA) Award.

He detailed the application and award process to receive the GFOA Award.

•Introduction of new employee: Records Management (RM) Coordinator Rosemary Darrough

City Manager Cutts introduced Ms. Darrough.

•Washington Women Employment and Education (WWE)

Kent Site Supervisor Shaina Rogers stated that WWE's mission is, "To assist low income adults to gain the skills, knowledge, and courage to be self supporting." She detailed their program Reach Plus which is a five-week course covering computer skills, interview techniques, resume crafting, and confidence-building.

•Human Services Advisory Committee (HSAC) Annual Report

Chair Phyllis Byers presented the annual report. She reviewed the role of the committee, members, and staff liaison. She detailed challenges that were observed in 2013.

Ms. Byers stated that SeaTac funding serves SeaTac residents only and funded agencies are performing well. She shared samples of funded agencies and their performance to date.

Ms. Brandt-Schluter reviewed services the HS Office provides in addition to the funding provided by the committee. Services include minor home repair, information and referral, case management, home visits and regional representation.

Ms. Byers stated that looking toward the future, the HSAC advises that solutions must be comprehensive.

She shared a story of a senior assisted by HS.

Council discussion ensued regarding the services the committee and staff provide.

This item was removed from the agenda prior to the meeting and will be submitted to the Council in writing.

•Civil Service Commission Annual Report

PRESENTATIONS (Continued):

•Certificates of Appreciation to Civil Service Commission members Donna Thomas, Sue Drebert, Erin Sitterley, and Assistant Chief Examiner Alyne Hansen

Mayor A. Anderson stated that due to the Fire Department moving to the Kent RFA, the Civil Service Commission requirements will move to Kent. He expressed his appreciation to this committee. None of the members were able to be in attendance. Their certificates will be mailed to them.

•Certificate of Appreciation to Planning Commission member Daryl Tapio

Mayor A. Anderson stated that the City received a resignation from Mr. Tapio. He was unable to be in attendance. His certificate will be mailed to him.

CONSENT AGENDA:

•Approval of claims vouchers (check nos. 105465 - 105603) in the amount of \$789,951.34 for the period ended December 5, 2013.

•Approval of payroll vouchers (check nos. 51901 - 51933) in the amount of \$455,380.19 for the period ended November 30, 2013.

•Approval of payroll electronic fund transfers (check nos. 79461 - 79652) in the amount of \$379,695.03 for the period ended November 30, 2013.

•Approval of payroll wire transfer (Medicare and Federal Withholding Tax) in the amount of \$74,483.48 for the period ended November 30, 2013.

•Pre-approval or final approval of City Council and City Manager travel related expenses for the period ended December 6, 2013

Agenda Items reviewed at the November 26, 2013 Council Study Session and recommended for placement on this Consent Agenda:

Agenda Bill #3559; Ordinance #13-1016 confirming the appointment of Elizabeth Cordi-Bejarano as the Municipal Court Judge, affixing the compensation of the Municipal Court Judge and Judges Pro-Tem, and authorizing entry of a Professional Services Contract

Agenda Bill #3561; Motion authorizing the City Manager to execute a lease amendment with the YWCA for space leased on the second floor of City Hall

Agenda Bill #3564; Ordinance #13-1017 granting Puget Sound Energy, Inc. a non-exclusive franchise for the transmission, distribution and sale of natural gas and energy for power, heat and light and repealing Ordinance 07-1017

Agenda Bill #3565; Ordinance #13-1018 granting Zayo Group, LLC a non-exclusive franchise to operate fiber optic cable network in the City and repealing Ordinance 00-1035

Agenda Bill #3563; Motion authorizing the City Manager to enter into a four year lease agreement at the SeaTac Center with A.S. Warsame, doing business as the Bakaro Mall

Agenda Bill #3552; Ordinance #13-1019 adopting the 2013 Comprehensive Plan Amendments

MOVED BY GREGERSON, SECONDED BY LADENBURG TO ACCEPT THE CONSENT AGENDA AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

PUBLIC COMMENTS (related to Action Items and Unfinished Business): There were no public comments.

UNFINISHED BUSINESS: There was no Unfinished Business.

NEW BUSINESS: There was no New Business.

COUNCIL COMMENTS: Mayor A. Anderson presented the Key to the City to outgoing CM Forschler.

CM Forschler thanked the City, congratulated Kathryn Campbell on her election, and stated his appreciation of his fellow CMs.

CITY MANAGER'S COMMENTS: City Manager Todd Cutts commented on the following: (1) December 12 – 1 p.m., Cedarbrook expansion ground breaking; (2) public comments made at the last meeting: (a) petition regarding a problem property - staff has identified multiple problem areas in the City and they are all receiving attention. Police Chief Mulligan has helped to assemble a work group and will provide an update at the next Council meeting; and (b) mitigations for Military Road – staff is working on a local marketing program, and considering a “Letter to the Editor” discussing the project benefits and encouraging patronage of the businesses; and (3) grants – acceptance: Washington State Department of Ecology (DOE) Coordinated Prevention Grant (CPG) Program for \$41,151 with a City match of \$13,000, and application: Washington Native Plant Society – no revenue, but society will recruit and train volunteers to commit up to 400 hours of service for a City of SeaTac project, Washington State Military Department and Homeland Security - \$4,500, and Washington Traffic Safety Commission - \$2,200.

COUNCIL COMMENTS: Council thanked CM Forschler for his service to the City.

CM Ladenburg reviewed 2013 Council accomplishments. He questioned whether the City needs to review the marijuana grow issue in 2014. He stated the Christmas tree sale and bazaar at the Tyee Educational Complex had a great response.

CM Fernald stated that she submitted a request for the invoice showing the costs to the City for the partial closure of International Boulevard (IB) for the recent march, and receipt showing payment.

CM Bush commented on the Tyee Bazaar with approximately 3,000 people in attendance.

DM Gregerson commented on the following: (1) December 11 - SeaTac soccer fundraiser at California Pizza Kitchen in Tukwila; (2) Center for Quality Community Scholarship Program - local school principals have identified a few students that may be eligible. She will help them apply; (3) the employee awards banquet; (4) Public Issues Committee (PIC) initiative – International Diplomacy Funds Act; and (5) December 18 – South Valley Caucus.

Mayor A. Anderson commented on the following: (1) employee awards banquet; and (2) SeaTac United - He challenged fellow CMs to sponsor a team.

ADJOURNED:

MAYOR A. ANDERSON ADJOURNED THE REGULAR MEETING OF THE SEATAC CITY COUNCIL AT 7:44 P.M.

MOTION CARRIED UNANIMOUSLY.

Tony Anderson, Mayor

Kristina Gregg, City Clerk

City of SeaTac

Regular Council Meeting Minutes

March 11, 2014
6:30 PM

City Hall
Council Chambers

CALL TO ORDER: The SeaTac City Council Regular Meeting was called to order by Deputy Mayor (DM) Tony Anderson at 6:30 p.m.

COUNCIL PRESENT: Mayor Mia Gregerson (*arrived at 6:48 p.m.*), DM Anthony (Tony) Anderson (*participated by Skype*), Councilmembers (CMs) Barry Ladenburg, Kathryn Campbell (*participated by Skype*), Terry Anderson, Dave Bush, and Pam Fernald.

STAFF PRESENT: City Manager Todd Cutts (*participated by Skype*), City Attorney Mary Mirante Bartolo, City Clerk Kristina Gregg, Assistant City Manager Gwen Voelpel, Human Services (HS) Coordinator Colleen Brandt-Schluter, Police Chief Lisa Mulligan, Community and Economic Development (CED) Director Joe Scorcio, Economic Development (ED) Manager Jeff Robinson, Public Works (PW) Director Tom Gut, Deputy Chief Brian Wiwel, and Information Systems (IS) Manager.

FLAG SALUTE: CM Bush led the Council, audience and staff in the Pledge of Allegiance.

PUBLIC COMMENTS: Vicki Lockwood spoke against Agenda Bill #3587 (waiving the competitive bidding requirement due to special market conditions and authorizing the purchase of fill material and expenditure for the Connecting 28th/24th Avenue South project.)

PRESENTATIONS – INFORMATIONAL ONLY (Continued):

● **Navos Ruth Dykeman**

Program Director Roy Fisher reviewed their mission, “Improving the quality of life of people vulnerable to mental illness by providing a broad continuum of care.” He detailed programs provided by Navos.

● **Regional Food Policy Council and Food Policy Blueprints**

Puget Sound Regional Council (PSRC) Associate Planner Liz Underwood-Bultmann stated that through this work, they aim to address both challenges and opportunities for communities. Food system planning can create opportunities to grow the local food economy and support local communities. One of the aims of the Council is to provide information to local jurisdictions about the opportunities and what their role can be.

In 2013, the Food Council developed Food Policy Blueprints to provide resources for local governments.

Senior Planner Rebecca Maskin reviewed the Blueprints for the following: Comprehensive Plan Policies (CPP); Farmers Markets, Local Food Procurement, Urban Agriculture, and Rural Farm Land Preservation.

Mayor Gregerson arrived at this point in the meeting.

Council discussion ensued regarding the blueprints.

CONSENT AGENDA:

- **Approval of claims vouchers** (check no. 106532) in the amount of \$65.00 for the period ended March 3, 2014.
- **Approval of claims vouchers** (check nos. 106529 – 106531, 106533 - 106632) in the amount of \$296,677.40 for the period ended March 5, 2014.
- **Approval of payroll vouchers** (check nos. 52077 – 52099) in the amount of \$294,715.02 for the period ended February 28, 2014.
- **Approval of payroll electronic fund transfers** (check nos. 80432 - 80567) in the amount of \$243,000.58 for the period ended February 28, 2014.
- **Approval of payroll wire transfer** (Medicare and Federal Withholding Tax) in the amount of \$49,451.51 for the period ended February 28, 2014.
- **Pre-approval or final approval of City Council and City Manager travel related expenses** for the period ended March 5, 2014.

Approval of Council Meeting Minutes:

- **Council Study Session** held May 28, 2013
- **Council Study Session** held July 23, 2013
- **Council Study Session** held February 25, 2014

CONSENT AGENDA (Continued):

Agenda Items reviewed at the February 25, 2014 Council Study Session recommended for placement on this Consent Agenda:

Agenda Bill #3587; A Resolution waiving the competitive bidding requirement due to special market conditions and authorizing the purchase of fill material and expenditure for the Connecting 28th/24th Avenue South project

Agenda Bill #3584; A Motion authorizing the City Manager to execute an amendment to a Purchase and Sale Agreement for property located at 15201 – 15215 Military Road South

Agenda Bill #3588; A Resolution #14-005 providing direction and clarification of the Personnel Policies and Procedures for employee classification and compensation as it relates to internal equity

CM Ladenburg requested Agenda Bill #3587 be removed from the consent agenda to be discussed under Unfinished Business.

MOVED BY LADENBURG, SECONDED BY FERNALD TO ACCEPT THE CONSENT AGENDA AS PRESENTED, WITH THE REMOVAL OF AGENDA BILL #3587.

MOTION CARRIED UNANIMOUSLY.

PUBLIC COMMENTS (related to Unfinished Business and Action Item): There were no public comments.

UNFINISHED BUSINESS:

Agenda Bill #3587; A Resolution #14-006 waiving the competitive bidding requirement due to special market conditions and authorizing the purchase of fill material and expenditure for the Connecting 28th/24th Avenue South project

Summary: A significant volume of fill is necessary to build the Connecting 28th/24th Avenue South project. Construction on a non-City project located within 2.5 miles is scheduled to start within a month. This project will require a significant amount of soil excavation and is expected to generate approximately two-thirds of the material needed for the Connecting 28th/24th Avenue South project. A review of the borings and soils analysis from the excavation site indicates that the material would be suitable for the Connecting 28th/24th Avenue South project as long as its moisture content is controlled and it is compacted in place.

The City is able to acquire this excavated material for \$1.50 per cubic yard, which includes delivery to the site and the necessary compaction so the material can be stored until the project is constructed. Since this material is being excavated close to the location of the Connecting 28th/24th Avenue South project, the City is able to purchase the material at a significant savings. This significant savings (approximately \$2.7 million) creates a special market condition. SeaTac Municipal Code (SMC) 3.31.120 (B)(2) and Revised Code of Washington (RCW) 39.04.280 (1)(B) allows the City to waive the competitive bidding requirements in this situation. Additionally, acquiring the fill material now reduces the construction time of the project, therefore saving additional costs during construction.

The total cost of the material is anticipated to be \$330,000. Additionally, in order to ensure quality control, the City will need to ensure that the material is delivered properly and appropriate erosion control methods are utilized. Therefore, the Resolution includes authorization to expend up to \$590,000, which includes the material cost and consultant services for quality control, from the amount already budgeted for the project. No new budget appropriation is being requested for this action. The City Manager is authorized to enter into the agreements necessary to receive and store the material, including any quality and erosion control.

The material will be stored on property that the City plans to acquire to construct the Connecting 28th/24th Avenue South project, but is currently owned by the Port of Seattle (POS). Any costs associated with the storage of the material pending City acquisition of the property will be incorporated in the City's right-of-way (ROW) acquisition costs authorized by Agenda Bill #3580.

MOVED BY A. ANDERSON, SECONDED BY FERNALD TO PASS AGENDA BILL #3587 (RESOLUTION #14-006).*

Council discussion ensued regarding the property being leased to store the dirt, and the cost of the dirt.

*MOTION CARRIED UNANIMOUSLY.

NEW BUSINESS: There was no New Business.

CITY MANAGER'S COMMENTS: ACM Voelpel stated that the City extended the deadline for the neighborhood grant program pilot through March 31.

COUNCIL COMMENTS: DM A. Anderson provided an update on his attendance at the National League of Cities (NLC) Conference.

Mayor Gregerson commented on the following: (1) involved with the National Conference of State Legislators which is going to host its conference in Seattle in 2015. She questioned how the legislative priorities between the National Conference of State Legislatures and NLC align themselves, and (2) discussion today in Olympia regarding the Ruckelshaus report related to public disclosure requests (PDR). She said the cities voices weren't heard and she hopes the cities will participate in the future.

ADJOURNED:

MAYOR GREGERSON ADJOURNED THE MEETING AT 7:29 PM.



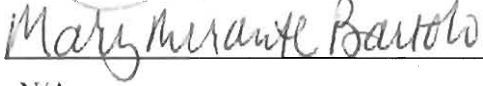

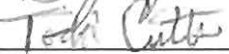
Mia Gregerson, Mayor

Kristina Gregg, City Clerk

SeaTac City Council
REQUEST FOR COUNCIL ACTION
 Department Prepared by: Parks and Recreation

Agenda Bill #: 3590

TITLE: A Motion authorizing the City Manager to enter into a Park User Agreement with Spark Plug Promotions (Mountain Bike Group) for use of North SeaTac Park.

February 27, 2014	
<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Info. Only <input type="checkbox"/> Other	
Date Council Action Requested:	<u>3/25/2014</u>
Ord/Res Exhibits:	_____
Review Dates:	<u>3/11/2014 CSS</u>
Prepared By:	<u>Lawrence Ellis, Assistant Parks and Recreation Director</u> 
Director:	<u></u> City Attorney: <u></u>
Finance:	<u></u> BARS #: <u>N/A</u>
City Manager:	<u></u> Applicable Fund Name: <u>N/A</u>



SUMMARY: The proposed Motion authorizes the City Manager to enter into a Park User Agreement with Spark Plug Promotions (Mountain Bike Group), hereinafter referred to as "Park User", for use of North SeaTac Park.

DISCUSSION / ANALYSIS / ISSUES:

From 1997 to 2010, mountain bike riding took place on Wednesday evenings in Des Moines Creek Park. Due to the development of the Score facility in the area, the races were discontinued. In January 2014, the City was approached by Spark Plug Promotions who were interested in reviving the Wednesday night rides at North SeaTac Park because there wasn't enough acreage in Des Moines Creek Park. On Wednesday, February 19, a Community Meeting was held at the SeaTac Community Center for park users to express their concerns on the return of organized bike events in North SeaTac Park. The concerns expressed by the park users were addressed by the City and the representative from Spark Plug Promotions.

This Park User Agreement is similar to the other Park User Agreements previously approved by Council for other North SeaTac Park user groups, such as North SeaTac BMX and Disc Golf.

This Agreement grants the Park User use of the specified portion of the park to conduct organized practice races. The portion of the park which will be used is identified as follows: South 136th Street South to South 141st Street between 18th Ave. South and 23rd Avenue South. For the purpose of this Agreement, practice races are scheduled on Wednesday evening's beginning at 5:30 P.M. from April 16 through September 17, 2014. The remainder of the time, the approved park area can be used by anyone. The Park User will be charged a \$100 fee for each event.

The term of this Agreement is for one year with an option to extend for additional 1 year terms if approved by the City. This Agreement may be terminated without cause upon 30 days written notice to the other party.

This Agreement does not obligate the City to contribute any money and/or resources for any of the races. City will also need approval from the Port of Seattle for the proposed use of this land. This is necessary based upon the fact that the City leases North SeaTac Park from the Port of Seattle.

RECOMMENDATION(S): It is recommended that the City Council carry this Motion.

FISCAL IMPACT: Anticipated revenue for the 2014 bike season will be \$2,300.

ALTERNATIVE(S): Do not accept the proposed Park User Agreement.

ATTACHMENTS: Mountain Bike Park User Agreement

CITY OF SEATAC PARK USER AGREEMENT

THIS AGREEMENT, is made and entered into this ____ day of _____, 2014, between the City of SeaTac, a municipal corporation of the State of Washington, hereinafter referred to as the “City”, and Spark Plug Promotions (Mountain Bike Racing Group), hereinafter referred to as “Park User”.

IT IS HEREBY AGREED AS FOLLOWS:

1. **CITY GRANTS PARK USER LICENSE TO USE THE PREMISES:** The City grants the Park User access and use of the Premises by license. Parties acknowledge and agree that this license is revocable by the City at any time so long as the City provides written notice to the Park User as provided within this Agreement.

2. **PREMISES/AREA OF PARK TO BE USED:** The portion/area of the park premises which shall be available for use by the Park User is identified in Exhibit B and generally bordered by South 136th Street to the north, 18th Ave. S. to the west, South 142nd Street to the south, and the SeaTac Community Center and Highline Botanical Garden to the east. In addition, no uses subject to this Agreement will occur within wetland areas.

3. **TERM OF PARK USE:** The Park User shall be entitled to use the above identified portion of the park for one (1) year term commencing on April 1, 2014. However, this Agreement may be terminated upon 30 days notice as described in Section 19 of this Agreement. This Agreement may be extended for additional one (1) year terms by a written request from the Park User if approved in writing by the Parks Director and/or designee.

4. **PURPOSE OF PARK USE:** The Park User shall be entitled to use the above identified area of the park for the following purposes, and subject to the following conditions, restrictions and/or limitations: to conduct organized Mountain Bike races as set forth in Exhibit A. The Park User shall not use said Premises for any purpose other than the purpose described above or for other than any regular, recognized park use, provided that all such use shall be at all times in conformity with the rules and regulations for park use. The Park User shall not operate any concession stand or business with regular hours and location, nor any other type of business of any kind, type or nature, except that the Park User may sell, subject to City approval, food

refreshments or goods that relate to the Park User's events or activities on a temporary basis limited to dates that the Park User conducts events or activities.

5. **PARK USER FEES & INVOICING:** The Park User shall pay a fee of \$100 per event. The City will bill the Park User on a monthly basis. Payment is due to the City within 30 days of invoice. If the Park User is "Past Due" with any financial obligations, the Park User must cease use of the Premises until such financial obligations are current in addition to any other remedies the City may pursue pursuant to law. The Park User will be assessed a \$25.00 NSF Fee for any returned checks.

6. **EXCLUSIVE OR NON-EXCLUSIVE USE:** The Park User shall be entitled to the non-exclusive use of the Premises during organized events. Organized event(s) shall mean only the events listed on the written schedule the Park User shall provide to the City by March 15 of each year preceding the start date to any event(s) upon the Premises.

7. **PAYMENT OF TAXES, FEES AND COSTS:** The Park User shall further be responsible for and be obligated to pay any and all taxes, licenses, fees and costs involved in or connected with the use of the Premises and/or this Agreement including but not limited to sales tax, leasehold tax, personal property tax, business license fees and any other taxes, fees or charges required by state, federal or local statute, ordinance or regulation.

8. **UTILITIES – SERVICES:** The Park User shall be responsible for and shall pay any and all services and utilities supplied to the above identified premises in connection with the Park User's use thereof. Installation of any utilities is subject to written approval of the City.

9. **RESPONSIBILITIES OF PARK USER:** In consideration and connection with the Park User's use of the above identified Premises, the Park User shall also be responsible for the following:

(A.) No alterations, improvements or changes to the Premises shall be made without the prior written consent of the City. Any alterations, improvements or changes to said Premises shall be in accordance with all applicable state and local codes, and the plans and specifications for any such alterations, improvements or changes as approved in advance by the City. Any such identified alterations, maintenance, improvements or changes to the premises, or to any buildings or structures (permanent or temporary), or to any vegetation, grounds, fixtures, appurtenances, facilities, equipment, furniture, furnishings, and appliances of the premises shall

be made, constructed, installed, maintained or provided in conformity with designs, plans, requirements and/or specifications of the City as approved by the City.

(B.) Provide the City with a written schedule of events (also referred to as sanctioned events) no later than March 15 of each year preceding the start date to event(s) upon the Premises;

(C.) Maintenance of the premises as a park including mowing, repair of ruts, removal of litter, maintenance of structures and facilities on site in a safe, approved manner and management of facility use during events or as special use requests are made by the public.

(D.) Compliance with any and all limitations, restrictions or regulations applicable to the Park User's use of Premises, including but not limited to FAA regulations.

(E.) Provide proof of non-profit status on an annual basis.

(F.) Keep the park Premises in clean and sanitary condition, and maintain the park grounds and facilities in a neat and orderly condition;

(G.) Properly dispose of rubbish, garbage and waste in a clean and sanitary manner at reasonable and regular intervals and in proper garbage receptacles, with no garbage, trash or debris being allowed to accumulate on the park premises. Proper garbage receptacles shall be provided by the Park User for all events and uses of the park premises;

(H.) Not intentionally or negligently destroy, deface, damage impair or remove any part of the premises, and any of its vegetation, appurtenances, fixtures, facilities, equipment, furniture, furnishings, and appliances, nor to permit any family member, invitee, licensee or other person acting under the Park User's control, to do so;

(I.) Not permit a nuisance or common waste;

(J.) Park vehicles only in designated parking areas.

(K.) In the case of any intentional or negligent destruction, damage or other harm to the park premises caused by the Park User or by any family member, invitee, licensee or other person acting under the Park User's control, the Park User shall, within the time directed by the City, repair, replace or correct such destruction, damage or harm, or shall pay to the City the cost therefor. The Park User shall also be responsible for advising the appropriate City official or representative of any such destruction, damage or harm, with such advise being given as soon as practical after such destruction, damage or harm occurs or is known.

(L.) Not cause or allow any park Premises or property to be encumbered or subject of any liens, whether financial or legal or otherwise.

(M.) Courses may be marked with yellow caution tape to notify the public. The tape will come down after each event.

(N.) Park User will post "Rider Responsibility Code" on company web-site and at event registration.

(O.) Any signs, of any nature whatsoever, will be posted throughout the race course and located on park property used by the Park User or connected to the Park User's use of the Premises, and shall be approved in advance by the City.

10. **ASSIGNMENT:** The Park User shall not be entitled to assign or transfer any rights or privileges to the use of the Premises, as provided by this Agreement, to any other person, group or organization without prior written consent to the City.

11. **ACCESS:** The City shall have, at all times, unlimited access to the Premises. Additionally, the City shall have the right to observe the Park User's use of the premises, and make inspections of the Premises to enforce any and all City Ordinances, and park rules and regulations, and to take any and all action consistent with its operation of the park, provided that the City shall conduct such inspections in a manner so as to reasonably avoid or minimize disruption to or interference with the Park User's use of the Premises.

12. **SURRENDER OF PREMISES:** In the event of default in any requirement hereof, and in any event at the expiration of the term of this Agreement, the Park User will quit, surrender and relinquish to the City any and all use, occupancy and possession of the Premises including any and all buildings, structures and permanent fixtures or other improvements.

13. **COSTS AND ATTORNEY'S FEES:** If, by reason of any default or breach on the part of either party hereto in the performance of any of the provisions of this Agreement, a legal action is instituted, the prevailing party shall be entitled to all reasonable costs, collection agency fees, and attorney's fees in connection therewith. It is agreed that the venue of any legal action brought under the terms of this agreement shall be in the King County Superior Court, Maleng Regional Justice Center, Kent, Washington.

14. **NON-DISCRIMINATION:** In all activities of the Park User on the premises hereof, the Park User shall not discriminate against any person by reason of age, gender, race, color, creed, national origin, marital status, or presence of any sensory, mental or physical

handicap. Any violation of this provision shall be considered a material violation of this agreement, and shall be grounds for cancellation, termination, or suspension, in whole or in part, of the agreement, and may result in ineligibility for further agreements. Additionally, it is the policy of the City of SeaTac that no person shall be discriminated against on the basis of gender in the operation, conduct or administration of community athletic programs or sports facilities, in compliance with the State of Washington's "Fair Play in Community Sports Act" (Chapter 467, 2009 Laws, effective July 26, 2009). Third parties who contract with or receive leases or permits from the City of SeaTac, for a community athletic programs or use of sports facilities are also prohibited from discriminating on the basis of gender. Any questions or comments about this policy or the City's compliance with this policy shall be directed to the City Parks and Recreation Director, 4800 South 188th Street, SeaTac, WA 98188, or 206.973.4670.

15. **INDEMNIFICATION:** Except for the sole negligence of the City, the Park User shall indemnify, defend, and hold the City and its agents, employees, volunteers, and/or officers, harmless from any and all claims, demands, suits of law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind of nature, arising out of, in connection with, or incident to the performance or execution of this Agreement and/or the Park User's (or any invitee, licensee or permittee of the Park User) use of the Premises or any other park facilities in connection with the purpose described in Section 4 of this Agreement. IT IS FURTHER SPECIFICALLY AND EXPRESSLY UNDERSTOOD THAT THE INDEMNIFICATION PROVIDED HEREIN CONSTITUTES THE PARK USER'S WAIVER OF IMMUNITY UNDER INDUSTRIAL INSURANCE, TITLE 51 RCW, SOLELY FOR THE PURPOSES OF THIS INDEMNIFICATION. THE PARTIES FURTHER ACKNOWLEDGE THAT THEY HAVE MUTUALLY NEGOTIATED THIS WAIVER. The provisions of this Section survive the expiration or termination of this agreement.

16. **INSURANCE:** The Park User shall obtain and keep in force during the term of the Agreement Comprehensive General Liability with limits of not less than \$2,000,000 (two million dollars). The City (and their officers, employees, volunteers, or agents) shall be named as a primary, non-contributory, additional insured, and the policy or policies shall provide that the City shall be notified at least thirty (30) days in advance before the policy may be terminated, canceled or changed in any way. The Park User shall provide a certificate of insurance, which is subject to review and approval by the City's Risk Manager or City Attorney. The Park User

shall also obtain a separate Certificate of Insurance, with the same conditions and limits, naming the Port of Seattle as a primary, non-contributory, additional insured. The City may require additional insurance for special groups or activities which the City determines, in its sole judgment, that there is increased liability risk to the City. The Park User is not authorized to use the Premises at any time or for any reason unless the Park User is in full compliance with this Section.

17. **NOTIFICATION OF PARTIES:** In connection with this Agreement and any requirement that notice be given to either or both of the parties, notice shall be given as follows:

CITY OF SEATAC

SeaTac Parks Director
4800 S. 188th St.
SeaTac, WA 98188

PARK USER

Spark Plug Promotions
Russell Stevenson, President
2760 44th Ave. S.W.
Seattle, WA 98116

18. **TIME OF ESSENCE – WAIVE OR BREACH:** Time is of the essence with respect to all responsibilities and obligations of the Park User. Any waiver by the City of any breach or default shall not constitute a waiver or any other breach or default.

19. **EARLY TERMINATION:** This Agreement may be terminated by either party upon thirty (30) days prior written notice to the other party, given or mailed to the other party at the address for said party as identified and set forth above, or as otherwise directed in writing.

20. **ENTIRE AGREEMENT:** This document, along with attached Exhibits that are incorporated by reference, constitutes the entire Agreement between the parties and any changes or modifications to this Agreement must be by mutual consent and in writing.

21. **SEVERABILITY:** If any portion or part of this Agreement or its application to any persons, property or circumstances is deemed by a court of competent jurisdiction to be invalid, the rest and remainder of the agreement or its application to other persons, property or circumstances shall not be affected.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as dated below.

CITY OF SEATAC

PARK USER

BY: _____

BY: _____

Title: _____

Title: _____

Date: _____

Date: _____

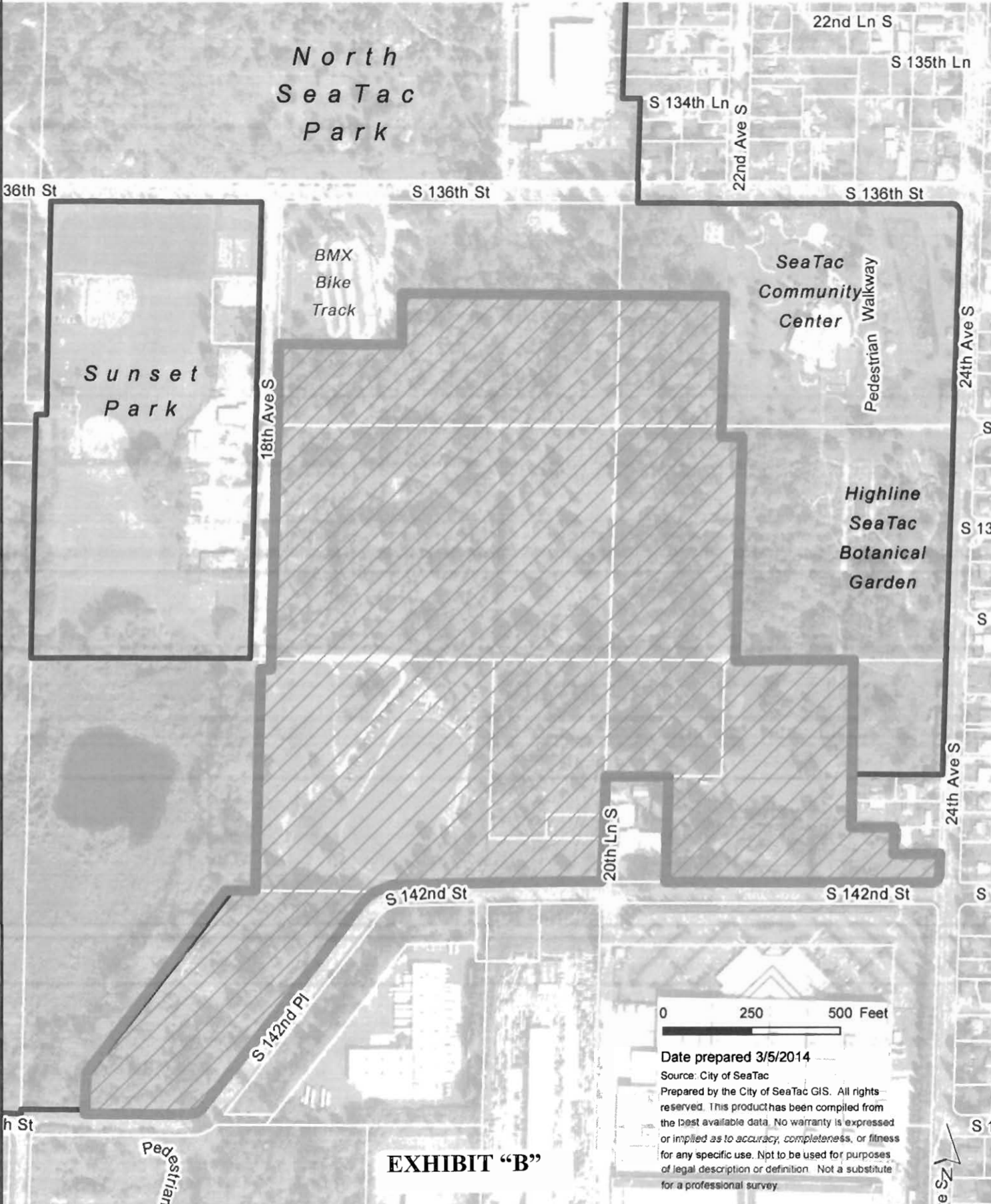
APPROVED AS TO FORM: _____

EXHIBIT A

Riders Responsibility Code

Mountain Bike Riding can be enjoyed in many ways, whether riding for fun or racing an event, it's important to always display courtesy to others when on the trail. There are elements of risk when mountain bike riding or racing. It's up to you to exercise common sense and personal awareness when in the company of others. Please observe the code list below and share with your fellow riders.

- Always ride in control and within your limits being able to stop or avoid people or objects safely.
- Be courteous to fellow park users. Always pass at a slower safe speed.
- People on the trail ahead of you have the right of way. It's your responsibility to avoid them.
- Make your presence known when approaching or passing people on the trail by yelling out, whistling or using a bell.
- Uphill riders or walkers have the right of way.
- When merging onto or into intersections, always look ahead for other users.
- Observe all posted signs and warnings. Keep out of closed areas.
- Familiarize yourself with the area trails. Know your ability and the surrounding area hazards prior to riding or racing.
- Make sure your equipment is working properly prior to riding.
- Respect the environment and wildlife.
- Helmets are required to race.



North
SeaTac
Park

Sunset
Park

BMX
Bike
Track

SeaTac
Community
Center

Highline
SeaTac
Botanical
Garden

S 142nd St

S 142nd St

S 142nd Pl

0 250 500 Feet

Date prepared 3/5/2014
Source: City of SeaTac
Prepared by the City of SeaTac GIS. All rights reserved. This product has been compiled from the best available data. No warranty is expressed or implied as to accuracy, completeness, or fitness for any specific use. Not to be used for purposes of legal description or definition. Not a substitute for a professional survey.

EXHIBIT "B"

SeaTac City Council REQUEST FOR COUNCIL ACTION

Department Prepared by: Public Works

Agenda Bill #: 3579

TITLE: A motion authorizing final acceptance of the South 168th Street Sidewalk Improvements.

<i>February 28, 2014</i>	
<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Info. Only <input type="checkbox"/> Other	
Date Council Action Requested:	<u>RCM 03/25/14</u>
Ord/Res Exhibits:	
Review Dates:	<u>CSS 03/11/14</u>
Prepared By:	<u>Eric Proctor, Civil Engineer I</u>
Director:	<u><i>[Signature]</i></u> City Attorney: <u><i>Mary Muriel Barlow</i></u>
Finance:	<u><i>[Signature]</i></u> BARS #: <u>307.000.11.595.61.63.185</u>
City Manager:	<u><i>[Signature]</i></u> Applicable Fund Name: <u>Transportation CIP</u>

37

SUMMARY: This Motion formally accepts the construction of the South 168th Street Sidewalk Improvements.

DISCUSSION / ANALYSIS / ISSUES: The subject construction contract was awarded on July 2, 2013 to R.W. Scott Construction Company in the amount of \$1,366,202. Council approved a total construction budget authorization, including a 10% contingency, materials testing, and inspection overtime of \$1,512,822. Construction began on July 22, 2013 and was substantially complete on February 3, 2014. The project constructed .70 miles of new sidewalk, curb and gutter. The storm drain system was improved, signage near McMicken Elementary was updated, and the pavement was resurfaced from 34th Avenue South to Military Road South.

RECOMMENDATION(S): It is recommended that the Motion be carried.

FISCAL IMPACT: The actual expenditures total \$1,280,116 which is 15% under the authorized expenditures. Savings were realized due to good soil conditions, and closing the road during construction which reduced traffic control costs.

<u>Expenditure</u>	<u>Authorized</u>	<u>Actual</u>
Construction Contract	\$1,366,202	\$1,274,365
Contingency (10%)	\$136,620	\$0
Materials Testing (King County)	\$5,000	\$3,054
Inspection Overtime	<u>\$5,000</u>	<u>\$2,697</u>
Total Expenditure	\$1,512,822	\$1,280,116
<u>Funding</u>	<u>Budget</u>	<u>Actual</u>
Highline Water District Reimbursement	\$396,942	\$369,812
City Fund 307 (Transportation CIP)	<u>\$1,115,880</u>	<u>\$910,304</u>
Total revenue	\$1,512,822	\$1,280,116

ALTERNATIVE(S): Do not grant final acceptance to the project; however Washington State Law requires eventual acceptance.

ATTACHMENTS: None.

SeaTac City Council
REQUEST FOR COUNCIL ACTION

Department Prepared by: City Clerks

Agenda Bill #: 3582

TITLE: A Motion authorizing final acceptance of the Council Chambers, Courtroom, and Executive Conference Room Audio/Visual modifications.

<i>March 6, 2014</i>	
__ Ordinance __ Resolution <u>X</u> Motion __ Info. Only __ Other	
Date Council Action Requested: <u>RCM 3/25/14</u>	
Ord/Res Exhibits: _____	
Review Dates: <u>CSS 3/11/14</u>	
Prepared By: <u>Kristina Gregg, City Clerk</u>	
Director: <u>Kristina Gregg</u>	City Attorney: <u>Marymike Bartolo</u>
Finance: <u>BR for Auditor</u>	BARS #: <u>301.000.04.594.11.64.097</u>
City Manager: <u>TW</u>	Applicable Fund Name: <u>301 Municipal CIP Fund</u>

SUMMARY: This Motion will allow the closing out of the contract with Jaymarc AV for design and installation of the new audio visual equipment in the Council Chambers, Courtroom, and Executive Conference room.

DISCUSSION / ANALYSIS / ISSUES: The City entered into a contract in August of 2013 with Jaymarc AV to install new audio visual equipment in the Council Chambers, Courtroom, and Executive Conference room. That work is now complete per the contract. Approving this motion will allow for closeout of the project and release of the retainage.

RECOMMENDATION(S): It is recommended that the Council accept the work as complete.

FISCAL IMPACT: The total amount of the contract as approved by Council on 7/23/13 is \$100,740.00. There were no change orders.

ALTERNATIVE(S):

- 1) Do not do accept the work at this time.

ATTACHMENT(S):

None





SeaTac City Council REQUEST FOR COUNCIL ACTION

Department Prepared by: Community & Economic Development

Agenda Bill #: **3525**

TITLE: A Resolution to execute an Interlocal Agreement with the cities of Des Moines and Tukwila for the establishment of a Tourism Promotion Area (TPA).

February 25, 2014

<input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Info. Only <input type="checkbox"/> Other	
Date Council Action Requested: RCM 3-25-14	
Ord/Res Exhibits: Proposed Interlocal Agreement for the Joint Establishment of a TPA	
Review Dates: CSS 3-11-14; (A&F:10/11/11; H/M: 03/14/12; 04/11/12; 05/09/12; CSS: 06/12/12; RCM: 06/26/12)	
Prepared By: Jeff Robinson, Economic Development Manager	
Director: 	City Attorney: 
Finance: 	BARS #: N/A
City Manager: 	Applicable Fund Name: N/A

[Handwritten initials]

SUMMARY: This Resolution authorizes the City Manager to execute an Interlocal Agreement for the establishment of a Tourism Promotion Area within the boundaries of the Cities of SeaTac, Des Moines and Tukwila.

DISCUSSION / ANALYSIS / ISSUES: Tourism Promotion Areas (“TPA”) were created by State statute (chapter 35.101 RCW) with the purpose of furthering additional positive impacts for tourism spending in local communities. The TPA statute allows the legislative authority of the TPA to impose a charge on certain lodging of up to \$2.00 per room, per night. The charge is not a tax on the sale of lodging - it is a self-imposed special assessment collected by certain lodging businesses from guests in hotels within the participating municipalities. In King County the establishment of a TPA requires the participation of two or more local governments through an Interlocal Agreement (“ILA”). The proposed TPA will be a joint effort between the cities of SeaTac, Des Moines, and Tukwila. TPA formation is initiated when the operators of lodging business in the proposed TPA who would pay 60% or more of the proposed self-assessments submit a formation petition to the designated legislative authority. The purpose of the ILA is (a) to appoint a legislative authority to accept the petition and fulfill the requirements set forth in the TPA statute, and (b) to memorialize the agreement among the participating cities with regard to the proposed TPA. The planning for the TPA was initiated in 2011 after requests to City staff by the Lodging Tax Advisory Committees of the participating cities.

Proposed Structure:

- Summary -- The proposed structure involves replacing the existing interlocal agreements that stipulate the investments of lodging taxes from the cities to Seattle Southside Visitor Services (SSVS) and the delivery of tourism promotion services. The new ILA among the cities of Tukwila, SeaTac, and Des Moines, forms a tourism promotion area, and begins the process of establishing a public development authority to receive the TPA-generated revenue and provide tourism related services currently provided by SSVS.
- The purpose of the new ILA is to:
 - Appoint the SeaTac City Council as the legislative authority of the proposed TPA for the purpose of accepting the petition and fulfilling the requirements under chapter 35.101 RCW.
 - Designate the jurisdictional boundaries of the proposed TPA to the incorporated boundaries of the participating cities.

- If the petition is submitted to the legislative authority and the TPA is formed under chapter 35.101 RCW, the legislative authority will impose an additional charge on the furnishing of lodging under RCW 35.101.050 in an amount not to exceed \$2.00 per night of stay.
- Require each participating city to direct and remit any TPA assessment revenue received by such city to the legislative authority or public development authority.
- Maintain Lodging Tax support for the new entity as provided for in the ILA and as approved by the individual City Councils after recommendation by the jurisdiction's Lodging Tax Committees and enter into service contracts with the public development authority.
- The City of SeaTac will charter a public development authority under chapter 35.21 RCW named the Seattle Southside Regional Tourism Authority (the "SSRTA"). The SSRTA will be a separate legal entity formed for the purpose of receiving and managing Lodging Tax and TPA assessment revenue and providing tourism promotion services currently provided by SSVS. Consideration and formation of the SSRTA will be by separate action of the SeaTac City Council at a later date.
- The SSRTA will be governed by a Board of Directors. Board Members will generally be representative of the hospitality industry and may be drawn from existing advisory committees.
- The ILA provides that each participating city shall defend, indemnify and hold one another harmless from any and all claims arising out of the performance of the ILA and the SSRTA, except to the extent that the harm complained of arises from the sole negligence of one of the participating cities. Any loss or liability resulting from the negligent acts errors or omissions of the Board of Directors, staff, or employees of the SSRTA, while acting within the scope of their authority shall be borne by the SSRTA exclusively.
- The interlocal agreements among the participating cities with respect to SSVS will terminate only upon the full operational capacity of the SSRTA.

Process for Implementation:

- Each City Council will consider the approval of the ILA. The ILA will become effective after approval and the ILA is either recorded or posted as required by chapter 39.34 RCW.
- After receiving an initiation petition calling for the creation of a TPA, the SeaTac City Council, as the designated legislative authority of the TPA, will consider a resolution of intention to establish the TPA, hold a public hearing and consider an ordinance establishing the TPA.
- The City Council for the City of SeaTac will also consider an ordinance chartering the SSRTA and approving a Charter and By-laws.

RECOMMENDATION(S): It is recommended that the Resolution be passed.

FISCAL IMPACT: Additional revenue of between \$2 - \$2.5 million would be generated annually for tourism promotion to augment and significantly expand the current services provided through SSVS. There will be minimal staff time needed for the administrative and fiscal oversight of the TPA and SSRTA.

ALTERNATIVE(S): Do not pass this Resolution.

ATTACHMENTS: None

RESOLUTION NO. _____

A RESOLUTION of the City Council of the City of SeaTac, Washington, authorizing the execution of an Interlocal Agreement for the Joint Establishment of a Tourism Promotion Area, and certain matters related thereto.

WHEREAS, the City of Tukwila, Washington (“Tukwila”) currently administers Seattle Southside Visitors Services (“SSVS”), a tourism promotion program funded by lodging taxes imposed and collected within Tukwila, the City of SeaTac (the “City”), and the City of Des Moines (“Des Moines”), and remitted to SSVS in exchange for tourism promotion services; and

WHEREAS, the tourism industry is a vital and substantial component of the region’s economy and tourism promotion increases the number of visitors to the region which in turn increases regional sales supporting the local economy; and

WHEREAS, the Legislature of the State of Washington has recognized the importance of tourism promotion in the State of Washington and in 2003 passed Engrossed Substitute Senate Bill No. 6026, codified as chapter 35.101 RCW (the “TPA Act”), authorizing counties with a population greater than forty thousand but less than one million, and any city or town within such a county, to establish a tourism promotion area for the purpose of imposing special assessments on the furnishing of lodging to be expended exclusively on tourism promotion; and

WHEREAS, in 2009 the Legislature amended the TPA Act to allow two or more cities located in a county with a population of one million or more acting jointly under chapter 39.34 RCW (the “Interlocal Cooperation Act”) to form a tourism promotion area for such purpose; and

WHEREAS, to form a tourism promotion area an initiation petition satisfying the terms of the TPA Act must first be presented to the legislative authority having jurisdiction of the area in which the proposed tourism promotion area is to be located; and

WHEREAS, the operators of lodging businesses located in southwest King County are preparing to initiate the formation of a tourism promotion area pursuant to the TPA Act within the jurisdictional boundaries of the City, Tukwila and Des Moines (the “Seattle Southside TPA”); and

WHEREAS, if formed, the Seattle Southside TPA is expected to provide needed resources to increase tourism, which will increase hotel occupancy among participating hotels within the defined area; and

WHEREAS, the promotion of the region to increase tourism will also provide economic benefit to retail, restaurant, entertainment and cultural industries that are closely connected to the hotel industry and critical to the health of the local economy; and

WHEREAS, the City now desires to enter into the Interlocal Agreement for the Joint Establishment of a Tourism Promotion Area, by and among the City, Tukwila, and Des Moines for the purpose of appointing a legislative authority to receive the initiation petition and otherwise carry out the terms of the TPA Act in order to help facilitate the formation and operation of the Seattle Southside TPA, as set forth therein;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON HEREBY RESOLVES, as follows:

Section 1. Approval of Interlocal Agreement for the Joint Establishment of a Tourism Promotion Area. The City Council hereby approves the Interlocal Agreement for the Joint Establishment of a Tourism Promotion Area, by and among the City, Tukwila and Des Moines, substantially in the form as attached hereto as Exhibit A and incorporated herein by this reference (the “Interlocal Agreement”). The City Manager is hereby authorized and directed to execute the Interlocal Agreement, substantially in the form attached hereto with only those

modifications as shall have been approved by him and legal counsel to the City. The City Manager and other appropriate officers of the City are authorized and directed to take any and all such additional actions as may be necessary or desirable to accomplish the terms of the Interlocal Agreement and the formation of the Seattle Southside TPA.

Section 2. Appointment of Legislative Authority. The City Council hereby accepts its appointment as the Legislative Authority of the Seattle Southside TPA for purposes of the Interlocal Agreement and the TPA Act.

PASSED this ____ day of _____, 2014 and signed in authentication thereof on this ____ day of _____, 2014.

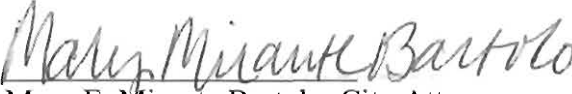
CITY OF SEATAC, WASHINGTON

Mia Gregerson, Mayor

ATTEST:

Kristina Gregg, City Clerk

APPROVED AS TO FORM:


Mary E. Mirante Bartolo, City Attorney

**INTERLOCAL AGREEMENT
FOR THE JOINT ESTABLISHMENT OF A
TOURISM PROMOTION AREA**

THIS INTERLOCAL AGREEMENT FOR THE JOINT ESTABLISHMENT OF A TOURISM PROMOTION AREA (this "Agreement") dated this ___ day of _____, 2013, is made and entered into by and among the CITY OF SEATAC ("SeaTac"), the CITY OF TUKWILA ("Tukwila"), and the CITY OF DES MOINES ("Des Moines"), each being a municipal corporation organized under the laws and statues of the State of Washington, for the purpose of establishing a joint tourism promotion area pursuant to chapter 35.101 of the Revised Code of Washington ("RCW").

RECITALS:

WHEREAS, Tukwila currently administers Seattle Southside Visitors Services ("SSVS"), a tourism promotion program funded by lodging taxes imposed and collected within Tukwila, SeaTac, and Des Moines, and remitted to SSVS in exchange for tourism promotion services; and

WHEREAS, the tourism industry is a vital and substantial component of the region's economy and tourism promotion increases the number of visitors to the region which in turn increases regional sales supporting the local economy; and

WHEREAS, the Legislature of the State of Washington has recognized the importance of tourism promotion in the State of Washington and in 2003 passed Engrossed Substitute Senate Bill No. 6026, codified as chapter 35.101 RCW (the "TPA Act"), authorizing counties with a population greater than forty thousand but less than one million, and any city or town within such a county, to establish a tourism promotion area for the purpose of imposing special assessments on the furnishing of lodging to be expended exclusively on tourism promotion; and

WHEREAS, in 2009 the Legislature amended the TPA Act to allow two or more cities located in a county with a population of one million or more acting jointly under chapter 39.34 RCW (the "Interlocal Cooperation Act") to form a tourism promotion area for such purpose; and

WHEREAS, other Washington counties and cities, including Pierce County, the Tri-Cities, Spokane County, and Clark County, have established tourism promotion areas and have dedicated such funds for tourism promotion; and

WHEREAS, the operators of lodging businesses located in southwest King County are preparing to initiate the formation of a tourism promotion area pursuant to the TPA Act within the jurisdictional boundaries of Tukwila, SeaTac and Des Moines (the "Seattle Southside TPA"); and

EXHIBIT A

WHEREAS, depending on the rates of the assessments, the proposed Seattle Southside TPA is projected to provide approximately \$2.5 million of additional revenue for tourism promotion each year; and

WHEREAS, the additional revenue stream is expected to help the tourism promotion program currently administered by SSVS remain competitive with other destination marketing organizations in the State of Washington, bring more visitors to the area, bolster hotel occupancy, protect current jobs, create new jobs, increase business at restaurants and retail stores, and increase patronage at arts, cultural and sporting venues in an ever increasingly competitive marketplace; and

WHEREAS, assessments received from the proposed Seattle Southside TPA will be remitted to a public development authority chartered by SeaTac pursuant to chapter 35.21 RCW; and

WHEREAS, if formed, the Seattle Southside TPA is expected to provide needed resources to increase tourism, which will increase hotel occupancy among participating hotels within the defined area; and

WHEREAS, the promotion of the region to increase tourism will also provide economic benefit to retail, restaurant, entertainment and cultural industries that are closely connected to the hotel industry and critical to the health of the local economy; and

WHEREAS, SeaTac, Tukwila, and Des Moines (referred to herein as the "Parties") currently fund certain basic operations and media expenses of SSVS with lodging tax revenues and desire to have that work continue. As set forth herein, the Parties intend to commit certain lodging tax revenues to fund regional tourism marketing by contracting with the public development authority, or successor entity, for such services; and

WHEREAS, it is paramount that SeaTac and Tukwila continue to operate SSVS in its current form until such time that the public development authority can assume all duties and obligations of SSVS; and

WHEREAS, to form a tourism promotion area an initiation petition satisfying the terms of the TPA Act must first be presented to the legislative authority having jurisdiction of the area in which the proposed tourism promotion area is to be located and a public hearing must be held after providing proper notice; and

WHEREAS, the Parties now desire to enter into this Agreement for the purpose of appointing a legislative authority to receive the initiation petition and otherwise carry out the terms of the TPA Act in order to help facilitate the formation and operation of the Seattle Southside TPA;

NOW THEREFORE, it is hereby agreed and covenanted among the undersigned as follows:

Section 1. Definitions. In addition to the terms defined in the Recitals above, the following terms shall have the meanings set forth below:

“Agreement” means this Interlocal Agreement for the Joint Establishment of a Tourism Promotion Area by and among SeaTac, Tukwila and Des Moines, entered into pursuant to the TPA Act and the Interlocal Cooperation Act, as it may be amended from time to time.

“Annual Budget” means the budget approved pursuant to Section 7 of this Agreement.

“Des Moines” means the City of Des Moines, a municipal corporation organized under the laws and statutes of the State.

“Interlocal Cooperation Act” means chapter 39.34 RCW as the same may be amended from time to time.

“Legislative Authority” means the legislative authority of the Seattle Southside TPA appointed pursuant to Section 2 of this Agreement, as the same shall be duly and regularly constituted from time to time.

“Lodging Business” means a business located within the Seattle Southside TPA that furnishes lodging taxable by the State under chapter 82.08 RCW that has 40 or more lodging units. Lodging facilities with fewer than 40 rooms are not considered “Lodging Businesses” for the purpose of this Agreement and are exempt from any fees imposed under chapter 35.101 RCW.

“Operating Agreement” means the agreement(s) for the operation and management of the Seattle Southside TPA.

“Operator” or “Operator of a Lodging Business” means an operator of a Lodging Business, whether in the capacity of owner, general manager, lessee, sublessee, mortgagee in possession, license or any other similar capacity.

“Petition” means the initiation petition delivered to the Legislative Authority pursuant to the TPA Act.

“SeaTac” means the City of SeaTac, a municipal corporation organized under the laws and statutes of the State.

“SeaTac City Council” means the City Council of SeaTac as the general legislative authority of SeaTac, as the same shall be duly and regularly constituted from time to time.

“Seattle Southside Tourism Promotion Area” means the geographic area identified in the Petition.

“Seattle Southside TPA” means the Seattle Southside Tourism Promotion Area.

“Special Assessment” means the levy (charge) imposed by the Legislative Authority on the Operators of Lodging Businesses within the Seattle Southside TPA and subsequently passed on to the guests of the Lodging Business, under the authority of the TPA Act, for the purpose of providing funding of tourism promotion in the boundaries of the Seattle Southside TPA.

“SSRTA” or “Seattle Southside Regional Tourism Authority” means the public development authority chartered by SeaTac pursuant to chapter 35.21 RCW.

“SSRTA Board of Directors” means the Board of Directors of SSRTA, as the general legislative authority of SSRTA, as the same shall be duly and regularly constituted from time to time.

“SSVS” means Seattle Southside Visitors Services, a tourism promotion program currently administered by Tukwila.

“State” means the State of Washington.

“Tourism Promotion” means domestic and international tourism promotion, advertising, sales and marketing activities intended to encourage tourism in the Seattle Southside TPA in order to increase area hotel occupancies. “Promotion, advertising, sales and marketing activities” include, but are not limited to, strategic planning, market research, creative development, media placement, sales activities, hosting tourism industry events relating to promotion and marketing, and administrative and management support for such services, and creating and maintaining a standing limited reserve, as such reserve may be specified in the Annual Budget, to fund any such activities.

“Transient Basis” means the rental of a room or rooms for dwelling, lodging, or sleeping purposes by the Operator of a Lodging Business for a period of 30 consecutive calendar days or less, counting a portion of a day as a full calendar day.

“Tukwila” means the City of Tukwila, a municipal corporation organized under the laws and statutes of the State.

“Zone” or “Zones” means the distinct geographic subarea or subareas within the Seattle Southside TPA as established by resolution of the Legislative Authority.

Section 2. Purpose of this Agreement; Appointment of Legislative Authority.

(a) *Purpose of this Agreement.* The purpose of this Agreement is (1) to promote tourism in the boundaries of the Seattle Southside TPA by appointing a legislative authority for the purpose of accepting an initiation Petition for the formation of the Seattle Southside TPA pursuant to the TPA Act in the jurisdictional boundaries of SeaTac, Tukwila and Des Moines, which when and if created, will permit collection of Special Assessments from Lodging Businesses to fund Tourism Promotion, and (2) to memorialize the agreement among the Parties hereto relating to the Seattle Southside TPA.

The Petition must describe the boundaries of the proposed tourism promotion area, the proposed uses and projects to which the proposed revenue from the charges shall be used and the total estimated costs, the estimated rate for the charge with a proposed breakdown by class of Lodging Businesses (if such classification is to be used), and the signatures of the persons who Operate Lodging Business in the proposed area who would pay sixty percent or more of the proposed charges.

(b) *Appointment of Legislative Authority.* The SeaTac City Council is hereby appointed as the Legislative Authority of the Seattle Southside TPA for purposes of this Agreement and the TPA Act. References to the “Legislative Authority” herein shall mean the SeaTac City Council serving in its capacity as the Legislative Authority of the Seattle Southside TPA.

(c) *Understanding of the Parties.* It is hereby understood and agreed by the Parties that the SeaTac City Council, serving in its capacity as the Legislative Authority, shall, after receiving the Petition, proceed with adopting a resolution of intent to establish the “Seattle Southside Tourism Promotion Area” designated to include the jurisdictional boundaries of SeaTac, Tukwila and Des Moines, and hold a public hearing after providing proper notice under the terms of the TPA Act.

It is understood and agreed to by the Parties hereto that the purpose of forming the Seattle Southside TPA is to provide an additional source of revenue to be used exclusively to fund Tourism Promotion within the boundaries of the Seattle Southside TPA which will benefit the tourism industry and the Operators of Lodging Businesses located in the boundaries of the Seattle Southside TPA and the Parties hereto.

(d) *Termination of Proceedings.* Notwithstanding anything herein to the contrary, if the Seattle Southside TPA is not formed by March 31, 2015, this Agreement shall terminate and shall no longer be in force and effect.

Section 3. Legislative Authority; Meetings; Powers.

(a) *Officers of the Legislative Authority.* The Chair of the SeaTac Lodging Tax Advisory Committee, or his or her designee, shall serve as Chair of the Legislative Authority. On matters decided by the Legislative Authority, the signature of the Chair alone is sufficient to bind the Legislative Authority.

(b) *Meetings of the Legislative Authority.* Regular meetings of the Legislative Authority shall be held at the times and locations set forth in a meeting schedule approved by the Legislative Body. There shall be at least one meeting of the Legislative Authority each year, and not less than fifteen days’ notice shall be given to all members of the Legislative Authority and the Parties hereto prior to any such meeting. Other meetings (including special meetings) may be held upon request of the Chair or any other members. All meetings shall be open to the public to the extent required by chapter 42.30 RCW. Each member of the Legislative Authority shall have an equal vote and voice in all decisions of the Legislative Authority. Unless otherwise provided, the City of SeaTac City Council Administrative Procedures and Robert’s Revised

Rules of Order (newly revised) shall govern all procedural matters relating to the business of the Legislative Authority.

(c) *Powers of the Legislative Authority.* The Parties hereto acknowledge and agree that the SeaTac City Council is being appointed solely to serve as the “legislative authority” for purposes of the TPA Act. The day to day operations of the Seattle Southside TPA, including but not limited to the management and expenditure of Special Assessments, shall be managed by SSRTA as manager and operator of the Seattle Southside TPA. The SeaTac City Council, when acting in its capacity as Legislative Authority, shall have the authority to:

1. Receive the Petition, adopt a resolution of intent to form the Seattle Southside TPA, hold a public hearing as required by the TPA Act, and otherwise carry out the terms of the TPA Act;
2. Form the Seattle Southside TPA, establish rates of Special Assessments and levy Special Assessments pursuant to the terms of this Agreement, the Petition, and the TPA Act;
3. Adopt an Annual Budget;
4. Conduct regular and special meetings as may be designated by the Legislative Authority;
5. Enter into agreements with third parties as necessary to fully implement the purposes of this Agreement;
6. Enter into Operating Agreements with SSRTA for the operation of the Seattle Southside TPA, the management and expenditure of Special Assessments and other revenues, and other services as determined to be necessary from time to time;
7. Enter into agreements with and receive funds from any federal, state or local agencies and to distribute such funds to SSRTA;
8. Receive and account for all funds allocated to the Seattle Southside TPA;
and
9. Engage in any and all other acts necessary to further the goals of this Agreement.

Section 4. Levy of Assessments on Lodging Businesses within the Seattle Southside TPA.

(a) The Legislative Authority will levy Special Assessments on the Operators of Lodging Businesses within the Seattle Southside TPA in accordance with the Zones and levels of Special Assessments as set forth in the Petition and resolution of the Legislative Authority. The Parties acknowledge that, unless otherwise provided for in the Petition, Special Assessments shall not be imposed on rooms (1) where the occupant has stayed 30 or more days and are not otherwise on a Transient Basis, (2) that are provided by an Operator of a Lodging Business to

guests without charge for promotional purposes, (3) available exclusively to members or guests of members of a private member-owned clubs or its reciprocal clubs, or (4) contracted with airline crews.

(b) The Legislative Authority shall contract with the State Department of Revenue for the administration and collection of the Special Assessments pursuant to RCW 35.101.090. Special Assessments shall be deposited into the local tourism promotion account created in the custody of the State Treasurer under RCW 35.101.100. It is understood and agreed that in accordance with RCW 35.101.100, the State Treasurer has the authority to distribute the revenue from the tourism promotion account allocable to the Seattle Southside TPA to the Legislative Authority, or directly to the SSRTA, on a monthly basis. SeaTac shall act as fiscal agent to the Seattle Southside TPA and shall be responsible for receiving Special Assessments from the State Treasurer and holding such funds in a segregated account(s) until remitted to SSRTA pursuant to Section 7 of this Agreement.

(c) Any change in the Special Assessment rates for any Zone as set in the resolution of the Legislative Authority shall be made only by amendment of the resolution by the Legislative Authority and only upon written request by the persons who Operate Lodging Business in the proposed area who would pay sixty percent or more of the proposed charges and with the approval and consent of the SSRTA Board of Directors. No increase in the Special Assessment rates for any Zone or the boundaries of any Zone shall be made by the Legislative Authority except after receipt of the written request of persons who Operating Lodging Businesses as identified in the preceding sentence and upon the affirmative approval of the SSRTA Board of Directors.

(d) It is understood and agreed by the Parties hereto that the Special Assessments imposed in the Seattle Southside TPA are not a tax on the "sale of lodging" for the purposes of chapter 82.14 RCW and are not applicable to temporary medical housing exempt under chapter 82.08 RCW.

(e) It is understood and agreed by the Parties that the Special Assessments imposed under this Agreement are in addition to the special assessments that may be levied under chapter 35.87A RCW.

Section 5. Use of Special Assessment Revenue. All of the revenues from Special Assessments collected by the State Department of Revenue from Lodging Businesses within the Seattle Southside TPA shall be remitted by the Legislative Authority to SSRTA and shall be used exclusively for Tourism Promotion as defined herein, and for no other purpose, in accordance with the Annual Budget. The revenue derived from the Special Assessments shall be used only for the following purposes:

(a) The general promotion of tourism within the Seattle Southside TPA as specified in the business plan of the SSRTA;

(b) The marketing of convention and trade shows that benefit local tourism and the Lodging Businesses in the Seattle Southside TPA;

(c) The marketing of the Seattle Southside TPA region to the travel industry in order to benefit local tourism and the lodging businesses in the Seattle Southside TPA;

(d) The marketing of the Seattle Southside TPA region to recruit sporting events in order to promote local tourism and to benefit the Lodging Businesses and tourism industry within the Seattle Southside TPA; and

(e) Direct administration, operation, formation, and start-up costs associated with the Seattle Southside TPA and the ongoing management and maintenance of the Seattle Southside TPA program, including but not limited to staff costs, public notice advertising, legal costs, accounting and auditing (including audits of the Parties and the SSRTA as they relate to this Agreement), as approved by the SSRTA Board of Directors, provided no funds will be used for costs not directly related to operation of the Seattle Southside TPA, this Agreement, or the SSRTA.

Section 6. Lodging Taxes. The Parties intend to commit lodging tax revenues to fund regional tourism marketing by contracting with the SSRTA, or successor entity. The Parties intend the minimum annual funding levels to be set according to the following table:

Annual Commitment of Lodging Tax to the SSRTA*			
Year	SeaTac	Tukwila	Des Moines
2014	\$835,000	\$712,000	100% of monthly lodging tax receipts
2015	\$460,000	\$405,000	100% of monthly lodging tax receipts
2016	\$383,333	\$337,500	100% of monthly lodging tax receipts
2017	\$306,666	\$270,000	100% of monthly lodging tax receipts
2018 and beyond	\$230,000	\$202,500	100% of monthly lodging tax receipts

* The exact amount of funding for 2014 will be pro-rated based upon the actual date of establishment of the SSRTA.

Notwithstanding the foregoing, the Parties acknowledge and agree that the final allocation, uses, and level of lodging tax revenue is subject to the provisions of chapter 67.28 RCW. Recognizing that RCW 67.28.1816 requires that the annual expenditures of the respective City's lodging tax be approved by the respective city council (based on a recommendation from its respective lodging tax advisory committee) this Agreement provides no guarantee that future city councils will approve future funding.

The Parties further recognize that Tukwila has financial obligations in place to operate SSVS. Tukwila may, at its sole discretion and absolute authority, reduce the annual payment to the SSRTA in order to meet obligations and liabilities associated with the operation of SSVS, including, but not limited to, labor, lease costs, payment of utilities, and other contracts executed in support of SSVS by Tukwila.

Section 7. Management of Seattle Southside TPA; Annual Budget; Reporting Requirements.

(a) The Legislative Authority shall contract with the SSRTA pursuant to one or more Operating Agreements for the management and operation of the Seattle Southside TPA.

(b) The Parties hereto acknowledge and agree that SeaTac is chartering the SSRTA for the purpose of serving as a separate legal entity formed to advise and make recommendations to the Legislative Authority on all matters related to the Seattle Southside TPA and to carry out its purposes as set forth in its formation documents. The Parties agree to execute agreements with the SSRTA for tourism promotion services and for the transfer of assets, equipment, and intellectual property (including the SSVS "brand") used by SSVS to accomplish the purposes of the SSRTA, as determined to be necessary by the SSRTA to accomplish its purposes. The Parties hereto agree to use best efforts to assist in the transition of such services, assets, equipment, and property at no cost to the SSRTA.

(c) SSRTA shall be responsible for administering the activities and programs of the Seattle Southside TPA and preparing an Annual Budget for the Seattle Southside TPA.

(d) The Legislative Authority shall approve an Annual Budget for the use of Special Assessments and shall provide a copy of the Annual Budget to the Parties hereto. The Annual Budget shall consist of:

1. A list of the Lodging Businesses subject to Special Assessments and an estimate of the revenue to be received from all such Lodging Businesses; and

2. A statement of the proposed budget for all Seattle Southside TPA activities and programs to be funded from Special Assessments during the ensuing fiscal year.

(e) SSRTA, as manager of the Seattle Southside TPA, shall agree to comply with all applicable provisions of state and federal law, including but not limited to, the TPA Act, and with all applicable county or city resolutions and ordinances, and with all regulations lawfully imposed by the State Auditor or other state agencies, and the applicable provisions of this Agreement.

(f) All Special Assessments received by SeaTac, as fiscal agent for the Seattle Southside TPA, from the State Department of Revenue and any interest thereon shall be deposited by SeaTac in a special account and thereafter transferred to SSRTA within thirty days following receipt. Provided, however, no Special Assessment shall be transferred in any fiscal year until after the adoption of that year's fiscal Annual Budget.

(g) Legislative Authority shall submit a statement of actual revenues and expenditures to the SSRTA Board of Directors and the Parties hereto.

(h) The Parties acknowledge and agree that revenue derived from the Special Assessments is intended to enhance, supplement, and extend existing tourism marketing efforts of the Parties.

Section 8. Initial Duration; Withdrawal and Termination.

(a) *Initial Term.* The initial duration of this Agreement shall be for a period of twenty years from its effective date.

(b) *Withdrawal from Agreement; Termination by the Parties.* Any Party to this Agreement may withdraw its participation in this Agreement and in the Seattle Southside TPA by providing written notice and serving that notice to the Legislative Authority as provided herein. No Party is permitted to withdraw until this Agreement has been in force at least four years from the effective date. Once this Agreement has been in force for four years, any Party may withdraw by providing at least one year notice of its intent to withdraw.

The Party giving notice of intent to withdraw may revoke its notice by giving written notice of revocation to the Legislative Authority. Within 90 days after receiving proper notice as provided in this section, the Legislative Authority shall adopt a resolution of intention (i) identifying the Party that has given notice of withdrawal, (ii) stating that Seattle Southside TPA may be modified or terminated, as applicable, (iii) describing the change or changes proposed, or indicate that it is the intention to revise the boundaries or disestablish the Seattle Southside TPA, and (iv) providing the time and place of a public hearing to be held by the Legislative Authority on the proposed action; provided, the public hearing shall be at least 15 days prior to consideration of the proposed action. The Legislative Authority may, by ordinance, revise the boundaries or disestablish the Seattle Southside TPA after conducting a hearing to receive public comment regarding the boundary revision or disestablishment of the Seattle Southside TPA. Unless the written notice of withdrawal has been revoked by the withdrawing Party and accepted by the Legislative Authority, the revision or disestablishment shall become effective on the date specified by the Legislative Authority.

(c) For the sake of clarity, it is the intention of the Parties hereto that this Section 8 provides for a method of withdrawal and/or termination of this Agreement that is initiated solely by a Party to this Agreement. This Section 8 is intended to be in addition to the method of modification and/or disestablishment of the Seattle Southside TPA as provided in Section 9 below.

Section 9. Modification or Disestablishment of the Seattle Southside TPA.

(a) The Legislative Authority may modify the provisions of the resolution or ordinance establishing the Seattle Southside TPA, revise the boundaries of the Seattle Southside TPA, or provide for the disestablishment of the Seattle Southside TPA, after adopting a resolution of intention to such effect. Such resolution of intention shall describe the change or changes proposed, or indicate that it is the intention to revise the boundaries or disestablish the Seattle Southside TPA, and shall state the time and place of a public hearing to be held by the

Legislative Authority to consider the proposed action; provided, the public hearing shall be at least 15 days prior to consideration of the proposed action.

(b) Additionally, upon receipt of a petition indicating a desire to revise the boundaries or disestablish the Seattle Southside TPA, with the signatures of the persons who Operate Lodging Businesses in the Seattle Southside TPA who pay 50% or more of the total Special Assessments, the Legislative Authority shall adopt a resolution of intention to revise the boundaries or disestablish the Seattle Southside TPA, and shall state the time and place of a public hearing to be held by the Legislative Authority to consider the proposed action; provided, the public hearing shall be at least 15 days prior to consideration of the proposed action.

(c) After conducting the public hearing to take public comment on the proposed action as required under Section 9(a) or (b), the Legislative Authority may, by ordinance, revise the boundaries or disestablish the Seattle Southside TPA. Notwithstanding the foregoing, if at a hearing held pursuant to Section 9(a) or (b) a petition objecting to the boundary revision or disestablishment is presented, with the signatures of the persons who Operate Lodging Businesses in the Seattle Southside TPA who pay 50% or more of the total Special Assessments, the Seattle Southside TPA shall not be altered or disestablished. If such petition objecting to the boundary revision or disestablishment is not presented at the hearing, the Legislative Authority shall proceed to revise the boundaries or disestablish the Seattle Southside TPA.

(d) Notwithstanding anything to the contrary in this Agreement, in no case shall the Parties hereto be obligated to satisfy the outstanding obligations of the Seattle Southside TPA or the SSRTA from such Party's moneys, funds, or other sources of revenue unless it otherwise agrees to in writing.

Section 10. Miscellaneous Provisions.

(a) *Waiver.* No officer, employee, or agent of SeaTac, Tukwila or Des Moines has the power, right, or authority to waive any of the conditions or provisions of this Agreement. No waiver of any breach of this Agreement by SeaTac, Tukwila or Des Moines shall be held to be a waiver of any other or subsequent breach. Failure of SeaTac, Tukwila or Des Moines to enforce any of the provisions of this Agreement or to require performance of any of the provisions herein, shall in no way be construed to be a waiver of such conditions, nor in any way effect the validity of this Agreement or any part hereof, or the right of SeaTac, Tukwila or Des Moines to hereafter enforce each and every such provision.

(b) *Records.* All records prepared, owned, used or retained by SSRTA in conjunction with operating or administering the activities and programs of the Seattle Southside TPA as provided for under the terms of this Agreement shall be made available by the SSRTA upon request to SeaTac, Tukwila or Des Moines.

(c) *Property and Equipment.* The SSRTA shall be the owner of all property and equipment purchased in furtherance of this Agreement from Special Assessment revenue. Provided, however, in the event of the termination of the Operating Agreement with the SSRTA, the SSRTA shall agree to make the property and/or equipment available to the successor

manager for its use in conjunction with providing similar services. Provided further, in the event of disestablishment of the Seattle Southside TPA, all property and equipment purchased by the SSRTA from Special Assessment revenue shall be retained by SeaTac and used for any lawful purpose.

(d) *Integration.* This Agreement contains all of the terms and conditions agreed upon by SeaTac, Tukwila or Des Moines concerning the establishment of the Seattle Southside TPA and the collection of Special Assessments from Operators of Lodging Businesses. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the Parties hereto. The Parties have read and understand all of this Agreement, and now state that no representation, promise, or agreement not expressed in this Agreement has been made to induce the officials of SeaTac, Tukwila or Des Moines to execute this Agreement.

(e) *Severability.* In the event any provision of this Agreement shall be declared by a Court of competent jurisdiction to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not, in any way, be effected or impaired thereby.

(f) *Hold Harmless; No Liability.* SeaTac shall indemnify and hold harmless Tukwila and Des Moines and their agents, employees, and/or officers, from any and all costs, claims, judgments, or awards of damages arising out of the acts or omissions of SeaTac, its officers, employees or agents and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against Tukwila or Des Moines arising out of, in connection with, or incident to this Agreement and/or SeaTac's performance or failure to perform any aspect of this Agreement.

Tukwila shall indemnify and hold harmless SeaTac and Des Moines and their agents, employees, and/or officers, from any and all costs, claims, judgments, or awards of damages arising out of the acts or omissions of Tukwila, its officers, employees or agents and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against SeaTac or Des Moines arising out of, in connection with, or incident to this Agreement and/or Tukwila's performance or failure to perform any aspect of this Agreement.

Des Moines shall indemnify and hold harmless Tukwila and SeaTac and their agents, employees, and/or officers, from any and all costs, claims, judgments, or awards of damages arising out of the acts or omissions of Des Moines, its officers, employees or agents and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against Tukwila or SeaTac arising out of, in connection with, or incident to this Agreement and/or Des Moines' performance or failure to perform any aspect of this Agreement.

The SSRTA shall be an independent legal entity exclusively responsible for its own debts, obligations and liabilities. All liabilities incurred by the SSRTA shall be satisfied exclusively from the assets and credit of the SSRTA. No creditor or other person shall have any

recourse to the assets, credit, or services of the Parties hereto on account of any debts, obligations, liabilities, acts, or omissions of the SSRTA, unless otherwise agreed in writing by such Party.

(g) *Filing of Agreement.* This Agreement shall become effective immediately after it is duly adopted and executed by the City Council of SeaTac, the City Council of Tukwila, and the City Council of Des Moines and shall be filed and/or posted as required in the Interlocal Cooperation Act.

(h) *Notice.* Any formal notice or communication to be given among the Parties to this Agreement shall be deemed properly given, if delivered either in physical or electronic means, or if mailed postage prepaid and addressed to:

City of SeaTac
4800 S. 188th Street
SeaTac, WA 98188
Phone: 206.973.4800
Attn: City Manager

City of Tukwila
6200 Southcenter Blvd.
Tukwila, WA 98188
Phone: 206.433.1800
Attn: City Mayor

City of Des Moines
21630 11th Ave. S., Suite A
Des Moines, WA 98198
Phone: 206.878.4595
Attn: City Manager

(i) *Amendment.* This Agreement may be amended by the mutual consent of the Parties hereto. No additions to or alterations of the terms of this Agreement shall be valid unless made in writing, formally approved and executed by duly authorized agents of all Parties.

(j) *Operation of SSRTA.* Each Party hereto further authorizes SeaTac to operate the SSRTA within the corporate limits of such city to accomplish the purposes of and pursuant to the terms of this Agreement.

(k) *Counterparts.* This Agreement may be executed in any number of counterparts, each of whom shall be an original, but those counterparts will constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first written above.

[signature blocks to be added]