



<b>Agenda Sheet for City Council:</b>		<b>Date Rec'd</b>	11/24/2025
<b>Committee:</b> Public Safety <b>Date:</b> 12/01/2025		<b>Clerk's File #</b>	OPR 2025-0845
<b>Committee Agenda type:</b> Discussion		<b>Cross Ref #</b>	
<b>Council Meeting Date:</b> 12/15/2025		<b>Project #</b>	
<b>Submitting Dept</b>	MAYOR	<b>Bid #</b>	
<b>Contact Name/Phone</b>	MAGGIE YATES 6753	<b>Requisition #</b>	
<b>Contact E-Mail</b>	MYATES@SPOKANECITY.ORG		
<b>Agenda Item Type</b>	Contract Item		
<b>Council Sponsor(s)</b>	BWILKERSON		
<b>Sponsoring at Administrators Request</b>		NO	
<b>Lease?</b> YES	<b>Grant Related?</b> NO	<b>Public Works?</b> NO	
<b>Agenda Item Name</b>	INTERLOCAL AGREEMENT/LEASE FOR USE OF SPACE - SPOKANE CO FPD NO. 9		


**Agenda Wording**

Interlocal Agreement and Lease between Spokane County Fire Protection District No. 9 and the City of Spokane as backup communications space.

**Summary (Background)**

The City would use the space to conduct public safety communications, including 911/dispatch operations, backup communications, training, staging, equipment storage, a server/communications room, a tower and related radio/IT infrastructure as needed as a backup to its existing communications center, in the event of equipment or communications failures in the primary center, to ensure continuous emergency communications services to Spokane County and region as needed.

Approved by Spokane City Council  
on: 12/15/2025

  
\_\_\_\_\_  
City Clerk

**What impacts would the proposal have on historically excluded communities?**

N/A

**How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities?**

N/A

**How will data be collected regarding the effectiveness of this program, policy, or product to ensure it is the right solution?**

N/A

**Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others?**

N/A

**Council Subcommittee Review**

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<b>Fiscal Impact</b>			
Approved in Current Year Budget?			
Total Cost		\$	
Current Year Cost		\$ \$1,120.00	
Subsequent Year(s) Cost		\$ 5,376.00	
<b><u>Narrative</u></b>			
<b>Amount</b>		<b>Budget Account</b>	
Expense	\$ 5,376.00	#	TBD
Select	\$	#	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Select	\$	#	
<b>Funding Source</b>		Recurring	
<b>Funding Source Type</b>		Select	
<b>Is this funding source sustainable for future years, months, etc?</b>			
<b>Expense Occurrence</b>			
<b>Other budget impacts (revenue generating, match requirements, etc.)</b>			
<b>Approvals</b>		<b>Additional Approvals</b>	
<b><u>Dept Head</u></b>	SCOTT, ALEXANDER	<b><u>ACCOUNTING -</u></b>	BAIRD, CHRISTI
<b><u>Division Director</u></b>	GBYRD		
<b><u>Accounting Manager</u></b>	GBYRD		
<b><u>Legal</u></b>	SCHOEDEL, ELIZABETH		
<b><u>For the Mayor</u></b>	GBYRD		
<b>Distribution List</b>			
		myates@spokanecity.org	
fireaccounting@spokanecity.org			

## INTERLOCAL AGREEMENT/LEASE FOR USE OF SPACE

This Lease is entered into between Spokane County Fire Protection District No. 9 (the “District”), a municipal corporation, and the City of Spokane (the “City”), a municipal corporation, who shall be collectively referred to as the “Parties” or singularly as a party, for purposes of using District space for its backup communications operations (“City Services” or the “Permitted Use”).

WHEREAS, the City of Spokane Police Department is in need of backup communications space that is set forth in Exhibit F of the Lease attached hereto as Exhibit 1; WHEREAS, the District has available space for the City to perform City services for the consideration set forth in the Lease attached hereto as Exhibit 1;

WHEREAS, the District recognizes the benefits conferred by the City as they positively impact the District’s statutory mission set forth under RCW 52.02.020, therefore necessitating in a reduction of rent paid by the City as referenced in the attached Lease; and

WHEREAS, the District desires to lease the space set forth in Exhibit A to the City upon the terms and conditions of the lease set forth in Exhibit 1.

THEREFORE, in consideration of the promises set forth herein and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

1. **Lease.** The District shall lease to the City of Spokane the space designated in Exhibit 1 hereto upon the terms and conditions therein.
2. **Term.** This Agreement shall terminate upon termination of the Lease set forth in Exhibit 1.
3. **Consideration.** The consideration for this Agreement is set forth in Exhibit 1.
4. **Dispute Resolution**

Prior to any other action, the Fire Chief of the District and a designated agent of the City shall meet and attempt to negotiate a resolution to any and all disputes.

If the parties are unable to resolve the dispute through negotiation, either party may request mediation through a process to be mutually agreed to in good faith between the parties. Mediation shall be initiated within 30 days of the request. The parties shall share equally the costs of mediation and shall be responsible for their own costs in preparation and participation in the mediation, including expert witness fees and reasonable attorney’s fees.

If a mediation process cannot be agreed upon or if the mediation fails to resolve the dispute then, within 30 calendar days, either party may submit the matter to binding arbitration according to the procedures of the Superior Court Rules for Mandatory Arbitration, including the Local Mandatory Arbitration Rules of the Spokane County Superior Court, Spokane County, Washington, as amended, unless the parties agree in writing to an



alternative dispute resolution process. The arbitration shall be before a disinterested arbitrator with both parties sharing equally in the cost of the arbitrator. The location of the arbitration shall be mutually agreed or established by the assigned Arbitrator, and the laws of the State of Washington will govern its proceedings. Each party shall be responsible for its own costs in preparing for and participating in the arbitration, including expert witness fees and reasonable attorney's fees.

Unless otherwise agreed in writing, this dispute resolution process shall be the sole, exclusive and final remedy to or for either party for any dispute regarding this Agreement, and its interpretation, application or breach, regardless of whether the dispute is based in contract, tort, any violation of federal law, state statute or local ordinance or for any breach of administrative rule or regulation and regardless of the amount or type of relief demanded.

This dispute resolution mechanism shall apply to this Agreement and the Lease set forth in Exhibit 1 hereto. Nothing herein limits either party's right to seek injunctive relief, unlawful detainer, or re-entry/self-help as expressly permitted by this Agreement, the Lease, or law.

## **5. Hold Harmless/Indemnification**

### *Indemnification by Spokane County Fire Protection District No. 9 (Party 1)*

Spokane County Fire Protection District No. 9 ("Party 1") shall indemnify, defend, and hold harmless the City of Spokane ("Party 2") and its officers, agents, and employees from and against any and all claims, actions, suits, liabilities, losses, costs, expenses, and damages of any kind whatsoever arising out of or resulting from any negligent act or omission of Party 1, its officers, agents, or employees in performing obligations under this Agreement. In the event any such claim or suit is brought against Party 2, Party 1 shall, at its sole expense, defend the same, provided that Party 2 reserves the right to participate in the defense if any governmental authority principle is implicated. If final judgment is rendered against Party 2, its officers, agents, or employees, or jointly against Party 2 and Party 1 and their respective officers, agents, or employees, Party 1 shall fully satisfy such judgment.

### *Indemnification by the City of Spokane (Party 2)*

The City of Spokane ("Party 2") shall indemnify, defend, and hold harmless Spokane County Fire Protection District No. 9 ("Party 1") and its officers, agents, and employees from and against any and all claims, actions, suits, liabilities, losses, costs, expenses, and damages of any kind whatsoever arising out of or resulting from any negligent act or omission of Party 2, its officers, agents, or employees in performing obligations under this Agreement. In the event any such claim or suit is brought against Party 1, Party 2 shall, at

its sole expense, defend the same, provided that Party 1 reserves the right to participate in the defense if any governmental authority principle is implicated. If final judgment is rendered against Party 1, its officers, agents, or employees, or jointly against Party 1 and Party 2 and their respective officers, agents, or employees, Party 2 shall fully satisfy such judgment.

*Concurrent Negligence and Waiver of Immunity*

City of Spokane and the District acknowledge and agree that if any such claims, actions, suits, liabilities, losses, costs, expenses, or damages arise from the concurrent negligence of both parties, their officers, agents, or employees, this indemnification provision shall be enforceable only to the extent of each party's respective negligence. For the limited purpose of enforcing this indemnification provision, each party expressly waives its immunity under Title 51 RCW, including with respect to any claims, suits, or causes of action brought by one party's employee(s) against the other party.

Neither party shall be deemed to be an agent of the other during the performance of this Agreement.

6. **RCW 39.34 Provisions.** This Agreement shall be administered by the Fire Chief of the District and the chief executive officer or designee of the City. Other than the leasehold interest set forth in Exhibit 1, no property shall exchange hands pursuant to this Agreement. This Agreement does not create a new agency. This Agreement shall be listed by subject on the District's website. Irrespective of this Agreement, neither party hereto shall be prevented from entering into similar interlocal agreements. This Agreement shall be ratified by the respective governing bodies of each agency.

SO EXECUTED this 19th day of December, 2025

SPOKANE COUNTY FIRE PROTECTION  
DISTRICT NO. 9

CITY OF SPOKANE

By Matthew Vinci 12/17/2025  
Signature Date

Matthew Vinci  
Print Name

Fire Chief  
Title

By Maggie Yates 12/19/2025  
Signature Date

Maggie Yates  
Print Name

Deputy City Administrator  
Title

Attest:

City Clerk

Approved as to form:

Assistant City Attorney



## EXHIBIT 1

### LEASE AGREEMENT

Property Address: 3801 E. Farwell Rd, Mead, WA 99021

THIS LEASE AGREEMENT (the "Lease") is entered into and effective as of this 15<sup>th</sup> Day of October 2025 between Spokane County Fire Protection District No. 9, a political subdivision of the State of Washington ("Landlord"), and the City of Spokane, a Washington State Municipal Corporation ("Tenant"), who shall hereinafter be referred to collectively as the "Parties" or singularly as a "party."

#### RECITALS

WHEREAS, the Tenant requires certain premises to conduct public safety communications, including 911/dispatch operations, backup communications, training, staging, equipment storage, a server/communications room, a tower and related radio/IT infrastructure, and other lawful activities ancillary thereto; and

WHEREAS, the Tenant may provide certain improvements at no cost or obligation to the Landlord, with said improvements to be removed at the expiration of the Lease or to remain on the Premises for an agreed-upon amount; and

WHEREAS, the Parties recognize the importance of the Tenant's backup public-safety communications services in furtherance of the Landlord's mission; and

WHEREAS, the Tenant recognizes its obligation to hold harmless the Landlord from liabilities arising from the use of the Premises; and

WHEREAS, both Parties hereto are possessed of statutory authority to enter into this Lease.

THEREFORE, the Parties agree as follows:

#### 1. LEASE SUMMARY.

- a. Leased Premises. The leased real estate i) consists of an agreed area of 448.64 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 SCFD9 Administration Building and comprises a portion of Spokane County Parcel No. \_\_\_\_\_. The Premises contain the following elements previously located thereon by Tenant as more fully set forth in Exhibit A hereto:
- b. Lease Commencement Date. The term of this Lease shall be for a period of eighteen (18) months (the "Initial Term") and shall commence on **October 15, 2025** or such earlier or later date as provided in Section 3 (the "Commencement Date").

- c. Lease Termination Date. This Lease shall terminate 18 months from the Commencement Date (the "Termination Date") unless extended by Tenant pursuant to the provisions of Section 3 herein.
- d. Base Rent. The base monthly rent shall be **\$448.00** US Dollars monthly during the full initial term of this Lease and any renewal thereof (referred hereto as the "Base Rent"). Rent shall be payable at Landlord's address shown in Section 1 (g) below, or such other place designated in writing by Landlord. The Base Rent may increase each year by the lesser of 2% or the amount of increase in CPI-W in the Seattle-Tacoma-Bellevue area measured from June of the previous Lease year. If the option or options to renew provided for herein are exercised the parties agree that rent shall be recalculated to the then current fair market value using generally accepted appraisal practices, effective as of the first day of each renewal term.
- e. Security Deposit. No security deposit is required.
- f. Permitted Use. The Premises shall be used only for 911/dispatch operations, training, staging, equipment storage, server/communications room, tower and related radio/IT infrastructure, and other lawful activities ancillary to the foregoing (the "Permitted Use").
- g. Notice and Payment Addresses
  - a. Landlord: SCFD9 Administration 3801 East Farwell Rd, Mead, WA 99021
  - b. Tenant: City of Spokane, 808 West Spokane Falls Blvd, Spokane, WA 99201**
- h. Leasehold Excise Tax. Because both parties hereto are municipal corporations exempt from property taxes, this Lease is not subject to the Leasehold Excise Tax established under RCW 82.29A.

## 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 physical or structural condition of the Premises or the condition of all mechanical, electrical, and other systems on the Premises. 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, Designated Upgrades, and repairs to the Premises and acknowledges that the time needed to complete any such items shall not delay the Commencement Date.

c. Tenant Improvements. All tenant improvements to be completed by Tenant as set forth in Exhibit E hereto (the "Tenant's Work"), shall be the Tenant's responsibility for design, payment, and performance of all such work. Tenant shall be deemed to have accepted the Premises in their then condition. At the conclusion of the Lease, Tenant shall return the Premises to its use prior to the Lease or shall remove any Tenant Improvements unless the parties agree otherwise in writing.

### **3. TERM.**

The term of this Lease shall commence on the Commencement Date specified in Section 1.

a. Early Possession. Tenant currently occupies a portion of the Premises. Such 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. Tenant's obligations under this Lease arise regardless of Tenant delaying occupation of the entire Premises.

c. Early Termination (Recapture). Landlord may terminate this Lease and recapture the Premises prior to the termination date if the Premises become necessary for fire protection/EMS purposes in Landlord's reasonable discretion. Such termination shall be preceded by not less than five (5) months' prior written notice to Landlord to Tenant.

d. Option to Extend. With the approval of the Landlord, the Tenant may extend this Lease for an additional six-month period if Tenant notifies the Landlord in writing of its intent to exercise this option no later than 120 days prior to the Termination Date.

### **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 the Commencement Date and shall also pay any other additional payments due to Landlord ("Additional Rent"), including assessments 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.

b. 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.

c. **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.** No security deposit is required under 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 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 because of the Permitted Use, and Tenant shall be responsible for making any changes or Designated Upgrades as may be required by law, rule, regulation, or order for Tenant's Permitted Use at its sole cost and expense.

**8. ASSESSMENTS.** Tenant shall within 60 days of notice from Landlord reimburse to Landlord the amount of all assessments levied against the Property that are attributable to Premises, calculated based on relative square footage of land. Tenant shall pay all assessments, liens and license fees levied, assessed or imposed by any authority having the direct or indirect power to assess or attached any such liens, related to or required by Tenant's use of the Premises. Tenant shall remain liable for any taxes or assessments on its personal property located on the Premises.

## 9. COMMON AREAS.

- a. 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.

**10. DESIGNATED UPGRADES.** Tenant may make alterations, additions, or improvements to the Premises, referred to as "Tenant Upgrades" only with the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned, or delayed. Landlord shall have thirty (30) days in which to respond to Tenant's request for any Tenant Upgrades so long as such request includes the name of Tenant's contractors and reasonably detailed plans and specifications therefor. Tenant shall perform all work at Tenant's expense and in compliance with all applicable laws and shall complete all Designated Upgrades 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 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 Tenant Upgrades at the end of the Lease term unless



Landlord conditioned its consent on leaving a specified Alteration at the Premises, in which case Tenant shall not remove such Alteration, and it shall become Landlord's property. Such consent shall be given at the time the Landlord approves the Tenant Upgrade in writing. Tenant shall immediately repair any damage to the Premises caused by removal of Tenant Upgrades. Tenant may recover the reasonable cost of Tenant Upgrades remaining on the Premises upon written request of the Landlord, upon termination of the Lease.

Landlord anticipates making upgrades to the premises consisting of the parking lot, sidewalk/ADA, drainage and related safety/access upgrades identified in Exhibit D (collectively, "Premises Upgrades") Landlord shall be responsible for all aspects of the Premises Upgrades, subject to the terms and conditions set forth herein..

The Tenant shall remit to Landlord a lump sum payment of 12.62% of the aforementioned Premises Upgrades, no later than thirty (30) days after completion of those Premises Upgrades.

**11. REPAIRS AND MAINTENANCE; SURRENDER.** Tenant shall, at its sole expense, maintain the leased square footage of the Premises in good condition and promptly make all ordinary repairs and replacements necessary to keep the Premises safe and in good condition. The parties acknowledge that this agreement is a ground lease, and as such Landlord shall be responsible to maintain the premises in such a condition that enables Tenant to use of the space as set forth in this Lease, but has no obligation to make ordinary repairs or maintenance obligations required of Tenant. 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. Landlord shall first provide Tenant with a written description of the deficiencies in the Tenant's obligations as to repairs and maintenance, so as to give Tenant no less than ten calendar days to correct any deficiencies. 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.

**12. 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, Premises Upgrades or improvements at Landlord's expense except when such repairs, inspections, Premise Upgrades or improvements are necessitated by Tenant's misuse of the Premises, 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 or Tenant 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.

### **13. DESTRUCTION OR CONDEMNATION.**

a. **Damage and Repair.** Damage to the Premises or improvements thereon shall not relieve Tenant of the obligation to pay Rent except as provided below. If as a result of fire or other casualty the improvements on the Premises are rendered 50% unoccupiable then Tenant may, within thirty days of the date of fire or casualty, elect to terminate this Lease by sending written notice of such election to Landlord. Tenant shall be obligated to remove improvements as otherwise required under this Lease.

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.

### **14. 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 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. If the Term of this Lease is extended, at each extension the amount and type of coverage required herein shall be updated to then current industry standard coverages.

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 not be required to carry any insurance under this Lease.

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.

f. In the alternative to the insurance requirements above, Landlord shall accept Tenant's documentation that Tenant is self-insured with coverage through its excess insurance carriers, provided that Tenant's insurance shall be at or better than the limitations set forth above.

## **15. INDEMNIFICATION.**

a. Indemnification by Tenant. Tenant shall defend, indemnify, and hold Landlord and its property manager (if 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 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 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. Neither party shall be deemed to be an agent of the other during the performance of this lease.

c. Waiver of Immunity. Landlord and Tenant each specifically and expressly waive any immunity that each may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. Neither party's indemnity obligations under this Lease shall 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. Exemption of Landlord from Liability. Except to the extent of claims arising out of Landlord's negligence, wrongful act, omission 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.

e. Survival. The provisions of this Section 15 shall survive expiration or termination of this Lease.

**16. 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 consent may be withheld in Landlord's sole discretion. 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. A "Transfer" shall not include a merger or consolidation by Tenant with another public agency. 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.

**18. 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 shall indemnify and hold Landlord harmless from liability for any such liens including, without limitation, liens arising from any Designated Upgrades. 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.

**19. 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 sixty (60) consecutive days without prior notice to Landlord), or abandonment by Tenant of the Premises (defined as an absence of ninety (90) 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. 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.

**20. 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, as in the case in section 3.c, 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, acknowledging a duty to mitigate damages pertaining to said expulsion or removal. 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 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.

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

**22. 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. The aforementioned increase in the rental rate shall not commence until 30 days after Tenant holds over.

**23. 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 or email 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.

**24. 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.

**25. TRANSFER OF LANDLORD'S INTEREST.** This Lease shall not be assignable by Landlord without the consent of Tenant, which shall not be unreasonably condition or delayed. 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, 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, although the transferee must expressly assuming all obligations of this Lease prior to such assignment.

**26. 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.

**27. 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.

**28. HAZARDOUS MATERIALS.** 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 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. Tenant shall not be liable for Hazardous Materials determined to exist on the Premises prior to Tenant's use of the Premises.

**29. 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 subject to the terms of this Lease.

**30. 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.

### **31. 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 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.

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.

l. Utilities/Building Maintenance. Landlord shall be responsible for maintenance and payment of all utilities including, but not limited to, electricity and heating and cooling. Landlord shall also be responsible for snow removal and landscaping/watering. Upon monthly invoice, Tenant shall pay its pro rata share of utilities based upon its proportionate share of the square footage used on the Property. By way of example only: If the monthly utilities cost \$1,000, and Tenant occupies 13% of the Property, Tenant shall remit \$130 in monthly utilities after invoice by the Landlord.

**32. Conflicts.** In the event of any conflict between the interlocal agreement executed and this Lease, the terms of this Lease shall control.

**33. AGENCY DISCLOSURE.** At the signing of this Lease, neither party is represented by a broker. Any agreement with any broker shall be set forth in a separate writing, pursuant to RCW 18.86.080 or any recodification thereof. This Lease shall not be construed to provide for compensation to any broker.

**34. WARRANTIES.** LANDLORD HAS 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, ALTHOUGH LANDLORD MUST REPORT TO TENANT OF ALL KNOWN OR REASONABLY DISCOVERABLE DEFECTS OF THE PREMISES. 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.

**35. EXHIBITS.** The following exhibits are incorporated into this Lease as if fully set forth herein:

Exhibit A: Floor Plan Outline of the Premises

Exhibit B: Legal Description/Depiction of the Property and Site Areas

Exhibit C: Operating Cost Allocation/Percentages and Utility Metering

Exhibit D: Designated Upgrades (Scope/Schedule)

Exhibit E: Tenant's Work (Build-Out Scope)

Exhibit F: City Services

### SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this Lease as of the Effective Date.

LANDLORD: SPOKANE COUNTY FIRE PROTECTION DISTRICT NO. 9

By: Matthew Vinci

Title: Fire Chief

Approved as to Form: Eric Quinn (Landlord's Attorney)

TENANT: THE CITY OF SPOKANE

By: Maggie Yates

Title: Assistant City Administrator

Approved as to Form: Elizabeth Schoedel (Tenant's Attorney)



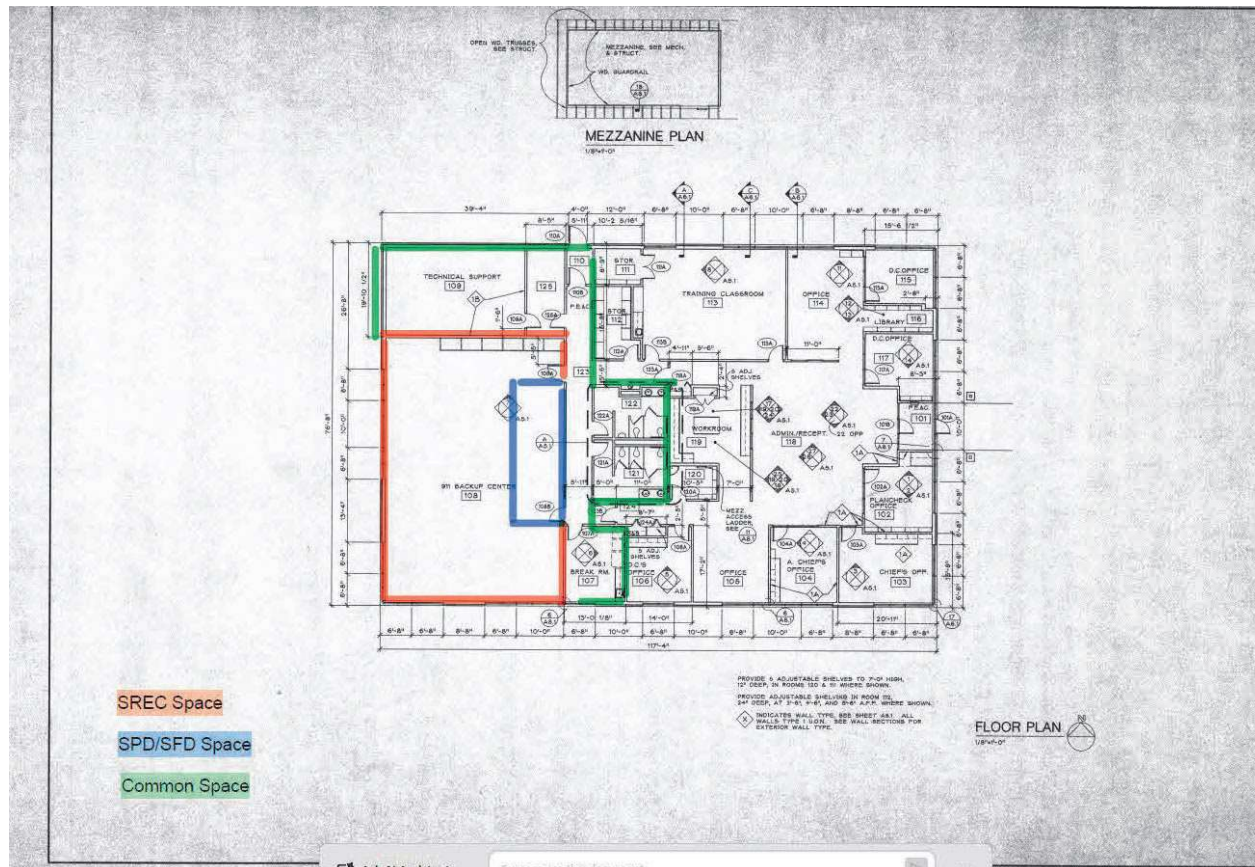


Exhibit B: Legal Description/Depiction of the Property and Site Areas

3801 East Farwell, Mead Washington 99021

Spokane County Fire Protection District Administrative Offices

### Exhibit C: Operating Cost Allocation/Percentages and Utility Metering

Rent will be assessed at \$1 per sq/ft per month rent for both tenants along with the percentage of M&O for the space allocated to each tenant: The interior space for the BUC/common areas total 3555.5 sq/ft. SPD/SFD's area is 12.62%, or 448.64 sq/ft of the BUC and common area space.

The City's rent will be \$448.64 per month. The City will be responsible for 12.62% of the M&O of the allocated space.



Exhibit D: Designated Upgrades (Scope/Schedule)

1. Parking Lot Upgrades ( to be completed by 11/15/25)
2. Walkway Upgrades ( to be completed by 11/1/25)
3. Building Security Upgrades ( to be completed by 11/15/25)
4. Tree & Stump Removal for Parking Lot Upgrades (completed by 11/15/25)

Exhibit E: Tenant’s Work (Build-Out Scope)

## Exhibit F: City of Spokane Services

## Certificate Of Completion

Envelope Id: 7D6F6834-B30F-473D-8CE8-A9FEA8FE9192

Status: Completed

Subject: OPR 2025-0845 - INTERLOCAL AGREEMENT - LEASE FOR USE OF SPACE SPOKANE CO FPD NO. 9

Source Envelope:

Document Pages: 31

Signatures: 9

Envelope Originator:

Certificate Pages: 5

Initials: 0

Daniel Rose

AutoNav: Enabled

Stamps: 1

808 W. Spokane Falls Blvd.

Envelopeld Stamping: Enabled

Spokane, WA 99201

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

drose@spokanecity.org

IP Address: 155.190.3.6

## Record Tracking

Status: Original

Holder: Daniel Rose

Location: DocuSign

12/16/2025 1:34:12 PM

drose@spokanecity.org

## Signer Events

## Signature

## Timestamp

Terri L. Pfister

Sent: 12/16/2025 1:59:11 PM

tpfister@spokanecity.org

Viewed: 12/16/2025 2:56:02 PM

City Clerk

Signed: 12/16/2025 2:56:12 PM

City of Spokane

Signature Adoption: Uploaded Signature Image  
Using IP Address: 155.190.3.7

Security Level: Email, Account Authentication (None)

## Electronic Record and Signature Disclosure:

Not Offered via Docusign

Eric Quinn

Sent: 12/17/2025 9:05:30 AM

ericquinn@firehouselawyer2.com

Viewed: 12/17/2025 10:21:21 AM

Quinn and Quinn, P.S.

Signed: 12/17/2025 10:21:38 AM

Security Level: Email, Account Authentication (None)

Signature Adoption: Pre-selected Style  
Using IP Address:  
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## Electronic Record and Signature Disclosure:

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Matthew Vinci

Sent: 12/16/2025 2:56:13 PM

MVinci@scfd9.org

Resent: 12/17/2025 10:21:39 AM

Fire Chief

Viewed: 12/16/2025 2:56:48 PM

Security Level: Email, Account Authentication (None)

Signature Adoption: Pre-selected Style  
Using IP Address: 50.199.15.86

Signed: 12/17/2025 11:58:23 AM

## Electronic Record and Signature Disclosure:

Accepted: 12/16/2025 2:56:48 PM

ID: c9819417-6ea3-4856-b543-f2095698c081

Elizabeth Schoedel

Sent: 12/17/2025 11:58:25 AM

eschoedel@spokanecity.org

Viewed: 12/17/2025 12:54:56 PM

Assistant City Attorney - approved as to form only

Signed: 12/17/2025 12:56:49 PM


Security Level: Email, Account Authentication (None)

Signature Adoption: Pre-selected Style  
Using IP Address: 155.190.3.8

## Electronic Record and Signature Disclosure:

Accepted: 12/17/2025 12:54:56 PM

ID: ad32ba7c-d955-495d-a533-79a1073b459a

Signer Events	Signature	Timestamp
Maggie Yates myates@spokanecity.org Assistant City Administrator Security Level: Email, Account Authentication (None)	  Signature Adoption: Pre-selected Style Using IP Address: 155.190.3.6	Sent: 12/17/2025 12:56:51 PM Resent: 12/19/2025 8:04:45 AM Viewed: 12/19/2025 9:48:57 AM Signed: 12/19/2025 9:49:11 AM

**Electronic Record and Signature Disclosure:**  
Accepted: 12/19/2025 9:48:57 AM  
ID: 58b62350-ed6d-4685-841e-a1aabc255627

Terri L. Pfister  
tpfister@spokanecity.org  
City Clerk  
City of Spokane  
Security Level: Email, Account Authentication (None)




Signature Adoption: Uploaded Signature Image  
Using IP Address: 155.190.3.7

Sent: 12/19/2025 9:49:13 AM  
Viewed: 12/19/2025 4:39:09 PM  
Signed: 12/19/2025 4:39:41 PM

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	12/16/2025 1:59:12 PM
Envelope Updated	Security Checked	12/17/2025 9:05:29 AM
Envelope Updated	Security Checked	12/17/2025 9:05:29 AM
Envelope Updated	Security Checked	12/17/2025 9:05:29 AM
Envelope Updated	Security Checked	12/17/2025 9:05:29 AM
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Envelope Updated	Security Checked	12/17/2025 9:05:29 AM
Envelope Updated	Security Checked	12/17/2025 9:05:30 AM
Envelope Updated	Security Checked	12/17/2025 9:05:30 AM
Certified Delivered	Security Checked	12/19/2025 4:39:09 PM
Signing Complete	Security Checked	12/19/2025 4:39:41 PM
Completed	Security Checked	12/19/2025 4:39:41 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

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Browsers:	Final release versions of Internet Explorer® 6.0 or above (Windows only); Mozilla Firefox 2.0 or above (Windows and Mac); Safari™ 3.0 or above (Mac only)
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Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	Allow per session cookies

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