



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

April 24, 2017

Ordinance 18502

Proposed No. 2017-0002.2

Sponsors Upthegrove

1 AN ORDINANCE authorizing the execution of the
2 amendment and assignment of a lease in the Central
3 Building, to support the operations and services of the
4 department of public defense.

5 STATEMENT OF FACTS:

- 6 1. The department of public defense needs the space to support the
7 operations and services of its The Defenders Association.
- 8 2. The facilities management division determined on March 31, 2016, that
9 there was not an appropriate county-owned option.
- 10 3. The facilities management division determined, through consultation
11 with the department, that continued leasing was the most cost-effective
12 option for the county.
- 13 4. The facilities management division successfully negotiated to amend
14 and assign the lease in the Central Building, located at 810 Third Avenue,
15 Seattle, Washington, within council district eight.

16 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

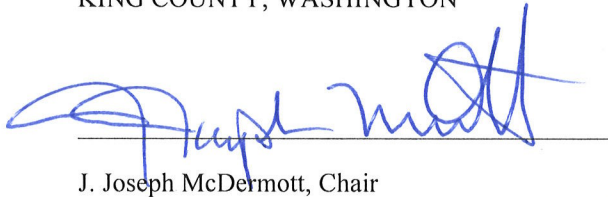
17 SECTION 1. The executive is authorized to execute an amendment and
18 assignment of a lease in the Central Building with KB SOR Central Building, LLC,

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

Ordinance 18502 was introduced on 1/9/2017 and passed by the Metropolitan King County Council on 4/24/2017, by the following vote:

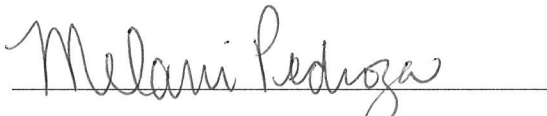
Yes: 8 - Mr. von Reichbauer, Mr. Gossett, Ms. Lambert, Mr. Dunn,
Mr. McDermott, Mr. Dembowski, Mr. Upthegrove and Ms. Balducci
No: 0
Excused: 1 - Ms. Kohl-Welles

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



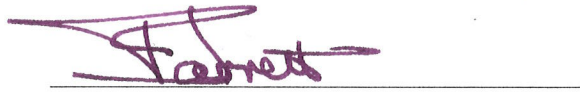
J. Joseph McDermott, Chair

ATTEST:



Melani Pedroza, Acting Clerk of the Council

APPROVED this 27th day of April, 2017.



Dow Constantine, County Executive

RECEIVED
2017 APR 28 PM 3:29
KING COUNTY COUNCIL
CLERK

Attachments: A. Amendment and Assignment of Lease, dated April 20, 2017

ATTACHMENT A

AMENDMENT AND ASSIGNMENT OF LEASE, DATED APRIL 20, 2017

THIRD AMENDMENT TO AND ASSIGNMENT OF OFFICE LEASE – GROSS

This Third Amendment to and Assignment of Office Lease - Gross (this "Third Amendment") is made and entered into by and between **KBS SOR CENTRAL BUILDING, LLC**, a Delaware limited liability company (hereinafter "Landlord"), **PUBLIC DEFENDER ASSOCIATION**, a Washington non-profit corporation, formerly known as The Defender Association ("Public Defender" [as "Tenant" under the Original Lease, as amended, prior to the Effective Date]), and **KING COUNTY, WASHINGTON** ("King County" [as "Tenant" under the Original Lease, as amended, on and after the Effective Date]), to be dated on and as of the date on which the Landlord executes this Third Amendment, as set forth on the signature page hereto (the "Effective Date").

RECITALS:

WHEREAS, Landlord and Public Defender are parties to that certain Office Lease – Gross, dated July 5, 2005, originally entered into by and between 350, L.L.C., a Washington limited liability company, and Central Promoter LLC, a Washington limited liability company (collectively, the "Original Landlord"), as landlord, and The Defender Association, as tenant (the "Original Lease"), as subsequently amended by that certain (i) First Amendment to Lease, dated as of September 22, 2010, executed by I&G Central, L.L.C., a Delaware limited liability company ("I&G"), as landlord, and The Defender Association, as tenant (the "First Amendment"), and (ii) Second Amendment to Lease, dated as of May 30, 2012, between I&G, as landlord, and The Defender Association, as tenant (the "Second Amendment"; the Original Lease, as amended by the First Amendment and the Second Amendment, being hereinafter collectively referred to as the "Lease"), pursuant to which Public Defender leases from Landlord that certain 21,526 rentable square feet of space [being comprised of the following: (i) 624 rentable square feet of space in Suite 723 on the seventh (7th) floor, (ii) 20,367 rentable square feet of space in Suite 800 on the eighth (8th) floor, and (iii) 535 rentable square feet of space comprising the entire penthouse level] (such space being defined in the Second Amendment as the "Remaining Space" and referred to herein as the "Premises"), in the building commonly known as the Central Building (the "Building") and located at 810 Third Avenue, Seattle, Washington 98104; and

WHEREAS, Landlord and Public Defender were parties to that certain Storage Lease dated as of January 14, 2011, originally entered into by and between I&G and The Defender Association (the "Storage Lease"), pursuant to which, in addition to the Premises, Public Defender also leased from Landlord that certain 1,294 rentable square feet of storage space, designated as Suite C02 in the Building, on a month-to-month basis. The parties agree that the Storage Lease terminated in 2016; and

WHEREAS, Landlord has succeeded to all of the rights, interests and obligations of Original Landlord and I&G under the Lease; and

WHEREAS, pursuant to the terms of the First Amendment, the Lease Term of the Lease (being defined therein as the "Extension Term") expires on December 31, 2021; and

WHEREAS, Public Defender desires to assign all of its right, title and interest in and to the Lease to King County, and King County desires to accept such assignment and assume

Public Defender's obligations under the Lease and Landlord, Public Defender and King County desire to evidence such assignment and assumption, subject to the terms and conditions set forth herein; and

WHEREAS, in addition to the above referenced assignment, Landlord and King County desire to further amend the Lease as more particularly described hereinbelow;

AGREEMENT:

NOW, THEREFORE, pursuant to the foregoing, and in consideration of the mutual covenants and agreements contained in the Lease and herein, the Lease is hereby modified and amended as of the Effective Date as set out below:

1. All capitalized terms used herein shall have the same meaning as defined in the Lease, unless otherwise defined in this Third Amendment. In the event of a conflict between the Lease (as amended) and this Third Amendment, the Third Amendment shall take precedence over the Lease. The Recitals set forth above are true and correct and are herein incorporated into and made a part of this Third Amendment.

2. Landlord, Public Defender and King County, hereby agree as follows:

(a) Effective on and as of the Effective Date, Public Defender hereby assigns, transfers, and sets over unto King County all of Public Defender's right, title and interest in, to and under the Lease (as assigned and amended hereby), and the Premises, including, without limitation, all of Public Defender's right, title and interest in and to all amounts, if any, deposited by Public Defender with Landlord under the Lease. Upon the full execution of this Third Amendment by all parties hereto, Landlord hereby agrees that Public Defender shall be released from all obligations of the "tenant" under the Lease to (x) pay any rental or other sums becoming due and payable under the Lease on or after the Effective Date, and (y) perform any obligations of the "tenant" under the Lease that become performable on or after the Effective Date;

(b) Effective on and as of the Effective Date, King County hereby accepts the assignment of all of Public Defender's right, title and interest in, to and under the Lease (as assigned and amended hereby), and the Premises, as provided in Section 2(a) of this Third Amendment (including, without limitation, all of Public Defender's right, title and interest in and to all amounts, if any, deposited by Public Defender with the Landlord under the Lease), and notwithstanding anything herein to the contrary, King County hereby assumes all of the obligations of the "tenant" under the Lease (as assigned and amended hereby, and as may be hereafter amended) to (i) pay all rentals and other amounts which first become due and payable under the Lease (as assigned and amended hereby, and as may be hereafter amended) from and after the Effective Date, and (ii) perform all other obligations of the "tenant" under the Lease (as assigned and amended hereby and as may be hereafter amended), arising or accruing on or after the Effective Date (including, without limitation, all obligations of the "tenant"

under the Lease (as assigned and amended hereby, and as may be hereafter amended);

(c) Landlord hereby consents to Public Defender's assignment of all of its right, title and interest in, to and under the Lease (as assigned and amended hereby) to King County, effective on and as of the Effective Date, pursuant to the terms and conditions set forth in this Third Amendment;

(d) Landlord has entered into this Third Amendment to, among other things, evidence its consent to Public Defender's assignment of all of its right, title and interest in, to and under the Lease (as assigned and amended hereby) to King County on and as of the Effective Date, pursuant to the terms and conditions set forth in this Third Amendment. By executing this Third Amendment, except as expressly set forth herein, Landlord shall not be deemed to have waived any rights under the Lease regarding Public Defender nor shall Landlord be deemed to have waived Public Defender's or King County's obligations to obtain any required consents under the Lease, if any, other than consent to the assignment contained in this Third Amendment. There shall be no further subletting or assignment of all or any portion of (i) the Premises demised under the Lease, except in accordance with the terms and conditions of the Lease (as assigned and amended hereby); and

(e) Public Defender, King County and Landlord further confirm and ratify that, as of the Effective Date hereof, Public Defender, King County and Landlord have no claims, counterclaims, set-offs or defenses against each other arising out of the Lease or in any way relating thereto or arising out of any other transaction between Landlord, Public Defender and King County. It is understood and agreed that the term "tenant", as used herein and in the Lease, shall mean and refer to (i) at all times prior to the Effective Date, Public Defender, and (ii) from and after the Effective Date, King County.

3. Landlord and King County acknowledge and agree that, as of the Effective Date, King County shall pay Rental (both Minimum Monthly Rent and Tenant's Share of increases in Real Property Taxes and Operating Costs) throughout the remainder of the Extension Term (expiring on December 31, 2021) in accordance with the terms of Section 3 of the Second Amendment.

4. King County hereby agrees to accept the Premises on the Effective Date, in its existing "AS-IS", "WHERE-IS" and "WITH ALL FAULTS" condition, and King County acknowledges that Landlord shall have no obligation to refurbish or otherwise improve the Premises at any time through the expiration of the Extension Term, except as may be required pursuant to the Lease.

5. Section 17(b) of the Original Lease is hereby amended by: (1) deleting the introductory phrase "Notwithstanding Section 17(a) above, in" and replacing it with "In"; and (2) deleting the phrase "as set forth in in Section 17(a)" in the fifth line of this Section 17(b).

6. Section 25(i) of the Original Lease is hereby amended by deleting the two references "Section 26" (at the first and penultimate lines) and replacing them with "Section 25".

7. Section 12(a) of the First Amendment is hereby amended by deleting the title of that Section and replacing it with "Indemnification Obligations."

8. Section 12(f) of the First Amendment is hereby amended by deleting the title of that Section and the entirety of the text and replacing it with the following:

Waiver of Subrogation. Landlord hereby waives and releases any right to recovery (including by way of subrogation) against Tenant, its officers, employees and agents, for any loss or damage sustained by Landlord with respect to the Building, Property or Premises or any portion thereof or the contents of the same or any operation therein, to the extent such loss or damage is actually insured against or is required hereunder to be insured against.

9. A new Section 12(g) is hereby added to the First Amendment as follows:

Notwithstanding anything in the Lease to the contrary, as of the Effective Date, Tenant shall have the right to self-insure for the insurance required in Sections 12(b), 12(d) and 12(e) of the First Amendment, subject to and in accordance with the following terms and conditions:

(i) "Self-insure" shall mean that Tenant is itself acting as though it were the insurance company providing the insurance required under the provisions hereof and Tenant shall pay any amounts due in lieu of insurance proceeds which would have been payable if the insurance policies had been carried, which amounts shall be treated as insurance proceeds for all purposes under the Lease.

(ii) All amounts which Tenant pays or is required to pay and all loss of or damages to property resulting from risks for which Tenant has elected to self-insure shall be subject to the waiver of subrogation provisions set forth in Section 12(f) of the First Amendment.

(iii) In the event that Tenant elects to self-insure and an event or claim occurs for which a defense and/or coverage would have been available from the insurance company, then Tenant shall:

(1) undertake the defense of any such claim, including a defense of Landlord, at Tenant's sole cost and expense; and

(2) use its own funds to pay any claim or replace any property or otherwise provide the funding which would have been available from insurance proceeds but for such election by Tenant to self-insure.

(iv) If Tenant elects to self-insure, it shall provide Landlord with a letter to that effect, and Landlord shall acknowledge, in writing, Tenant's election to self-insure.

(v) Notwithstanding anything in the Lease, the First Amendment or Second Amendment to the contrary, (1) each party's indemnification obligation to the other party as to third party claims shall be limited to the extent of its own negligent acts or omissions, or the negligent acts or omissions of its own employees, agents, contractors, tenants, or subtenants; and (2) each party's monetary obligation to indemnify and hold harmless the other party shall be reduced by the amount of property insurance proceeds, if any, received by the other party being indemnified, and such insurance-based reduction shall be limited to property claims.

10. Landlord's Address for Notice in Section 1(n) of the Original Lease is hereby amended by deleting and replacing it with the following:

KBS SOR Central Building, LLC
c/o Transwestern
810 Third Avenue, Suite 140
Seattle, Washington 98104

With a copy to:

KBS Capital Advisors, LLC
800 Newport Center Drive, Suite 700
Newport Beach, California 92660
Attn: Jeff Rader, Senior Vice President

11. Landlord's Address for Payment of Rent in Section 1(o) of the Original Lease is hereby amended by deleting and replacing it with the following:

Via U.S. Postal Service:
KBS SOR Central Building, LLC
P.O. Box 664016
Dallas, Texas 75266

Via Overnight Delivery:
KBS SOR Central Building, LLC
ATTN: 664016
12720 Hillcrest Road #115
Dallas, Texas 75230

or to such other address as Landlord may designate in writing.

12. Tenant's Address for Notice as set forth in Section 1(p) of the Original Lease is hereby amended by deleting and replacing it with the following:

King County
Facilities Management Division
500 Fourth Avenue, Suite 800
Seattle, Washington 98104
Attn: Manager, Real Estate Services

13. A new Section 45 is hereby added to the Lease as follows:

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

14. With the exception of those terms and conditions specifically modified and amended herein, the herein referenced Lease shall remain in full force and effect in accordance with all their terms and conditions.

15. This Third Amendment may be executed in any number of counterparts, each of which shall be deemed an original, and all of such counterparts shall constitute one agreement. To facilitate execution of this Third Amendment, the parties may execute and exchange electronic transmission (e-mail) or facsimile counterparts of the signature pages and such e-mail or facsimile counterparts shall serve as originals.

[SIGNATURE PAGE TO FOLLOW]

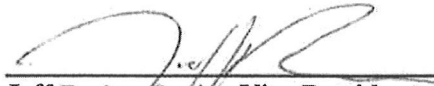
THIRD AMENDMENT TO OFFICE LEASE - GROSS
BY AND BETWEEN KBS SOR CENTRAL BUILDING, LLC;
KING COUNTY, WASHINGTON; AND
PUBLIC DEFENDER ASSOCIATION

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment to Office Lease to be effective as of the Effective Date.

LANDLORD:

**KBS SOR CENTRAL BUILDING, LLC,
a Delaware limited liability company**

**By: KBS Capital Advisors, LLC,
a Delaware limited liability company,
as its authorized agent**

By: 
Jeff Rader, Senior Vice President

Date: 3/28, 2017

KING COUNTY:

KING COUNTY, WASHINGTON

By: _____
Name: _____
Title: _____

Date: _____, 2017

PUBLIC DEFENDER:

**PUBLIC DEFENDER ASSOCIATION,
a Washington non-profit corporation**

By: _____
Name: _____
Title: _____

Date: _____, 2017

THIRD AMENDMENT TO OFFICE LEASE - GROSS
BY AND BETWEEN KBS SOR CENTRAL BUILDING, LLC;
KING COUNTY, WASHINGTON; AND
PUBLIC DEFENDER ASSOCIATION

STATE OF CALIFORNIA)
)ss.
COUNTY OF Orange)

I certify that I know or have satisfactory evidence that **JEFF RADER** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Senior Vice President of KBS Capital Advisors, LLC, a Delaware limited liability company, as the authorized agent of **KBS SOR CENTRAL BUILDING, LLC**, a Delaware limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: March 28, 2017.



Laurie Selwitz
(Signature)
Laurie Selwitz
(Print Name)
Notary Public, in and for the State
of California, residing at Newport Beach
My Commission Expires 2/11/19

STATE OF WASHINGTON)
)ss.
COUNTY OF _____)

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

Dated: _____, 2017.

(Signature)

(Print Name)
Notary Public, in and for the State
of Washington, residing at _____
My Commission Expires _____