**Proposed No.** 2023-0422.1

1200 King County Courthouse 516 Third Avenue Seattle, WA 98104

**Sponsors** McDermott and Zahilay



# **KING COUNTY**

# **Signature Report**

## Ordinance 19743

1 AN ORDINANCE authorizing the execution of an 2 amendment to an existing lease to support the operation of 3 the department of community and human services. STATEMENT OF FACTS: 4 5 For the lease amendment from Seattle South Business Park, LLC, located at 645 Andover Park W, Tukwila, within council district five, the facilities 6 7 management division determined that there was not an appropriate county-8 owned option and successfully negotiated an amendment to an existing 9 lease. 10 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY: 11 SECTION 1. The executive is authorized to execute an amendment to an existing 12 lease for the property located at 645 Andover Park W, Tukwila, with Seattle South

Attachments: A. Lease Amendment

- 13 Business Park, LLC, substantially in the form of Attachment A to this ordinance, and to
- take all actions necessary to implement the terms of the lease.

Ordinance 19743 was introduced on 11/28/2023 and passed by the Metropolitan King County Council on 3/12/2024, by the following vote:

Yes: 8 - Balducci, Barón, Dembowski, Dunn, Perry, Upthegrove, von Reichbauer and Zahilay Excused: 1 - Mosqueda

KING COUNTY COUNCIL KING COUNTY, WASHINGTON

	Docusigned by:
	E76CE01F07B14EF
	Dave Upthegrove, Chair
ATTEST:	
DocuSigned by:	
Melani Hay	
	-
APPROVED this day of <u>3/14/2024</u>	_,
	Dow Contact
	4FBCAB8196AE4C6 Dow Constantine, County Executive

Ordinance 19743

# **ATTACHMENT A:**

LEASE AMENDMENT

#### FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT ("First Amendment") reference dated July 27, 2023, is made and entered into between **SEATTLE SOUTH BUSINESS PARK, LLC,** successor in interest to SOUTH SEATTLE BUSINESS PARK 2017 LLC, successor in interest to SOUTHCENTER CORPORATE SQUARE, LLC, a Washington limited liability company ("Landlord"), and **KING COUNTY** ("Tenant"), a home rule charter county and political subdivision of the State of Washington. Landlord and Tenant are sometimes referred to herein individually as a "Party" and together as the "Parties."

#### **RECITALS**

- A) Southcenter Corporate Square LLC, as predecessor in interest to Landlord, and Tenant entered into that certain Lease Agreement ("Lease") dated August 25, 2017 for office space located at Parkwest Commons, Building 6, 645 Andover Park West, Tukwila, Washington 98188, consisting of approximately 20,296 rentable square feet.
- B) The Lease was for an eighty-nine (89) month Initial Term with a Commencement Date of December 16, 2017, and an Expiration Date of May 31, 2025, with one (1) option to extend for a period of five (5) years.
- C) The Parties have executed a separate Lease Agreement reference dated July 27, 2023 ("Building 5 Lease") for office space located within the same Center as the Premises at Building 5, 625 Andover Park West, Tukwila, Washington 98188. The Building 5 Lease's initial term is sixty (60) months, with a target commencement date of January 1, 2024, with one (1) option to extend for a period of sixty (60) months.
- D) The Parties desire to coordinate the expiration date(s) of the Lease and the Building 5 Lease and synchronize the respective extension options of the two leases to expire on the same date.
- E) In order to effectuate the above intentions, the Parties have agreed to amend the Lease to modify the existing option of the Lease and add an additional second option to extend the Term of the Lease as set forth herein.
- F) Capitalized terms which are used in this First Amendment without definition have the meanings given to them in the Lease.
- G) The Parties desire to amend the Lease pursuant to the terms and conditions set forth below.

#### [THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK.]

#### **AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual covenants and agreements contained in this First Amendment and other good and valuable consideration, the receipt and sufficiency of such are hereby acknowledged, Landlord and Tenant hereby agree as follows:

## 1. <u>Revised Extension Options</u>.

Section 3.4 of the Lease is deleted in its entirety and replaced with the following:

3.4 <u>Extension Options</u>. Tenant is hereby granted two options to extend the initial Term, each an ("Extension Option"):

Option 1: The first Extension Option ("First Extension Option") shall begin June 1, 2025 and shall terminate on the same date as the Expiration Date of the Building 5 Lease which shall be confirmed in writing by both Parties within fifteen (15) days following the establishment of the Lease Commencement Date of the Building 5 Lease.

Option 2: The second Extension Option ("Second Extension Option") shall begin on the first day following the Expiration Date of the First Extension Option and shall terminate on the last day of the calendar month that is sixty (60) months following the first day of the Second Extension Option.

Each Extension Option may be exercised by Tenant only by giving Landlord written notice no later than six (6) months prior to the expiration of the then current Term. Each Extension Option shall apply to all of the Premises then leased by Tenant under this Lease. From and after the commencement of each Extension Option, all of the terms, covenants, and conditions of this Lease shall continue in full force and effect as written, except that Base Rent for each Extension Option shall be the then-prevailing Fair Market Rent (defined below) and free rent and Tenant Improvement allowance shall be consistent with fair market value for comparable and competing new leases in buildings in the submarket. The term "Fair Market Rent" for the purposes of this Lease shall mean the annual amount per rentable square foot that a willing, comparable, new, non-expansion, non-renewal, non-equity tenant would pay, and a willing, comparable landlord of a comparable building in the greater Renton and Tukwila submarket would accept under the transaction as further defined above, for new leases of similar space in the same geographic area as the Premises, considering, size, use type, and creditworthiness of tenant on or about the date on which the Fair Market Rent is being determined hereunder.

Within thirty (30) days of Tenant notifying Landlord that it intends to exercise an Extension Option under this Section 3.4, Landlord will advise Tenant in writing of its

proposed Fair Market Rent. If Landlord and Tenant are unable to agree on a mutually acceptable Fair Market Rent not later than ninety (90) days prior to the expiration of the Term, then Landlord and Tenant, within five (5) days after such date, shall each simultaneously submit to the other, in a sealed envelope, its good faith estimate of the Fair Market Rent for the Premises (collectively referred to as the "Estimates"). If the higher of such Estimates is not more than one hundred five percent (105%) of the lower of such Estimates, then the Fair Market Rent shall be the average of the two Estimates. If the Fair Market Rent is not established by the exchange of Estimates, then, within ten (10) days after the exchange of Estimates, Landlord and Tenant shall each select a licensed commercial real estate appraiser to determine which of the two Estimates most closely reflects the Fair Market Rent for the Premises. Each appraiser shall have had at least seven (7) years' experience within the previous ten (10) years of his/her work experience as a commercial real estate appraiser working in Seattle, Washington with working knowledge of current rental rates and practices. For the purposes of this Section 3.4, either party may select a licensed commercial real estate broker to act as its appraiser. Landlord's and Tenant's appraisers shall work together in good faith to agree upon which of the two Estimates most closely reflects the Fair Market Rent for the Premises. The Estimates chosen by such appraisers shall be binding on both Landlord and Tenant. If the two appraisers cannot agree upon which of the two Estimates most closely reflects the Fair Market Rent within twenty (20) days after their appointment, then, within ten (10) days after the expiration of such twenty (20) day period, the appraisers shall select a third appraiser meeting the aforementioned criteria. Once the third appraiser (the "Arbitrator") has been selected as provided for above, then, as soon thereafter as practicable but in any case within fourteen (14) days, the Arbitrator shall make his or her determination of which of the two Estimates most closely reflects the Fair Market Rent and such Estimate shall be binding on both Landlord and Tenant as the Fair Market Rent. If the Arbitrator believes that expert advice would materially assist him or her, he or she may retain one or more qualified persons to provide such expert advice. Landlord and Tenant shall share equally in the costs of the Arbitrator and of any experts retained by the Arbitrator. Any fees of any appraiser, counsel or experts engaged directly by Landlord or Tenant, however, shall be borne by the party retaining such appraiser, counsel or expert.

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

## 2. Revised Extended Term(s).

Section 1.8 of the Lease is hereby deleted in its entirety and replaced with the following:

1.8 Extension Options: Two (2) extension options as defined in Section 3.4 below.

3. Revised Landlord's Address for Billing, Notices, and Payment of Rent.

Section 1.14 of the Lease is hereby deleted in its entirety and replaced with the following:

1.14 Landlord's Address for Billing, Notices, and Payment of Rent:

South Seattle Business Park, LLC 18230 E Valley Highway, Suite 195 Kent, WA 98032

And a copy to the following email address: Lease.ssbp@gmail.com

4. Revised Tenant's Address for Notices.

Section 1.15 of the Lease is hereby deleted in its entirety and replaced with the following:

1.15 Tenant's Address for Notices:

King County Attn: Lease Administration 500 4<sup>th</sup> Ave Suite 830 Seattle, WA 98104

And a copy to the following email addresses:

Email: <u>RES-LeaseAdmin@kingcounty.gov</u> Stephanie.Clabaugh@kingcounty.gov

Notwithstanding anything in Section 1.14 and this Section 1.15 to the contrary, a Party may provide notice by email only at the email address(es) set forth above or other electronic means with delivery confirmation or read receipt (or both) but the Party providing electronic notice shall bear the burden to prove the date that notice was delivered.

5. Revised Non-Discrimination.

Section 20 of the Lease is hereby deleted in its entirety and replaced with the following:

20. Non-Discrimination. Landlord shall not discriminate on the basis of race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression, sex, status as a family caregiver, military status or status as a veteran who was honorably discharged or who was discharged solely as a result of the person's sexual orientation or 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. 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, King County Charter Section 840, chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of 1964. Any violation of this provision shall be considered a default of this Lease and shall be grounds for cancellation, termination, or suspension, in whole or in part, of the Lease and may result in ineligibility for further agreements with King County. Notwithstanding anything to the contrary, Tenant shall be entitled to terminate this Lease effective upon written notice to Landlord in the event that Landlord violates the requirements of this Section 20.

- 6. <u>Contingency</u>. This First Amendment is contingent upon the mutual execution of the Building 5 Lease and confirmation of Lease Commencement Date thereof.
- 7. <u>Authority</u>. Each signatory of this First Amendment represents hereby that he or she has the authority to execute and deliver the same on behalf of the Party hereto for which such signatory is acting.
- 8. <u>Successors and Assigns</u>. This First Amendment shall extend to, be binding upon, and inure to the benefit of, the respective successors and permitted assigns and beneficiaries of the Parties hereto.
- 9. No Other Modification. Landlord and Tenant agree that except as otherwise specifically modified in this First Amendment, the Lease has not been modified, supplemented, amended, or otherwise changed in any way and the Lease remains in full force and effect between the Parties hereto as modified by this First Amendment. To the extent of any inconsistency, conflict or ambiguity between the terms and conditions of the Lease and the terms and conditions of this First Amendment, the terms and conditions of this First Amendment shall apply and govern the Parties.
- 10. <u>Severability</u>. Any provision of this First Amendment which shall be held invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.
- 11. <u>Counterparts</u>. This First Amendment may be executed in one or more counterparts, each of which shall be deemed original, and all of which together shall constitute one and the same instrument. The signatures to this First Amendment may be executed on separate pages and when attached to this First Amendment shall constitute one complete document. For purposes of this First Amendment, a signature by facsimile or electronic signature on a portable document format (PDF) or other electronic counterpart shall be fully binding as though it was an original signature.

All other terms, conditions, specifications and requirements of the Lease shall remain unchanged and in full effect, except as amended herein. The terms of this First Amendment shall control over any other inconsistent terms of the Lease.

**IN WITNESS WHEREOF,** the Parties hereby execute this First Amendment to Lease Agreement, effective as of the last day and year written below, ("Effective Date"):

## LANDLORD:

SEATTLE SOUTH BUSINESS PARK, LLC, a
Washington limited liability company
By: / Within el
Title Meguhee
Date: 7/31/2023
LANDLORD NOTARY
STATE OF WASHINGTON )
) ss.
COUNTY OF KING )
I certify that I know or have satisfactory evidence that Orristing lee
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 him as the Manager Member. of SEATTLE SOUTH
BUSINESS PARK, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.
voluntary act of such party for the uses and purposes mentioned in the instrument.
GIVEN UNDER MY HAND AND OFFICIAL SEAL this 3/90 day of
July , 2023.
21 Cal 1 1110
Print Name Church IV
Notary Public
My commission expires $\pm /(5/202)$ State of Washington Commission # 21017147

(Use this space for notarial stamp/seal)

TENANT:
KING COUNTY, a home rule charter county and political subdivision of the State of Washington
By:
Anthony O. Wright,
Director, Facilities Management Division
Date:
APPROVED AS TO FORM:
By:
Darren Thompson
Senior Deputy Prosecuting Attorney
TENANT NOTARY
STATE OF WASHINGTON )
COUNTY OF KING ) ss.
I certify that I know or have satisfactory evidence that Anthony O. Wright 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 Director of the Facilities Management Division of KING COUNTY, a home rule charter county and political subdivision of the State of Washington, to be the free and voluntary act of such Party for the uses and purposes mentioned in the instrument.
GIVEN UNDER MY HAND AND OFFICIAL SEAL this day of, 2023.
Notary Public
Print Name My commission expires
My commission expires
(Use this space for notarial stamp/seal)

**Certificate Of Completion** 

Envelope Id: A3F860E37E3440F3ADA45B0790ADD916

Subject: Complete with DocuSign: Ordinance 19743.docx, Ordinance 19743 Attachment A.pdf

Source Envelope: Document Pages: 2

Supplemental Document Pages: 8

Certificate Pages: 5 AutoNav: Enabled

Envelopeld Stamping: Enabled

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

Status: Completed

**Envelope Originator:** 

Cherie Camp

401 5TH AVE

SEATTLE, WA 98104

Cherie.Camp@kingcounty.gov

IP Address: 198.49.222.20

**Record Tracking** 

Status: Original

3/12/2024 5:54:32 PM

Security Appliance Status: Connected

Storage Appliance Status: Connected

Holder: Cherie Camp

Cherie.Camp@kingcounty.gov

Pool: FedRamp

Signatures: 3

Initials: 0

Pool: King County-Council

Location: DocuSign

Location: DocuSign

**Signer Events** 

Dave Upthegrove

dave.upthegrove@kingcounty.gov

Security Level: Email, Account Authentication

(None)

**Signature** 

) and Une E76CE01F07B14EF

Signature Adoption: Uploaded Signature Image

Using IP Address: 198.49.222.20

**Timestamp** 

Sent: 3/12/2024 5:55:32 PM Viewed: 3/13/2024 8:46:09 AM Signed: 3/13/2024 8:46:22 AM

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Accepted: 3/13/2024 8:46:09 AM

ID: 8826cad7-2093-4d5b-b0ba-6c68fd0c84ea

Melani Hay

melani.hay@kingcounty.gov

Clerk of the Council King County Council

Security Level: Email, Account Authentication

(None)

Melani Hay 8DE1BB375AD3422

Signature Adoption: Pre-selected Style Using IP Address: 198.49.222.20

Sent: 3/13/2024 8:46:23 AM Viewed: 3/13/2024 8:53:26 AM Signed: 3/13/2024 8:53:34 AM

**Electronic Record and Signature Disclosure:** 

Accepted: 9/30/2022 11:27:12 AM ID: 639a6b47-a4ff-458a-8ae8-c9251b7d1a1f

**Dow Constantine** 

Dow.Constantine@kingcounty.gov

King County Executive

Security Level: Email, Account Authentication

(None)

Dow Contati

Signature Adoption: Uploaded Signature Image

Using IP Address: 146.129.84.117

Sent: 3/13/2024 8:53:35 AM Viewed: 3/14/2024 9:11:01 AM Signed: 3/14/2024 9:11:13 AM

**Electronic Record and Signature Disclosure:** 

Accepted: 3/14/2024 9:11:00 AM

ID: 6dc036f3-056e-4699-ad10-16f0cb07d20d

**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
Ames Kessler akessler@kingcounty.gov	COPIED	Sent: 3/13/2024 8:53:35 AM Viewed: 3/13/2024 12:20:37 PM

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

King County

#### **Witness Events Signature Timestamp Notary Events Signature Timestamp Envelope Summary Events Status Timestamps Envelope Sent** Hashed/Encrypted 3/12/2024 5:55:33 PM Certified Delivered Security Checked 3/14/2024 9:11:01 AM Signing Complete Security Checked 3/14/2024 9:11:13 AM Completed Security Checked 3/14/2024 9:11:13 AM **Payment Events Status Timestamps Electronic Record and Signature Disclosure**

#### ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, King County-Department of 02 (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

## **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

#### Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

#### All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

## **How to contact King County-Department of 02:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: cipriano.dacanay@kingcounty.gov

## To advise King County-Department of 02 of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at cipriano.dacanay@kingcounty.gov and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

## To request paper copies from King County-Department of 02

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to cipriano.dacanay@kingcounty.gov and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

#### To withdraw your consent with King County-Department of 02

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to cipriano.dacanay@kingcounty.gov and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process.

## Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <a href="https://support.docusign.com/guides/signer-guide-signing-system-requirements">https://support.docusign.com/guides/signer-guide-signing-system-requirements</a>.

## Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify King County-Department of 02 as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by King County-Department of 02 during the course of your relationship with King County-Department of 02.