

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: D-4
DATE: May 14, 2009
SUBJECT: Boys and Girls Club – Lease Agreement
CONTACT PERSON: Deborah Knight, City Administrator

ISSUE:

The issue before the City Council is to review the draft lease agreement (Attachment A) with the Boys and Girls Club of Snohomish County and provide direction to staff.

STAFF RECOMMENDATION:

Review the proposed terms and conditions of the lease agreement between the City and the Boys and Girls Club for the properties located at 705 and 707 First Street (Attachment B).

Direct staff to work with a subcommittee of the City Council to finalize the terms and conditions of the lease. Or direct staff to make changes to the lease and return to Council for action at the May 28, 2009 Council meeting.

SUMMARY:

CDBG Block Grant Requires Long-term Lease

The Boys and Girls Club of Snohomish County leases two properties from the City: 705 First Street and 707 First Street (Attachment B).

The Boys and Girls Club and City of Sultan worked together to apply for a Community Development Block Grant to replace the roofs and make other structural improvements to the buildings they lease from the City. Under the existing lease, structural improvements are the landlord's (city's) responsibility.

In March 2009, the Boys and Girls Club was awarded a \$150,000 Community Development Block Grant. The Community Development Block Grant requires grant recipients to capitalize building improvements over a 15 year period. The lease agreement with the Boys and Girls Club must be renewed for a 15 year period to meet the grant requirements.

705 First Street

705 First Street houses the Boys and Girls Club youth activities. This building has a five-year lease which expires in 2011. The Boys and Girls Club are using the first floor for club activities. The first floor is approximately 2,730 square feet.

The club would like to expand to the second floor to add a computer lab and enhance the club's activities. The second floor has approximately 2,730 square feet. The club would have access to half the space (approximately 1365 square feet). The other half of the second floor is city hall office space for the public works department.

707 First Street

The building at 707 First Street is used for before and after school child care for students attending Sultan and Gold Bar Elementary School. This is a year-to-year lease. The Childcare program runs from 6:00 am to 9:00 am and 3:15 to 6:30 pm. The annual \$30 Boys & Girls Club Membership is required. Before and after school care is \$280/month; before or after school is \$140/month and the kindercare program is \$420/month.

DISCUSSION:

The draft lease provides for the following terms and conditions and is based upon the 1996 lease for the building at 705 First Street. For efficiency, city staff recommend combining the two properties into a single lease agreement:

1. **BUSINESS PURPOSE.** The premises are to be used primarily for the purpose of a community youth center for such other and further purposes as are consistent with use of the facility as a family-oriented recreational cultural center. Other uses may be permitted on a space available basis as determined by the Tenant and with prior approval by the Landlord.
2. **USE.** A description of Tenant's initial program and schedule to serve as a community youth center is included as an attachment to the lease agreement. Throughout the term of this lease Tenant shall generally offer programs and services as a community youth center consistent with the intended program.
3. **RENTAL FEE.** In consideration of and in exchange for a contribution of the recreational opportunities, programs, services, and maintenance and operation of the premises from the Tenant, the annual rental amount shall be \$2.00 (\$1 for each leased site) to be paid in advance for the entire initial term of this lease.

Policy Question: Does the City Council want to have the opportunity to review the rental fee given the length of the lease. If so, what should trigger the City as the landlord to review the rental fee?

4. **UTILITIES.** The Tenant shall pay for all utilities, including but not limited to water, sewer, garbage, recycling, power, heat, gas, telephone, and cable.
5. **CARE OF PREMISES.** Tenant is responsible for keeping the premises neat, clean and, in a sanitary condition and preserve the premises in good repair except for reasonable wear and tear and damage by fire or other unavoidable casualty.

All maintenance and operating costs are the responsibility of the Tenant, unless otherwise agreed to, in writing, by the City. This includes, but is not limited to, all HVAC systems and fixtures. The City will be responsible for replacement or major repairs to these systems unless said replacement or repairs are necessitated by Tenant neglect.

The City is responsible for maintaining the foundation, walls, and roof of the premises.

The Boys and Girls Club is responsible for maintaining the grounds and parking areas and keeping the area clean and free of debris.
6. **INSURANCE AND INDEMNIFICATION.** The Tenant is required to carry standard insurance including fire insurance and indemnify the City for damage or loss.
7. **ASSIGNMENT AND SUBLETTING.** This lease may not be assigned or sublet because the lease calls for Tenant to rent the premises at less than fair market value. The lease may be assigned to an assignee such as a bank for security for money loaned or advanced to the Tenant for construction on the premises or other business purposes of the Tenant. No such assignment for security purposes shall have priority over the interest of the Landlord.

FISCAL IMPACT:

The Boys and Girls Club will be spending approximately \$150,000 in hard costs to renovate the city's buildings. The Boys and Girls Club will have additional soft costs including project management and grant reporting.

Under the proposed 15 year lease agreement, the city will be "earning" approximately \$10,000 per year (\$150,000/15 years). The Boys and Girls Club is using approximately 3,930 square feet of space. At \$10,000 per year this equates to \$2.54 per square foot.

They are requesting an additional 1,365 square feet for a total of 5,295 square feet. At \$10,000 per year this equates to \$1.88 per square foot.

Retail space in Sultan is currently leasing between \$11.00 for prime US 2 frontage and \$8.00/square foot triple net for properties off US 2.

BACKGROUND:

The Sultan Boys and Girls Club is a very important part of the Sultan community. There is a long history of the club's commitment to children in Sultan and the Sky Valley. Leadership and members of the club provide hours of volunteer service to the City of Sultan and its residents. The City's commitment to the club is equally as important.

The Sultan Boys & Girls Club is a non-profit organization that prides itself on being "The Positive Place for Kids." The club offers programs to assist youth ages 6 to 18 years of age in developing self-esteem, values and skills. We focus on areas in character & leadership development, education & career development, health and life skills, the arts and sports, fitness & recreation.

The program has 5 core areas:

- Character and Leadership Development
- Educational and Career Development
- Health and Life Skills
- The Arts
- Sports, Fitness, and Recreation

The Boys & Girls Club uses the Youth Development Strategy to ensure enrichment in all of its activities. Enrichment is promoted by instilling:

- A sense of Belonging
- A sense of Usefulness
- A sense of Influence
- A sense of Competence

ALTERNATIVES:

This is a discussion item. The Council may give direction to staff regarding the lease details and direct staff to return with a lease agreement for Council approval.

The City Council may also appoint or delegate a subcommittee of the City Council to work with the Boys and Girls Club to negotiate the details of the lease and return to the City Council with a recommendation.

Since the Boys and Girls Club applied for the CDBG funds with Sultan's participation it is unlikely the City can deny the club's request to extend the lease consistent with the grant requirements.

RECOMMENDED ACTION:

Review the proposed terms and conditions of the lease agreement between the City and the Boys and Girls Club for the properties located at 705 and 707 First Street (Attachment B).

Direct staff to work with a subcommittee of the City Council to finalize the terms and conditions of the lease. Or direct staff to make changes to the lease and return to Council for action at the May 28, 2009 Council meeting.

ATTACHMENTS

- A – Sample lease agreement for discussion
 - B – Property descriptions 705 First Street and 707 First Street
-

COUNCIL ACTION:

DATE:

LEASE AGREEMENT
City of Sultan
and
Boys and Girls Clubs of Snohomish County

The parties hereto are the **CITY OF SULTAN** a municipal corporation of the State of Washington ("Landlord"), and **BOYS' AND GIRLS' CLUBS OF SNOHOMISH COUNTY**, a charitable corporation ("Tenant").

RECITALS

WHEREAS, the City of Sultan has buildings located at 705 First Street, Sultan, WA and 707 First Street, Sultan, WA currently leased to the Boys and Girls Clubs of Snohomish County, Inc; and

WHEREAS, the Tenant has received a \$150,000 grant from the Snohomish County Community Development Block program to replace the roof and make other structural improvements to the buildings located at 705 and 707 First Street; and

WHEREAS, the Community Development Block Grant requires the funded improvements to be capitalized over a period of 15 years; and

WHEREAS, the Tenant desires to renew their current lease with the Landlord, dated September 16, 1996 for a 15 year period with automatic renewals for one year periods thereafter to meet the grant requirements; and

WHEREAS, the Tenant is a charitable corporation whose corporate purpose is to foster and sponsor recreational, cultural, athletic and educational programs and activities for the use of the community's families and youth; and

NOW, THEREFORE, FOR AND IN CONSIDERATION OF the mutual covenants hereinafter contained, the parties agree as follows:

COVENANTS

8. **LEASE AND DESCRIPTION.** Upon the terms and conditions hereinafter set forth, the Landlord does hereby lease to Tenant and the Tenant does hereby lease from Landlord those certain premises situated in the City of Sultan, County of Snohomish, State of Washington, depicted on the map thereof filed with the Landlord's Clerk, and being described in **Attachment A**, hereinafter the above described property is called "premises."
9. **BUILDING CONSTRUCTION ON PREMISES** The premises are located at 705 First Street and 707 First Street. The Tenant shall not commence any construction on the premises without written consent of the Landlord.
10. **OCCUPANCY.** The Tenant shall not occupy or use any building hereafter erected on the

premises until a certificate of occupancy thereof shall have been issued by the Landlord's Building Official. Tenant may use all portions of the building and parking areas depicted on **Attachment A**.

11. BUSINESS PURPOSE. The premises are to be used primarily for the purpose of a community youth center for such other and further purposes as are consistent with use of the facility as a family-oriented recreational cultural center. Other uses may be permitted on a space available basis as determined by the Tenant and with prior approval by the Landlord.

12. USE. A description of Tenant's initial program and schedule to serve as a community youth center is set forth in **Attachment B**. Throughout the term of this lease Tenant shall generally offer programs and services as a community youth center consistent with the intended program.

a. The Tenant shall conduct and carry on only the business for which said premises are leased. The Tenant shall at all times keep and use the premises in accordance with the laws of the State of Washington and ordinances of the City of Sultan and in accordance with all directions, rules and regulations of the health officer, fire marshal, building official or other proper officer of any pertinent and authorized public authority, at the sole cost and expense of the Tenant.

b. The Tenant shall be responsible for other uses of the premises. The Tenant shall be responsible for ensuring that any use of the premises is consistent with the intended purposes and uses of the premises as stated herein and that such other users are approved by the Landlord and the users are properly insured. Tenant may charge a reasonable rent to another user to offset the costs of janitorial service and utilities for such use. Rents collected in excess by the Tenant of those necessary to offset janitorial and utility costs shall be forwarded to the Landlord.

c. The Tenant shall submit an annual report to the Landlord of the schedule of programming by the Tenant and of the schedule of other use.

d. Any future construction on the site is specifically excluded from this lease and the terms herein. The preparation of any lease arrangements and terms for any new construction of additions will be at the sole discretion of the Landlord.

e. Failure to provide adequate youth programming or any of the use requirements stated herein constitutes a default of this lease. In such an event, the Landlord will notify the Tenant, in writing, of such and the Tenant shall correct same within ninety (90) days of the date of the Notification. Failure to correct such conditions constitute grounds for termination of this lease.

13. TERM. The term of this lease shall be for fifteen (15) years commencing upon June 1, 2009 and ending at midnight on May 30, 2024 thereafter. The Tenant shall have the option of renewing this lease for one year periods thereafter; such renewal is conditional on the approval of the Landlord and based on the lessee's full adherence to the terms of this lease agreement. Tenants shall give Landlord not less than 60-day written notice of its intent to renew said lease agreement.

14. RENTAL FEE. In consideration of and in exchange for a contribution of the recreational

opportunities, programs, services, and maintenance and operation of the premises from the Tenant, the annual rental amount shall be \$2.00 (\$1 for each leased site) to be paid in advance for the entire initial term of this lease.

The Landlord may review the rental fee every five (5) years and determine to increase the rental fee if _____. The Landlord will notify the tenant by June 1 of a decision to increase the rental fee. Any rental fee increase will be effective the following January 1.

15. UTILITIES. The Tenant shall pay for all utilities, including but not limited to water, sewer, garbage, recycling, power, heat, gas, telephone, and cable.

16. ACCESS. The Tenant will allow the Landlord or the Landlord's agents free access at all reasonable times and upon at least twenty-four (24) hours notice to said premises during normal business hours for the purpose of inspection. Nothing herein shall be construed as in any way limiting the authority of the Landlord's Building Official under existing law.

17. CARE OF PREMISES.

- a. Tenant shall at all times keep the premises neat, clean and, in a sanitary condition and shall at all times preserve said premises in good repair except for reasonable wear and tear and damage by fire or other unavoidable casualty.
- b. All maintenance and operating costs shall be borne by the Tenant, unless otherwise agreed to, in writing, by the Landlord. This includes, but is not limited to, all HVAC systems and fixtures. The Landlord will be responsible for replacement or major repairs to these systems unless said replacement or repairs are necessitated by Tenant neglect.
- c. Tenant will commit or permit no waste, damage, or injury to the premises. This includes, but is not limited to: the replacement of any glass of all broken windows and doors of the building as may become cracked or broken; keeping all drainage pipes free and open and protecting water, heating and other pipes so that they will not freeze or become clogged; and, the repair of all leaks and all damages caused by leaks or by reason of the Tenant's failure to protect and keep free, open and unfrozen any of the pipes and plumbing on said premises. All such maintenance and repairs shall be at the sole expense of the Tenant.
- d. To the extent permitted by law, the Landlord may assist Tenant in soliciting donations and in kind services for purposes of this section.
- e. Landlord agrees that the expense of maintaining the foundation, walls, and roof of the premises will be the responsibility of Landlord.

18. MAINTENANCE OF GROUNDS. The Tenant shall maintain the grounds and parking areas. The Tenant shall make every effort to keep the grounds and parking areas clean and free of debris.

- 19. STORAGE OF MATERIALS, SUPPLIES, ETC.** The Tenant covenants to not store or deposit materials, supplies or other objects on the exterior of the leased premises without the permission of the Landlord. Failure of Tenant to fully carry out this agreement shall be a breach of covenant of this lease.
- 20. HAZARDOUS WASTES.** The Tenant shall not permit dangerous wastes, hazardous wastes, or extremely hazardous wastes as defined by RCW 70.105.010, *et seq.* to exist on the premises and shall, at Tenant's sole expense, undertake to comply with all rules, regulations and policies of the Washington State Department of Ecology and the United States Environmental Protection Agency. Tenant shall promptly notify the City Fire Department of the existence of dangerous wastes, hazardous wastes, or extremely hazardous wastes as required by state and federal regulations. Tenant shall comply with any provisions of the local Hazardous Waste Plan as now in existence or hereinafter enacted. Tenant shall comply with any requirements for hazardous waste disposal as may be imposed by RCW 70.105D.030 and the State Department of Ecology.
- 21. MOTOR VEHICLE PARKING ON PREMISES.** The Landlord shall provide parking on the leased premises, as shown on **Attachment A**, in accordance with an agreed-upon plan for parking facilities for all motor vehicles in connection with Tenant's business. The Tenant shall at all times see that all such vehicles park within the leased premises.
- 22. VACATING THE PREMISES.** Tenant agrees that at the expiration or sooner termination of this lease the Tenant will quit and surrender said premises without notice and in a neat and clean condition and will deliver to the Landlord all keys to all buildings on the premises. At the expiration or termination of this lease the Landlord will work in good faith with the Tenant to secure a location at which programs for youth can be provided.
- 23. INDEMNITY.** All personal property on said leased premises shall be at the risk of Tenant. Landlord shall not be liable for any damage, either to person or property, sustained by Tenant or others, caused by any defects now in said premises or hereafter occurring therein, or due to the condition of any buildings hereafter erected to any part or appurtenance thereof becoming out of repair, or caused by fire or by the bursting or leaking of water, gas, sewer, or steam pipes, or from any act or neglect of tenants or other occupants of said buildings, or any other persons, or due to the happening of any accident from any cause in or about said buildings. Tenant covenants to protect, save and indemnify Landlord, its elected and appointed officials and employees while acting within the scope of their duties as such, harmless from and against all claims, demands and causes of action of any kind or character, including the cost of defense thereof, arising in favor of Tenant's employees or third parties on account of personal injuries, death or damage to property arising out of the premises leased by Tenant or in any way resulting from the willful or negligent acts or omissions of the Tenant and/or its agents, employees or representatives. Landlord covenants to protect, save and indemnify Tenant, its elected and appointed officials and employees while acting within the scope of their duties as such, harmless from and against all claims, demands and causes of action of any kind or character, including the cost of defense thereof, arising in favor of Landlord's employees or third parties on account of personal injuries, death or damage to property arising out of Landlord's obligations under this lease or in any way resulting from the willful or negligent acts or omissions of the Landlord and/or its agents, employees or representatives.

24. LIABILITY INSURANCE. Tenant shall at all times carry and maintain liability insurance in a company or companies rated in the current edition of Best's General Ratings as at least A (Excellent), and Financial Size Category of not less than Class X, or in such other company or companies not so rated which may be acceptable to Landlord, insuring Tenant against all claims for damages for personal injury, including death, and against all claims for damage and destruction of property, which may arise by the acts or negligence of the Tenant, its agents, employees or servants, or by any means of transportation whatsoever including owned, non-owned and hired automobiles, to the extent of at least Two Million Dollars (\$2,000,000) combined single limit. Landlord shall be named in all such policies as an additional insured, and a duplicate true certified copy of the original of such insurance policy or policies shall be furnished to Landlord. Each such policy shall provide that the policy may not be cancelled without the company first giving Landlord at least thirty (30) days written notice.

25. FIRE INSURANCE. The Tenant shall, at all times, carry at its own expense fire insurance, extended coverage and vandalism and malicious mischief fire insurance on all buildings existing or hereafter constructed on the premises acceptable to the Landlord, which policy or policies shall name the Landlord as the insured, and to the extent of one hundred percent (100%) of value as mutually agreed upon by Tenant and Landlord. The original policy, a duplicate true certified copy, or such other evidence of insurance as the Landlord shall in writing have agreed to accept, shall be on deposit with the Landlord's Clerk at all times during the term hereof. Each such policy shall provide that the policy may not be cancelled without the company first giving the Landlord at least thirty (30) days prior written notice. No such policy shall contain a deductible clause greater than One Thousand Dollars (\$1,000) per claim. In the event of loss, the Tenant shall pay such deductible sum.

26. INSURANCE PROCEEDS IN EVENT OF LOSS.

- a. Total Destruction. If the premises are totally destroyed by fire, earthquake or other casualty during the term of this lease, and if the Tenant desires to rebuild, the proceeds of insurance shall be used for the purpose of rebuilding such building. The balance of funds shall be payable pro rata to the Landlord and Tenant based on the investment of the parties; the Tenant's portion subject further to being reduced proportionately to the remaining length of the lease. If either Landlord or Tenant elects to rebuild as above provided, such party shall prosecute the work of such rebuilding or repairing without delay. If both Landlord and Tenant fail to give notice of intention to build as aforesaid, within the times specified, both the Landlord and Tenant shall have the right to declare this lease terminated by written notice served upon the other party by mail as in this lease provided.
- b. Partial Destruction. In case of partial destruction, the proceeds shall be used for repairing the damage.
- c. Duties Regardless of Extent of Destruction. The Tenant shall give notice of loss immediately and of intention to rebuild within sixty (60) days of loss. Prior to termination of this lease whether by expiration of the term or by notice as in this paragraph, rent for the premises shall not abate as between the Landlord and Tenant in the event of loss or destruction of any buildings placed on the premises.

27. LIENS AND INSOLVENCY. Tenant shall keep the leased premises and the property in which

the leased premises are situated free from any liens arising out of any work performed, materials furnished or obligations incurred by Tenant, except for financing instruments obtained with the written consent of the Landlord. If the Tenant becomes insolvent, voluntarily or involuntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of the Tenant, the Landlord may cancel this lease at Landlord's option, provided at least ninety (90) days prior notice is given to Tenant.

28. **ASSIGNMENT AND SUBLETTING.** This lease may not be assigned or sublet because the lease calls for Tenant to rent the premises at less than fair market value. Notwithstanding the above, this lease may be assigned to an assignee such as a bank for security for money loaned or advanced to the Tenant for construction on the premises or other business purposes of the Tenant. No such assignment for security purposes shall have priority over the interest of the Landlord.
29. **NOTICE.** All notices and consents hereunder shall be given in writing, delivered in person or mailed by certified mail, postage prepaid, to the receiving party at its address below, or to such other address as the receiving party may notify the sender beforehand referring to this lease:

BOYS' AND GIRLS' CLUBS OF SNOHOMISH COUNTY

4322 Rucker
Everett, WA 98203

CITY OF SULTAN

319 Main Street, Suite 200
P.O. Box 1199
Sultan, WA 98294

30. **GOVERNMENTAL FEES.** Except for those which may be approved by Resolution of the City Council of the City of Sultan, all fees due under applicable law to the City, County or State on account of any inspection made on leased premises by any officer thereof shall be paid by Tenant.
31. **SIGNS.** All signs and symbols placed in the windows or doors or elsewhere about the premises, or upon the exterior part of the building, shall be subject to the approval of the Landlord or Landlord's agents. Landlord agrees to allow the Tenant logo on the exterior of the building to meet standards of Boys and Girls Clubs of America. In the event Tenant shall place signs or symbols on the exterior of said building or in the windows or doors or elsewhere where they are visible from the street that are not satisfactory to the Landlord or Landlord's agents, the Landlord or Landlord's agents may immediately demand the removal of such signs or symbols, and the refusal of the Tenant to comply with such demand within a period of twenty-four (24) hours will constitute a breach of this lease, and entitle the Landlord to immediately recover possession of said premises in the manner provided by law. Any signs so placed on the premises shall be so placed upon the understanding and agreement that Tenant will remove same at the termination of the tenancy herein created and repair any damage or injury to the premises caused thereby, and if not so removed by Tenant, then Landlord may have the same removed at Tenant's expense. Tenant shall in respect to signs conform to all requests of the City of Sultan Sign Code and Building Code, and pay applicable fees.

32. **ALTERATIONS.** The Tenant shall not make any material alterations, additions or

improvements to the leased premises without written consent of the Landlord, and all alterations, additions and improvements which shall be made, shall be at the sole cost and expense of the Tenant, and shall become the property of the Landlord, except those not attached to the building and shall remain in and be surrendered with the premises as part thereof at the termination of this lease, without disturbance, molestation or injury. The term "material alterations additions or improvements" shall include but not be limited to any structural modification of the building or its components. If the Tenant shall perform work with the consent of the Landlord, as aforesaid, Tenant agrees to comply with all laws ordinances, rules and regulations of the pertinent and authorized public authorities. The Tenant further agrees to save the Landlord free and harmless from damage, loss or expense arising out of said work. Heating systems, plumbing systems (including hot water tanks) and all lighting and electrical systems and parts thereof shall be considered fixtures, and become part of the real estate upon being installed in any building.

- 33. DEFAULT AND RE-ENTRY.** If any rents above reserved, or any part thereof, shall be and remain unpaid when the same shall become due, or if the Tenant shall violate or default in any of the covenants and agreements therein contained, then the Landlord may cancel this lease upon giving the written notice required by law, and re-enter said premises, but notwithstanding such re-entry by the landlord, the liability of the Tenant for the rent provided for herein shall not be extinguished for the balance of the term of this lease, and the Tenant covenants and agrees to make good to the Landlord any deficiency arising from a re-entry and re-letting of the premises at a lesser rental than herein agreed to.

The Tenant shall pay such deficiency each month as the amount thereof is ascertained by the Landlord, together with leasehold tax. Notwithstanding anything contained herein to the contrary, Landlord shall provide Tenant with written notice of default and shall allow the Tenant a sixty (60) day period to cure (or, in case of impracticability, commence to cure) such default.

- 34. COSTS AND ATTORNEY'S FEES.** If by reason of any default on the part of either party, litigation is commenced to enforce any provision of this lease or to recover for breach of any provision of this lease, the prevailing party shall be entitled to recover from the other party reasonable attorney's fees in such amount as is fixed by the court, and all costs and expenses incurred by reason of the breach or default by the other under this lease.

- 35. NON-WAIVER OF BREACH.** The failure of either party to insist upon strict performance of any of the covenants and agreements of this lease, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any such strict performance or of the exercise of such option or any other covenants or agreements but the same shall be and remain in full force and effect.

- 36. REMOVAL OF PROPERTY.** In the event of default and failure to cure, or taking possession of the leased premises as aforesaid, the Landlord shall have the right, but not the obligation, to remove from the leased premises all personal property located therein or thereon, and may store the same in any place selected by Landlord, including but not limited to a public warehouse, at the expense and risk of the owners thereof, with the right to sell such stored property with notice to the Tenant, after it has been stored for a period of at least sixty (60) days, the proceeds of such sale to be applied first to the cost of such sale, second to the payment of the charges for storage, if any, and third to the payment of any other sums of money which may then be due from Tenant to

Landlord under any of the terms hereof, and the balance, if any, to be paid to Tenant.

37. HEIRS AND SUCCESSORS. Subject to the provisions hereof pertaining to assignment and subletting, the covenants and agreements of this lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, legal representatives, successors and assigns of any of all of the parties hereto.

38. HOLD OVER. If the Tenant shall, with the written consent of Landlord, hold over after the expiration of the term of this lease, such tenancy shall be determined as provided by the laws of the State of Washington. During such tenancy Tenant agrees to pay Landlord the same rate of rental as set forth herein, unless a different rate is agreed upon, and to be bound by all of the terms, covenants and conditions as herein specified, so far as applicable.

39. VENUE. The venue of any suit which may be brought by either party under the terms of this lease or growing out of the tenancy under this lease shall at the option of the Landlord be in court or courts in Snohomish County, Washington.

IN WITNESS WHEREOF, the parties hereto have executed this lease on the _____ day of _____, 2009.

CITY OF SULTAN, LANDLORD

**BOYS AND GIRLS CLUBS OF
SNOHOMISH COUNTY, TENANT**

By _____
Carolyn Eslick, Mayor

By _____
Bill Tsoukalas,
Executive Director

Attest:

By _____
Laura Koenig, City Clerk

Approved as to form:

Approved as to form:

By _____
Margaret King, City Attorney

By _____
Mark Olson, Attorney for the
BOYS' AND GIRLS' CLUBS

STATE OF WASHINGTON)

ss.

COUNTY OF SNOHOMISH)

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

DATED this ____ day of _____, 2004.

[Legibly print name of notary]
NOTARY PUBLIC in and for the State
of Washington, residing at _____
My commission expires _____

STATE OF WASHINGTON)

ss.

COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that **BILL TSOUKALAS** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath acknowledged that he was authorized to execute the instrument, and acknowledged it as the **EXECUTIVE DIRECTOR** of **THE BOYS' AND GIRLS' CLUBS OF SNOHOMISH COUNTY** to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this ____ day of _____, 2004.

[Legibly print name of notary]
NOTARY PUBLIC in and for the State
of Washington, residing at _____
My commission expires _____

Structure Information

[Close Window](#)

General Description

Parcel Number **28083100402400** (C04)

Structure Class **Commercial**

Structure Use **Clubhouse**

Structure Type

Year Built **1920**

Features

Roof Cover **BuiltUp**

Units **0**

Floor Area

Floor **1**

Floor **2**

Garage(s) & Carport(s)

Carport SF **1500**



[Close Window](#)

Snohomish County

Online Government Information & Services

Washington

Structure Information

[Close Window](#)



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General Description

Parcel Number **28083100402400** (C05)

Structure Class **Commercial**

Structure Use **Government Building**

Structure Type

Year Built **1920**

Features

Roof Cover **BuiltUp**

Units **0**

Floor Area

Floor **1** Base SF **1,200** Sprinkler SF **1,200** Heated SF **1,200** Air Cond SF **0**

Garage(s) & Carport(s)

None