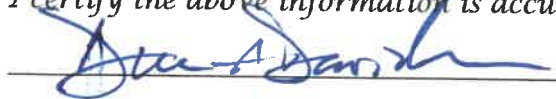


Agenda Summary Report (ASR)

Franklin County Board of Commissioners

DATE SUBMITTED: 1/20/2023	PREPARED BY: Jennifer Medelez
Meeting Date Requested: 1/31/2023	PRESENTED BY: Duane A. Davidson
ITEM: (Select One) <input checked="" type="checkbox"/> Consent Agenda <input type="checkbox"/> Brought Before the Board Time needed:	
SUBJECT: Lease agreement between Franklin County and the Columbia Basin Veterans Center, (CBVC), to commence January 01, 2023 through December 31, 2025 with the option to renew.	
FISCAL IMPACT: \$1/ month for non-profit entity	
BACKGROUND: Franklin County is the owner of building and property located at 1020 S. 7 th Ave, Pasco, WA. CBVC provides contracted veteran's services through the Department of Human Services and has leased the facility to provide those services since March 03, 2020.	
RECOMMENDATION: Approval of resolution to review the lease.	
COORDINATION: Duane A. Davidson, Interim County Administrator Jen Johnson, Prosecuting Attorney's office Matthew Sammons, CBVC Executive Director	
ATTACHMENTS: (Documents you are submitting to the Board) ASR/Resolution/Lease Agreement	
HANDLING / ROUTING: (Once document is fully executed it will be imported into Document Manager. Please list <u>name(s)</u> of parties that will need a pdf) Jennifer Medelez/Administrator's Office Matthew Sammons, CBVC Executive Director	

I certify the above information is accurate and complete.



Duane A. Davidson, Interim Administrator

FRANKLIN COUNTY RESOLUTION _____

**BEFORE THE BOARD OF COMMISSIONERS
FRANKLIN COUNTY, WASHINGTON**

***LEASE AGREEMENT RENEWAL BETWEEN COLUMBIA BASIN VETERANS CENTER AND
FRANKLIN COUNTY***

WHEREAS, Franklin County is the owner of certain real property described in Exhibit A commonly known as 1020 S. 7th Ave, Pasco, WA, 99301;

WHEREAS, Columbia Basin Veterans Center desires to renew of the lease the property from the County to continue to provide veterans services; and

WHEREAS, Franklin County recognizes the need to provide essential services to veterans of the U.S. military; and

WHEREAS, pursuant to RCW 36.01.010 and RCW 36.32.120, the legislative authority of Franklin County is authorized to enter into contracts on behalf of the County and ensure the care of County property and management of County funds and business; and

NOW, THEREFORE, BE IT RESOLVED, that the Franklin County Commissioners constitute the legislative authority of Franklin County and desire to enter into the attached agreement as being in the best interest of Franklin County; and

BE IT FURTHER RESOLVED, that the Chairman is authorized to sign the attached lease agreement; and

BE IT FURTHER RESOLVED, the term of the attached agreement commences January 01, 2023 through December 31, 2025.

APPROVED this 31st day of January 2023.

**BOARD OF COUNTY COMMISSIONERS
FRANKLIN COUNTY, WASHINGTON**

Chair

Chair Pro Tem

Member

ATTEST:

Clerk to the Board

LEASE AGREEMENT

This Lease Agreement is made and entered into by and between Franklin County (Lessor), a political subdivision, with its principal offices at 1016 N 4th Ave. Pasco WA 99301 and CBVC dba Columbia Basin Veterans Center (Lessee), a 501(c)(3) nonprofit organization, with its principal offices at 1600 N. 20th Avenue, Pasco, WA 99301.

I. RECITALS

- A. Franklin County is the owner of certain real property described in Exhibit A commonly known as 1020 S. 7th, Pasco, WA (Leased Property).
- B. Franklin County holds both the fee title and the possessory interest in the Leased Property.
- C. The Lessee desires to lease the Leased Property from the County to provide services to veterans of the United States Military.
- D. The County is currently not in need of the Leased Property for any other purposes and is authorized to enter into this Agreement pursuant to Article VIII of the Washington State Constitution.
- E. The County is willing to allow the Lessee to use its Leased Property for veterans services under the following terms and conditions.

II. AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and benefits herein, the parties agree as follows:

- 1. **Property Leased.** The County hereby leases to the Lessee under the terms and conditions set forth herein the building and improvements located at 1020 S. 7th, Pasco, WA 99301 together with parking located at same address, (and legally described as attached hereto as Exhibit A (herein the "Leased Property"))).
- 2. **Use of Property.** The Leased Property shall be used solely for the purposes of serving active and inactive veterans from the United States Military forces.
- 3. **Term.** The term of this Agreement shall commence January 01, 2023 through December 31, 2025. It is further agreed that the Lessee shall have the option to renew the lease for up to five (5) additional two (2) year terms under the same conditions and have the Right of First Refusal as to the sale of the Leased Property to a Third Party **provided, however**, the County may earlier terminate this Agreement as provided in Section 12 below. This agreement shall automatically renew at the end of the previous term for a maximum of five (5) renew terms, unless the agreement is terminated pursuant to Section 12.
- 4. **Rent.** In addition to providing the services referenced in Section 2 throughout the term of this Lease, in consideration of this lease, Lessee shall pay to Franklin County the sum of One Dollar (\$ 1.00) per month as and for rental during the term of this lease payable in one lump sum upon execution of this Agreement. Payment shall be made and addressed to Franklin County Administration, 1016 N. 4th Ave, Pasco, WA, 99301.

5. Improvements to the Leased Property.

5.1. The Lessee shall have the right to make improvements to the Leased Property in the nature of regular maintenance and upkeep of said property. The Lessee may also make other improvements to the Leased Property only upon obtaining the advance written consent of the Franklin County Administrator.

5.2. The Lessee shall comply with all local, state, and federal applicable laws, ordinances, regulations and requirements for the construction of any capital improvements on the Leased Property.

5.3. During the term of this Agreement, title to all facilities, improvements, alterations, and appurtenant fixtures affixed to and constructed by the Lessee on the Leased Property, shall be deemed to be part of the Leased Property and shall vest in the County. Upon expiration of this Agreement or the earlier termination of this Agreement as provided under Section 12 below, all personal property of the Lessee shall be removed by the Lessee at the termination of this Agreement, but upon such removal, the Lessee shall leave the Leased Property in the same condition as when they moved in with the exception of normal wear and tear. The County shall have the option, to be exercised on expiration of termination of the lease, to require the Lessee, at the Lessee's expense, to remove all such improvements, alterations or appurtenances.

6. Maintenance and Repair. The Lessee shall provide all ordinary maintenance and repair including routine custodial maintenance of all improvements, landscaping, fixtures, and equipment on the Leased Property such that the site is maintained in a clean, sanitary, good, and safe condition. The Lessee shall not commit or cause or suffer to be committed any waste on the Leased Property. The Lessee shall be solely responsible for any repair caused by Lessee's use of the Leased Property and for any charges resulting from police, fire, or other emergency response activities on the Leased Property due to the Lessee's use.

If, after twenty (20) days' notice from the County, Lessee fails to maintain or repair any part of the Leased Property or any improvement, landscaping, fixture or equipment thereon, County may, but shall not be obligated to, enter upon the Leased Property and perform such maintenance or repair, and Lessee agrees to pay the costs thereof to County upon receipt of written demand.

In addition, the County agrees to maintain and/or repair the capital components of the property such as the HVAC system, the roofing, electrical, and any major plumbing issues not related to Lessee's tenancy but as it would relate to the buildings and or parking lot, along with any other component that is deemed to be a capital expense of the property.

7. Utilities. The Lessee shall timely pay any charges for water, sewer, electricity, heat, local phone, internet access, and all other public utilities.

8. Compliance with Applicable Laws, Regulations, and Rules. The Lessee shall not knowingly commit or willfully permit to be committed on the Leased Property any act or thing contrary to the laws, rules, or regulations of any federal, state, or local governmental authority, including rules, regulations, and policies adopted by the County. The Lessee specifically agrees to comply and pay all costs associated with achieving such compliance.

9. Surrender at End of Term. The Lessee shall surrender the Leased Property at the expiration of the term or extension thereof, in the same condition, and repair as when first occupied by Lessee, reasonable wear and tear excepted.

10. No Representations. Neither the County nor its agents has made any representations whatsoever with respect to the condition or suitability of use of the Leased Property or any improvements thereto and no rights, easements, or licenses are acquired by the Lessee by implication unless expressly set forth in the provisions of this Agreement. The use of the Leased Property by the Lessee shall be conclusive evidence that the Lessee has inspected and knows the condition of the Leased Property and accepts the Leased Property "AS IS," "IN ITS PRESENT CONDITION," and "WITHOUT ANY WARRANTIES WHATSOEVER."

Furthermore, the County shall not be liable to the Lessee for claims or damages arising from any defect in the construction of or the present condition of the Leased Property, whether known or unknown, or for damage by storm, rain, or leakage, or any other occurrence.

11. Assignment and Subletting. The Lessee may not assign or sublet this Agreement without the prior written consent of the County. Assigning or subleasing without written consent of the county is grounds for termination of the agreement as described under Section 16.

12. Termination.

12.1. Termination by the County.

12.1.1 The County may terminate this Agreement at any time for any reason with or without cause by giving a six (6) months advance written notice to the Lessee, or as provided for in Section 16.

12.2. Termination of the Lessee.

12.2.1 In the event the Leased Property is structurally unsound, destroyed, or damaged by fire, earthquake, act of God, or other casualty to such an extent that the Lessee cannot use the Leased Property in a safe manner for its purposes, it shall be optional with the Lessee to terminate this Agreement by giving written notice to the County. The County is under no obligation to repair or replace Leased Property damaged or destroyed by any casualty or occurrence.

12.2.2 The Lessee may terminate this Agreement at any time for any reason with or without cause by giving a three (3) months advance written notice.

13. Insurance.

At all times during the term of this Agreement or any extension thereto, the Lessee shall maintain in full force, and affect the following insurance policies:

13.1. The Lessee will maintain commercial general liability insurance with a minimum coverage of one million dollars (\$1,000,000) payable to any one person for personal injury or death arising out of per occurrence. The general aggregate limit will apply separately to the Lease and be less than two million dollars (\$2,000,000) from use of the Leased Property or the Lessee's performance of its obligations under this Agreement. The general liability policy shall name Franklin County, and each of their respective officers, officials, employees, and agents as additional named insured with respect to liability arising out of the Lessee's use of the Leased Property and shall not exclude any reasonably anticipated peril related to the Lessee's use of the Leased Property such as criminal activity, alcohol/drug use, or assault and battery.

13.2. The Lessee will maintain Leased Property, fire and extended coverage insurance with rent interruption endorsement in an amount equal to the replacement value of all improvements, structures, and buildings located on the Leased Property. The policy shall include Franklin County as an insured for its interest in the Leased Property.

13.3. The Lessee will maintain workers compensation insurance as required by Title 51, Revised Code of Washington

13.4. Insurance coverage shall not be suspended, voided cancelled, or reduced in limits until after forty-five (45) days prior notice is provided to the County. All insurance coverage shall be primary and noncontributory to any insurance carried by the County.

13.5. All insurance required to be maintained by the Lessee under this Agreement shall be placed with insurers authorized to transact business in the State of Washington and with Best's rating of no less than A-: VII. On the effective date of this Agreement, and thereafter not less than fifteen (15) days prior to the expiration dates of the existing policies furnished pursuant to this paragraph, certificates evidencing the required insurance shall be delivered by the Lessee to the County Risk Manager. Within fifteen (15) days after the premium on each such policy shall become due and payable, evidence shall be supplied to the County of such payment. The County reserves the right to require complete certified copies of all required insurance policies at any time.

14. Indemnification/Hold Harmless.

14.1. The Lessee shall indemnify, defend, and hold harmless the County, its employees, officials and agents against any and all claims, demands and lawsuits, and shall pay all costs and attorney's fees incurred in the defense thereof, for any injury to persons or property damage, including claims of the Lessee's employees, agents and invitees allegedly resulting from any act, incident, or accident arising from or relating to the Lessee's use of the Leased Property. The Lessee shall not, by this provision, be required to indemnify, defend or hold harmless the County for any loss or damage, or cost incurred in defense, which arises out of the sole negligence of the County. The Lessee's obligation to indemnify the County shall not be relieved by its obligation to provide insurance coverage set forth under Section 13 above.

14.2. Lessee agrees to waive immunity under the industrial insurance provisions of Title 51 R.C.W., but only to the extent necessary to indemnify County, and Lessee agrees that this waiver has been mutually negotiated by the parties..

15. Inspection. The County shall have the right of inspection of the Leased Property from time to time with reasonable notice to Lessee.

16. Default. The following events are deemed events of default by the Lessee under this Agreement:

16.1 If the Lessee shall be in default of the performance of any obligations of this Agreement, and if such default is not cured within twenty (20) days after written notice thereof is given by the County; or if such default should be of such a nature that it cannot be cured completely within such twenty (20) day period, if the Lessee shall not have promptly commenced within such twenty (20) day period or shall not thereafter proceed with reasonable diligence and in good faith to remedy such default;

16.2. If the Lessee shall be adjudged a bankruptcy, make a general assignment for the benefit of creditors, or take the benefit of any insolvency act, or if a receiver or trustee in bankruptcy shall be appointed for the Lessee and such appointment is not vacated within thirty (30) days;

16.3. If this Agreement shall be assigned or Leased Property sublet other than in accordance with the terms of this Agreement and such default is not cured with twenty (20) days after written notice to the Lessee.

16.4. If any of the above events of default are not cured within the period stated above, then the County may immediately or at any time thereafter and without further notice or demand enter onto and upon the Leased Property or any part thereof and take absolute possession of the same, fully and absolutely without such reentry working a forfeiture of the covenant or covenants to be performed by the Lessee for the full term of this Agreement.

16.5. The statement of specific remedies as set forth above is not exclusive, and the County shall, at its option, have available any and all other remedies for default available to it under the laws of the State of Washington.

17. Quiet Enjoyment. The County warrants title and quiet enjoyment of the Leased Property.

18. Hazardous waste.

18.1. The Lessee will not cause nor permit any activities on the Leased Property, which directly or indirectly could result in the Leased Property becoming contaminated with hazardous or toxic waste or substances. For purposes of this Agreement, the term hazardous or toxic waste or substances means any substance or material defined or designated as hazardous or toxic wastes, hazardous or toxic material, a hazardous, toxic, or radioactive substance or other similar term by any applicable federal, state, or local statute, regulation or ordinance now or hereafter in effect.

18.2. The Lessee will indemnify and hold the County harmless from and against any and all claims, demands, damages, costs, expenses, losses, liens, liabilities, penalties, fines and lawsuits and other proceedings, (including attorney's fees) arising directly or indirectly from or out of, or in any way connected with any activities on the Leased Property during the Lessee's possession, control or use of the Leased Property which directly or indirectly result in the Leased Property or any other property becoming contaminated with hazardous or toxic waste or substances. The Lessee acknowledges that it will be solely responsible for all costs and expenses relating to the cleanup of hazardous or toxic waste or substances from the Leased Property or from any other properties which become contaminated with hazardous or toxic waste or substances as a result of any contamination of or activities by the Lessee on the Leased Property.

19. Notice. Except as provided under Section 8 above, any notice required to be given by either party to the other pursuant to the provisions of this Agreement or any law, present or future, shall be in writing and shall be deemed to have been duly given or sent if either delivered personally or deposited in the United States mail, postage paid, registered or certified, return receipt requested, addressed as follows or to such other address as either party may designate to the other in writing from time to time:

Lessee: CBVC dba Columbia Basin Veterans Center
PO Box 2606
Pasco, WA 99302

County: Franklin County
ATTN: County Administrator
1016 N. 4th Ave.
Pasco, WA 99301

20. Liens. The Lessee shall keep the Leased Property free from any liens arising out of any work performed, materials furnished, or obligations incurred by the Lessee.

21. Other Documents. Each party undertakes to execute such additional or other documents as may be required to fully implement the intent of this Agreement.

22. Non-waiver of Breach. The failure of either party to insist upon strict performance of any of the covenants and agreements of this Agreement or to exercise any option herein contained in any one or more instances shall not be construed to be a waiver or relinquishment of any such, or any other, covenant or agreements; but the same shall be and remain in full force and effect.

23. Successors. The terms, covenants, and conditions herein contained shall accrue to the benefit of successors and assigns of the parties hereto.

24. Governing Law. This Agreement is made pursuant to and shall be construed in accordance with the laws of the State of Washington.

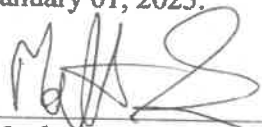
25. Complete Agreement. This Agreement fully integrates the understanding of the parties. It supersedes and cancels all prior negotiations, correspondence, and communication between the parties with respect to the Leased Property. No oral modification of or amendment to this Agreement shall be effective; however, this Agreement may be modified or amended by written agreement signed by all the parties to the Agreement.

26. Section Headings, Gender, and Number. Section headings are not to be construed as binding provisions of this Agreement; they are for the convenience of the parties only. The masculine, feminine, singular, and plural of any word or words shall be deemed to include and refer to the gender appropriate in the context.

27. Time of Essence. Time is of the essence of this Agreement and of every provision hereof.

28. Construction. Nothing contained herein shall create the relationship of principal and agent, of partnership, or of joint venture between the parties hereto. No third party beneficiaries are intended to be created through this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective January 01, 2023.

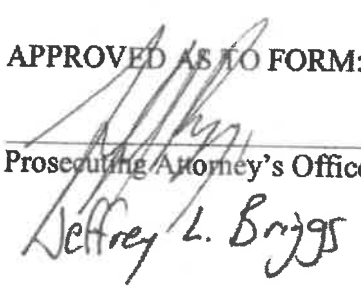

Matthew Sammons
Executive Director

1-20-23
Date

Chair
Board of Commissioners

Date

APPROVED AS TO FORM:


Prosecuting Attorney's Office

ATTEST:

Clerk of the Board

EXHIBIT A

LEGAL DESCRIPTION

Lots 4, 5 and 6, Block 12, with 10' of South 7th Street of Gantebein's Subdivision, in Franklin County, Washington.